

REGISTERED COMPANY NUMBER: 1530579 (England and Wales)
REGISTERED CHARITY NUMBER: 511961

Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2021
for
The Bowes Railway Company Limited

The Bowes Railway Company Limited

**Contents of the Financial Statements
for the year ended 31 March 2021**

	Page
Chairman's Report	1 to 3
Report of the Trustees	4 to 7
Report of the Independent Auditors	8 to 11
Statement of Financial Activities	12
Statement of Financial Position	13
Notes to the Financial Statements	14 to 21
Detailed Statement of Financial Activities	22 to 23

The Bowes Railway Company Limited

Chairman's Report for the year ended 31 March 2021

Introduction

As for most organisations, the 2020-2021 financial year has been a challenging year for Bowes Railway Company (BRC) as we continued to be adversely impacted by the Covid-19 pandemic across the operational year.

Overview

We have in effect lost an entire operational year, and the associated income. Fortunately, we have been able to achieve financial stability and ensure our survival through the timely provision of some emergency grant funding. Primarily due to the hard work and sustained efforts of our partners, Sunderland North Community Business Centre (SNCBC), and the enduring support and generosity of our long-standing benefactors, Sunderland City Council, Historic England and National Heritage Lottery Fund.

Again, our volunteers have provided excellent support throughout. They have worked very hard to develop effective ways of working within the constraints of essential social distancing and infection control measures. Consequently, they have been able to provide some limited access to visitors and undertake essential maintenance work. As the funding mentioned earlier enabled our survival, it should be likewise noted that it is the stalwart support and sterling efforts of our volunteers that enables our continuity.

Summary of Activities

Critical grant funding came in the form of a business rates relief grant from SCC and Covid-19 pandemic response relief from Historic England and National Lottery Heritage Fund. These grants were awarded to fund the following specific sustainability costs and activity:

- Business rates
- Virtual volunteer engagement and welfare calls
- Engage visitors virtually and through outdoor activities.
- Website development, including an online shop.
- Continuing the member of staffs' employment
- Providing for ongoing site maintenance costs

Within frequently changing National guidelines and the various Covid-secure systems and processes, our volunteers have managed to undertake essential general maintenance work. Importantly, as well as usual upkeep of the site, this has included progressing much needed regulatory electrical and fire safety work. They have also facilitated limited visitor access and engagement activities, when permissible. As such, these achievements are particularly commendable given the aforementioned challenges and constraints, not least of which the personal circumstances of some.

We have paid particular attention to improving measures to protect some of our collection and archive materials and secured expertise and grant support through Tyne and Wear Museums to deliver this work. Our accreditation as a museum, has been extended due to the impact of the pandemic and we anticipate that our reaccreditation process will now move into 2022.

Towards the end of the 2020-2021 financial year, we secured a significant grant from Washington Area Committee to commence the repair of the area around the Springwell Hauler House. This project signifies our first step towards addressing the reintroduction of the industrial rolling stock offer at the Bowes site and will also enable the upgrade of security to protect this area of the site.

Finances

The Treasurer's Report is herewith for reference and consideration in relation to matters reported here. The end of year position should be noted in the context of the enduring Covid-19 pandemic and implications moving into the next operational year. Over the last financial year, we have started to develop our ability to generate sufficient income to sustain our operational costs, and to access significant funding to develop and secure Bowes Railway Company and Springwell Colliery site for future generations. This has seen some excellent work from both our joinery and engineering workshops and hopefully this work will continue into the 2021-2022 financial year and will be complemented by the return of our events schedule.

The Bowes Railway Company Limited

**Chairman's Report
for the year ended 31 March 2021**

Chair of Bowes Railway Company Limited
For and on behalf of the Board of Trustees

The Bowes Railway Company Limited (Registered number: 1530579)

**Report of the Trustees
for the year ended 31 March 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Bowes Railway Company exists to collect and restore, display, and where appropriate, demonstrate and operate equipment relating to the mining and transportation of coal in the North East of England in general. The former Bowes Railway in particular achieves this by the continuation of skills associated with mining and the movement of coal by the education of future generations and, by the preservation of a unique Scheduled Ancient Monument. The company sees its principal objectives as:

- to ensure the care and maintenance of the Scheduled Ancient Monument which comprises the operating section of the former Bowes Railway
- to, where possible and feasible, generate employment, work experience and other appropriate community benefits through the running of the railway, museum and site.
- to preserve and conserve the collection of Railway assets in the context of the Collections and Acquisitions policies.

