

THE FRIENDS OF THE NATIONAL RAILWAY MUSEUM

England & Wales · Charity number 273829

Details

Other names	RAILWAY FRIENDS
Status	Registered
Legal form	Trust
Registered	1977-07-07
Register	View on the Charity Commission register

Contact

Address	National Railway Museum Leeman Road York YO26 4XJ
Phone	01904636874
Email	nrm.friends@sciencemuseum.org.uk
Website	www.nrmfriends.org.uk

Activities

Objects: ENCOURAGEMENT, FOSTERING, ASSISTANCE AND PROMOTION IN ANY MANNER OF THE WORK AND ACTIVITIES OF THE NATIONAL RAILWAY MUSEUM INCLUDING WORK AND ACTIVITY CARRIED OUT JOINTLY OR IN CO-OPERATION WITH THE SCIENCE MUSEUM OR ANY OTHER MUSEUM, ART GALLERY, PERSERVATION SOCIETY OR SIMILAR ORGANISATION.

Activities: Publish & distribute quarterly magazine. Arrange evening lectures. Introduce volunteers to the NRM. Publish books on railway topics. Promote the NRM's activities.

Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£162,852	£325,707	-	-
2023-12-31	£326,758	£503,836	-	-
2022-12-31	£57,632	£333,351	-	-
2021-12-31	£376,484	£172,142	-	-
2020-12-31	£162,093	£172,525	-	-

Trustees

Name	Role	Appointed
PHILIP MARTIN BENHAM	Chair	
Andrew McLean		2017-08-17
DAVID THOMAS		2013-10-09
Dr MELVYN STUART DRAPER CBE		2013-08-19
Graham Douglas Naismith Miller OBE		2019-06-08
Helen Margaret Ashby		2017-06-07
Hugh Fenwick		2018-09-08
Katherine Rolland		2025-06-14
Michael John Hastings		2022-09-01
Michael Rigg		2023-01-01
Phil Graham		2015-06-06
RUSSELL STEPHEN ROLLINGS		2013-08-19
Ross Keith Beetlestone		2025-06-14
Samuel Blacktop		2024-06-15

THE FRIENDS OF THE NATIONAL RAILWAY MUSEUM

England & Wales - Charity number 273829

Accounts

FINAL COPY



Friends of
the National
Railway Museum

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements Year ended 31 December 2024

Registered Charity Number: 273829

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2024

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FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2024

TRUSTEES' REPORT

The Trustees present their annual report with the financial statements of the Charity for the year ended 31st December 2024.

LEGAL STATUS

The Friends of the National Railway Museum was formed by a Trust Deed dated 16 May 1977. It is governed by a supplemental deed dated 21 June 2002 and is Registered Charity Number 273829.

REGISTERED OFFICE and PRINCIPAL PLACE OF OPERATIONS

The Registered Office of the Charity is at:

The National Railway Museum, Leeman Road, York, YO26 4XJ

website : www.nrmfriends.org.uk

PROFESSIONAL ADVISORS

Bankers:	National Westminster Bank Plc 1 Market Street York, YO1 1YH	HSBC 13 Parliament Street York, YO1 8XS
Solicitors:	Grays Solicitors Duncombe Place York, YO1 7DY	
Independent Examiner:	Robert J Woolley FCCA, CTA Chartered Certified Accountant Crown House York Road Shiptonthorpe York YO43 3PF 01430 873666	

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements Year ended 31 December 2024 (Continued)

TRUSTEES

The Management of the Friends of the National Railway Museum is delegated to the Council; the Council comprises the Trustees and non-voting, co-opted Advisors. The Trustees are appointed in accordance with the Constitution and Rules. Two Trustees are appointed by the Director of The Science Museum Group; twelve are elected from the Membership at the Annual General Meeting and the Hon. Secretary, Hon. Treasurer and Hon. Legal Advisor are appointed by the Council as ex-Officis members of the Council.

THE COUNCIL

The following were the Officers and members of the Council (Trustees) of the Friends of the National Railway Museum during 2024 :-

Chairman: P M Benham

Hon Secretary: G D N Miller OBE

Hon Treasurer: M Grant

Hon Legal Advisor: F A Lawton (Retired June 2024)

Council Members: Mrs H M Ashby OBE
R Beetlestone (elected June 2024)
S Blacktop (elected June 2024)
Dr M S Draper CBE
T H Fenwick
P Graham MBE
M Hastings
A McLean*
Mrs J K McNicol * (resigned December 2024)
J C H Nettleton
M Rigg
R S Rollings
J D Thomas BEM

*Appointed by the Science Museum Group

Year ended 31 December 2024 (continued)

The following were members as at the date of the Trustees report being signed.

P M Benham MBE	M Hastings
R S Rollings	A McLean*
Mrs H M Ashby OBE	G D N Miller OBE
S Blacktop	J C H Nettleton
R Beetlestone	M Rigg
Dr M S Draper CBE	Mrs K Rolland*
T H Fenwick	J D Thomas BEM
P Graham MBE	

*Appointed by the Science Museum Group

OBJECTIVES, ORGANISATION AND ACTIVITIES DURING THE YEAR

The Friends of the National Railway Museum (FNRM) was formed in 1977 to encourage the work and activities of The National Railway Museum at York, by amongst other things:

- (a) assisting in the acquisition and/or renovation of any objects relating to the evolution and development of rail transport for presentation or loan to the Museum or other such institution ;
- (b) publicising the activities of the Museum among the members, extending invitations to openings and private viewings and arranging visits to other transport collections and other functions;
- (c) encouraging the study of transport history.

As mentioned above, the responsibility for the formulation of policies to attain these aims rests with the Council. The Council is also responsible for the financial position of the Friends of the National Railway Museum, including the securing of membership and other financial support.

Responsibility for the day-to-day implementation of the Council's policies is delegated to an Executive Committee.

During the year the charity undertook its stated objectives by providing financial support to the National Railway Museum (NRM) in the form of a further committed contribution to the NRM's re-development programme entitled "Museum Masterplan". "New Hall" at Locomotion, Shildon (£400,000) which opened in May 2024 was supported by a donation in 2023 from the FNRM, and in December 2024 a further donation of £250,000 was made to the NRM's "Futures Fund".

FRIENDS OF THE NATIONAL RAILWAY MUSEUM Annual Report and Financial Statements Year ended 31 December 2024 (continued)

FOCUS ON CHARITABLE PURPOSE and PUBLIC BENEFIT

In complying with its Objectives and carrying out the above activities, the board of Trustees recognises that, as a Charity, realisation of public benefit must be at the centre of its decision-making processes. Public material emphasises that the FNRM is focussed on railway conservation and education, is operated by a Board made up wholly of Volunteers, and where all income and trading surpluses are re-invested in the Charity. The Trustees acknowledge that their strategic priorities should be inclusive of the overarching aim of delivering public benefit. The charity is a public benefit charity.

The Trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity. They believe through their operation of the charity, that the public benefit from its core activities, which is the financial and non-financial support of the National Railway Museum (a free-to-enter historical and educational tour of railways combined with associated artefacts and literature), is met. The National Railway Museum is a part of the Science Museum Group.

MANAGEMENT OF ETHICAL AND COMPLIANT FUNDRAISING

The Charity depends on funds raised from members and from the public to ensure the continued viability of the Charity. The FNRM strives to comply fully with the Charity Commission's guidance, CC 20, on the duty of Trustees to have oversight of fundraising practices. The FNRM endeavours to fully comply with the Code of Fundraising Practice.

The FNRM does not use professional fundraisers, nor commercial participators, other than fundraising support by our own controlled subsidiary company. It does not receive any commissions, and covenants its permitted annual surpluses to the Charity. The fundraising spend is small, comprising almost entirely the cost of web-site maintenance. Fundraising is managed and collated by staff and volunteers of the Charity. The FNRM does not share personal data with other organisations for any purpose, nor does it fundraise by telephone.

Subscription renewals and periodic specific appeals are directed to members of the Charity by mail, via invitations on the FNRM's website and by members opting into e-mail communication. In accordance with applicable regulations, members of the public can, by simple notification, opt out of receiving any fundraising material. This enables the charity to respond promptly to any notifications received pursuant to the Fundraising Preference Service.

The FNRM's onsite fundraising is confined to cash collection boxes located within the National Railway Museum, which do not invoke pressure to donate. The charity also raises funds through the postal sale of second-hand books held in our store at the National Railway Museum, as well as periodic sales within the NRM itself. These books have been donated to the Charity through legacies from members or donations from other members of the public

FRIENDS OF THE NATIONAL RAILWAY MUSEUM Annual Report and Financial Statements Year ended 31 December 2024 (continued)

Externally the charity also raises funds through the sale of merchandise at model railway exhibitions, and on Charter Trains (particularly those hauled by “Flying Scotsman”) where the logistics and staffing are managed by FNRM Enterprises and its volunteers.

All funds raised are used exclusively for the furtherance of the Charity and, where given for a restricted purpose, only for that purpose.

INVESTMENT STRATEGY

Funds that the Charity temporarily hosts from whatever source, and which are not deemed to be immediately required by the National Railway Museum to assist with projects which otherwise might not be undertaken, are invested with a trusted source, CCLA Investment Management Limited, with the (hoped for) intention of providing a supplemental source of future financial support to the NRM. In recent years such investment decisions have provided a positive response to that objective.

The Financial Statements reflect realised and unrealised valuation movements at mid-market price at the yearend date.

THE CONTRIBUTION OF VOLUNTEERS IN THE YEAR

Volunteers are crucial to the operation of the Charity, as all the Trustees are volunteers. Our volunteers have remained incredibly supportive throughout the year and continue to help us operate. We are truly grateful that our volunteers continue to support us in so many ways.

POLICY ON RESERVES

The Trustees regularly monitor the level of reserves held in the Charity. They are mindful that individual projects requiring support from the Friends are often large, and, as such, take time to complete. In the Trustees’ opinion the level of reserves, both Restricted and Unrestricted, is in keeping with these factors. The Charitable Trust holds funds to cover twelve months of routine operating expenditures, including costs of the quarterly magazine, “FNRM Review”, in support of the National Railway Museum (NRM), none of which are contentious. These amount to approximately £57,000 per annum. The funds in excess of such threshold are generally regarded as freely available to support initiatives of the NRM on a ‘free to request’ basis, compatible with the objects of the Charity and the Public Interest, and are committed at the discretion of the Charity Executive and in a timely manner. Surplus funds so arising are generally managed in accord with the Charity Investment Policy - intended to be on a temporary basis.

Funds identified as “restricted” are retained as specific reserves applied only for such approved activities.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM Annual Report and Financial Statements Year ended 31 December 2024 (continued)

In 2021 the FNRM committed to provide annual contributions towards an aspirational target of £1 million over 5 years, towards the Museum’s “Masterplan” project. Between contributions towards Station Hall (£353,000) Wonderlab (£250,000), New Hall at Locomotion (£400,000) and the NRM “Futures Fund” (£250,000), the funds already delivered has allowed the Charity to meet this objective fully within the original timescale.

RISK AND INTERNAL CONTROL

The FNRM has well-defined risk management arrangements. These include consideration at Trustees’ meetings of the level of risks which might endanger the activity of the charity. The Trustees are of the opinion that these are minimal.

- **Fundraising** - The Trustees oversee compliance with fundraising regulation and ensure that fundraising is conducted in accordance with current regulations. The Charity had not, at the year-end elected to register voluntarily with the Office of the Fundraising Regulator.
- **IT Security**- the Charity recognises the risks associated with information security, and the importance of protecting its IT systems from malicious attack and unauthorised access and misuse. Security measures are in place to protect from unauthorised access to IT systems and to test vulnerabilities in the network. The FNRM holds a limited level of personal information about our employees, volunteers, members and supporters. It also has a data protection policy in place designed to ensure that only authorised access takes place to personal details.

GRANT MAKING POLICY

Requests for financial support come from the senior management of the National Railway Museum, from the membership of the Friends, or from other organisations (in particular Heritage Railways, who may restore or operate items from the National Collection). Such requests are considered firstly by the Executive Committee and then, if supported, referred to the Council for approval.

FINANCES AND REVIEW OF THE YEAR

As required by Charity law, the Council members, as Trustees, prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the excess or deficiency of income over expenditure for that period. In preparing those financial statements the Council members: -

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
 - prepare the financial statements on the “going concern” basis unless it is inappropriate to presume that the Charity will continue in operation.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM Annual Report and Financial Statements Year ended 31 December 2024 (continued)

The Council members are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charity, and to enable them to ensure that the financial statements comply with the requirements of the Charity Acts. They are also responsible for safeguarding the

assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Charity conducts its business with the use of an accounting system (Xero), using computerised records and a computerised membership database.

Whilst it is not mandatory for the Charity to prepare consolidated accounts, the Trustees have requested them as it provides a more detailed financial picture of the Charity. There is no material additional cost incurred in the production of a consolidated report.

Given the economic environment prevailing during 2024, the Trustees consider the financial performance of the charity during the year to have been satisfactory.

The narrative in the accompanying Chairman's Report forms an integral part of this report of the Trustees insofar as it relates to the activities and other matters which are normally required to be included and disclosed in the report of the Trustees.

The total income for the year was **£162,852** (2023: £376,001) of which **£ nil** (2023: £1,252) was from restricted sources. The expenditure for the year amounted to **£ 324,957** (2023: £542,162). There was a deficit of **£158,068** (2023: deficit £136,260).

The total net assets of the FNRM amounted to **£ 321,272** (2023: £479,340). These were split as to restricted funds of **£ 9,490** (2023: £10,240) and unrestricted (including designated) funds **£ 311,782** (2023: £469,100).

The Charity's day-to-day operating position in 2024 was not without some concern, given that in 2022 and 2023 regular outgoings exceeded current levels of member subscriptions. This concern has been partially addressed through a review and an increase in the level of membership subscriptions with effect from 1st January 2024, as well as a focus on some of the major items of expenditure, in particular the production of the "FNRM Review" magazine.

Outreach activities, intended to create a flow of supportive funds towards the basic activities of the Charitable Trust, were at a substantially lower level in 2024 as a result of a reduction in the number of events featuring the locomotive "Flying Scotsman", which celebrated its centenary year in 2023.

Finally, although it cannot be regarded as a regular source of income, 2024 saw the Charity being a beneficiary of a number of legacies, some of which have been quite substantial. That said, the Trustees have full confidence that the Charity remains a "going concern" and will continue so for at least the next twelve months from the date of this report.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2024

Chairman's Report 2024

Overview

I am pleased to report another positive year for the Friends of the National Railway Museum in 2024. Once again, we were able to support the Museum financially and have now contributed in excess of £1,000,000 over the last three years – a significant achievement during this period of major redevelopment of the museum sites at both York and Shildon. The ‘Friends’ have again benefitted from receipt of some significant legacies, and this has been an important factor in delivering such a level of museum support. However, by its very nature such funding is unpredictable, and it remains a matter of concern that membership numbers continue to decline. While new ‘Friends’ are attracted on a regular basis, the age profile of our membership means that the ravages of time sadly take their toll to an even greater extent. This continues to be a major challenge as we look to the future.

Review of activity

One of the most visual developments during 2024 has been a refresh of the Friends’ ‘brand’, including a new design style for Friends material, and a new motif or logo. It is believed this is the first time such a review has occurred since the very earliest days of the Friends, the aim being to align more closely with the NRM, while maintaining the Friends’ own distinct identity. The change is being rolled out gradually to avoid unnecessary waste and cost.

The year saw the opening in May of New Hall at Locomotion. Part of the NRM’s overall redevelopment programme, this building virtually doubles the space available for rolling stock display at the Shildon museum, allowing a remarkable display of vehicles with an emphasis on relevance to Shildon itself – once, of course, home to one of the country’s largest wagon works. Outside, close to the hall entrance sits the ‘Gaunless Bridge’ built in 1823 by George Stephenson for the Stockton & Darlington Railway, and now superbly restored. The Friends were delighted to be a ‘major donor’ to the cost of New Hall through a contribution of £400,000.

The Friends’ magazine *FNRM Review* remains our key means of communication with members, now under a new editor, Trustee Michael Rigg. With the support of the editorial team of John Cowles, Russ Rollings, Chris Nettleton and John Swanwick, this quarterly publication continues to be of high quality and is very well regarded. It is encouraging to see the wide variety of interesting articles received for publication. Thank you, one and all. For those who are happy to receive it this way, the magazine can now be received electronically. This has allowed lower subscriptions to be offered to such Friends as a result of the considerably lower production and postage costs, as well as being environmentally friendly. Once again, though, let me reassure the many members who prefer their magazine as hard copy, there are no plans to discontinue the paper version!

