

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDING 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 December 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 2015).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered name of Charity	North Eastern Locomotive Preservation Group
Other name of Charity	NELPG
Charity Registration number	1002017
Company Registration number	02570979
Principal Office and Registered Office	67 The Mount, York, YO24 1AX
VAT Registration number	602 1185 91
Bankers	Business Banking, Barclays, Leicester, LE87 2BB Co-operative Bank, 29 High Street, Durham, DH1 3PL
Independent Examiner of Accounts	David Holloway FCA DChA Ribchesters, Chartered Accountants, Finchale House, Belmont Business Park, Durham, DH1 1TW

Trustees

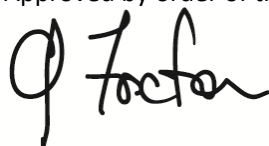
Name	Office (if any)	Dates (if not full year)	
		From	To
R D Bingham			
J.D.C. Carr (co-opted)		7 November 2022	
C.J. Foxton	Chairman		(Chair to Nov. 2022)
J.R.P. Hunt (co-opted)	Chairman	7 November 2022	
P.G. Hutchinson			
C.J. Lawson	Secretary to the Trustees		(to 20 May 2022*)
R. Marshall	Secretary to the Trustees	13 June 2022	
P Mason			29 April 2022
R.A. Pearson			
I L Storey (co-opted)		25 May 2022	
R. Wheeler	Treasurer**		
P Jameson	Minutes Secretary***	4 August 2022	

* ex-officio Company Secretary to 13 June 2022.

**The Treasurer is not a Trustee.

***The Minutes Secretary is not a Trustee.

Approved by order of the board of Trustees on 22nd March 2023 and signed on its behalf by:



CJ Foxton – Trustee

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is governed by a Memorandum of Association and Articles of Association, both of which are dated 2nd January 1991.

The Charity is a Charitable Company Limited by Guarantee.

Trustee Selection Methods

Directors, who are also Charity Trustees, are elected for three years by Members at the Annual General Meeting.

Any potential new Trustee must be recommended by the Board, or, if not, notice of not less than forty-two days nor more than seventy-two days must be given to the Company of the intention to propose a person for appointment. Not less than fourteen nor more than thirty-five clear days before the date appointed for holding a General Meeting, notice must be given to Members of those whose approval for appointment as Trustees will be sought at that meeting. If the vacancy resulting from a Trustee retiring by rotation is not filled, then the retiring Trustee will, if willing, be deemed to have been re-appointed. If there are more nominations than there are vacancies, an election is held. Trustees are also directors for the purposes of company law.

There is an agreed procedure for the appointment of Trustees/Directors on the Charity's website, which potential nominees are required to follow. All Trustees should participate in the on-line NCVO training programme for Trustees, as part of the formal training and induction programme.

Organisation

The Trustees manage the business of the Charity: there must be at least six Trustees and not more than nine. At the end of 2022 there were eight Trustees. The quorum is five.

Some Trustees are allocated responsibility for a particular part of the Charity's activities. As well as the specifically elected roles, responsibilities of Trustees include Health and Safety and Publicity.

Corporate Trustees: -There are no Corporate Trustees.

Custodian Trustees: -There are no Custodian Trustees.

Trustees holding title to property belonging to the Charity: - There are no Trustees who hold the title of property belonging to the Charity.

People with Significant Control: - The Company knows or has reasonable cause to believe, that there is no registerable person or registerable relevant legal entity in relation to the Company.

OBJECTIVES AND ACTIVITIES

Summary of the Purposes of the Charity:

The Company was established for the restoration and preservation of steam locomotives and other railway-related material with links to the North East of England.

The Charitable Objectives are:

"Promoting and encouraging the restoration and preservation of railway locomotives, carriages, wagons and other artefacts of historical interest and buildings, connected therewith in particular, but without prejudice to the generality of the foregoing, those connected with the North East of England, and the preservation of books, drawings, records, documents, sound and visual recordings, cinematograph films and photographs relating to such artefacts and vehicles, their history and their development."