The company is also pursuing the following aims and aspirations as part of the development of the site:

- to develop the Railway's potential as a local and regional tourist attractions.
- to retain registered status as a museum.
- to continue to develop the educational value and use of the site.
- to display and operate the rope haulage system to demonstrate a historic and unique example of pioneering railway development.
- to operate the locomotive passenger service, rope haulage system and all other aspects of the railway in a safe and responsible manner, meeting all the requirements of relevant legislation and guidance.

Public benefit

The trustees have had regard to the Charity Commission's guidance on their legal duty on public benefit, and are satisfied that the charitable company delivers public benefit in terms of accessibility to a site of such historical significance, and due regard is paid to the guidance on public benefit when reviewing the charitable company's aims and objectives and when deciding what new projects the charitable company should undertake.

Volunteers

To engage volunteers is essential to the continued operation of the charity and further details are provided in the Chairman's Report

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The charities main charitable activities consist of;

- preservation of its historic site
- ensuring public access to the site
- retaining Museum Accreditation
- facilitating educational and instructional visits with schools and Organisations
- repairs and maintenance and upkeep of the permanent way
- rolling stock preservation through maintenance and repair
- providing a range of events and activities to increase visitor engagement
- maintenance and upkeep of engineering facilities

Details of achievements in the year is provided in the Chairman's Report.

The Bowes Railway Company Limited (Registered number: 1530579)

**Report of the Trustees
for the year ended 31 March 2021**

ACHIEVEMENT AND PERFORMANCE

Fundraising activities

Fundraising activities are undertaken to raise funds for the continuing operation of the site. Such activities include open days and an annual Fireworks Event.

FINANCIAL REVIEW

Principal funding sources

The principal funding source in the year was income from grants.

Investment policy and objectives

Bowes Railway endeavours to retain a prudent amount in reserves each year. The majority of funds however are spent in the short term so there are few funds for long term investment.

Reserves policy

To maintain general/unrestricted reserves at a level which will cover 6 months operational costs and 3 months salary costs as a minimum.

Going concern

The Trustees are aware of the continued need to secure alternative sources of funding going forward however, due to Covid-19 and the various restrictions that brought, this was not possible. The Trustees will be piloting a range of small scale new events in the 2022/23 financial year to test income generation ideas, for this reason the Trustees consider it appropriate that these accounts are prepared on a going concern basis.

Financial Results

The surplus in the year amounted to £46,127 (2020: deficit £1,547). Restricted fund projects achieved a surplus of £26,403 in the year. The general reserve stands at £50,766 (2020: £31,042). The balance of restricted reserves stands at £29,868 (2020: £3,465).

FUTURE PLANS

It is important to continue to forge and invest in strategic partnerships to ensure success, as predicted the austere economic situation continues and it remains increasingly difficult to obtain funding so we need to constantly view other heritage organisations and charities as potential partners with whom we can pursue mutually beneficial outcomes.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company is limited by guarantee with registered charitable status and is governed by Memorandum and Articles of Association. The members have no shareholding but in the event of winding up they have each undertaken to contribute to the payment of liabilities an amount not exceeding a total of £1.

Recruitment and appointment of new trustees

The number of trustees is determined in the Company's Memorandum and Articles of Association and appointments can be made at any Board meeting, provided always that one trustee shall be nominated by Sunderland City Council and one from Gateshead Council. The trustees, nominated by Sunderland City and Gateshead Councils are not required to submit themselves for re-election; all other trustees must submit themselves for re-election once every three years.

The trustees, other than the trustee nominated by Sunderland City Council are recruited from existing members and to be eligible to serve as trustees, candidates must have fully paid up subscription fees and be active volunteers.

Organisational structure

D W Hall, trustee, can make financial decisions up to £5,000, however, decisions above this level are referred to the board for approval. Any decisions relating to the Scheduled Ancient Monument status are discussed with English Heritage.

The Bowes Railway Company Limited (Registered number: 1530579)

**Report of the Trustees
for the year ended 31 March 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

Most trustees, (directors), are already familiar with the practical work of Bowes Railway and are involved with the annual open days held by the charity.