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements Year ended 31 December 2024 (Continued)

Chairman’s Report 2024 (Continued)

The young persons’ newsletter “*Half Fare*” is now in the capable hands of Emma Allison, office administrator, and has taken on an excitingly refreshed new look for our junior “Friends”.

The usual programme of winter evening talks was held at the Museum in York, now fully established on a hybrid basis. Taking into account those attending in person, and the numbers logging in via Zoom, numbers have held up well. As always, I am most grateful to David Thomas, whose leadership has been so vital to the success of the programme over the years, and for the able assistance given by Emma Allison and Andrew Frodsham. After shouldering this important task for many years, David has indicated a wish to stand down, and in thanking him warmly, the call is also out for anyone who might like to help with the future of this much-appreciated aspect of the Friends' activities.

The FNRM website (www.nrmfriends.org.uk) continues to be developed under the guiding hand of Trustee Mel Draper and the efforts of Emma Allison, who also looks after our social media activity. A lot of work by just two people, and another area where more help would be most welcome, particular from anyone with appropriate IT or web-design skills.

The project to catalogue the contents of back numbers of the Review magazine was approaching completion at the year end with over 75% of all published editions of the magazine indexed by the year end. With completion of the original project in sight, grateful thanks are due to the dedicated team of volunteers led by Trustee Mel Draper. Keeping the process going with current editions will be a new challenge, and a third area of activity where more help is needed.

Trading activity of FNRM Enterprises, under the watchful eye of Trustee Michael Hastings, was considerably reduced in 2024 as no mainline charter tours or heritage railway events involving the Railway Museum's own locomotive, "Flying Scotsman", took place. It also proved impossible to replace this lost revenue with a sales presence on other steam hauled excursions. Outreach activities at Model Railway Exhibitions and Shows in both the North and South of England continued and sales of books and memorabilia through the Friends on-line shop has been steady as has the sale of second-hand books led by Mike Webb and his team. A sale, held in the Railway Museum in December, of second-hand books proved very successful and it is hoped to repeat the event again in 2025.

With the return of "Flying Scotsman" under new custodianship to mainline charter operations in 2025, FNRM Enterprises is ready to resume its on-board and station concourse fundraising sales activities. Grateful thanks go to all our volunteers who give of their time to assist in our fundraising events.

Since 2013 the FARSAP project has added almost 200 locations to the FARSAP page on the Signalling Record Society website thanks to the support of their webmaster John Lacy. The site covers a very wide range of historic railways signalling practices and is supplemented by an increasing number of signalling primers and educational videos hosted by one of our Trustees, Phil Graham.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements Year ended 31 December 2024 (Continued)

Chairman's Report 2024 (Continued)

Nearly 10,000 visitors downloaded material from the site last year, including enthusiasts from North America, Australia and India so the Friends are getting considerable kudos from the skills and dedicated commitment of a small group of volunteers led by Richard Pulleyn. The value of their work was again recognised when Network

Rail and Northern Trains asked him and Neil Mackay to capture the signalling in the Blyth and Tyne area prior to modernisation. Edited by Derek Young the films had over 9000 visits when they were posted in October.

Editing is a continuing constraint but Nick Jones has again contributed with material from Cornwall and Rob Daniels completed a mammoth project on signalling and operations in the Barry area of South Wales. Sadly, George Duncan the editor of many of the initial videos, died during the year. He designed the very attractive introduction to every video and played a huge part in getting FARSAP up and running.

The FARSAP STORY, a 12-minute video about the genesis of the project and the people who developed it was added to the website this year.

This is also an appropriate moment to pay special tribute to Frank Paterson, our President, without whose original leadership the FARSAP project would never have got off the ground.

The visual and oral history project ‘Britain’s Railways All Change’ (BRAC) recording the experiences and observations of those involved in the rail privatisation programme of the 1990s, came to an end in 2024. However, times change and the political wheel turns full circle, so a follow-on project is now being developed in conjunction with the Retired Railway Officers’ Society. BRAC2 will record individuals’ personal involvement in the successes of privatisation and their assessments of why subsequently the concept has not been sustainable. Once again, our President, Frank Paterson, initiated the idea, and will be driving the Friends’ input to the project.

For a fifth year, we have continued to sponsor and organise an essay competition for pupils at Ripon Grammar School in memory of Michael Wallace, late secretary of the Friends and one-time Deputy Head of the school. I am particularly grateful to Trustee, Hugh Fenwick, for managing the competition this year. Once again, we welcomed a group from the school to visit the Museum in the autumn in recognition of their participation in the competition.

Our ‘regional’ branches remain vitally important to the work and success of the Friends. Without them, we would be very much the poorer as an organisation. I am extremely grateful as ever to David Wallace, chairman of the North East Branch, and James Baldwin, Chairman of the South of England Group, for their leadership and support. I can do no better than reproduce their regional reports below:

North East Branch, Locomotion, Shildon

We continue to clean and look after the collection on Tuesdays and a smaller group of our team attend on Thursdays to give cab instruction and guided tours of the collection when requested by the visitors. A lot of the cab information is given, in collaboration with the education team, to school parties; mainly primary.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements Year ended 31 December 2024 (Continued)

Chairman’s Report 2024 (Continued)

North East Branch, Locomotion, Shildon (continued)

Our 2025 talks programme has started with an excellent talk from Anthony Coulls. We are grateful to Locomotion as they provide the venue and refreshments at no charge to ourselves. The 2024 talks were of local interest, as ever, for local people and the programme for 2025 will be on the website.

The Friends have been asked to attend outside agencies for an illustrated talk about local railway matters. These visits outside have been followed up with later dated tours of the museum.

The Friends at Shildon are a loyal and hard-working team with a view of presenting Locomotion at its best.

South of England Group

Having returned our Group Committee to full strength at the last AGM, we then lost two key figures during 2024. Tom Kolisch, our energetic organiser of outreach activities with Flying Scotsman, passed away in April, following injuries sustained in the derailment of 'La Trochita' train in Argentina, whilst George Rutter, our founding chairman and key member, passed away in October. In addition, David Buck, one of our Vice-Presidents passed away in August. As a result, the Group is seeking to co-opt new committee members to help us take forward our activities.

More positively, our other Vice-President, Brell Ewart, was made an MBE – alongside National Chairman, Philip Benham - in the 2025 New Year Honours list.

On the social front, we continued with the now established pattern of daytime gatherings. At the March event the AGM was followed by a railway-themed quiz. The autumn gathering attracted a good-sized audience for an update on developments at York and Shildon presented by Anthony Coulls. The postponed Epping Ongar Railway outing took place on 28 September.

Continuing our promotion and income raising activities, Group members attended four model railway exhibitions but omitted the larger London and Warley events owing to concerns about costs balanced against an anticipated drop in attendance. No Flying Scotsman excursions took place owing to re-tendering of the locomotive's custodianship, impacting income significantly.

The NRM Review indexing project progressed well, with 74% of issues / 7,100 articles catalogued at the year-end – and linked now with online access to the archive of all the past issues themselves available on the newly created Members' Area of the FNRM national website.

We look forward to continued member support as we anticipate Railway 200 celebrations and museum developments in 2025.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements Year ended 31 December 2024 (Continued)

Chairman's Report 2024 (Continued)

Funding and Museum Support

In my overview at the start of this report, I have already observed that the Friends of the NRM have now contributed over £1,000,000 to the Museum, this milestone being reached with the New Hall payment. Towards the end of 2024, the NRM launched 'Future Fund', the next phase in their fundraising strategy. The Trustees were delighted to be able to handover £250,000 at a 'Forging the Future' fundraising dinner in December making the Friends the founding donor to the new fund – a contribution that will be acknowledged on a donor board on the floor of the Museum at York.

As I have also remarked before, our ability to make such significant donations has been very much helped by the generous legacies of those who are no longer with us but have most kindly remembered us in their Wills. To them and their executors, we are eternally grateful. Hopefully, it is not too indelicate for me to mention here, that the Friends are now able to offer a will-making service!

While the finances of the Friends remain healthy, with strong reserves, balancing the cost of running the charity with routine income from member subscriptions, retail sales, and general donations (i.e. other than legacies) continues to be a challenge. We need to look at more ways to save money, which is why initiatives such as electronic publication of Review make sense. Just like the Museum itself, we also need to find new opportunities for our own fundraising.

Governance

Due to a continued lack of time and resources, it has not so far been possible to move forward conversion of the charity to become a Charitable Incorporated Organisation (CIO), but the Trustees continue to review the work and resources necessary to progress this aspiration.

People

It has so far not proved possible to recruit a new treasurer from within the membership, and I am grateful to Michael Grant, a partner with Chartered Accountants Minford's for continuing to undertake this role. It is particularly pleasing to report that David Naylor is now active again as a very hands-on financial advisor – not least since this indicates that his earlier health problems are now much improved. The Friends are very much in his debt, while I am personally extremely grateful.

Our relationship with the National Railway Museum remains excellent. We were sorry to have to say goodbye to Museum Director, Judith McNicol at the end of the year when she left the Museum, but wish her well in her new role at the British Museum. Judith was always extremely positive and supportive of the Friends throughout her time at the Museum. However, I am pleased to report that a friendly relationship has already been established with the new Director, Craig Bentley, and we look forward to working with him in the year ahead.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM Annual Report and Financial Statements Year ended 31 December 2024 (Continued)

Chairman's Report 2024 (Continued)

Other senior members of the museum team continue to be active in their support – especially Head Curator Andrew McLean, and Sarah Price, Head of Locomotion, who have both contributed considerable time to the Friends at our meetings. Finally, I especially wish to highlight Katherine Rolland, NRM Senior Philanthropy Manager and our primary contact in the Museum, whose tireless and patient efforts on our behalf is beyond compare.

Our two office staff, Emma Allison, office administrator, and George Powell, bookkeeper, are both making excellent contributions, serving both members and Trustees. President Frank Paterson also continues to be an ever-present source of ideas and inspiration.

Finally, turning to my fellow Trustees, I again wish to make special mention of Graham Miller, whose tireless efforts as Secretary are beyond measure. Without him my task would be so much harder if not impossible.

It was a pleasure to welcome two new names as Trustees, Ross Beetlestone and Sam Blacktop. Both are of a younger generation, which is definitely good for us, and hold significant roles within the modern railway industry. To them, all our Trustees, and office staff, thank you all for your hard work and time on behalf of the Friends, and for your personal support to me.

In conclusion, therefore, once again I would like to report that, after 47 years, your Charity is in good health, good heart and good hands, and with the support of all of our members, I look forward to another challenging year in 2025.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2024

Statement of Trustees' Responsibilities

The Charities Act requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the responsibility of the independent examiner in relation to the Trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

The report was approved by the board of Trustees on 30th April 2025.

P M Benham MBE

Chairman

Dated: 30th April 2025

**FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2024**

**INDEPENDENT EXAMINER'S REPORT TO THE
COUNCIL OF FRIENDS OF THE NATIONAL RAILWAY MUSEUM**

I report to the Trustees on my examination of the accounts for the above charity ("the Trust") for the year ended 31 December 2024 set out on pages 17 to 29.

Responsibilities and basis of report

As the charity’s Trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (“the Act”).

The charity’s Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 and that an independent examination is required.

I report in respect of my examination of the Trust’s accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner’s statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- The accounting records were not kept in accordance with section 130 of the Charities Act; or
- The accounts did not accord with the accounting records; or
- The accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a “true and fair” view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Robert J Woolley FCCA, CTA
Chartered Certified Accountant
Crown House
York Road
Shiptonthorpe
York
YO43 3PF

Dated: 30th April 2025

FRIENDS OF THE NATIONAL RAILWAY MUSEUM (and subsidiary company)
Consolidated Statement of Financial Activities for the year ended 31 December 2024

	Notes	2024 Unrestricted and Designated Funds	2024 Restricted Funds	2024 TOTAL Funds	2023 TOTAL Funds
		£	£	£	£
INCOME FROM:					
Members’ subscriptions – Inc. gift aid	1	26,532	-	26,532	23,327
Collecting boxes		9,361	-	9,361	8,591
Donations and legacies from individuals		104,017	-	104,017	277,470
Grant income		-	-	-	-
Sales – ancillary activities		7,324	-	7,324	63,979

Bank interest		14,769		14,769	686
Sundry receipts		849		849	1,948
Total incoming resources		162,852	-	162,852	376,001
EXPENDITURE ON:					
Direct charitable expenditure	2	274,615	750	275,365	470,840
Fundraising and publicity	3	1,894	-	1,894	1,874
Management and administration	4	44,914	-	44,914	32,931
Governance Costs	4	3,384	-	3,384	7,409
Cost of sales		150	-	150	29,108
Total resources expended		324,957	750	325,707	542,162
Net income/(expenditure) before gains/(losses) on investments:		(162,105)	(750)	(162,855)	(166,161)
Realised gain within the year		-	-	-	6,952
Change in unrealised gain at year end		4,787	-	4,787	22,949
Transfers between funds	10/14	-	-	-	-
Net movement of funds		(157,318)	(750)	(158,068)	(136,260)
Fund balances as of 1 January 2024		469,100	10,240	479,340	615,600
Fund balances as of 31 December 2024		311,782	9,490	321,272	479,340

A breakdown of the restricted funds is provided on pages 24 to 26.

A breakdown of the comparative figures is shown at note 17.

The notes on pages 20 to 29 form part of these financial statements

All of the Charity's activities derive from continuing operations during the financial period.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM (and subsidiary company) Charity and consolidated balance sheet as at 31 December 2024

	Note s	2024 Charity £	2023 Charity £	2024 Group £	2023 Group £
Fixed assets					
Investment in subsidiary	5	40	40	-	-
		<u>40</u>	<u>40</u>	<u>-</u>	<u>-</u>
Current assets					
Stock		-	-	22,370	21,474

Debtors	6	6,155	12,500	6,292	1,420
Investments with CCLA	7	192,548	142,993	192,548	142,993
Cash at bank and in hand	7	93,627	292,625	117,260	330,212
Total assets		<u>292,370</u>	<u>448,158</u>	<u>338,470</u>	<u>496,099</u>
Creditors: Amounts falling due within one year	8	<u>(12,597)</u>	<u>(9,690)</u>	<u>(13,230)</u>	<u>(11,421)</u>
Total assets less current liabilities		279,773	438,468	325,240	484,678
Creditors: Amounts falling due after one year	9	<u>(3,968)</u>	<u>(5,338)</u>	<u>(3,968)</u>	<u>(5,338)</u>
		<u>275,805</u>	<u>433,130</u>	<u>321,272</u>	<u>479,340</u>
		=====	=====	=====	=====

FRIENDS OF THE NATIONAL RAILWAY MUSEUM (and subsidiary company)

Charity and consolidated balance sheet as at 31 December 2024 (continued)

	Notes	2024 Charity £	2023 Charity £	2024 Group £	2023 Group £
Funds of the charity:					
Restricted funds					
<i>Duchess of Hamilton</i> Fund	10	-	-	-	-
NAROH Fund	11	1,372	1,372	1,372	1,372
Borough Market Junction Signal Box	12	839	839	839	839
BRACS Fund	13	4,918	4,918	4,918	4,918
F.A.R.S.A.P.	11	2,361	3,111	2,361	3,111

History & Development of Railway Signalling	14	-	-	-	-
Total restricted funds		9,490	10,240	9,490	10,240
Unrestricted funds					
Accumulated funds		265,315	421,390	310,782	467,600
Designated Funds					
Ripon School Fund	15	1,000	1,500	1,000	1,500
Total Funds		275,805	433,130	321,272	479,340

These accounts were approved at a meeting of the Council on 30th April 2025

..... Chairman – P M Benham MBE

..... Secretary – G D N Miller OBE

..... Treasurer – M Grant

The Notes on pages 20 to 29 form part of these financial statements.

**FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2024**

Statement of Accounting Policies

1.1 Basis of accounting

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going Concern

The Trustees assess whether the use of going concern is appropriate i.e., whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The charity is a going concern and there are no material uncertainties relating to its going concern status.

1.3 Income

The Charity's income is received from members' subscriptions, donations, both general and specific. Other income from sales, legacies, bank interest and small surpluses on meetings and social events organised by the members is recognised at time of receipt. Where proven to meet income recognition, legacies due within twelve months of the accounting period are included as debtors.

Ordinary subscriptions income is applied in the year in which it is due for payment. Life members' subscriptions are credited to the income and expenditure account in nine equal annual instalments and the unexpended portion is carried forward as deferred income.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2024

Statement of Accounting Policies (continued)

1.4 Tangible Fixed Assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Depreciation, if applicable, is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line or reducing balance basis over its expected useful life.

1.5 Leased Assets

Rents applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

1.6 Stock

Stocks of goods for resale are valued at the lower of cost or net realisable value.