Activities

The Company achieves these objects, primarily, through the ownership, maintenance, operation, and display of four steam locomotives (Class K1 62005, Q6 63395, J27 65894 and J72 69023) which, prior to withdrawal, were operated by British Railways and had worked in the North East of England.

The Main, Relevant Activities of the Charity are as follows:

- i. Maintaining and overhauling the four locomotives to the relevant statutory standards in locations where, whenever possible, members of the public can observe what is going on and talk to those carrying out the work. This work requires the provision of materials, tools, and equipment.
- ii. Arranging, whenever possible, for the locomotives to operate either on heritage railways, or the national network.
- iii. Carrying out as much repair, maintenance, and overhaul work on the locomotives as possible by volunteers who are members of the Charity. Some specialist work is outsourced.
- iv. Fundraising through the activities of the Board's Financial Strategy Committee, which also manages the Patron membership scheme.
- v. Using a building (Deviation Shed), which is open to the public to view, situated at Grosmont on the North Yorkshire Moors Railway (NYMR), for the overhaul, maintenance, and storage of locomotives.
- vi. Using a building, leased from Darlington Borough Council, located at Hopetown, Darlington, for the overhaul and maintenance of locomotives.
- vii. Continuing to create and maintain an archive which is developed through frequent appeals to the Group's membership for additional material. The archive is stored at the National Railway Museum at York, and at the NYMR archive at Pickering. In due course the archived material will be made available to members of the public.
- viii. Having an open membership, so that everyone can apply for membership.
- ix. Having a website, much of which is accessible by the public.
- x. Providing training to those members who wish to help with the maintenance and overhaul of locomotives. Some volunteer members are sponsored for Personal Track Safety (PTS) certification to support running our locomotives on the national network.

ACHIEVEMENTS AND PERFORMANCE**Summary of the Main Achievements of the Charity in 2022: Another Unusual Year**

The year 2022 saw the impact of the Covid-19 pandemic recede and a more normal year ensued.

Unfortunately, World events had a major impact on energy and material prices, but it is too early to see the financial impact on the Charity. A dry hot Summer restricted income from our two operational locomotives.

Working parties were held at Carnforth, Deviation Shed, and Hopetown Works. Deviation Shed and Hopetown were reopened to the public. The Board met predominantly using Skype video conferencing software. The AGM (as a ballot) and a livery ballot were conducted by post.

Maintenance and Overhaul

Winter maintenance was carried out on the Q6 and J27 in Deviation Shed at Grosmont. The overhaul of the K1 progressed at West Coast Railway Company's base at Carnforth, with much dismantling and the refurbishment of some components. The J72's overhaul at Hopetown Works continued. The boiler is slowly taking shape, with work completed on the foundation ring and new plating for the outer firebox in place. The new cylinder block was cast and moved to Middlesbrough for machining.

Operation

The Q6 and J27 both operated at the NYMR during the year. Broken stays discovered in the J27 firebox in the Summer prevented a planned hire with the Kent and East Sussex Railway, though a successful visit to the Great Central Railway took place in late September. The total mileage run by the Q6 was 5274 miles. The J27 logged 3369 miles in the year.

Volunteer Input

The hours worked by volunteers during 2021 were equivalent to the hours which would have been worked by eight full time persons.

Our volunteer efforts normally include Junior Volunteers (under 18s). Our JVs are all now over 18. Recruitment of further JVs has lapsed, because of the vacancy for a JV Coordinator.

Building Maintenance

At Grosmont, Deviation Shed saw PAT testing of electrical equipment. Tests of lifting gear, ladders and fixed wiring were carried out by the NYMR. The shed roof was repaired following storm damage at the end of 2021.

Various non-North Eastern Locomotive Preservation Group (NELPG) locomotives have been stored in Deviation Shed during the year.

A total of £812.60 has been donated to the Charity through the Grosmont collection box by members of the public.

Membership

Membership of the Group at the end of 2022 stood at 671 (including joint members).