Furthermore, any new trustees appointed by the local authorities are invited and encouraged to attend a tour of the Bowes Railway site where they will be informed about:

- the obligations of trustees
- the main documents which set out the operational framework for the charity including Memorandum and Articles
- resourcing and the current financial position as set out in the latest published accounts
- future plans and objectives

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The board has conducted its own review of the major risks to which the charity is exposed and systems have been established to minimise those risks. External risks relate to the generation of future funding and further details are provided in the Chairman's Report in connection with maintaining and strengthening relationships with external stakeholders. In respect of health and safety and other risks on site, the trustees maintain a site risk assessment and continually review and assess the major risks to which the company is exposed, in particular those related to the operation of the railway, and are satisfied that systems are in place to mitigate exposure to major risks.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charity. These projects are reviewed to ensure that they still meet the needs of the charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

1530579 (England and Wales)

Registered Charity number

511961

Registered office

Springwell Road
Springwell Village
Gateshead
Tyne & Wear
NE9 7QJ

Trustees

R Bathgate Volunteer
D W Hall Leadership and Management Consultant
L Walsh
Cllr B Scaplehorn

The Bowes Railway Company Limited (Registered number: 1530579)

**Report of the Trustees
for the year ended 31 March 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

David Cook
FCCA
TTR Barnes Limited
Chartered Accountants and Statutory Auditors
3-5 Grange Terrace
Stockton Road
Sunderland
Tyne & Wear
SR2 7DG

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Bowes Railway Company Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 charitable company will continue in business.

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

In so far as the trustees are aware:

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

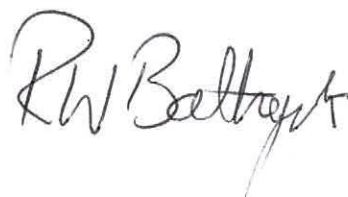
AUDITORS

The auditors, TTR Barnes Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 28 March 2022 and signed on its behalf by:

R Bathgate - Trustee



Report of the Independent Auditors to the Members of The Bowes Railway Company Limited

Opinion

We have audited the financial statements of The Bowes Railway Company Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

We were appointed as auditors of the company on 30 November, 2021 and the accounts for the period ended 31 March 2020 were subject to an independent examination and were not audited. Whilst audit work was not carried out on those balances, we have been able to complete sufficient review work on the opening balances to gain assurance that they are not materially mis-stated.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in [jurisdiction], and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

**Report of the Independent Auditors to the Members of
The Bowes Railway Company Limited**

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of The Bowes Railway Company Limited

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with directors and other management, and from our knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including Charity SORP, Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

**Report of the Independent Auditors to the Members of
The Bowes Railway Company Limited**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David J Cook (Senior Statutory Auditor)
for and on behalf of TTR Barnes Limited
Chartered Accountants and Statutory Auditors
3-5 Grange Terrace
Stockton Road
Sunderland
Tyne & Wear
SR2 7DG

29 March 2022

The Bowes Railway Company Limited

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the year ended 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	25,536	63,442	88,978	17,367
Other trading activities	3	3,586	900	4,486	23,492
Total		<u>29,122</u>	<u>64,342</u>	<u>93,464</u>	<u>40,859</u>
EXPENDITURE ON					
Raising funds		5,764	20,217	25,981	23,975
Charitable activities	4				
Bowes Railway		2,869	17,722	20,591	18,431
Locomotives		765	-	765	-
Total		<u>9,398</u>	<u>37,939</u>	<u>47,337</u>	<u>42,406</u>
NET INCOME/(EXPENDITURE)		<u>19,724</u>	<u>26,403</u>	<u>46,127</u>	<u>(1,547)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		31,042	3,465	34,507	36,054
TOTAL FUNDS CARRIED FORWARD		<u>50,766</u>	<u>29,868</u>	<u>80,634</u>	<u>34,507</u>

The notes form part of these financial statements

The Bowes Railway Company Limited (Registered number: 1530579)

Statement of Financial Position
31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	9	-	2,008	2,008	-
CURRENT ASSETS					
Stocks	10	-	-	-	310
Debtors	11	7,276	2,390	9,666	12,592
Cash at bank and in hand		48,587	33,900	82,487	34,306
		<u>55,863</u>	<u>36,290</u>	<u>92,153</u>	<u>47,208</u>
CREDITORS					
Amounts falling due within one year	12	(5,097)	(8,430)	(13,527)	(12,701)
NET CURRENT ASSETS		<u>50,766</u>	<u>27,860</u>	<u>78,626</u>	<u>34,507</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>50,766</u>	<u>29,868</u>	<u>80,634</u>	<u>34,507</u>
NET ASSETS		<u>50,766</u>	<u>29,868</u>	<u>80,634</u>	<u>34,507</u>
FUNDS	13				
Unrestricted funds				50,766	31,042
Restricted funds				29,868	3,465
TOTAL FUNDS				<u>80,634</u>	<u>34,507</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 28 March 2022 and were signed on its behalf by:

R Bathgate - Trustee



The notes form part of these financial statements

The Bowes Railway Company Limited

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Going concern

The financial statements have been prepared on a going concern basis, which assumes the charitable company will continue in operational existence for the foreseeable future.