1.7 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity and is therefore included in the relevant costs in the Statement of Financial Activities.

The consolidated report includes any relative corporation tax for the subsidiary trading company.

1.8 Government Grants

Government grants relating to revenue expenditure are shown as income in the year of receipt.

1.9 Fund Accounting

Any grant, donation or separate subscription(s) received by the charity that is required to be used for a specified purpose is treated as restricted income together with the expenses applicable to that fund and included within the relevant restricted fund(s).

All other income is treated as unrestricted income and credited to the general unrestricted fund.

Designated funds are unrestricted funds that the Trustees have set aside for a particular purpose.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM Annual Report and Financial Statements - Year ended 31 December 2024

Notes to the Financial Statements for the year ended 31 December 2024

1. SUBSCRIPTIONS

2024	2024	2024	2023
Unrestricted	Restricted	TOTAL	TOTAL
Funds	Funds	Funds	Funds

	£	£	£	£
Subscriptions received in year	25,731	-	25,731	22,894
Subscriptions paid in advance in 2023	1,557	-	1,557	1,232
Transfer from Life Subscription Fund (Note 9)	1,695	-	1,695	1,758
	28,983	-	28,983	25,884
<i>Less</i> Subscriptions in advance for 2025 (Note 8)	(2,126)	-	(2,126)	(1,557)
<i>Less</i> Transfer to Life Subscription Fund (Note 9)	(325)	-	(325)	(1,000)
	26,532	-	26,532	23,327
2. DIRECT CHARITABLE EXPENDITURE				
Museum support – Specific	252,600	750	253,350	453,888
NRM Review	22,015	-	22,015	16,952
	274,615	750	275,365	470,840

Within specific museum support there is an amount of £500 (2023: £500) relating to designated funds for the Ripon School Fund. A separate fund was formed in 2021 for the Ripon School Fund.

3. FUNDRAISING AND PUBLICITY

Exhibitions, Advertising and marketing	1,894	-	1,894	1,874
	1,894		1,894	1,874

4. MANAGEMENT AND ADMINISTRATION

Secretarial salaries and pension costs	30,911	-	30,911	16,481
Printing, postage, stationery and telephone	4,053	-	4,053	4,632
Insurance, Fees, etc.	1,594	-	1,594	1,510
Legal and professional fees	774	-	774	6,775
Office expenses	3,358	-	3,358	1,606
Payroll administration (*)	570	-	570	438
Cost of meetings	3,654	-	3,654	1,489
	44,914	-	44,914	32,931
Governance Costs				
Independent examiners fees	2,762	-	2,762	3,487
Officers' expenses	622	-	622	3,922
	3,384	-	3,384	7,409

(*) The payroll administration costs were paid to the Independent Examiner's firm.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM Annual Report and Financial Statements - Year ended 31 December 2024

Notes to the Financial Statements for the year ended 31 December 2024 (continued)

5. INVESTMENT IN SUBSIDIARY

Shares held in Friends of the National Railway Museum Enterprises Ltd at a cost of £40 (2023: £40).

The company is registered in England and Wales under registration number of 02418239.

The financial results of the company were as follows (for the year ended 31 December 2024):

Income	Expenditure	Profit/(loss)	Net Assets
£	£	£	£
3,347	7,148	(3,801)	44,499
=====	=====	=====	=====

6. DEBTORS

	2024	2023
	£	£
Sales debtors and amounts prepaid	2,468	1,420
Gift Aid Recoverable	3,824	-
Legacy funds receivable	-	-
	<u>6,292</u>	<u>1,420</u>
	=====	=====

7. CASH AT BANK, IN HAND AND INVESTMENTS

	2024	2023
	£	£
Charity Official Investment Fund account	192,548	142,993
Deposit and current accounts	89,872	287,864
South of England Group current account	3,264	4,135
North East Branch cash in hand	281	180
Cash in hand	210	447
Charity balances	<u>286,175</u>	<u>435,619</u>
FNRM Enterprises Ltd	23,633	37,586
Total group	<u>309,808</u>	<u>473,205</u>
	=====	=====
Investments held with CCLA	192,548	142,993
	=====	=====

FRIENDS OF THE NATIONAL RAILWAY MUSEUM **Annual Report and Financial Statements - Year ended 31 December 2024**

Notes to the Financial Statements for the year ended 31 December 2024 (continued)

8. CREDITORS: DUE WITHIN ONE YEAR

	2024 Charity £	2023 Charity £	2024 Group £	2023 Group £
Ordinary subscriptions paid in advance	2,126	1,557	2,126	1,557
Accruals	6,488	8,011	7,121	9,742
Trade creditors	3,064	122	3,064	122
Other creditors	919	-	919	-
	<u>12,597</u>	<u>9,690</u>	<u>13,230</u>	<u>11,421</u>
	=====	=====	=====	=====

9. CREDITORS: DUE AFTER ONE YEAR

	2024 £	2023 £
Movements of the life subscriptions fund were as follows:		
Balance at 1 January 2024	5,338	6,096
New life memberships	325	1,000
	<u>5,663</u>	<u>7,096</u>
Transfer to Statement of Financial Activities	(1,695)	(1,758)
Balance at 31 December 2024	<u>3,968</u>	<u>5,338</u>

10. DUCHESS OF HAMILTON FUND (229 Club)

	2024 £	2023 £
Balance at 1 January 2024	-	106,045
229 Club subscriptions and donations (including Gift Aid)	-	1,252
Interest added from invested balances	-	-
Realised gain on investments within the year	-	-
Deduct: Unrealised gain on invested funds to 31 December 2024	-	-
Add: Unrealised gain on invested funds at 31 December 2024	-	-
	<u>-</u>	<u>107,297</u>
<i>Less</i> 229 Club prizes and sundry expenses	-	-
<i>Less</i> Transferred to unrestricted funds in year	-	(107,297)
Balance at 31 December 2024	<u>-</u>	<u>-</u>

A number of members of The Friends of the National Railway Museum have undertaken to be responsible for some of the repair and maintenance of the locomotive *Duchess of Hamilton*. This fund has been permanently closed at the request of the 229 Club members. Following a minuted meeting of the 229 Club, it was agreed the funds be transferred to the general unrestricted funds.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements - Year ended 31 December 2024

Notes to the Financial Statements for the year ended 31 December 2024 (continued)

**11. NATIONAL ARCHIVE of RAILWAY ORAL HISTORY FUND
(INCLUDING F.A.R.S.A.P.)**

	2024	2023
	£	£
Balance at 1 January 2024	4,483	4,483
Receipts in year	-	-
Interest added from invested balances	-	-
	<hr/> 4,483	<hr/> 4,483
<i>Less</i> Expenses paid	(750)	-
	<hr/> 3,733	<hr/> 4,483

12. BOROUGH MARKET JUNCTION SIGNAL BOX FUND

	2024	2023
	£	£
Balance at 1 January 2024	839	839
Interest added from invested balances	-	-
	<hr/> 839	<hr/> 839
<i>Less</i> Outgoings	-	-
Balance at 31 December 2024	<hr/> 839	<hr/> 839

13. BRITAIN'S RAILWAYS – ALL CHANGE

	2024	2023
	£	£
Balance at 1 January 2024	4,918	4,918
Receipts in the year including Gift Aid	-	-
Interest added from invested balances	-	-
	<hr/> 4,918	<hr/> 4,918
<i>Less</i> Outgoings	-	-
Balance at 31 December 2024	<hr/> 4,918	<hr/> 4,918

**FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements - Year ended 31 December 2024**

Notes to the Financial Statements for the year ended 31 December 2024 (continued)

14. HISTORY AND DEVELOPMENT OF RAILWAY SIGNALLING

2024 **2023**

	£	£
Balance at 1 January 2024	-	870
Receipts in the year including Gift Aid	-	-
Transfer from Accumulated fund	-	-
Interest added from invested balances	--	-
	-	870
Less Transferred to unrestricted funds in year	-	(870)
Less Outgoings	-	-
Balance at 31 December 2024	-	-

15. RIPON SCHOOL COMPETITION – Designated fund

	2024 £	2023 £
Balance at 1 January 2024	1,500	2,000
Receipts in the year including Gift Aid	-	-
Interest added from invested balances	-	-
	1,500	2,000
Less Outgoings	(500)	(500)
Balance at 31 December 2024	1,000	1,500

16. ANALYSIS OF MOVEMENTS IN FUNDS

	Income 2024 £	Expenditure 2024 £	Transfers / gains/losses 2024 £	Movement 2024 £
Unrestricted and designated funds				
Revenue funds	162,852	(325,707)	4,787	(158,068)
Restricted funds				
Various restricted funds (notes 10 to 14)	-	(750)	-	(750)

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements - Year ended 31 December 2024

Notes to the Financial Statements for the year ended 31 December 2024 (continued)

17. STATEMENT OF FINANCIAL ACTIVITIES FOR THE PRIOR YEAR - ENDED 31 DECEMBER 2023

2023	2023	2022
------	------	------

	Note	2023		TOTAL	TOTAL
		Unrestricted and Designated Funds	Restricted Funds		
		£	£	£	£
INCOME FROM:					
Members' subscriptions – Inc. gift aid	1	22,075	1,252	23,327	26,222
Collecting boxes		8,591	-	8,591	7,670
Donations and legacies from individuals		277,470	-	277,470	2,920
Grant income		-	-	-	-
Sales – ancillary activities		63,979	-	63,979	19,789
Bank interest		686	-	686	542
Sundry receipts		1,948	-	1,948	489
Total incoming resources		374,749	1,252	376,001	57,632
EXPENDITURE ON:					
Direct charitable expenditure	2	470,840	-	470,840	282,292
Fundraising and publicity	3	1,874	-	1,874	1,265
Management and administration	4	32,931	-	32,931	39,062
Governance Costs	4	7,409	-	7,409	2,505
Cost of sales		29,108	-	29,108	8,227
Total Resources expended		542,162	-	542,162	333,351

18. PARTICULARS OF HOW FUNDS ARE REPRESENTED BY ASSETS AND LIABILITIES

At 31 December 2024	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Current assets	327,980	1,000	9,490	338,470
Liabilities	(17,198)	-	-	(17,198)
	<u>310,782</u>	<u>1,000</u>	<u>9,490</u>	<u>321,272</u>
	=====	=====	=====	=====
At 1 January 2024				
Current assets	484,359	1,500	10,240	496,099
Liabilities	(16,759)	-	-	(16,759)
	<u>467,600</u>	<u>1,500</u>	<u>10,240</u>	<u>479,340</u>
	=====	=====	=====	=====

FRIENDS OF THE NATIONAL RAILWAY MUSEUM Annual Report and Financial Statements - Year ended 31 December 2024

Notes to the Financial Statements for the year ended 31 December 2024 (continued)

19. DESIGNATED FUNDS

There is also a designated fund of £1,000 (2023: £1,500) for the Ripon School Fund. This amount is included within the Unrestricted Funds on the Statement of Financial Activities and Balance sheet on pages 17 and 19 respectively. Reference is also made to the Ripon School Competition fund in note 15 on page 26.

20. FUTURE CHARITABLE COMMITMENTS

The Trustees' objective is to continue to respond to requests for financial assistance to the National Railway Museum. It is anticipated that these requests will be dealt with in accordance with the charity's objectives and will be decided on the availability of both unrestricted and restricted funds as appropriate at the time of any request.

21. OPERATING LEASE COMMITMENTS

The Charity had no non-cancellable operating leases at the year-end which:

Operating leases (office equipment)	2024	2023
	£	£
Expire within 1 year	-	-
Expire within 2 to 5 years	-	-
	====	====

22. RELATED PARTY TRANSACTIONS

The wholly owned subsidiary company is Friends of the National Railway Museum Enterprises Limited, registered in England and Wales, company number 02418239.

The following Trustees of the Friends of the National Railway Museum are also directors of the Friends of the National Railway Museum Enterprises Limited during 2024:

Mr R S Rollings, Mr M Hastings

During the year no professional fees were charged by a firm of accountants in which M Grant (Treasurer) is a Director. (2023 : £2,220).

During the year a payment of £620 (2023 : £3,250) was paid to Mrs L Benham (wife of Chairman) for secretarial services rendered.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM Annual Report and Financial Statements - Year ended 31 December 2024

Notes to the Financial Statements for the year ended 31 December 2024 (continued)

23. EMPLOYEES AND REMUNERATION

The average number of employees during the year ended 31 December 2024 was two (part-time) (2023: three (part-time)). Total remuneration was £30,456 (2023: £16,481). Pension contributions of £455 were paid in the year to 31 December 2024 (31 December 2023 : £nil)

No remuneration was paid to any of the Trustees during 2024 nor 2023. The Trustees claimed reimbursement of direct expenditure incurred on behalf of the charity amounting to **£23** (2023: £3,922)

24. WINDING UP OR DISSOLUTION OF THE CHARITY

If upon winding up or dissolution of the charity there remains any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the Charity.

THE FRIENDS OF THE NATIONAL RAILWAY MUSEUM

England & Wales - Charity number 273829

Accounts

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements Year ended 31 December 2023

Registered Charity Number: 273829

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2023

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FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2023

TRUSTEES' REPORT

The Trustees present their annual report with the financial statements of the Charity for the year ended 31 December 2023.

LEGAL STATUS

The Friends of the National Railway Museum was formed by a Trust Deed dated 16 May 1977. It is governed by a supplemental deed dated 21 June 2002 and is Registered Charity Number 273829.

REGISTERED OFFICE and PRINCIPAL PLACE OF OPERATIONS

The Registered Office of the Charity is at:

The National Railway Museum, Leeman Road, York. YO26 4XJ

Website : www.nrmfriends.org.uk

PROFESSIONAL ADVISORS

Bankers:	National Westminster Bank Plc 1 Market Street York, YO1 1YH	HSBC 13 Parliament Street York, YO1 8XS
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Solicitors:	Grays Solicitors Duncombe Place York, YO1 7DY
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Independent Examiner:	Robert J Woolley FCCA, CTA Chartered Certified Accountant Crown House York Road Shiptonthorpe York YO43 3PF
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FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2023 (Continued)

TRUSTEES

The Management of the Friends of the National Railway Museum is delegated to the Council; the Council comprises the Trustees and non-voting, co-opted Advisors. The Trustees are appointed in accordance with the Constitution and Rules. Two Trustees are appointed by the Director of The Science Museum Group; twelve are elected from the Membership at the Annual General Meeting and the Hon. Secretary, Hon. Treasurer and Hon. Legal Advisor are appointed by the Council as ex-Officis members of the Council.

THE COUNCIL

The following were the officers and members of the Council (Trustees) of the Friends of the National Railway Museum during 2023 :-

Chairman: P M Benham

Hon Secretary: G D N Miller OBE

Hon Treasurer: R Ekins (appointed 1 January 2023 and resigned 31 December 2023)

Hon Legal Advisor: F A Lawton

Council Members: Mrs H M Ashby OBE
Mrs L Benham (Retired 10 June 2023)
Dr M S Draper CBE
T H Fenwick
P Graham MBE
I Johnson (Retired 10 June 2023)
A McLean*
J C H Nettleton
R S Rollings
J D Thomas BEM
Mrs J K McNicol *
M Rigg (Appointed 10 June 2023)
M Hastings

*Appointed by the Science Museum Group

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2023 (continued)

The following were members as at the date of the Trustees report being signed.

P M Benham	A McLean
R S Rollings	G D N Miller OBE
F A Lawton	J C H Nettleton
Mrs H M Ashby OBE	M Rigg
Dr M S Draper CBE	J D Thomas BEM
T H Fenwick	Mrs J K McNicol
P Graham MBE	M Hastings

OBJECTIVES, ORGANISATION AND ACTIVITIES DURING THE YEAR

The Friends of the National Railway Museum was formed in 1977 to encourage the work and activities of The National Railway Museum at York, by amongst other things:

- (a) assisting in the acquisition and/or renovation of any objects relating to the evolution and development of rail transport for presentation or loan to the Museum or other such institution;
- (b) publicising the activities of the Museum among the members, extending invitations to openings and private viewings and arranging visits to other transport collections and other functions;
- (c) encouraging the study of transport history

As mentioned above, the responsibility for the formulation of policies to attain these aims rests with the Council. The Council is also responsible for the financial position of the Friends of the National Railway Museum, including the securing of membership and other financial support.

Responsibility for the day-to-day implementation of the Council's policies is delegated to an Executive Committee.

