

**REGISTERED COMPANY NUMBER: 01530579 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 511961**

**Report of the Trustees and**  
**Financial Statements**  
**for the Year Ended 31 March 2022**  
**for**  
**The Bowes Railway Company Limited**

# **The Bowes Railway Company Limited**

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# **The Bowes Railway Company Limited**

## **Chairman's Report for the year ended 31 March 2022**

### **Introduction**

Bowes Railway Company (BRC) continued to be adversely impacted by the Covid-19 pandemic control measures; however, the year did see the return of public visiting to the site and some small-scale events and activities across the operational year.

### **Overview**

Fortunately, we have been able to achieve financial stability and ensure our survival through continuing to access some 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 infection control measures and it should be noted that it is the continued stalwart support and sterling efforts of our volunteers that enables our survival.

### **Summary of Activities**

The usual upkeep of the main site alongside regulatory electrical and fire safety work has continued. Larger scale repairs were completed following damage to the site from a break-in to the wagon shop which damaged the roof and also a car accident that resulted in significant damage to the boundary wall.

Regular open days and tours for the public continue to be delivered by our well-informed Tour Guides.

Work is ongoing to protect the collection and archive materials, including developing more robust cataloguing systems/processes. Our accreditation as a museum has been extended due to the impact of the pandemic and we anticipate that our re-accreditation process will now move into 2023.

The hard work of volunteers in the joinery, and more recently engineering, workshops is gathering interest in sales from a wider audience; the National Trust ordering six replica tubs, clearly recognises the high quality of the goods being supplied.

Communications have been ongoing throughout the year with the review and presentation of the business plan overview to volunteers in meetings held in Summer 2021 and also with the Operations group representatives in November 2021. The Board has had a regular presence at site, and this is providing regular useful feedback to Trustees.

The college training team continues to attend site, providing theoretical and practical learning for trainees.

The grant from Washington Area Committee to commence the repair of the area around the Springwell Hauler House has experienced delays in starting due to the difficulty in accessing building materials however improvements to fencing are planned for early in the next financial year.

### **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 impact of the Covid-19 pandemic in both the previous and current operational years. We have continued to develop our ability to generate income to sustain our operational costs with excellent work continuing in both our joinery and engineering workshops. Our events schedule returned with the annual 1940's event and activities for Halloween and Christmas. We are hopeful the annual fireworks events will return in 2023.

### **Acknowledgements**

I begin my acknowledgements and thanks for support, both fiscal and in kind, by my usual apology in advance to those I will inadvertently fail to mention. In so doing I call upon those who are acknowledged to spare a thought for others who have also contributed and for whom there is no explicit individual acknowledgment.

In no particular order I hereby acknowledge and thank the following for their contribution to and support of BRC:

## **The Bowes Railway Company Limited**

### **Chairman's Report for the year ended 31 March 2022**

All volunteers of BRC, including the Board of Trustees, for the provision of hundreds of hours of much needed and greatly appreciated work, services and kind donations.

Sunderland North Community Business Centre and Community Opportunities for their dedicated team and excellent support in ensuring and further developing a very effective management partnership.

Sunderland City and Gateshead Councils, both the elected members and officers and staff alike for continued support in kind throughout the year.

Historic England for both their continued funding and wider support as well as flexible approach in dealing with BRC.

Springwell Councillors Community Chest and Tyne and Wear Museums Small Grants Scheme for funding of important improvements and developments.

Newcastle Rail Academy and Gateshead College for much needed assistance in maintenance and repair of permanent way and level crossing.

Beamish Museum, Tanfield and other railway and heritage organisations who help through contributing in all kinds of ways from volunteer personnel through providing goods in kind to awarding of paid work and opportunities for income generation.

The various community and interest groups such as Springwell Village Community Venue and Local Residents Associations, Schools, and numerous others for partnering with BRC to ensure the continued development and delivery of diverse activities and events.

Finally, to all those who visit and donate money.

#### **Concluding Remarks**

The viability of the Bowes Railway and Springwell Colliery Site as a vibrant Heritage Site and Museum and a valuable member of the local community has continued over the last year. Despite the challenges of the pandemic, we brought benefit to our local and wider communities and continued to nurture our strong relationships with partner and stakeholder organisations.

The commitment and hard work of our volunteer base is central to our success, their generous and enduring support is what will enable us to sustain our engagement with and integration in our local and wider communities. It is through our volunteers we ensure the largely unglamorous, yet essential work required to underpin our continuity is undertaken.

Trustees have over the last year begun the process of reviewing the governance arrangements of the Company, so they more accurately reflect our current structure and critical organisational relationships and are relevant to the current business and operational environments. Moving into next year, we will be delivering a number of local forums with volunteers, partners, and stakeholders to inform the future model.