Social Meetings

No meetings were held in 2022, because of Covid-19 and the retirement of the meeting organiser. We hope to find another volunteer to take on this role.

Communications

The Charity website holds information about our activities, supplemented by emails to working volunteers.

The Charity published and distributed six issues of NELPG News, the members bi-monthly magazine.

A members Open Meeting was held in April and a further meeting to discuss the future of the Charity was held in November.

A social media policy was produced and published on the Charity website in response to an email incident.

Reporting

There have been no matters to report to the Charity Commission in 2022.

Archive

We continue to add material to our archive.

FINANCIAL REVIEW

Year-End Financial Position:

At the end of the period under review, the Charity had total funds of £754,181 (2021 = £795,631), a decrease of £41,450. Full details will be found in the Accounts.

Statement Regarding Policy for Holding Reserves:

The reserves policy is to provide for unforeseen expenditure, which can sometimes arise when key components of the locomotives require renewal earlier than expected. The policy is to maintain a reserve of £100,000. The Trustees have designated funds to a total value of £371,343 as a "Locomotive Maintenance Fund" to cover the on-going operation and maintenance of our locomotives, and a further £337,211 to a "Locomotive Overhaul Fund" designed to accumulate funds to support major overhauls of our locomotives.

Investment Policy:

The investment policy aims to obtain the best available rate of return on a range of accounts with banks and building societies, each investment being at the maximum covered by the Financial Services Compensation Scheme and over a fixed term of the order of 12 months. Some funds are held in two accounts which allow withdrawal in 1 day and 90 days, respectively. A more significant sum is invested in the COIF Charities Global Equity Income Fund for a better rate of return.

Details of Funds Materially in Deficit

No funds are materially in deficit.

Uncertainties about the Charity Continuing as a Going Concern

At this point in time there are no doubts about the Charity continuing as a going concern.

Principal Sources of Fundraising

During 2022 the Charity's Principal Sources of Fundraising were as follows:

- i Fees paid by those hiring locomotives;
- ii Donations and grants, particularly in favour of the J72 Appeal;
- iii Subscriptions, including the Patron Membership Scheme;
- iv Legacy giving;
- v Sales.

Risk Management

The Trustees have identified the following major risks to which the Charity is exposed. These risks and the systems and procedures to mitigate and respond to them are:

- i Safe maintenance, overhaul, and operation of the locomotives. The Charity has in place a risk assessment and a procedure for its review. An operating manual is in place for operations at Fort William, supported by appropriate reporting lines and structure, to ensure it is applied in day-to-day operation. There are preventive maintenance procedures and all new volunteers are briefed on safety. To further protect the Charity, it has appropriate insurance.
- ii Difficult economic conditions. The Charity has in place financial procedures to identify at an early stage the onset of potential problems and to develop plans to respond appropriately.
- iii Loss of volunteer resources, including sufficient Trustees, and the effect of changes in their age profile and physical ability. The Charity is developing a strategy for ensuring sufficient volunteer resources and skills for the longer term, contracting work out where necessary, but Trustee numbers remain a concern.
- iv High costs associated with maintaining and operating steam locomotives and increasing costs because of the increasing age of our volunteers resulting in more work having to be carried out on a paid contract basis. A strategy is being developed to ensure that resources are in place as and when they are needed, including the maintenance of a reserve fund.
- v Difficulties in sourcing affordable coal fuel by heritage railways. Reduced operations as a result and other increased costs could lead to cut backs in steam locomotive use and consequential reductions in our hire income. The Group is engaged with other heritage stakeholders in addressing these issues through its membership of the Heritage Railway Association.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

No funds are held as custodian trustee on behalf of others.

PUBLIC BENEFIT STATEMENT

There are Two Elements to Public Benefit

- i The "Public" element – which requires that the purpose of a charity must benefit the public in general or a sufficient section of the public and must not give rise to more than incidental personal development.
- ii The "Benefit" element – which requires that the purpose of a charity must be beneficial in a way that can be identified and is capable of being proved by evidence where necessary and not based on an individual's personal views.