During the year the charity undertook its stated objectives by providing financial support to the National Railway Museum in the form of a further committed contributions to the York Station Hall refurbishment programme (£53,000), the Wonderlab development project, an integral part of the York Museum re-development programme entitled "Museum Masterplan" which opened in July 2023 (£250,000), and in September 2023 a donation towards the construction of a new exhibition hall "New Hall" at Locomotion, Shildon (£400,000) which opened in May 2024.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2023 (continued)

Further, the Charity has continued its development of its website infrastructure to be more communicative with its membership and increased its penetration into social media platforms all with the intent of publicising the activities of the Museum and the Charity, especially as they relate to specific projects of research relevant to the transport industry. Such activities are designed for the public benefit and to promote new membership. Further detail is provided within the Chairman's statement.

FOCUS ON CHARITABLE PURPOSE and PUBLIC BENEFIT

In complying with its Objectives and carrying out the above activities the Board of Trustees recognises that as a Charity realisation of public benefit must be at the centre of its decision-making processes. Public material emphasises that the FNRM is focussed on Railway conservation and education that is operated by a Board made up wholly of Volunteers, and where all income and trading surpluses are re-invested in the Charity. The Trustees acknowledge that their strategic priorities should be inclusive of the overarching aim of delivering public benefit. The charity is a public benefit charity.

The Trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity. They believe through their operation of the charity, that the public benefit from its core activities, which is the financial and non-financial support of the National Railway Museum (a free to enter historical and educational tour of railways combined with associated artefacts and literature), is met. The National Railway Museum is a part of the Science Museum Group.

MANAGEMENT OF ETHICAL AND COMPLIANT FUNDRAISING

Our Charity depends on funds raised from members and the public to ensure the continued viability of the Charity. We strive to comply fully with Charity Commission guidance CC 20 on the duty of Trustees to have oversight of fundraising practices. We will endeavour to fully comply with the Code of Fundraising Practice.

We do not use professional fundraisers nor commercial participators, other than fundraising support by our own controlled subsidiary company. It does not receive any commissions and covenants its permitted annual surpluses to the Charity. Our fundraising spend is small comprising almost entirely the cost of web-site maintenance. Our fundraising is managed and collated by staff and volunteers of the Charity. We do not share personal data with other organisations for any purpose nor do we fundraise by telephone.

Subscription Renewals and periodic Specific Appeals are directed to members of the Charity by mail, via invitations on our own web site and opt into e-mail communication. In accordance with applicable regulations members of the public can, by simple notification, opt out of receiving any fundraising material. This enables us to respond promptly to any notifications received pursuant to the Fundraising Preference Service.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2023 (continued)

Our onsite fundraising is confined to cash collection boxes located within the National Railway Museum which do not invoke pressure to donate. We also raise funds through the postal sale of second-hand books held in our store at the National Railway Museum. These books have been donated to the Charity through legacies from our members or donations from other members of the public

Externally we also raise funds through the sale of merchandise at Model Railway Exhibitions, and on Charter Trains (particularly those hauled by “Flying Scotsman in its centenary year) where the logistics and staffing are managed by FNRM Enterprises and its volunteers.

All funds raised are used exclusively for the furtherance of the Charity and, where given for a restricted purpose, only for that purpose.

INVESTMENT STRATEGY

Funds that The Charity temporarily hosts from whatever source, and which are not deemed to be immediately required by the National Railway Museum to assist with projects which otherwise might not be undertaken are invested with a Trusted Source CCLA Investment Management Limited, with the (hoped for) intention of providing a supplemental source of future financial support to NRM. In recent years such investment decisions have provided a positive response to that objective.

The Financial Statements reflect realised and unrealised valuation movements at mid-market price at the year-end date.

THE CONTRIBUTION OF VOLUNTEERS IN THE YEAR

Volunteers are crucial to the operation of the Charity as all the trustees are volunteers. Our volunteers have remained incredibly supportive during the pandemic and continue to help us operate. We are truly grateful that our volunteers continue to support us in such an unsettled time.

POLICY ON RESERVES

The Trustees regularly monitor the level of reserves held in the Charity. They are mindful that the individual projects requiring support from the Friends are often large and as such take time to complete. In their opinion the level of reserves, both Restricted and Unrestricted is in keeping with these factors. The Charitable Trust holds funds to cover twelve months routine expenditures, including costs of the quarterly magazine in support of the National Railway Museum (NRM), none of which are contentious. These amount to approximately £57,000 per annum. The Funds in excess of such threshold are generally regarded as freely available to support initiatives of the NRM on a ‘free to request’ basis compatible with the Objects of the Charity and the Public Interest and committed at the discretion of the Charity Executive and in a timely manner. Surplus funds so arising are generally managed in accord with the Charity Investment Policy - intended to be on a temporary basis.

Funds identified as Restricted are retained as specific reserves applied only for such approved activities.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2023 (continued)

The Charity is continuing to provide annual contributions towards an aspirational target of £1 million pounds over 5 years, set 3 years ago, towards the Museum's "Masterplan" project. The funds already delivered, together with other funds available to the charity currently, will, hopefully, allow the Charity to meet this objective fully within the original timescale

RISK AND INTERNAL CONTROL

We have well defined risk management arrangements. These include consideration at Trustees' meetings of the level of risks which might endanger the activity of the charity. The Trustees are of the opinion that these are minimal.

- **Fundraising** - The Trustees oversee compliance with fund raising regulation and ensure that fundraising is conducted in accordance with current regulations. The Charity had not at the yearend elected to register voluntarily with the Office of the Fundraising Regulator.
- **IT Security**- We recognise the risks associated with information security and the importance of protecting our IT systems from malicious attack and unauthorised access and misuse. Security measures are in place to protect from unauthorised access to IT systems and to test vulnerabilities in the network. We hold a limited level of personal information about our employees, volunteers, members and supporters. We have a data protection policy in place designed to ensure that only authorised access takes place to personal details.

GRANT MAKING POLICY

Requests for financial support come from the senior management of the National Railway Museum, from the Membership of the Friends, or from other organisations (in particular Heritage Railways, who may restore or operate items from the National Collection) . Such requests are considered firstly by the Executive Committee and then, if supported, referred to the Council for approval

FINANCES AND REVIEW OF THE YEAR

As required by Charity law, the Council members, as Trustees, prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the excess or deficiency of income over expenditure for that period. In preparing those financial statements the Council members: -

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2023 (continued)

The Council members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the requirements of the Charity Acts. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Charity conducts its business with the use of an accounting system (Xero) using computerised records and a computerised membership database.

Whilst it is not mandatory for The Charity to prepare consolidated accounts, the Trustees have requested them as it provides a more detailed financial picture of The Charity. There is no material additional cost incurred in the production of a consolidated report.

Given the economic environment prevailing during 2023, the Trustees consider the financial performance of the charity during the year to have been satisfactory.

The narrative in the accompanying Chairman's Report forms an integral part of this Report of the Trustees insofar as it relates to the activities and other matters which are normally required to be included and disclosed in the Report of the Trustees.

The total income for the year was £376,001 (2022: £57,632) of which £1,252 (2022: £2,259) was from restricted sources. The expenditure for the year amounted to £542,162 (2022: £333,351). There was a deficit of £136,260 (2022: deficit £327,720).

The total net assets of the FNRM amounted to £479,340 (2022: £615,600). These were split as to restricted funds of £10,240 (2022: £117,155) and unrestricted (including designated) funds £469,100 (2022: £498,445).

COVID 19

The Charity's day-to-day operating position in 2023 was not without concern, given that in 2021 and 2022 regular outgoings exceeded current levels of member subscriptions. This concern has been addressed through a review and an increase in the level of membership subscriptions with effect from 1st January 2024, as well as a focus on some of the major items of expenditure, in particular the "Review" magazine.

Outreach activities, intended to create a flow of supportive funds towards the basic activities of the Charitable Trust, have been at a substantially higher level in 2023 as a result of a comprehensive timetable of events surrounding the centenary of Flying Scotsman.

Finally, although it cannot be regarded as a regular source of income, 2023 has seen the Charity being a beneficiary of a number of legacies, some of which have been quite substantial. That said, the Trustees have full confidence that the Charity remains a Going Concern and will continue so for at least the next twelve months from the date of this report.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2023
Chairman's Report 2023

Overview

The return to normality following the Covid pandemic continued in 2023, with the Museum at York returning to daily opening, and Locomotion at Shildon open on most days. For the Friends it was another productive year working from our new office within the main museum building (just beyond the Great Hall). A further drift down in the number of 'Friends' is a concern. This together with increases in costs, particularly those associated with the production and distribution of our magazine, means that action is needed so that the cost of running the charity is in line with income. More positively, once again we received some generous legacies during the year from our members, which enabled us to continue to meet our charitable objectives, and out of which we were able to continue our financial support to the Museum at this important period in the NRM's development.

Review of activity

The quarterly Review magazine is our universal link with all Friends and continues to be the FNRM flagship under the editorial team of Russ Rollings, John Cowles, John Swanwick and Chris Nettleton. Substantial numbers of articles and other interesting items continue to roll in. We are most grateful to all our contributors – please keep up the good work. One important new development that should come on stream in 2024, is to make Review available electronically for those Friends who like to receive material in this way. This saves considerably on production costs, which will be acknowledged by lower subscription rates for those who choose to exercise this option. However, it will not suit everyone, and the printed version will most definitely remain. During the year Helen Ashby gave notice of her wish to relinquish responsibility for the Half Fare newsletter for youngsters. In thanking Helen for her dedicated work over many years, I am delighted to report that a new team is now looking after Half Fare - Willow Baker, a pupil at Ripon Grammar School, our office administrator Emma Allison, and Stephanie Ackland from the NRM's team.

A successful winter programme of evening talks was again delivered at the Museum in York on a hybrid basis. This allowed anyone unable to attend in person to still do so using ZOOM technology. Although not quite back to pre-Covid levels, the numbers attending physically once again have been encouraging. I remain grateful to David Thomas, whose leadership is so vital to the success of the programme, and for the able assistance given by Emma Allison and Andrew Frodsham.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements Year ended 31 December 2023 (Continued) Chairman's Report 2023 (Continued)

The FNRM website (www.nrmfriends.org.uk) has become ever more important, as it is with all organisations. After a period of development over the last few years (the current site went 'live' just as the Pandemic began!), as 2023 drew to a close, the Trustees agreed that it was time to take a new look at the site, both to refresh the content and improve its presentation. This work is ongoing under a small group led by Trustee Mel Draper. After a lull, due to lack of resources, our new administrator Emma is now also re-invigorating the Friends social media profile. Indeed, 'resources' in the whole area of electronic communications remain a challenge and more volunteers are needed.

The project to catalogue the contents of back numbers of the Review magazine has continued apace, with the public index on the website at the year-end holding 42% of all published editions of the magazine covering 4012 articles. This is a remarkable achievement, in what is a highly complex task, by the dedicated team of volunteers led by Trustee Mel Draper.

Trading through FNRM Enterprises under the leadership of Trustee Michael Hastings, has continued to recover, following the dramatic downturn during the Covid 19 period. The centenary celebrations for Flying Scotsman gave an expected lift with sales of c £30k, fuelled by a new edition of FNRM's book about the locomotive. Sales directly through the charity during the year, including second-hand books, were worth £12,250. Grateful thanks are again due to Mike Webb, and Vic Brookes, now joined by Steve Nolan and Thomas Jack, for managing this activity.

'The Film Archive of Railway Signalling and People' (FARSAP) project has continued its work with some 200 video/still recordings available to view on the Signalling Record Society's (SRS) website. The job of editing the raw video and photographic material is a huge task, and I pay particular tribute to Nick Jones in this regard. Work to extend the project to Electrical Control Rooms is still being developed. Meanwhile filming of additional locations has continued. Thanks are again due to Richard Pulleyn (who took over overall responsibility for the project from FNRM President, Frank Paterson, at the year-end) and his team for their continued commitment, Tony Lacy of SRS, and to Network Rail for providing filming facilities. This is an appropriate moment to pay special tribute to Frank, without whose original leadership the project would never have got off the ground.

A key decision during the year, which will become visually apparent soon, was to initiate a new look for the Friends. The existing identity, most notably the logo device that appears on the magazine, stationery etc, was devised when the Friends were first established almost half a century ago. While it has served the Friends well, few can seriously argue that it is not time for a change after such a long period. With the support of the NRM, through Charlotte Kingston and her team, work to 're-brand' the Friends has been on-going for some time. This recognised the desirability of ensuring that the Friends image should be in more harmony with the NRM's identity, especially when it comes to be seen within the Museum, whilst also, however, ensuring the Friends' distinct identity remains. A new 'logo' and design principles were agreed in December, and will be rolled out during the year.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements Year ended 31 December 2023 (Continued) Chairman's Report 2023 (Continued)

Our 'regional' branches remain vitally important to the work and success of the Friends. Without them, we would be very much the poorer as an organisation. I am extremely grateful as ever to David Wallace, chairman of the North East Branch, and James Baldwin, chairman of the South of England Group, for their leadership and support. I can do no better than reproduce their regional reports below:

North East Branch, Locomotion, Shildon

We enjoy talking to the public face to face but with the looming move to the New Hall there will be a short period in 2024 when the Friends and public will not be able to meet.

We, as a team, however, still clean and look after the collection on Tuesdays. A smaller group of our team also attend on Thursdays to give cab instruction and guided tours of the collection and heritage end when requested by the visitors.

Our Spring talks programme has started, and we recognise a great help from the management at Locomotion for providing the venue, refreshments and advertising. The Autumn talks have yet to be determined but will be of local interest, as ever, for regional "Friends" and local people.

Away from the museum the Friends have been asked to attend outside agencies with a remit of giving an illustrated talk about local railway matters.

The Friends at Shildon are a loyal and hard-working team with a view of presenting Locomotion to its best.

South of England Group

Encouraged by the increased attendance of old and new members and the positive feedback after the 2022 switch to daytime social gatherings, we retained this format during 2023 for our AGM in April and then for our September and November events, when we were welcomed to the Science Museum's Dana Centre in South Kensington. With the shared theme 'Shaping our Future', the Autumn events explored possibilities for our future activities, priorities and ways of sustaining the Group, seizing opportunities linked to the Museum's Vision 2025 developments, the 200th anniversary of the modern passenger railway, and the Science Museum Group's planned retail offerings.

Following those discussions a number of members have come forward to become more active in organising the Group's activities – an urgent requirement when existing Committee vacancies were followed by the sudden death in August of Phil Brown, a long-standing and enthusiastic FNRM member, one of the founders of the South of England Group in 1992; and the major injuries sustained by Tom Kolisch in the derailment of La Trochita heritage train in Argentina in November. Whilst Tom is making steady progress towards his long-term recovery, he will be out of action for the foreseeable future.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements Year ended 31 December 2023 (Continued) Chairman's Report 2023 (Continued)

We also said farewell to one of our Vice-presidents, Peter Townend, who passed away peacefully in October, aged 98, after a lifetime's involvement with railways.

Our sales and promotion activities have continued to build back encouragingly, with a 12% year on year increase in turnover. Although we decided not to attend the London Festival of Railway Modelling and the Warley Model Railway Club event on cost grounds, we attended as usual three of our other model railway exhibitions, and in its centenary year we supported five excursions worked by Flying Scotsman.

Funding and Museum Support

It may be recalled that twelve months ago I explained how financial support to the Museum had significantly affected the appearance of the accounts, and a similar trend is apparent this year. In fact charitable expenditure, which covers this heading has substantially increased to over £700k in 2023. This includes the donation of £250k towards the new Wonderlab, now open at York as the first phase of the Museum's expansion programme, £400k towards the "New Hall" at Locomotion, and some additional funding (over £50k) to top up the £300k which we had already given to the refurbishment of Station Hall. It is of note that when account is taken of the £300k already donated towards the Station Hall re-development, overall FNRM will have donated £1m to the National Railway Museum over the last 3 years.

Our ability to make such significant donations to the Museum has been considerably helped by a number of generous legacies received in recent years. To those who are no longer with us but thought to remember us in their Wills, and their executors, we are eternally grateful.

Returning to the day-to-day financial picture, once again I have to draw attention to the fact that routine income (i.e. excluding legacies and other exceptional gifts) is currently not covering the cost of running the charity – with the latter, like so many other enterprises, affected by cost increases that are difficult to control. No business can continue like this for long, which explains why membership subscriptions have had to be increased significantly in 2024. At the same time the drive to save money and to fund raise in other ways must be pursued with rigour. Nor can we forget the £1m 'Five Year Ask' aspiration agreed with the NRM!

Governance

Lack of time has delayed taking forward the suggested conversion of the charity to become a Charitable Incorporated Organisation (CIO), but the Trustees continue to review the work and resources necessary to progress this "aspiration". Nevertheless, there is a lot of legal work involved, as well as a challenging situation with regard to having to change our banking arrangements. In addition, as noted previously the change will require membership approval.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements Year ended 31 December 2023 (Continued)
Chairman's Report 2023 (Continued)

People, I reported last year on the appointment of Ray Ekins as treasurer following the resignation of David Naylor on health grounds. In the event Ray also resigned towards the end of 2023, and currently the role of treasurer is being covered on an interim basis by Michael Grant, a partner with Chartered Accounts, Minfords in York, for which we are most grateful. I wish to thank Ray for the drive and enthusiasm he brought to FNRM during his time in office. In the event, David Naylor has remained as an adviser on financial matters, and has continued to play a vital role during a year of much transition. Not for the first time FNRM are much in his debt.