The charitable company has only suffered a small deficit this year, however, the Trustees meet frequently to review the financial position. These reviews encompass consideration of the charitable company's current position and its position into the foreseeable future.

The Trustees consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available, and accordingly, they consider that it is appropriate to prepare financial statements on the going concern basis. This assumes that either continued funding will be secured or operations scaled back to enable the charitable company to continue into the foreseeable future. The financial statements do not include any adjustments that would result if secured funding were not found.

Income

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

Income from government and other grants, whether 'capital' or 'revenue' grants, are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Interest receivable on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds

Fundraising events are held to raise funds for the operation of the charity. Such events include holding and annual Springwell Village event, Bonfire and Christmas activities alongside family activities throughout the year.

Governance costs

Governance costs include the general running costs of the charity. These costs provide the governance infrastructure to allow the charity to operate and generate the information required for public accountability. See note 4.

The Bowes Railway Company Limited

Notes to the Financial Statements - continued for the year ended 31 March 2021

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Donated goods and voluntary labour

The Charitable company is in benefit from the many hours of voluntary labour donated by its supporters in relation to the running of the site, fundraising and administration. The value of these services has not been evaluated.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments which are instantly accessible from the opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	601	5,965
English Heritage	24,500	2,700
Sunderland Council	4,998	1,500
Historic England	36,241	-
Newcastle City Council	-	4,019
Planter grant	-	3,183
Government Grants	22,638	-
	<u>88,978</u>	<u>17,367</u>

The Bowes Railway Company Limited

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Fundraising events	611	9,911
Shop income	65	10,481
Other Income	3,810	3,100
	<u>4,486</u>	<u>23,492</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Bowes Railway	16,974	3,617	20,591
Locomotives	765	-	765
	<u>17,739</u>	<u>3,617</u>	<u>21,356</u>

5. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Bowes Railway	<u>360</u>	<u>72</u>	<u>3,185</u>	<u>3,617</u>

Support costs, included in the above, are as follows:

	2021 Bowes Railway £	2020 Total activities £
Advertising	360	20
Bank charges	72	-
Auditors' remuneration	750	-
Auditors' remuneration for non audit work	2,250	-
Independent Examination Fee	-	2,250
Depreciation of tangible fixed assets	185	-
	<u>3,617</u>	<u>2,270</u>

The Bowes Railway Company Limited

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Auditors' remuneration	750	-
Auditors' remuneration for non audit work	2,250	-
Depreciation - owned assets	185	-
	<u>2,985</u>	<u>-</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	14,184	3,183	17,367
Other trading activities	23,492	-	23,492
Total	<u>37,676</u>	<u>3,183</u>	<u>40,859</u>
 EXPENDITURE ON			
Raising funds	23,975	-	23,975
Charitable activities			
Bowes Railway	16,060	2,371	18,431
Total	<u>40,035</u>	<u>2,371</u>	<u>42,406</u>
 NET INCOME/(EXPENDITURE)	 <u>(2,359)</u>	 <u>812</u>	 <u>(1,547)</u>
 RECONCILIATION OF FUNDS			
Total funds brought forward	33,401	2,653	36,054
 TOTAL FUNDS CARRIED FORWARD	 <u>31,042</u>	 <u>3,465</u>	 <u>34,507</u>

The Bowes Railway Company Limited

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

9. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
Additions	1,324	869	2,193
	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION			
Charge for year	21	164	185
	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE			
At 31 March 2021	1,303	705	2,008
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2020	-	-	-
	<u> </u>	<u> </u>	<u> </u>

10. STOCKS

	2021 £	2020 £
Stocks	-	310
	<u> </u>	<u> </u>

11. DEBTORS

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	-	4,200
VAT	3,268	1,807
Prepayments	4,998	5,185
	<u> </u>	<u> </u>
	8,266	11,192
	<u> </u>	<u> </u>
Amounts falling due after more than one year:		
Other debtors	1,400	1,400
	<u> </u>	<u> </u>
Aggregate amounts	9,666	12,592
	<u> </u>	<u> </u>

The Bowes Railway Company Limited

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Accrued expenses	13,527	12,701