The Trustees of NELPG take the view that the preservation and operation of steam locomotives helps to develop interest in and understanding of the history and development of railways, a mode of transport that had its roots in the North East of England and which played such an important part in the development of the modern world. This is considered "beneficial" even though it is difficult to quantify or measure.

Awareness of Public Benefit Guidance

The Trustees confirm their compliance with their duty to have due regard to the Charity Commission's Public Benefit Guidance when exercising any powers or duties to which the guidance relates.

PLANS FOR FUTURE PERIODS

We hope that the Q6 and J27 will see service on the NYMR in 2023. There have been expressions of interest from other heritage railways in hiring both locomotives. The K1 overhaul will continue and we hope to see completion in mid-2023. The J72 overhaul will continue in 2023, with the boiler repair progressed and the completion and fitting of the new cylinder block.

The move from our workshop at Hopetown will progress and we hope to move to the 1861 Shed in the Darlington Rail Heritage Quarter by September. Some impact on the J72 overhaul is likely.

As a result of our concentration on navigating our way through the virus situation, the Trustees have been unable to progress several strategic issues which require more focus during 2023. Although beyond the scope of this report, some matters have been progressed and we now have a functioning Locomotive Committee and a Health & Safety group. Further work includes:

- i Delivery of a long-term strategy for the overhaul, maintenance, and operation of our locomotives.
- ii Delivery of a long-term financial plan to support the strategy for the overhaul, maintenance, and operation of our locomotives.
- iii Revision of the Charity's governance documents, including a review of safety and the Locomotive Maintenance Policy.
- iv Review of the way in which the organisation is managed, with a view to the Trustees spending less time on day-to-day matters and more on strategic issues.
- v Development of a long-term strategy aimed at ensuring that successors are available when key persons leave their posts.
- vi Continued development of IT related systems.
- vii Continued efforts to improve communications within the Board, within the Group and between the Group and like-minded organisations.

INFORMATION ON FUNDRAISING PRACTICES

Although the Charity is not auditable under the guidance issued by the Charity Commission, we are aware of the Fundraising Regulator and we continue to consider the implications for our operations.

Small Company Provisions:

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

Signed, on behalf of the Company's Directors / Charity's Trustees:

A handwritten signature in black ink, appearing to read 'C. Foxtan'.

Colin John Foxtan (Chairman of the Board of Trustees 2022)

Date: 22nd March 2023

A handwritten signature in black ink, appearing to read 'R. Marshall'.

Roy Marshall (Company Secretary and Secretary to the Board of Trustees)

Date: 22nd March 2023

REGISTERED COMPANY NUMBER: 02570979 (England and Wales)
REGISTERED CHARITY NUMBER: 1002017

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

Ribchesters
Chartered Accountants
Finchale House
Belmont Business Park
Durham
DH1 1TW

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 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 December 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).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing documents, a Memorandum of Association and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02570979 (England and Wales)

Registered Charity number

1002017

Registered office

67 The Mount
York
Yorkshire
YO24 1AX

Trustees

C J Lawson (resigned 20/5/2022)
P G Hutchinson
R A Pearson
R Marshall
C Foxton
R D Bingham
P Mason (resigned 29/4/2022)
D A Pennock (resigned 20/5/2022)
I L Storey (appointed 25/5/2022)
J R P Hunt (appointed 7/11/2022)
J D Carr (appointed 7/11/2022)

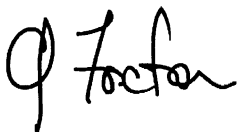
Company Secretary

R Marshall

Independent Examiner

David Holloway
FCA DChA
Ribchesters
Chartered Accountants
Finchale House
Belmont Business Park
Durham
DH1 1TW

Approved by order of the board of trustees on 1 March 2023 and signed on its behalf by:



C Foxton - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

Independent examiner's report to the trustees of North Eastern Locomotive Preservation Group ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.