The FNRM office has also seen further change. We were sorry to see Office Administrator, Jayne Molyneux leave to take up an appointment nearer home, but were fortunate to be able to recruit Emma Allison, who joined first as Assistant Administrator, subsequently being promoted to the role of Office Administrator. A more recent arrival still is George Powell who has taken over as Bookkeeper. We are delighted to have them both. Finally on the office front, once again Lesley Benham came to the rescue to provide temporary and vital support at a critical time, for which grateful thanks are also due once more.

Relationships with the Museum Director, Judith McNicol, Head Curator Andrew McLean, and Sarah Price, Head of Locomotion, continue to be excellent. The support and help we receive from our main point of contact, NRM Senior Philanthropy Manager, Katherine Rolland, is also, as ever, exemplary, and a key factor in the positive relationship we continue to enjoy with the Museum team.

There is one other name I wish to especially highlight, and that is Graham Miller, our incredibly hard-working Honorary Secretary. It is difficult to believe that he has only been in the role for eighteen months, so perfectly has he fitted into it. His dedication and sheer sense of determination are as remarkable as they are invaluable. I would also like to thank all my fellow Trustees, Officers and all the other dedicated volunteers for the support and help they have given to the Friends and to myself throughout another year.

In conclusion, therefore, I would like to report that, after 46 years, your Charity is in good health, good heart and good hands, and with the support of all of our members, I look forward to another challenging year in 2024.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2023

Statement of Trustees' Responsibilities

The Charities Act requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- state whether applicable accounting standards and statements of recommended practice have been followed , subject to any material departures disclosed and explained in the financial statements;

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are also responsible for the contents of the trustees' report, and the responsibility of the independent examiner in relation to the trustees' report is limited to examining the report and ensuring that , on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

The report was approved by the board of Trustees on 17 April 2024

P M Benham
Chairman
Dated:

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2023

INDEPENDENT EXAMINER’S REPORT TO THE
COUNCIL OF FRIENDS OF THE NATIONAL RAILWAY MUSEUM

I report to the Trustees on my examination of the accounts for the above charity (“the Trust”) for the year ended 31 December 2023 set out on pages 16 to 28.

Responsibilities and basis of report

As the charity’s trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (“the Act”).

The charity’s trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 and that an independent examination is required.

I report in respect of my examination of the Trust’s accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner’s statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- The accounting records were not kept in accordance with section 130 of the Charities Act; or
- The accounts did not accord with the accounting records; or
- The accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a “true and fair” view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Robert J Woolley FCCA, CTA
Chartered Certified Accountant
Crown House
York Road
Shiptonthorpe
York
YO43 3PF

Dated: 15 June 2024

FRIENDS OF THE NATIONAL RAILWAY MUSEUM (and subsidiary company)
Consolidated Statement of Financial Activities for the year ended 31 December 2023

	Notes	2023 Unrestricted and Designated Funds £	2023 Restricted Funds £	2023 TOTAL Funds £	2022 TOTAL Funds £
INCOME FROM:					
Members' subscriptions – Inc. gift aid	1	22,075	1,252	23,327	26,222
Collecting boxes		8,591	-	8,591	7,670
Donations and legacies from individuals		277,470	-	277,470	2,920
Grant income		-	-	-	-
Sales – ancillary activities		63,979	-	63,979	19,789
Bank interest		686	-	686	542
Sundry receipts		1,948	-	1,948	489
Total incoming resources		374,749	1,252	376,001	57,632
EXPENDITURE ON:					
Direct charitable expenditure	2	470,840	-	470,840	282,292
Fundraising and publicity	3	1,874	-	1,874	1,265
Management and administration	4	32,931	-	32,931	39,062
Governance Costs	4	7,409	-	7,409	2,505
Cost of sales		29,108	-	29,108	8,227
Total resources expended		542,162	-	542,162	333,351
Net income/(expenditure) before gains/(losses) on investments:		(167,413)	1,252	(166,161)	(275,719)
Realised gain within the year		6,952	-	6,952	-
Change in unrealised gain at year end		22,949	-	22,949	(52,001)
Transfers between funds	10/14	108,167	(108,167)	-	-
Net movement of funds		(29,345)	(106,915)	(136,260)	(327,720)
Fund balances as of 1 January 2023		498,445	117,155	615,600	943,320
Fund balances as of 31 December 2023		469,100	10,240	479,340	615,600
		=====	=====	=====	=====

A breakdown of the restricted funds is provided on pages 23 to 25.

A breakdown of the comparative figures is shown at note 17.

The notes on pages 19 to 28 form part of these financial statements

All of the Charity's activities derive from continuing operations during the financial period.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM (and subsidiary company)

Charity and consolidated balance sheet as at 31 December 2023

	Notes	2023 Charity £	2022 Charity £	2023 Group £	2022 Group £
Fixed assets					
Investment in subsidiary	5	40	40	-	-
		<u>40</u>	<u>40</u>	<u>-</u>	<u>-</u>
Current assets					
Stock		-	-	21,474	17,776
Debtors	6	12,500	180,431	1,420	180,886
Investments with CCLA	7	142,993	577,507	142,993	577,507
Cash at bank and in hand	7	292,625	86,218	330,212	112,696
Total assets		<u>448,158</u>	<u>844,196</u>	<u>496,099</u>	<u>888,865</u>
Creditors: Amounts falling due within one year					
	8	<u>(9,690)</u>	<u>(265,709)</u>	<u>(11,421)</u>	<u>(267,169)</u>
Total assets less current liabilities		438,468	578,487	484,678	621,696
Creditors: Amounts falling due after one year					
	9	<u>(5,338)</u>	<u>(6,096)</u>	<u>(5,338)</u>	<u>(6,096)</u>
		<u>433,130</u>	<u>572,391</u>	<u>479,340</u>	<u>615,600</u>
		=====	=====	=====	=====

FRIENDS OF THE NATIONAL RAILWAY MUSEUM (and subsidiary company)
Charity and consolidated balance sheet as at 31 December 2023 (continued)

		2023	2022	2023	2022
	Notes	Charity £	Charity £	Group £	Group £
Funds of the charity:					
Restricted funds					
Duchess of Hamilton Fund	10	-	106,045	-	106,045
NAROH Fund	11	1,372	1,372	1,372	1,372
Borough Market Junction Signal Box	12	839	839	839	839
BRACS Fund	13	4,918	4,918	4,918	4,918
F.A.R.S.A.P	11	3,111	3,111	3,111	3,111
History & Development of Railway Signalling	14	-	870	-	870
Total restricted funds		10,240	117,155	10,240	117,155
Unrestricted funds					
Accumulated funds		421,390	453,236	467,600	496,445
Designated Funds					
Ripon School Fund	15	1,500	2,000	1,500	2,000
Total Funds		433,130	572,391	479,340	615,600

These accounts were approved at a meeting of the Council on 17 April 2024

..... Chairman – P M Benham

..... Secretary – G D N Miller OBE

..... Treasurer – M Grant

The Notes on pages 19 to 28 form part of these financial statements.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2023
Statement of Accounting Policies

1.1 Basis of accounting

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going Concern

The trustees assess whether the use of going concern is appropriate i.e., whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The charity is a going concern and there are no material uncertainties relating to its going concern status.

1.3 Income

The Charity's income is received from members' subscriptions, donations, both general and specific. Other income from sales, legacies, bank interest and small surpluses on meetings and social events organised by the members is recognised at time of receipt. Where proven to meet income recognition, legacies due within twelve months of the accounting period are included as debtors.

Ordinary subscriptions income is applied in the year in which it is due for payment. Life members' subscriptions are credited to the income and expenditure account in nine equal annual instalments and the unexpended portion is carried forward as deferred income.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2023
Statement of Accounting Policies (continued)

1.4 Tangible Fixed Assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. This is a change in accounting policy from £500 in previous periods, although as there were no relevant additions in the previous year there is no comparative restatement.

Depreciation, if applicable, is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line or reducing balance basis over its expected useful life.

1.5 Leased Assets

Rents applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

1.6 Stock

Stocks of goods for resale are valued at the lower of cost or net realisable value.

1.7 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity and is therefore included in the relevant costs in the Statement of Financial Activities.

The consolidated report includes any relative corporation tax for the subsidiary trading company.

1.8 Government Grants

Government grants relating to revenue expenditure are shown as income in the year of receipt.

1.9 Fund Accounting

Any grant, donation or separate subscription(s) received by the charity that is required to be used for a specified purpose is treated as restricted income together with the expenses applicable to that fund and included within the relevant restricted fund(s).

All other income is treated as unrestricted income and credited to the general unrestricted fund.

Designated funds are unrestricted funds that the Trustees have set aside for a particular purpose.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2023

Notes to the Financial Statements for the year ended 31 December 2023

1. SUBSCRIPTIONS

	2023 Unre- stricted Funds	2023 Restricted Funds	2023 TOTAL Funds	2022 TOTAL Funds
	£	£	£	£
Subscriptions received in year	21,642	1,252	22,894	23,358
Subscriptions paid in advance in 2022	1,232	-	1,232	2,419
Transfer from Life Subscription Fund (Note 9)	1,758	-	1,758	2,277
	24,632	1,252	25,884	28,054
<i>Less</i> Subscriptions in advance for 2024 (Note 8)	(1,557)	-	(1,557)	(1,232)
<i>Less</i> Transfer to Life Subscription Fund (Note 9)	(1,000)	-	(1,000)	(600)
	22,075	1,252	23,327	26,222

2. DIRECT CHARITABLE EXPENDITURE

Museum support – General	-	-	-	-
Museum support – Specific	453,888	-	453,888	254,308
NRM Review	16,952	-	16,952	27,984
	470,840	-	470,840	282,292

Within specific museum support there is an amount of £500 (2022: £500) relating to designated funds for the Ripon School Fund. A separate fund was formed in 2021 for the Ripon School Fund.

3. FUNDRAISING AND PUBLICITY

Exhibitions, Advertising and marketing	1,874	-	1,874	1,265
	1,874	-	1,874	1,265

4. MANAGEMENT AND ADMINISTRATION

Secretarial salaries	16,481	-	16,481	26,243
Printing, postage, stationery and telephone	4,632	-	4,632	1,665
Insurance, Fees, etc.	1,510	-	1,510	6,035
Legal and professional fees	6,775	-	6,775	3,999
Office expenses	1,606	-	1,606	90
Payroll administration	438	-	438	173
Cost of meetings	1,489	-	1,489	857
	32,931	-	32,931	39,062
Governance Costs				
Independent examiners fees	3,487	-	3,487	2,505
Officers' expenses	3,922	-	3,922	-
	7,409	-	7,409	2,505

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2023

Notes to the Financial Statements for the year ended 31 December 2023 (continued)

5. INVESTMENT IN SUBSIDIARY

Shares held in Friends of the National Railway Museum Enterprises Ltd at a cost of £40 (2022: £40).

The company is registered in England and Wales under registration number of 02418239.

The financial results of the company were as follows (for the year ended 31 December 2023):

Income	Expenditure	Profit/(loss)	Net Assets
£	£	£	£
49,242	31,693	17,549	60,800
=====	=====	=====	=====

6. DEBTORS

	2023	2022
	£	£
Sales debtors and amounts prepaid	1,420	886
Gift Aid Recoverable	-	-
Legacy funds receivable	-	180,000
	<u>1,420</u>	<u>180,886</u>
	=====	=====

7. CASH AT BANK, IN HAND AND INVESTMENTS

	2023	2022
	£	£
Charity Official Investment Fund account	142,993	577,507
Deposit and current accounts	287,864	82,610
South of England Group current account	4,135	2,871
Northeast Branch cash in hand	180	180
Cash in hand	447	557
	<u>435,619</u>	<u>663,725</u>
Charity balances	435,619	663,725
FNRM Enterprises Ltd	37,588	26,478
	<u>473,207</u>	<u>690,203</u>
	=====	=====
Total group	473,207	690,203
	=====	=====
Investments held with CCLA	142,993	577,507
	=====	=====

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2023

Notes to the Financial Statements for the year ended 31 December 2023 (continued)

8. CREDITORS: DUE WITHIN ONE YEAR

	2023	2022	2023	2022
	Charity	Charity	Group	Group
	£	£	£	£
Ordinary subscriptions paid in advance	1,557	1,232	1,557	1,232
Accruals	8,011	14,477	9,742	15,937
Trade creditors	122	-	122	-
Other creditors	-	250,000	-	250,000
	<u>9,690</u>	<u>265,709</u>	<u>11,421</u>	<u>267,169</u>
	=====	=====	=====	=====

9. CREDITORS: DUE AFTER ONE YEAR

	2023	2022
	£	£
Movements of the life subscriptions fund were as follows:		
Balance at 1 January 2023	6,096	7,773
New life memberships	1,000	600
	<u>7,096</u>	<u>8,373</u>
Transfer to Statement of Financial Activities	(1,758)	(2,277)
Balance at 31 December 2023	<u>5,338</u>	<u>6,096</u>

10. DUCHESS OF HAMILTON FUND (229 Club)

	2023	2022
	£	£
Balance at 1 January 2023	106,045	109,414
229 Club subscriptions and donations (including Gift Aid)	1,252	1,328
Interest added from invested balances	-	-
Realised gain on investments within the year	-	-
Deduct: Unrealised gain on invested funds to 31 December 2022	-	(4,679)
Add: Unrealised gain on invested funds at 31 December 2023	-	-
	<u>107,297</u>	<u>106,063</u>
Less 229 Club prizes and sundry expenses	-	(18)
Less Transferred to unrestricted funds in year	(107,297)	-
Balance at 31 December 2023	<u>-</u>	<u>106,045</u>

A number of members of The Friends of the National Railway Museum have undertaken to be responsible for some of the repair and maintenance of the locomotive *Duchess of Hamilton*. This fund has been permanently closed at the request of the 229 Club members. Following a minuted meeting of the 229 Club, it was agreed the funds be transferred to the general unrestricted funds.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2023

Notes to the Financial Statements for the year ended 31 December 2023 (continued)

11. NATIONAL ARCHIVE of RAILWAY ORAL HISTORY FUND (INCLUDING F.A.R.S.A.P.)

	2023 £	2022 £
Balance at 1 January 2023	4,483	4,768
Receipts in year	-	-
Interest added from invested balances	-	15
	4,483	4,783
<i>Less Expenses paid</i>	-	(300)
Balance at 31 December 2023	4,483	4,483

12. BOROUGH MARKET JUNCTION SIGNAL BOX FUND

	2023 £	2022 £
Balance at 1 January 2023	839	839
Interest added from invested balances	-	-
	839	839
<i>Less Outgoings</i>	-	-
Balance at 31 December 2023	839	839

13. BRITAIN'S RAILWAYS – ALL CHANGE

	2023 £	2022 £
Balance at 1 January 2023	4,918	4,908
Receipts in the year including Gift Aid	-	10
Interest added from invested balances	-	-
	4,918	4,918
<i>Less Outgoings</i>	-	-
Balance at 31 December 2023	4,918	4,918

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2023

Notes to the Financial Statements for the year ended 31 December 2023 (continued)

14. HISTORY AND DEVELOPMENT OF RAILWAY SIGNALLING	2023	2022
	£	£
Balance at 1 January 2023	870	-
Receipts in the year including Gift Aid	-	906
Transfer from Accumulated fund	-	-
Interest added from invested balances	-	-
	<u>870</u>	<u>906</u>
Less Transferred to unrestricted funds in year	(870)	
<i>Less Outgoings</i>	-	(36)
Balance at 31 December 2023	<u>-</u>	<u>870</u>

15. RIPON SCHOOL COMPETITION – Designated fund	2023	2022
	£	£
Balance at 1 January 2023	2,000	2,500
Receipts in the year including Gift Aid	-	-
Interest added from invested balances	-	-
	<u>2,000</u>	<u>2,500</u>
<i>Less Outgoings</i>	(500)	(500)
Balance at 31 December 2023	<u>1,500</u>	<u>2,000</u>

16. ANALYSIS OF MOVEMENTS IN FUNDS

	Income	Expendi- ture	Transfers / gains/losses	Movement
	2023	2023	2023	2023
	£	£	£	£
Unrestricted and designated funds				
Revenue funds	374,749	542,162	138,068	(29,345)
	=====	=====	=====	=====
Restricted funds				
Various restricted funds (notes 10 to 14)	1,252	-	(108,167)	(106,915)
	=====	=====	=====	=====

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2023

Notes to the Financial Statements for the year ended 31 December 2023 (continued)

17. STATEMENT OF FINANCIAL ACTIVITIES FOR THE PRIOR YEAR - ENDED 31 DECEMBER 2022

		2022 Unrestricted and Designated Funds	2022 Restricted Funds	2022 TOTAL Funds	2021 TOTAL Funds
	Note	£	£	£	£
INCOME FROM:					
Members' subscriptions – Inc. gift aid	1	24,894	1,328	26,222	28,832
Collecting boxes		7,670	-	7,670	4,774
Donations and legacies from individuals		2,920	-	2,920	329,243
Grant income		-	-	-	1,014
Sales – ancillary activities		18,883	906	19,789	12,608
Bank interest		517	25	542	13
Sundry receipts		489	-	489	-
Total incoming resources		55,373	2,259	57,632	376,484
EXPENDITURE ON:					
Direct charitable expenditure	2	281,956	336	282,292	134,187
Fundraising and publicity	3	1,248	17	1,265	303
Management and administration	4	39,062	-	39,062	26,846
Governance Costs	4	2,505	-	2,505	2,308
Cost of sales		8,227	-	8,227	8,498
Total Resources expended		332,998	353	333,351	172,142

18. PARTICULARS OF HOW FUNDS ARE REPRESENTED BY ASSETS AND LIABILITIES

At 31 December 2023	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Current assets	484,359	1,500	10,240	496,099
Liabilities	(16,759)	-	-	(16,759)
	467,600	1,500	10,240	479,340
	467,600	1,500	10,240	479,340
At 1 January 2023				
Current assets	519,710	252,000	117,155	888,865
Liabilities	(23,265)	(250,000)	-	(273,265)
	496,445	2,000	117,155	615,600
	496,445	2,000	117,155	615,600

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2023

Notes to the Financial Statements for the year ended 31 December 2023 (continued)

19. DESIGNATED FUNDS

There is also a designated fund of £1,500 (2022: £2,000) for the Ripon School Fund. This amount is included within the Unrestricted Funds on the Statement of Financial Activities and Balance sheet on pages 16 and 18 respectively. Reference is also made to the Ripon School Competition fund in note 15 on page 25.