Bowes Railway Company has proven resilient and ensured the survival of the Bowes Railway and Springwell Colliery Site. We need to ensure our sustainability as an established and valued member of the local community and wider heritage and museums sector.



**Report of the Trustees  
for the year ended 31 March 2022**

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 2022. 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.

**Report of the Trustees  
for the year ended 31 March 2022**

**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 deficit in the year amounted to £13,870 (2021: surplus £46,127). Restricted fund projects suffered a deficit of £26,117 (2021: surplus £26,403) in the year. The general reserve stands at £63,013 (2021: £50,766). The balance of restricted reserves stands at £3,751 (2021: £29,868).

**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.

**Report of the Trustees  
for the year ended 31 March 2022**

**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**

01530579 (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

**Auditors**

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

**Report of the Trustees  
for the Year Ended 31 March 2022**

**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 2023 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 2022 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'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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 charity through discussions with directors and other management, and from our commercial knowledge and experience of the charity and 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 company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental (including Waste Electrical and Electronic Equipment recycling (WEEE) Regulations 2013) 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 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; and
- 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; and
- 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; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, 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.

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**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 2023



**The Bowes Railway Company Limited**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the year ended 31 March 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	21,084	1,975	23,059	88,978
Other trading activities	3	44,503	-	44,503	4,486
<b>Total</b>		<u>65,587</u>	<u>1,975</u>	<u>67,562</u>	<u>93,464</u>
<b>EXPENDITURE ON</b>					
Raising funds		34,134	-	34,134	25,981
<b>Charitable activities</b>	4				
Bowes Railway		19,206	28,092	47,298	20,591
Locomotives		-	-	-	765
<b>Total</b>		<u>53,340</u>	<u>28,092</u>	<u>81,432</u>	<u>47,337</u>
<b>NET INCOME/(EXPENDITURE)</b>		12,247	(26,117)	(13,870)	46,127
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		50,766	29,868	80,634	34,507
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>63,013</u></u>	<u><u>3,751</u></u>	<u><u>66,764</u></u>	<u><u>80,634</u></u>

The notes form part of these financial statements

Statement of Financial Position  
31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	9	-	2,168	2,168	2,008
<b>CURRENT ASSETS</b>					
Debtors	10	8,609	1,549	10,158	9,666
Cash at bank and in hand		72,639	4,972	77,611	82,487
		<u>81,248</u>	<u>6,521</u>	<u>87,769</u>	<u>92,153</u>
<b>CREDITORS</b>					
Amounts falling due within one year	11	(18,235)	(4,938)	(23,173)	(13,527)
<b>NET CURRENT ASSETS</b>		<u>63,013</u>	<u>1,583</u>	<u>64,596</u>	<u>78,626</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>63,013</u>	<u>3,751</u>	<u>66,764</u>	<u>80,634</u>
<b>NET ASSETS</b>		<u>63,013</u>	<u>3,751</u>	<u>66,764</u>	<u>80,634</u>
<b>FUNDS</b>	12				
Unrestricted funds				63,013	50,766
Restricted funds				<u>3,751</u>	<u>29,868</u>
<b>TOTAL FUNDS</b>				<u>66,764</u>	<u>80,634</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 2023 and were signed on its behalf by:



R Bathgate - Trustee

# **The Bowes Railway Company Limited**

## **Notes to the Financial Statements for the year ended 31 March 2022**

### **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 achieved a surplus this year. However, the Trustees still 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 2022

### 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.

Fixtures and fittings	- 10% on reducing balance
Computer equipment	- 33% Straight line

#### 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

	2022	2021
	£	£
Donations	1,526	601
English Heritage	-	24,500
Sunderland Council	19,558	4,998
Historic England	-	36,241
Government Grants	-	22,638
Association of Independent Museums	1,975	-
	<u>23,059</u>	<u>88,978</u>

**The Bowes Railway Company Limited**

**Notes to the Financial Statements - continued  
for the year ended 31 March 2022**

**3. OTHER TRADING ACTIVITIES**

	2022	2021
	£	£
Fundraising events	15,383	611
Shop income	2,096	65
Other Income	27,024	3,810
	<u>44,503</u>	<u>4,486</u>

**4. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 5) £	Totals £
Bowes Railway	<u>43,794</u>	<u>3,504</u>	<u>47,298</u>

**5. SUPPORT COSTS**

	Finance £	Governance costs £	Totals £
Bowes Railway	<u>71</u>	<u>3,433</u>	<u>3,504</u>

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

	2022 Bowes Railway £	2021 Total activities £
Advertising	-	360
Bank charges	71	72
Auditors' remuneration	750	750
Auditors' remuneration for non audit work	2,250	2,250
Depreciation of tangible fixed assets	433	185
	<u>3,504</u>	<u>3,617</u>