13. MOVEMENT IN FUNDS

	At 1/4/20	Net movement in funds	At 31/3/21
	£	£	£
Unrestricted funds			
General fund	24,807	19,724	44,531
Designated fund	6,235	-	6,235
	<u>31,042</u>	<u>19,724</u>	<u>50,766</u>
Restricted funds			
Level Crossing	760	-	760
Engineering Shop	500	(435)	65
Restricted - General	2,205	213	2,418
Historic England Covid	-	10,904	10,904
National Lottery Covid	-	15,721	15,721
	<u>3,465</u>	<u>26,403</u>	<u>29,868</u>
TOTAL FUNDS	<u><u>34,507</u></u>	<u><u>46,127</u></u>	<u><u>80,634</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	29,122	(9,398)	19,724
Restricted funds			
Engineering Shop	-	(435)	(435)
Restricted - General	900	(687)	213
Historic England Covid	36,242	(25,338)	10,904
National Lottery Covid	27,200	(11,479)	15,721
	<u>64,342</u>	<u>(37,939)</u>	<u>26,403</u>
TOTAL FUNDS	<u><u>93,464</u></u>	<u><u>(47,337)</u></u>	<u><u>46,127</u></u>

The Bowes Railway Company Limited

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/19 £	Net movement in funds £	At 31/3/20 £
Unrestricted funds			
General fund	27,166	(2,359)	24,807
Designated fund	6,235	-	6,235
	<u>33,401</u>	<u>(2,359)</u>	<u>31,042</u>
Restricted funds			
Level Crossing	760	-	760
Engineering Shop	1,816	(1,316)	500
Restricted - General	77	2,128	2,205
	<u>2,653</u>	<u>812</u>	<u>3,465</u>
TOTAL FUNDS	<u>36,054</u>	<u>(1,547)</u>	<u>34,507</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	37,676	(40,035)	(2,359)
Restricted funds			
Engineering Shop	-	(1,316)	(1,316)
Restricted - General	3,183	(1,055)	2,128
	<u>3,183</u>	<u>(2,371)</u>	<u>812</u>
TOTAL FUNDS	<u>40,859</u>	<u>(42,406)</u>	<u>(1,547)</u>

Level Crossing

This fund was established to ensure ongoing maintenance of the Level Crossing.

Engineering Shop

This fund was established using money from Historic England, in order to carry out essential repairs to the engineering shop.

Designated Fund

The designated fund consists of donations and a transfer from general reserves which have been ringfenced in order to carry out repairs to the boundary wall.

Restricted - General

The Bowes Railway Company Limited

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

13. MOVEMENT IN FUNDS - continued

Funds which are received for specific short term one-off projects, including production of a Guidebook in 2018/19 and construction of a bespoke planter in 2019/20.

Historic England Covid Grant

Funds received to support the organisation

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

The Bowes Railway Company Limited

**Detailed Statement of Financial Activities
for the year ended 31 March 2021**

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	601	5,965
English Heritage	24,500	2,700
Sunderland Council	4,998	1,500
Historic England	36,241	-
Newcastle City Council	-	4,019
Planter grant	-	3,183
Government Grants	22,638	-
	<hr/> 88,978	<hr/> 17,367
Other trading activities		
Fundraising events	611	9,911
Shop income	65	10,481
Other Income	3,810	3,100
	<hr/> 4,486	<hr/> 23,492
Total incoming resources	93,464	40,859
EXPENDITURE		
Other trading activities		
Purchases	24,299	20,136
Fundraising Costs	1,682	3,839
	<hr/> 25,981	<hr/> 23,975
Charitable activities		
Rates and water	987	1,086
Insurance	3,403	3,552
Light and heat	1,757	4,184
Telephone	570	1,554
Sundries	3,523	702
Repairs and Renewals	5,279	5,083
Professional Fees	2,220	-
	<hr/> 17,739	<hr/> 16,161
Support costs		
Management		
Advertising	360	20
Finance		
Bank charges	72	-

This page does not form part of the statutory financial statements

The Bowes Railway Company Limited

**Detailed Statement of Financial Activities
for the year ended 31 March 2021**

	2021 £	2020 £
Finance		
Governance costs		
Auditors' remuneration	750	-
Auditors' remuneration for non audit work	2,250	-
Independent Examination Fee	-	2,250
Fixtures and fittings	21	-
Computer equipment	164	-
	<u>3,185</u>	<u>2,250</u>
Total resources expended	<u>47,337</u>	<u>42,406</u>
Net income/(expenditure)	<u><u>46,127</u></u>	<u><u>(1,547)</u></u>

This page does not form part of the statutory financial statements