20. FUTURE CHARITABLE COMMITMENTS

The Trustees' objective is to continue to respond to requests for financial assistance for the National Railway Museum. It is anticipated that these requests will include some funding for the following projects:

NRM Masterplan – the continuing re-development of the National Railway Museum Estate over and above that already provided by the Friends	£600,000
--	----------

21. OPERATING LEASE COMMITMENTS

The Charity had non-cancellable operating leases at the year-end which:

	2023	2022
	£	£
Other operating leases (office equipment)		
Expire within 1 year	-	-
Expire within 2 to 5 years (2022 – 2 - 5 years)	-	540
	=====	=====

22. RELATED PARTY TRANSACTIONS

The wholly owned subsidiary company is Friends of the National Railway Museum Enterprises Limited, registered in England and Wales, company number 02418239.

The following Trustees of the Friends of the National Railway Museum were also directors of the Friends of the National Railway Museum Enterprises Limited during 2023:

Mr R S Rollings and Mr D M B Naylor

During the year, payments have been paid to Mrs L Benham (wife of Chairman) which have been invoiced for secretarial services totalling £3,250.

During the year, a loan was made to the charity of £2,350 by Graham Miller. This was repaid the same day as was not required.

During the year book-keeping and related fees were charged by a firm of accountants in which M Grant (Treasurer) is a Director. The amount chargeable at the year end was £2,220.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2023

Notes to the Financial Statements for the year ended 31 December 2023 (continued)

23. EMPLOYEES AND REMUNERATION

The number of employees during the year ended 31 December 2023 was three (all part-time) (2022: two (part-time)). Total remuneration was £16,481 (2022: £26,243). No pension contributions were paid in the two years ended 31 December 2023.

No remuneration was paid to any of the Trustees during 2023 nor 2022. The Trustees claimed reimbursement of direct expenditure incurred on behalf of the charity amounting to £3,922 (2022: £nil)

24. WINDING UP OR DISSOLUTION OF THE CHARITY

If upon winding up or dissolution of the charity there remains any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the Charity.

THE FRIENDS OF THE NATIONAL RAILWAY MUSEUM

England & Wales - Charity number 273829

Accounts

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Financial Statements Year ended 31 December 2021

Registered Charity Number: 0273829

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Financial Statements Year ended 31 December 2021

INDEPENDENT EXAMINER'S REPORT TO THE COUNCIL OF FRIENDS OF THE NATIONAL RAILWAY MUSEUM

I report on the accounts for the year ended 31 December 2021.

Respective responsibilities of trustees and examiner

The Charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Charities Act) and that an independent examination is required.

It is my responsibility to:

- Examine the accounts under Section 145 of The Charities Act,
- To follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act),
- Ascertain that the Charity is not to be subject to an audit, and
- To state whether particular matters have come to my attention.

Basis of the independent examiner's statement

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

**FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Financial Statements
Year ended 31 December 2021.**

**INDEPENDENT EXAMINER'S REPORT TO THE
COUNCIL OF FRIENDS OF THE NATIONAL RAILWAY MUSEUM
(continued)**

Independent examiner's statement

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

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

- To keep accounting records in accordance with Section 130 of The Charities Act.
- To prepare accounts which accord with accounting records and to comply with the accounting requirements of the Charities Act have not been met; or

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

**Robert J Woolley FCCA, CTA
Chartered Certified Accountant
Crown House
York Road
Siptonthorpe
York
YO43 3PF**

Dated:

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Financial Statements
Year ended 31 December 2021
Statement of Accounting Policies

(a) Basis of accounting

These consolidated accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102 (effective 1 January 2016) and FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities 2015).

A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

(b) Going Concern

The trustees assess whether the use of going concern is appropriate i.e., whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

(c) Incoming Resources

The Charity's income is received from members' subscriptions, donations, both general and specific. Other income from sales, legacies, bank interest and small surpluses on meetings and social events organised by the members is recognised at time of receipt. Where proven to meet income recognition, legacies due within twelve months of the accounting period are included as debtors.

Ordinary subscriptions income is applied in the year in which it is due for payment. Life members' subscriptions are credited to the income and expenditure account in nine equal annual instalments and the unexpended portion is carried forward as deferred income.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

(d) Meetings and social events

The income from meetings and social events is relatively small and is intended to cover the cost of such events. Income is offset against the relevant costs.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Financial Statements
Year ended 31 December 2021
Statement of Accounting Policies (continued)

(e) Tangible Fixed Assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. This is a change in accounting policy from £500 in previous periods, although as there were no relevant additions in the previous year there is no comparative restatement.

Depreciation, if applicable, is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line or reducing balance basis over its expected useful life, as follows:

(f) Leased Assets

Rents applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

(g) Stock

Stocks of goods for resale are valued at the lower of cost or net realisable value.

(h) Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity and is therefore included in the relevant costs in the Statement of Financial Activities.

The consolidated report includes any relative corporation tax for the subsidiary trading company.

(i) Government Grants

Government grants relating to revenue expenditure are shown as income in the year of receipt.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Financial Statements

Year ended 31 December 2021

Notes to the Financial Statements for the year ended 31 December 2021

1. SUBSCRIPTIONS

	2021 Unrestrict ed Funds	2021 Restrict ed Funds	2020 Unrestrict ed Funds	2020 Restrict ed Funds
	£	£	£	£
Subscriptions received in year	25,020	2,036	25,988	5,806
Subscriptions paid in advance in 2020	2,290	-	4,000	-
Transfer from Life Subscription Fund (Note 9)	2,655	-	2,741	-
	<u>29,965</u>	<u>2,036</u>	<u>32,729</u>	<u>5,806</u>
<i>Less</i> Subscriptions in advance for 2022 (Note 8)	(2,419)	-	(2,290)	-
<i>Less</i> Transfer to Life Subscription Fund (Note 9)	(750)	-	(1,300)	-
	<u><u>26,796</u></u>	<u><u>2,036</u></u>	<u><u>29,139</u></u>	<u><u>5,806</u></u>

2. DIRECT CHARITABLE EXPENDITURE

Museum support - General	-	9,128	-	-
Museum support - Specific	100,500	-	102,095	12,506
NRM Review	24,559	-	22,536	-
	<u>125,059</u>	<u>9,128</u>	<u>124,631</u>	<u>12,506</u>

Within specific museum support there is an amount of £500 relating to designated funds for the Ripon School Fund. A separate fund has been formed in 2021 for the Ripon School Fund. There are no comparative figures.

3. FUNDRAISING AND PUBLICITY

Exhibitions, Advertising and marketing	303	-	807	-
	<u>303</u>	<u>-</u>	<u>807</u>	<u>-</u>

4. MANAGEMENT AND ADMINISTRATION

Equipment expensed	699	-	-	-
Secretarial salaries	14,096	1,014	13,469	6,067
Printing, postage, stationery and telephone	4,406	-	2,741	-
Insurance, Fees, Etc.	5,649	-	4,099	-
Governance costs - (Inc. Independent examiner's fees)	2,308	-	3,575	-
	<u>27,158</u>	<u>1,014</u>	<u>23,884</u>	<u>6,067</u>

5. INVESTMENT IN SUBSIDIARY

Shares held in Friends of the National Railway Museum Enterprises Ltd at a cost of £40 (2020: £40).

The company is registered in England and Wales under registration number of 02418239.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Financial Statements

Year ended 31 December 2021

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

6. DEBTORS

	2021	2020
	£	£
Sales debtors and amounts prepaid	201	1,077
Gift Aid Recoverable	1,534	-

Legacy funds receivable	180,000	-
	<u>181,735</u>	<u>1,077</u>
	=====	=====
	=	=

7. CASH AT BANK, IN HAND AND INVESTMENTS

	2021 £	2020 £
Charity Official Investment Fund account	728,968	567,116
Deposit and current accounts	106,149	162,614
South of England Group current account	2,289	2,324
North East Branch cash in hand	379	245
Cash in hand	135	159
Charity balances	<u>837,920</u>	<u>732,458</u>
FNRM Enterprises Ltd	18,926	16,437
Total group	<u>856,846</u>	<u>748,895</u>
	=====	=====
	=	=
Investments held with CCLA	728,968	567,116
	=====	=====
	=	=

8. CREDITORS: DUE WITHIN ONE YEAR

	2021 Charity £	2020 Charity £	2021 Group £	2020 Group £
Ordinary subscriptions paid in advance	2,419	2,290	2,419	2,290
Accruals	3,926	2,348	5,133	3,330
Other creditors	100,000	100,000	100,000	100,000
	<u>106,345</u>	<u>104,638</u>	<u>107,552</u>	<u>105,620</u>
	=====	=====	=====	=====
	=	=	=	=

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Financial Statements

Year ended 31 December 2021

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

9. CREDITORS: DUE AFTER ONE YEAR

Movements of the life subscriptions fund were as follows:

	2021 £	2020 £
Balance at 1 January 2021	9,679	11,120
New life memberships	750	1,300
	<u>10,429</u>	<u>12,420</u>
Transfer to Statement of Financial Activities	(2,656)	(2,741)
Balance at 31 December 2021	<u>7,773</u>	<u>9,679</u>

10. DUCHESS OF HAMILTON FUND (229 Club)

	2021 £	2020 £
Balance at 1 January 2021	101,734	91,198
229 Club subscriptions and donations (including Gift Aid)	2,036	5,806
Interest added from invested balances	-	104
Realised gain on investments within the year	14,000	-
Deduct : Unrealised gain on invested funds to 31 December 2020	(13,037)	-
Add : Unrealised gain on invested funds at 31 December 2021	4,680	4,626
	<u>109,414</u>	<u>101,734</u>
Less 229 Club prizes and sundry expenses	-	-
Balance at 31 December 2021	<u>109,414</u>	<u>101,734</u>

Some members of The Friends of the National Railway Museum have undertaken to be responsible for some of the repair and maintenance of the locomotive *Duchess of Hamilton*. This has been financed through this Fund which is also known as *The 229 Club*.

11. NATIONAL ARCHIVE of RAILWAY ORAL HISTORY FUND 2021

£

		2020 £
Balance at 1 January 2021	4,768	6,762
Receipts in year	-	-
Transfer from Accumulated fund	-	-
Interest added from invested balances	-	7

	4,768	6,769
<i>Less Expenses paid</i>	-	(2,001)
Balance at 31 December 2021	4,768	4,768

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Financial Statements
Year ended 31 December 2021

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

12. BOROUGH MARKET JUNCTION SIGNAL BOX FUND

	2021	2020
	£	£
Balance at 1 January 2021	839	838
Interest added from invested balances	-	1
	<hr/> 839	<hr/> 839
<i>Less Outgoings</i>	-	-
Balance at 31 December 2021	<hr/> 839	<hr/> 839

13. BRITAIN'S RAILWAYS - ALL CHANGE

	2021	2020
	£	£
Balance at 1 January 2021	4,964	10,469
Transfer from Accumulated fund	-	5,000
Receipts in the year including Gift Aid	-	-
Interest added from invested balances	-	-
	<hr/> 4,964	<hr/> 15,469
<i>Less Outgoings</i>	(56)	(10,505)
Balance at 31 December 2021	<hr/> 4,908	<hr/> 4,964

14. HISTORY AND DEVELOPMENT OF RAILWAY SIGNALLING

	2021	2020
	£	£
Balance at 1 January 2021	9,172	2,185
Receipts in the year including Gift Aid	-	271
Transfer from Accumulated fund	(101)	6,712
Interest added from invested balances	-	4
	<hr/> 9,071	<hr/> 9,172
<i>Less Outgoings</i>	(9,071)	-

Balance at 31 December 2021

-	9,172
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FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Financial Statements

Year ended 31 December 2021

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

15. DESIGNATED FUNDS

During the year the Charity designated funds for the Vision 2025 Fund NRM totalling £250,000 and also £2,500 for the Ripon School Fund. These amounts are included within the Unrestricted Funds on the Statement of Financial Activities and Balance sheet.

16. ANALYSIS OF MOVEMENTS IN FUNDS

	Income	Expenditure	Other gains/losses	Movement
	2021	2021	2021	2021
	£	£	£	£
Unrestricted and designated funds				
Revenue funds	373,434	(162,000)	75,540	286,974
	=====	=====	=====	=====
	=	=		
Restricted funds				
Various restricted funds (notes 10 to 14)	3,050	(10,243)	5,645	(1,548)
	=====	=====	=====	=====
	=			

17. PARTICULARS OF HOW FUNDS ARE REPRESENTED BY ASSETS AND LIABILITIES

At 31 December 2021	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£

Current assets	686,216	252,500	119,929	1,058,645
Liabilities	(115,325)	-	-	(115,325)
	<u>570,891</u>	<u>252,500</u>	<u>119,929</u>	<u>943,320</u>
	=====	=====	=====	=====
	=	=	=	=
At 1 January 2021				
Current assets	651,716	-	121,477	773,193
Liabilities	(115,299)	-	-	(115,299)
	<u>536,417</u>	<u>-</u>	<u>121,477</u>	<u>657,894</u>
	=====	=====	=====	=====
	=	=	=	=

FRIENDS OF THE NATIONAL RAILWAY MUSEUM Financial Statements

Year ended 31 December 2021

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

18. FUTURE CHARITABLE COMMITMENTS

The Trustees' objective is to continue to respond to requests for financial assistance for the National Railway Museum. It is anticipated that these requests will include some funding for the following projects:

Station Hall - Redevelopment and refreshment payable 2022/23 *	£100,000
	0

(This is included in creditors and was paid over on 10 March 2022)

Vision 2025 - Major re-development of the National Railway Museum Estate. (Resources allocated as a Designated Fund) **	£250,000
	0

(Not included in creditors)

** Approved at Council meeting on 1 December 2018*

∏ **** Approved at Council meeting on 18 September 2021**

Implementation of The Station Hall re-development project has unavoidably slipped due to the Covid Pandemic and the fabrication of the existing building. The Charity is hoping to fulfil total contributions to the project of £1,000,000 over the coming 5 years.

The 229 Club Restricted fund has been suspended indefinitely as there is no immediate prospect of the locomotive *Duchess of Hamilton* being returned into steam and main line running within the foreseeable future. The Restricted fund will remain to facilitate occasional maintenance costs within the next few years.

19. OPERATING LEASE COMMITMENTS

The Charity had non-cancellable operating leases at the year-end which:

Other operating leases (office equipment)	2021	2020
	£	£
Expire within 1 year	-	-
Expire within 2 to 5 years (2020 - 2 - 5 years)	426	426
	====	====

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Financial Statements

Year ended 31 December 2021

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

2

0. RELATED PARTY TRANSACTIONS

The wholly owned subsidiary company is Friends of the National Railway Museum Enterprises Limited, registered in England and Wales.