David Holloway
FCA DChA
Ribchesters
Chartered Accountants
Finchale House
Belmont Business Park
Durham
DH1 1TW

1 March 2023

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	111,050	26,691	137,741	84,424
Other trading activities	3	74,377	-	74,377	80,551
Investment income	4	<u>5,097</u>	<u>-</u>	<u>5,097</u>	<u>4,416</u>
Total		<u>190,524</u>	<u>26,691</u>	<u>217,215</u>	<u>169,391</u>
EXPENDITURE ON					
Raising funds	5	11,591	-	11,591	8,302
Charitable activities					
Promotion, restoration and preservation		<u>194,715</u>	<u>30,403</u>	<u>225,118</u>	<u>135,803</u>
Total		<u>206,306</u>	<u>30,403</u>	<u>236,709</u>	<u>144,105</u>
Net gains/(losses) on investments		<u>(21,956)</u>	<u>-</u>	<u>(21,956)</u>	<u>29,588</u>
NET INCOME/(EXPENDITURE)		(37,738)	(3,712)	(41,450)	54,874
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>773,475</u>	<u>22,156</u>	<u>795,631</u>	<u>740,757</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>735,737</u></u>	<u><u>18,444</u></u>	<u><u>754,181</u></u>	<u><u>795,631</u></u>

The notes form part of these financial statements

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**BALANCE SHEET
31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	9	14,100	-	14,100	20,186
CURRENT ASSETS					
Debtors	10	47,845	-	47,845	16,116
Investments	11	163,981	-	163,981	185,937
Cash at bank		<u>515,695</u>	<u>18,444</u>	<u>534,139</u>	<u>575,495</u>
		727,521	18,444	745,965	777,548
CREDITORS					
Amounts falling due within one year	12	(5,884)	-	(5,884)	(2,103)
		<u>721,637</u>	<u>18,444</u>	<u>740,081</u>	<u>775,445</u>
NET CURRENT ASSETS					
		<u>735,737</u>	18,444	754,181	795,631
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>735,737</u>	<u>18,444</u>	<u>754,181</u>	<u>795,631</u>
NET ASSETS					
		<u>735,737</u>	<u>18,444</u>	<u>754,181</u>	<u>795,631</u>
FUNDS					
	13			735,737	773,475
Unrestricted funds				<u>18,444</u>	<u>22,156</u>
Restricted funds					
TOTAL FUNDS					
				<u>754,181</u>	<u>795,631</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

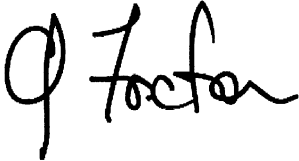
The notes form part of these financial statements

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**BALANCE SHEET - continued
31 DECEMBER 2022**

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 1 March 2023 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'C Foxton', written in a cursive style.

C Foxton - Trustee

A handwritten signature in black ink, appearing to read 'R. Marshall', written in a cursive style.

R Marshall - Trustee

The notes form part of these financial statements

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 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.

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.

Hire fees are recognised in the period which the hire is provided.

Legacies

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made to the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed where material.

Should the charity be notified of a legacy subsequent to the accounting reference date but before the date of approval of the accounts and evidence exists which suggests that the executors of the estate agreed the distribution prior to the end of the reporting period and receipt of the legacy is deemed to be probable then that receipt will be recognised as income in that accounting period.

Grants

Grants of a revenue nature are credited to income in the period to which they relate.

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.

Tangible fixed assets

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

Leasehold property	- straight line over 10 years
Improvements to property	- straight line over 10 years
Plant & equipment	- straight line over 10 years
Heritage assets	- not provided
Vehicles	- straight line over 3 years

Heritage assets have indefinite useful economic lives and are therefore not depreciated.

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.