**6. NET INCOME/(EXPENDITURE)**

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

	2022 £	2021 £
Auditors' remuneration	750	750
Auditors' remuneration for non audit work	2,250	2,250
Depreciation - owned assets	<u>434</u>	<u>185</u>

**The Bowes Railway Company Limited**

**Notes to the Financial Statements - continued  
for the year ended 31 March 2022**

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

**8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

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

**The Bowes Railway Company Limited**

**Notes to the Financial Statements - continued  
for the year ended 31 March 2022**

**9. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 April 2021	1,324	869	2,193
Additions	-	594	594
	<hr/>	<hr/>	<hr/>
At 31 March 2022	1,324	1,463	2,787
	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>			
At 1 April 2021	21	164	185
Charge for year	131	303	434
	<hr/>	<hr/>	<hr/>
At 31 March 2022	152	467	619
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>			
At 31 March 2022	1,172	996	2,168
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2021	1,303	705	2,008
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**10. DEBTORS**

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	6,040	-
VAT	1,549	3,268
Prepayments	1,169	4,998
	<hr/>	<hr/>
	8,758	8,266
	<hr/> <hr/>	<hr/> <hr/>
Amounts falling due after more than one year:		
Other debtors	1,400	1,400
	<hr/> <hr/>	<hr/> <hr/>
Aggregate amounts	10,158	9,666
	<hr/> <hr/>	<hr/> <hr/>

**The Bowes Railway Company Limited**

**Notes to the Financial Statements - continued  
for the year ended 31 March 2022**

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
VAT	815	-
Accrued expenses	22,358	13,527
	<u>23,173</u>	<u>13,527</u>

**12. MOVEMENT IN FUNDS**

	At 1/4/21 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
<b>Unrestricted funds</b>				
General fund	44,531	12,247	(30,000)	26,778
Designated fund	6,235	-	30,000	36,235
	<u>50,766</u>	<u>12,247</u>	<u>-</u>	<u>63,013</u>
<b>Restricted funds</b>				
Level Crossing	760	-	-	760
Engineering Shop	65	-	-	65
Restricted - General	2,418	-	-	2,418
Historic England Covid	10,904	(12,371)	-	(1,467)
National Lottery Covid	15,721	(15,721)	-	-
Association of Independent Museums	-	1,975	-	1,975
	<u>29,868</u>	<u>(26,117)</u>	<u>-</u>	<u>3,751</u>
<b>TOTAL FUNDS</b>	<u>80,634</u>	<u>(13,870)</u>	<u>-</u>	<u>66,764</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	65,587	(53,340)	12,247
<b>Restricted funds</b>			
Historic England Covid	-	(12,371)	(12,371)
National Lottery Covid	-	(15,721)	(15,721)
Association of Independent Museums	1,975	-	1,975
	<u>1,975</u>	<u>(28,092)</u>	<u>(26,117)</u>
<b>TOTAL FUNDS</b>	<u>67,562</u>	<u>(81,432)</u>	<u>(13,870)</u>



**The Bowes Railway Company Limited**

**Notes to the Financial Statements - continued  
for the year ended 31 March 2022**

**12. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1/4/20 £	Net movement in funds £	At 31/3/21 £
<b>Unrestricted funds</b>			
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>
<b>Restricted funds</b>			
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>
<b>TOTAL FUNDS</b>	<u>34,507</u>	<u>46,127</u>	<u>80,634</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	29,122	(9,398)	19,724
<b>Restricted funds</b>			
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>
<b>TOTAL FUNDS</b>	<u>93,464</u>	<u>(47,337)</u>	<u>46,127</u>

**Level Crossing**

This fund was established in 2011/2012, from donations received during the year, in order to repair the broken rail on the level crossing and continues in order to ensure ongoing maintenance is carried out.

**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 transfers from general reserves which have been ringfenced, amounting to £6,235 to carry out repairs to the boundary wall, and £30,000 to maintain staffing levels in 2023.

**The Bowes Railway Company Limited**

**Notes to the Financial Statements - continued  
for the year ended 31 March 2022**

**12. MOVEMENT IN FUNDS - continued**

**Restricted - General**

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**

This fund was established using money from Historic England to retain the current volunteer base while also integrating new volunteer capacity as well as creating a means of virtual activity for the current and future visitor base in reaction to the Covid-19 pandemic.

**National Lottery Covid Grant**

This fund was established using money from the National Lottery's Heritage Emergency Fund to provide a package of support to help the organisation deal with any immediate risks and become more stable in response to the coronavirus crisis.

**13. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 March 2022.