The following Trustees of the Friends of the National Railway Museum were also directors of the Friends of the National Railway Museum Enterprises Limited during 2021:

Mr R S Rollings and Mr D M B Naylor

21. EMPLOYEES AND REMUNERATION

The number of employees during the year ended 31 December 2021 was two (all part-time) (2020: three part-time). Total remuneration was £15,110 (2020: £19,536). No pension contributions were paid in the two years ended 31 December 2021.

During the year the Charity received Government Job Retention Grants relating to Covid of £1,014 (2020: £6,067). These grants are shown as restricted income and the gross wages paid shown as above within a corresponding payment from restricted funds for the element relating to the Covid grants.

No remuneration was paid to any of the Trustees during 2021 nor 2020. The Trustees claimed reimbursement of direct expenditure incurred on behalf of the charity amounting to £nil (2020: £nil)

22. WINDING UP OR DISSOLUTION OF THE CHARITY

If upon winding up or dissolution of the charity there remains any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the Charity.

THE FRIENDS OF THE NATIONAL RAILWAY MUSEUM

England & Wales - Charity number 273829

Accounts

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

**Annual Report and Financial Statements Year ended 31
December 2020**

Registered Charity Number: 0273829

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2020

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FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2020

TRUSTEES' REPORT

The Trustees present their annual report with the financial statements of the Charity for the year ended 31 December 2020.

LEGAL STATUS

The Friends of the National Railway Museum was formed by a Trust Deed dated 16 May 1977. It is governed by a supplemental deed dated 21 June 2002 and is Registered Charity Number 273829.

REGISTERED OFFICE and PRINCIPAL PLACE OF OPERATIONS

The Registered Office of the Charity is at:

The National Railway Museum, Leeman Road, York. YO26 4XJ

PROFESSIONAL ADVISORS

Bankers: National Westminster Bank Plc
1 Market Street
York YO1 1YH

HSBC
13 Parliament Street
York YO1 8XS

Solicitors: Grays Solicitors
Duncombe Place
York YO1 7DY

Independent
Examiner

Robert J Woolley FCCA, CTA
Chartered Certified Accountant
Crown House
York Road
Shiptonthorpe
York
YO43 3PF

01430 873666

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2020

TRUSTEES

The Management of the Friends of the National Railway Museum is delegated to the Council; the Council comprises the Trustees and non-voting, co-opted members. The Trustees are appointed in accordance with the Constitution and Rules. Two Trustees are appointed by the Director of The Science Museum Group; twelve are elected from the Membership at the Annual General Meeting and the Hon. Secretary, Hon. Treasurer and Hon. Legal Advisor are appointed by the Council.

THE COUNCIL

The following were the officers and members of the Council (Trustees) of the Friends of the National Railway Museum during 2020 :-

Chairman: P M Benham

Hon Secretary: R S Rollings

Hon Treasurer: D M B Naylor

Hon Legal Advisor: F A Lawton

Council Members: Mrs H M Ashby OBE

P R Batty

Mrs L Benham (Appointed 5 December 2020)

Dr M S Draper CBE

T H Fenwick

P Graham MBE

I Johnson

C P Jones

A McLean*

Mrs J K McNicol*

G D Miller OBE

J C H Nettleton

J H Perkin

J D Thomas BEM

*Appointed by the Science Museum Group

FRIENDS OF THE NATIONAL RAILWAY MUSEUM Annual Report and Financial Statements Year ended 31 December 2020

OBJECTIVES, ORGANISATION AND ACTIVITIES

The Friends of the National Railway Museum was formed to encourage the work and activities of The National Railway Museum at York, by amongst other things:

- (a) assisting in the acquisition and/or renovation of any objects relating to the evolution and development of rail transport for presentation or loan to the Museum or other such institution;
- (b) publicising the activities of the Museum among the members, extending invitations to openings and private viewings and arranging visits to other transport collections and other functions;
- (c) encouraging the study of transport history

As mentioned above, the responsibility for the formulation of policies to attain these aims rests with the Council. The Council is also responsible for the financial position of the Friends of the National Railway Museum, including the securing of membership and other financial support.

Responsibility for the day-to-day implementation of the Council's policies is delegated to an Executive Committee.

FOCUS ON CHARITABLE PURPOSE and PUBLIC BENEFIT

In complying with its Objectives and carrying out the above activities the Board of Trustees recognises that as a Charity realisation of public benefit must be at the centre of its decision-making processes. Public material emphasises that the FNRM is focussed on Railway conservation and education that is operated by a Board made up wholly of Volunteers, and where all income and trading surpluses are re-invested in the Charity. The Trustees acknowledge that their strategic priorities should be inclusive of the overarching aim of delivering public benefit. The charity is a public benefit charity.

The Trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM Annual Report and Financial Statements Year ended 31 December 2020

MANAGEMENT OF ETHICAL AND COMPLIANT FUNDRAISING

Our Charity depends on funds raised from members and the public to ensure the continued viability of the Charity. We strive to comply fully with Charity Commission guidance CC 20 on the duty of Trustees to have oversight of fundraising practices. We will endeavour to fully comply with the Code of Fundraising Practice.

We do not use professional fundraisers nor commercial participators, other than fundraising support by our own controlled subsidiary company. It does not receive any commissions and covenants the whole of its annual surpluses to the Charity. Our fundraising spend is small comprising almost entirely the cost of web-site maintenance. Our fundraising is managed and collated by staff and volunteers of the Charity. We do not share personal data with other organisations for any purpose nor do we fundraise by telephone.

Subscription Renewals and periodic Specific Appeals are directed to members of the Charity by mail, via invitations on our own web site and opt into e-mail communication. In accordance with applicable regulations members of the public can, by simple notification, opt out of receiving any fundraising material. This enables us to respond promptly to any notifications received pursuant to the Fundraising Preference Service.

We do not cold call or make public or static collections off our own premises. Our onsite fundraising is confined to cash collection boxes located within the National Railway Museum which do not invoke pressure to donate. All funds raised are

used exclusively for the furtherance of the Charity and, where given for a restricted purpose, only for that purpose.

INVESTMENT STRATEGY

Funds that The Charity temporarily hosts from whatever source, and which are not deemed to be immediately required by the National Railway Museum (NRM) to assist with projects which otherwise might not be undertaken are invested with a Trusted Source CCLA Investment Management Limited, with the (hoped for) intention of providing a supplemental source of future financial support to NRM. In recent years such investment decisions have provided a positive response to that objective.

The Financial Statements reflect realised and unrealised valuation movements at mid-market price at the yearend date.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM Annual Report and Financial Statements Year ended 31 December 2020

RESERVES

The Trustees regularly monitor the level of reserves held in the Charity. They are mindful that the individual projects requiring support from the Friends are often large and as such take time to complete. In their opinion the level of reserves, both Restricted and Unrestricted is in keeping with these factors. The Charitable Trust holds funds to cover twelve months routine expenditures, including costs of the quarterly magazine in support of the National Railway Museum (NRM), none of which are contentious. Funds in excess of such threshold are generally regarded as freely available to support initiatives of the NRM on a 'free to request' basis compatible with the Objects of the Charity and the Public Interest and committed at the discretion of the Charity Executive and in a timely manner. Surplus funds so arising are generally managed in accord with the Charity Investment Policy -intended to be on a temporary basis.

Funds identified as Restricted are retained as specific reserves applied only for such approved activities.

RISK AND INTERNAL CONTROL

We have well defined risk management arrangements. These include consideration at Trustees' meetings of the level of risks which might endanger the activity of the charity. The Trustees are of the opinion that these are minimal.

- **Fundraising** - The Trustees oversee compliance with fund raising regulation and ensure that fundraising is conducted in accordance with current regulations. The Charity had not at the yearend elected to register voluntarily with the Office of the Fundraising Regulator.
- **IT Security**- We recognise the risks associated with information security and the importance of protecting our IT systems from malicious attack and unauthorised access and misuse. Security measures are in place to protect from unauthorised access to IT systems and to test vulnerabilities in the network. We hold a limited level of personal information about our employees, volunteers, members and supporters. We have a data protection policy in place designed to ensure that only authorised access takes place to personal details.

GRANT MAKING POLICY

Requests for financial support come from the senior management of the National Railway Museum or the Membership of the Friends. Such requests are considered firstly by the Executive Committee and then, if supported, referred to the Council for approval.

FINANCES AND REVIEW OF THE YEAR

As required by Charity law, the Council members, as Trustees, prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the excess or

FRIENDS OF THE NATIONAL RAILWAY MUSEUM Annual Report and Financial Statements Year ended 31 December 2020

FINANCES AND REVIEW OF THE YEAR (Continued)

deficiency of income over expenditure for that period. In preparing those financial statements the Council members: -

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;

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

The Council members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the requirements of the Charity Acts. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Charity conducts its business with the use of an accounting system using both manual and computerised records and a computerised membership database.

Whilst it is not mandatory for The Charity to prepare consolidated accounts, the Trustees have requested them as it provides a more detailed financial picture of The Charity. There is no material additional cost incurred in the production of a consolidated report.

The Trustees consider the financial performance of the charity during the year to have been satisfactory.

The total income for the year was £162,093 (2019: £297,150) of which £6,193 (2019: £7,403) was from restricted sources. The expenditure for the year amounted to £172,525 (2019: £204,589). There was a £34,413 surplus (2019: £142,702).

The total net assets of the FNRM amounted to £657,894 (2019: £623,481). These were split as to restricted funds of £121,477 (2019: £111,452) and unrestricted funds £536,417 (2019: £512,029).

**FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2020**

COVID 19

The real impact of Covid 19 to the Charity's operations was its impact upon the National Railway Museum, with enforced closure from March 2020 and limited/no access since then. Whilst enforcing a 'working from home' environment for our small team of staff and volunteers with consequent disruption to essential office functions, the real impact was on loss of 'incidental' income from Collection sites within the Museum and more importantly the complete closure of Outreach opportunities for a sustained period (e.g., Flying Scotsman activities). This resulted in the Trading Subsidiary reporting a (first time) small loss on operations, absorbed by the Trust, which in turn has been protected financially by positive returns from its Invested Funds.

The Charity finances have also been sustained by Government grants in support of employee costs (Furlough) but the Charity has not sought other sources of government financial relief.

The Charity's operating position in 2021 is not without concern given that regular outgoings exceed current levels of member subscriptions. This concern will be ameliorated when lockdown positions are further relaxed and Outreach activities can re-create a flow of supportive funds towards these basic activities of the Charitable Trust. That said,

The Trustees have full confidence that the Charity remains a Going Concern and will continue so for at least the next twelve months from the date of this report.

Further detail of the Covid impact is afforded within the Chairman's Report.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2020

Chairman's Report 2020

To say that the past year has been unusual is a gross understatement. In common with so many enterprises, the impact of the Covid 19 pandemic has been dramatic, firstly, of course, on the National Railway Museum, but also on the normal working of the Friends.

From the date of the first Covid lockdown in March 2020, it became impossible to use the Friends' office in York, and at the time of drafting this report it remains unclear when this may be able to resume. In consequence our small team have been working from home, but inevitably many activities have had to be put on hold including a number of services for members. Fortunately, due to the ingenuity and dedication of several individuals, essential functions such as membership renewal have continued with relatively little disruption. Most notably, it has proved possible not only to continue publishing our quarterly magazine *Review* but also to increase the size substantially. Our indefatigable editors judged, surely correctly, that members would appreciate as much reading material as possible during the long days of the lockdown. I am particularly grateful to John Cowles and Russ Rollings who have borne the brunt of the considerable extra work this has entailed. My thanks also go to Helen Ashby who continues to produce the *Half Fare* newsletter for children.

Sadly, other regular activities fared less well, including the programme of York meetings. Similarly, the meetings and activities of the South of England Group and the Northeast Branch at Locomotion had to be put on hold from April onwards. However, it is pleasing to report that some meetings have been able to restart from early in 2021 using on-line technology both at York and in the South of England. Although it is the firm intention to restart physical meetings as soon as conditions allow, it is also hoped to maintain the ability to access these electronically as a permanent feature for those unable to attend in person.

Another casualty has been the loss of almost all trading activities through FNRM Enterprises including the sale of books, although as restrictions dragged on through the year it proved possible to restart the sale of second-hand books via *Review* and on-line thanks to the efforts of Chris Bush and Mike Webb. New books published by FNRM Enterprises have also been made available for purchase on-line, together with the fifth and final edition of *History & Development of Railway Signalling* by Tony Pinkstone and Mike Peart published by FNRM itself.

Reference to on-line selling highlights a very positive development in 2020 in the form of a major revision to our website. Planned for some time, implementation was brought forward to April 2020 because of the pandemic in order to provide another way to maintain contact with members and the outside world. I wish to highlight, with grateful thanks, the part played by Brian Joscelyne who, although

not a member, put in many hours of voluntary time and effort to hugely increase the capability of the site. Apart from making this more interesting and entertaining, with considerably more information, it is now possible to process on-line payments, including not just sales but also membership renewals. At the same time, we have also made the bold step into social media through Facebook and Twitter, where our newest member of staff, May Willshire, has brought new and much needed expertise to an area that is part and parcel of modern life for so many.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2020

Chairman's Report 2020 (Continued)

Despite the challenges of Covid, a new Friends' project was initiated during the year to catalogue and index the contents of back numbers of the *Review* magazine. The result will be a comprehensive record of articles, photographs and other material accessible on-line for future research work. Already a number of editions have been completed, although as the most recent one published is No 176, it will be appreciated that the project has some way to go yet! The work is being led by trustee Mel Draper along with a dedicated band of volunteers. Thank you one and all.

Completion of our archival research project, 'Britain's Railways All Change' (BRAC), has been extended into 2021 in the hope that outstanding interviews can be completed on a face-to-face basis once Covid restrictions are eased. It will be recalled that this project, under the leadership of our President, Frank Paterson, tells the story of rail privatisation and is being run jointly with the Retired Railway Officers Society. Summaries of 130 interviews are now available for public access through the NRM website.

Further filmed records of signal boxes under the 'The Film Archive of Railway Signalling and People' (FARSAP) project have been made available on the Signalling Record Society's website and it is still hoped that in due course these will also be available directly on the Railway Museum website. For obvious reasons, Covid restrictions have prevented any further filming from taking place, but while the majority of planned locations have been recorded, there are still a few it is hoped to capture once restrictions are fully lifted. Thanks are once again due to Richard Pulleyn and his team for their continued commitment, and to Network Rail for providing filming facilities.

With no prospect of the locomotive *Duchess of Hamilton* being returned to working order in the foreseeable future, the 229 Club made the decision to cease taking annual subscriptions from members, although the Club remains in existence. The residual funds in the 229 Club account (c £89k) will be retained to

be available for conservation or other work that might be required on the locomotive in the future. In recognition of the tremendous support they have given over so many years, it has been agreed to offer 229 Club members Life Membership of the Friends of the National Railway Museum.

During the year we welcomed 25 new Friends but overall, the continued decline in numbers is a concern. At the year-end there were 1573 memberships representing 1808 people. This is a reduction of about 4.6% over the year, reflecting a situation that has been exacerbated by Covid and the resultant closure of the two Museums for much of the year. I am grateful to Graham Miller who has been leading a working group examining the problem of declining membership. A number of initiatives have been developed for 2021, with their implementation planned to time with a return to some form of normality and re-opening of the Museums post the Covid lockdown.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2020

Chairman's Report 2020 (continued)

Last year I was able to report the generous legacy of £283,000 from our former Honorary Secretary Michael Wallace. Trustee Hugh Fenwick kindly agreed to lead a working party to work with the Museum to recommend how Michael's legacy can best be used to the benefit of his memory, the Friends and National Railway Museum. This work is ongoing. We have been fortunate to be named as beneficiaries of a number of other legacies, with one received during the year and the remainder amounting to c £311,000 expected to be received within 2021. This puts the charity in the position of having significant sums available in excess of those needed to fund current operations; even after existing commitments to the National Railway Museum have been taken into account. The trustees will be developing a strategic approach to ensure the best use of these funds in discussion with the Museum.

The Total of Year End Funds of the Charity and trading subsidiary, (including £121,477 of funds restricted for specific projects), was £657,894, an increase of £34,413 on 2019.

2020 saw the retirement of our two Office staff, both of whom had given invaluable service to the Friends, especially in the sad and difficult period after the sudden death of our long-standing secretary Michael Wallace in 2018. Hazel retired first in January after five years' service with us.

It had been planned for Lesley to retire in April, but this was put on hold because of the changed working arrangements brought about by the Covid lockdown, and an inability to complete training while the Friends office was closed. Lesley finally retired in October after over twenty years as Office Administrator - a remarkable and unrivalled achievement. Her place has been taken by Heather Jones, while May Willshire joined us in January to replace Hazel. To all four ladies I give my thanks for their vital help and support.

The Friends continue to enjoy excellent relationships with Director, Judith McNicol, and Head Curator Andrew McLean, who are members of both Council and Executive, and the wider NRM management team at both York and Shildon. This has been a challenging time for all, but it has been uplifting to see the positive way in which the Museum family has responded to the Covid 19 crisis.

Finally, once again I wish to thank all my fellow Trustees and officers for the support and help they have given through the year. Special thanks are due to Russ Rollings, Honorary Secretary, and David Naylor our Honorary Treasurer to both of whom fall many of the day-to-day tasks required to keep the charity functioning properly.

P M Benham
Chairman

Dated: 14 June 2021

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements Year ended 31 December 2020

INDEPENDENT EXAMINER'S REPORT TO THE COUNCIL OF FRIENDS OF THE NATIONAL RAILWAY MUSEUM

I report on the accounts for the year ended 31 December 2020 set out on pages 14 to 24.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Charities Act) and that an independent examination is required.

It is my responsibility to:

- Examine the accounts under Section 145 of The Charities Act,
- To follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act),
- Ascertain that the Charity is not to be subject to an audit, and
- To state whether particular matters have come to my attention.

Basis of the independent examiner's statement

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

**FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2020.**

**INDEPENDENT EXAMINER'S REPORT TO THE
COUNCIL OF FRIENDS OF THE NATIONAL RAILWAY MUSEUM
(continued)**

Independent examiner's statement

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

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

- To keep accounting records in accordance with Section 130 of The Charities Act.
- To prepare accounts which accord with accounting records and to comply with the accounting requirements of the Charities Act have not been met; or

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

**Robert J Woolley FCCA, CTA
Chartered Certified Accountant
Crown House
York Road
Shiptonthorpe**

Dated: 14 June 2021

FRIENDS OF THE NATIONAL RAILWAY MUSEUM (and subsidiary company)
Consolidated Statement of Financial Activities for the year ended 31
December 2020

		2020	2020	2019	2019
		Unrestric	Restrict	Unrestric	Restrict
		ted	ed	ted	ed
		Funds	Funds	Funds	Funds
INCOMING RESOURCES	Not	£	£	£	£
	e				
Members' subscriptions - Inc. gift aid	1	29,139	5,806	27,899	6,954
Collecting boxes		3,344	-	7,570	-
Donations and legacies from individuals		108,010	271	203,810	309
Government grants		6,067	-	-	-
Sales - ancillary activities		8,971	-	49,652	-
Bank interest		369	116	816	140
Total incoming resources		155,900	6,193	289,747	7,403
RESOURCES EXPENDED					
Direct charitable expenditure	2	124,631	12,506	159,594	2,325
Fundraising and publicity	3	807	-	1,050	-
Management and administration	4	29,951	-	28,342	-
Net costs of meetings and social events		268	-	1,195	-
Cost of sales		4,362	-	11,774	-
Other expenditure		-	-	309	-
Total resources expended		160,019	12,506	202,264	2,325
Net income/(expenditure) before gains/(losses) on investments:		(4,119)	(6,313)	87,483	5,078
Realised within the year		-	-	29,400	-

Change in unrealised gain at year end		40,219	4,626	12,330	8,411
Transfers between funds	10,12, 13	(11,712)	11,712	(5,000)	5,000
Net movement of funds		<u>24,388</u>	<u>10,025</u>	<u>124,213</u>	<u>18,489</u>
Fund balances as of 1 January 2020		512,029	111,452	387,816	92,963
Fund balances as of 31 December 2020		<u>536,417</u>	<u>121,477</u>	<u>512,029</u>	<u>111,452</u>
		=====	=====	=====	=====
		====	====	====	====

A breakdown of the restricted funds is provided on pages 21 to 22.

The notes on pages 19 to 24 form part of these financial statements

All of the Charity's activities derive from continuing operations during the financial period.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM (and subsidiary company)
Charity and consolidated balance sheet as at 31 December 2020

	Note	2020 Charity	2019 Charity	2020 Group	2019 Group
	s	£	£	£	£
Fixed assets					
Investment in subsidiary	5	40	40	-	-
		<u>40</u>	<u>40</u>	<u>-</u>	<u>-</u>
Current assets					
Stock			-	23,221	23,682
Debtors		756	24,975	1,077	857
Investments with CCLA	6	567,116	521,808	567,116	521,808
Cash at bank and in hand	6	165,342	196,528	181,779	237,409
Total assets		<u>733,254</u>	<u>743,351</u>	<u>773,193</u>	<u>783,756</u>
Creditors: Amounts falling due within one year	7	(104,638)	(148,199)	(105,620)	(149,155)
Total assets less current liabilities		<u>628,616</u>	<u>595,152</u>	<u>667,573</u>	<u>634,601</u>

Creditors: Amounts falling due after one year	8	(9,679)	(11,120)	(9,679)	(11,120)
		<u>618,937</u>	<u>584,032</u>	<u>657,894</u>	<u>623,481</u>
		=====	=====	=====	=====
				==	==

The restricted funds for 2020 of £121,477 (2019: £111,452) are represented within the cash at bank and in hand and Investments with the CCLA, included in the above Charity balance sheet.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM (and subsidiary company)
Charity and consolidated balance sheet as at 31 December 2020 (continued)

		2020	2019	2020	2019
	Notes	Charity	Charity	Group	Group
		£	£	£	£
Funds of the charity:					
Restricted funds					
Duchess of Hamilton Fund	9	101,734	91,198	101,734	91,198
NAROH Fund	10	4,768	6,762	4,768	6,762
Borough Market Junction Signal Box	11	839	838	839	838
BRACS Fund	12	4,964	10,469	4,964	10,469
History & Development of Railway Signalling	13	9,172	2,185	9,172	2,185
Total restricted funds		<u>121,477</u>	<u>111,452</u>	<u>121,477</u>	<u>111,452</u>

Unrestricted funds				
Accumulated funds	497,460	472,580	536,417	512,029
Total Funds	<u>618,937</u>	<u>584,032</u>	<u>657,894</u>	<u>623,481</u>
	=====	=====	=====	=====
	=	=	=	=

These accounts were approved at a meeting of the Council on 14 June 2021

..... Chairman - P M Benham

..... Secretary - R S Rollings

..... Treasurer - D M B Naylor

The Notes on pages 19 to 24 form part of these financial statements.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2020
Accounting Policies

(a) Basis of accounting

These consolidated accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102 (effective 1 January 2016) and FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities 2015).

A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

(b) Going Concern

The trustees assess whether the use of going concern is appropriate i.e., whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

(c) Incoming Resources

The charity's income is received from members' subscriptions, donations, both general and specific. Other income from sales, legacies, bank interest and small surpluses on meetings and social events organised by the members is recognised at time of receipt.

Ordinary subscriptions income is applied in the year in which it is due for payment. Life members' subscriptions are credited to the income and expenditure account in nine equal annual instalments and the unexpended portion is carried forward as deferred income.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

(d) Meetings and social events

The income from meetings and social events is relatively small and is intended to cover the cost of such events. Income is offset against the relevant costs.

**FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2020
Accounting Policies (continued)**

(e) Tangible Fixed Assets and depreciation

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line or reducing balance basis over its expected useful life, as follows:

Buildings (storage sheds) - previously over 10 years - These are now fully depreciated and disposed of at fnil proceeds.

(f) Leased Assets

Rents applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

(g) Stock

Stocks of goods for resale are valued at the lower of cost or net realisable value.

(h) Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity and is therefore included in the relevant costs in the Statement of Financial Activities.

The consolidated report includes any relative corporation tax for the subsidiary trading company.

(i) Government Grants

Government grants relating to revenue expenditure are shown as income in the year of receipt.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM Annual Report and Financial Statements Year ended 31 December 2020

Notes to the Financial Statements for the year ended 31 December 2020

1. SUBSCRIPTIONS

	2020 Unrestric ted Funds	2020 Restrict ed Funds	2019 Unrestricte d Funds	2019 Restrict ed Funds
	£	£	£	£
Subscriptions received in year	25,988	5,806	27,703	6,954
Subscriptions paid in advance in 2019	4,000	-	3,841	-
Transfer from Life Subscription Fund (Note 8)	2,741	-	2,905	-
	<u>32,729</u>	<u>5,806</u>	<u>34,449</u>	<u>6,954</u>
<i>Less</i> Subscriptions in advance for 2021 (Note 7)	(2,290)	-	(4,000)	-
<i>Less</i> Transfer to Life Subscription Fund (Note 8)	(1,300)	-	(2,550)	-
	<u>29,139</u>	<u>5,806</u>	<u>27,899</u>	<u>6,954</u>

2. DIRECT CHARITABLE EXPENDITURE

Museum support - General	-	-	-	2,325
Museum support - Specific	102,095	12,506	141,805	-
NRM Review	22,536	-	17,789	-
	<u>124,631</u>	<u>12,506</u>	<u>159,594</u>	<u>2,325</u>

3. FUNDRAISING AND PUBLICITY

Exhibitions, Advertising and marketing	807	-	1,050	-
	<u>807</u>	<u>-</u>	<u>1,050</u>	<u>-</u>

4. MANAGEMENT AND ADMINISTRATION

Equipment expensed	-	-	350	-
Secretarial salaries	19,536	-	16,458	-
Printing, postage, stationery and telephone	2,741	-	6,008	-
Insurance, Fees, Etc.	4,099	-	3,011	-
Governance costs - (Inc. Independent examiners fees)	3,5 75	-	2,515	-
	<u>29,951</u>	<u>-</u>	<u>28,342</u>	<u>-</u>

5. INVESTMENT IN SUBSIDIARY

Shares held in Friends of the National Railway Museum Enterprises Ltd at a cost of

£40 (2019: £40).

The company is registered in England and Wales under registration number of 02418239.

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2020

Notes to the Financial Statements for the year ended 31 December 2020 (continued)

6. CASH AT BANK, IN HAND AND INVESTMENTS

	2020	2019
	£	£
Charity Official Investment Fund account	567,116	521,808
Deposit and current accounts	162,614	193,388
South of England Group current account	2,324	2,750
North East Branch cash in Hand	245	251
Cash in hand	159	139
	<u>732,458</u>	<u>718,336</u>
Charity balances		
FNRM Enterprises Ltd	16,437	40,881
	<u>748,895</u>	<u>759,217</u>
	=====	=====
		=
Investments held with the CCLA	567,116	521,808
	<u>=====</u>	<u>=====</u>
		=

7. CREDITORS: DUE WITHIN ONE YEAR

	2020	2019	2020	2019
	Charity	Charit	Group	Group
	£	y	£	£
		£		
Ordinary subscriptions paid in advance	2,290	4,000	2,290	4,000
Accruals	2,348	3,694	3,330	4,650
		140,50		140,50
Other creditors	100,000	5	100,000	5
	<u>104,638</u>	<u>148,19</u>	<u>105,620</u>	<u>149,15</u>
		9		5

8. CREDITORS: DUE AFTER ONE YEAR

Movements of the life subscriptions fund were as follows:

	2020 £	2019 £
Balance at 1 January 2020	11,120	11,475
New life memberships	1,300	2,550
	<u>12,420</u>	<u>14,025</u>
Transfer to Statement of Financial Activities	(2,741)	2,905
Balance at 31 December 2020	<u>9,679</u>	<u>11,120</u>

FRIENDS OF THE NATIONAL RAILWAY MUSEUM Annual Report and Financial Statements Year ended 31 December 2020

Notes to the Financial Statements for the year ended 31 December 2020 (continued)

9. DUCHESS OF HAMILTON FUND (229 Club)

	2020 £	2019 £
Balance at 1 January 2020	91,198	75,720
229 Club subscriptions and donations (including Gift Aid)	5,806	6,954
Interest added from invested balances	104	113
Realised gain on investments within the year	-	-
Unrealised gain on invested funds	4,626	8,411
	<u>101,734</u>	<u>91,198</u>
<i>Less 229 Club prizes and sundry expenses</i>	-	-
Balance at 31 December 2020	<u>101,734</u>	<u>91,198</u>

Some members of The Friends of the National Railway Museum have undertaken to be responsible for some of the repair and maintenance of the locomotive *Duchess of Hamilton*. This has been financed through this Fund which is also known as *The 229 Club*.

10. NATIONAL ARCHIVE of RAILWAY ORAL HISTORY FUND 2020

		2019 £
£	6,762	3,877

Balance at 1 January 2020		
Receipts in year	-	-
Transfer from Accumulated fund	-	5,000
Interest added from invested balances	7	10
	6,769	8,887
<i>Less Expenses paid</i>	(2,001)	2,125
Balance at 31 December 2020	4,768	6,762

FRIENDS OF THE NATIONAL RAILWAY MUSEUM
Annual Report and Financial Statements
Year ended 31 December 2020

Notes to the Financial Statements for the year ended 31 December 2020 (continued)

11. BOROUGH MARKET JUNCTION SIGNAL BOX FUND

	2020	2019
	£	£
Balance at 1 January 2020	838	837
Interest added from invested balances	1	1
	<hr/> 839	<hr/> 838
<i>Less Outgoings</i>	-	-
Balance at 31 December 2020	<hr/> 839	<hr/> 838

12. BRITAIN'S RAILWAYS - ALL CHANGE

	2020	2019
	£	£
Balance at 1 January 2020	10,469	10,555
Transfer from Accumulated fund	5,000	-
Receipts in the year including Gift Aid	-	100
Interest added from invested balances	-	14
	<hr/> 15,469	<hr/> 10,669
<i>Less Outgoings</i>	(10,505)	(200)
Balance at 31 December 2020	<hr/> 4,964	<hr/> 10,469

13. HISTORY AND DEVELOPMENT OF RAILWAY SIGNALLING

	2020	2019
	£	£
Balance at 1 January 2020	2,185	1,974
Receipts in the year including Gift Aid	271	208
Transfer from Accumulated fund	6,712	-
Interest added from invested balances	4	3
	<hr/> 9,172	<hr/> 2,185
<i>Less Outgoings</i>	-	-

Balance at 31 December 2020

9,172

2,185

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2020

Notes to the Financial Statements for the year ended 31 December 2020 (continued)

14. FUTURE CHARITABLE COMMITMENTS

The Trustees' objective is to continue to respond to requests for financial assistance for the National Railway Museum. It is anticipated that these requests will include some funding for the following projects:

Station Hall - Redevelopment and refreshment payable 2022/23 *	£100,00
□ (Not included in creditors)	0

Vision 2025 - Major re-development of the National Railway Museum Estate. Contribution to specific sub-project **	£250,00
□ (Not included in creditors)	0

** Approved at Council meeting on 1 December 2018*

□ *** Approved at Council meeting on 5 December 2020*

Implementation of The Station Hall re-development project has unavoidably slipped due to the Covid Pandemic and the fabrication of the existing building.

The 229 Club Restricted fund has been suspended indefinitely as there is no immediate prospect of the locomotive Duchess of Hamilton being returned into steam and main line running within the foreseeable future. The Restricted fund will remain to facilitate occasional maintenance costs within the next few years.

15. OPERATING LEASE COMMITMENTS

The Charity had non-cancellable operating leases at the year-end which:

	2020	2019
	£	£
Expire within 2 to 5 years (2019 - 2 - 5 years)	440	440
	=====	=====

FRIENDS OF THE NATIONAL RAILWAY MUSEUM

Annual Report and Financial Statements

Year ended 31 December 2020

Notes to the Financial Statements for the year ended 31 December 2020 (continued)

1

6. RELATED PARTY TRANSACTIONS

The wholly owned subsidiary company is Friends of the National Railway Museum Enterprises Limited, registered in England and Wales.

The following Trustees of the Friends of the National Railway Museum were also directors of the Friends of the National Railway Museum Enterprises Limited during 2020:

Mr R S Rollings and Mr D M B Naylor

17. EMPLOYEES AND REMUNERATION

The number of employees during the year ended 31 December 2020 was three (all part-time) (2019: two part-time). Total remuneration was £19,536 (2019: £16,458). No pension contributions were paid.

During the year the charity received Government Job Retention Grants relating to Covid. These grants are shown as income and the gross wages paid shown as above.

No remuneration was paid to any of the Trustees during 2020 nor 2019. The trustees claimed reimbursement of direct expenditure incurred on behalf of the charity amounting to £nil (2019: £nil)

18. WINDING UP OR DISSOLUTION OF THE CHARITY

If upon winding up or dissolution of the charity there remains any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.