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

Fund accounting

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

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Grants	17,728	-
Royalties	-	-
Legacies	48,609	100
Patron donations	25,719	29,000
Sundry donations	<u>42,179</u>	<u>55,324</u>
	<u><u>134,235</u></u>	<u><u>84,424</u></u>

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Locomotive hire fees	73,566	79,600
Sale of goods	<u>811</u>	<u>951</u>
	<u><u>74,377</u></u>	<u><u>80,551</u></u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Bank interest receivable	<u>5,097</u>	<u>4,416</u>

5. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Stock for resale	328	427
Member events	3,575	-
Support costs	<u>7,688</u>	<u>7,875</u>
	<u><u>11,591</u></u>	<u><u>8,302</u></u>

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Depreciation - owned assets	<u>6,086</u>	<u>7,579</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

The charity made allowances totalling £3,344 during the year for expenses claimed by the trustees whilst doing volunteer work for the specific charitable areas (2021:£1,470).

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	40,729	43,695	84,424
Other trading activities	80,551	-	80,551
Investment income	<u>4,416</u>	<u>-</u>	<u>4,416</u>
Total	<u>125,696</u>	<u>43,695</u>	<u>169,391</u>
EXPENDITURE ON			
Raising funds	8,302	-	8,302
Charitable activities			
Promotion, restoration and preservation	<u>102,523</u>	<u>33,280</u>	<u>135,803</u>
Total	<u>110,825</u>	<u>33,280</u>	<u>144,105</u>
Net gains on investments	<u>29,588</u>	<u>-</u>	<u>29,588</u>
NET INCOME	44,459	10,415	54,874
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>729,016</u>	<u>11,741</u>	<u>740,757</u>
TOTAL FUNDS CARRIED FORWARD	<u>773,475</u>	<u>22,156</u>	<u>795,631</u>

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. TANGIBLE FIXED ASSETS

	Leasehold property £	Improvements to property £	Plant & equipment £
COST			
At 1 January 2022 and 31 December 2022	<u>33,963</u>	<u>28,986</u>	<u>21,468</u>
DEPRECIATION			
At 1 January 2022	30,564	28,986	20,723
Charge for year	<u>3,399</u>	<u>-</u>	<u>745</u>
At 31 December 2022	<u>33,963</u>	<u>28,986</u>	<u>21,468</u>
NET BOOK VALUE			
At 31 December 2022	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2021	<u>3,399</u>	<u>-</u>	<u>745</u>

	Heritage assets £	Vehicles £	Totals £
COST			
At 1 January 2022 and 31 December 2022	<u>14,100</u>	<u>6,995</u>	<u>105,512</u>
DEPRECIATION			
At 1 January 2022	-	5,053	85,326
Charge for year	<u>-</u>	<u>1,942</u>	<u>6,086</u>
At 31 December 2022	<u>-</u>	<u>6,995</u>	<u>91,412</u>
NET BOOK VALUE			
At 31 December 2022	<u>14,100</u>	<u>-</u>	<u>14,100</u>
At 31 December 2021	<u>14,100</u>	<u>1,942</u>	<u>20,186</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Gift aid	24,100	10,477
VAT	11,900	-
Accrued income and prepayments	<u>11,845</u>	<u>5,639</u>
	<u>47,845</u>	<u>16,116</u>

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. CURRENT ASSET INVESTMENTS

	2022	2021
	£	£
Investment management fund	<u>163,981</u>	<u>185,937</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
VAT	-	903
Accrued expenses	<u>5,884</u>	<u>1,200</u>
	<u>5,884</u>	<u>2,103</u>

13. MOVEMENT IN FUNDS

	At 1.1.22	Net movement	Transfers	At
	£	in funds	between	31.12.22
		£	funds	£
			£	
Unrestricted funds				
General fund	46,653	(33,870)	14,400	27,183
Locomotive Overhaul Fund	266,483	85,928	(15,200)	337,211
Locomotive Maintenance Fund	<u>460,339</u>	<u>(89,796)</u>	<u>800</u>	<u>371,343</u>
	773,475	(37,738)	-	735,737
Restricted funds				
J72 Restoration Fund	22,156	(3,712)	-	18,444
	<u>795,631</u>	<u>(41,450)</u>	<u>-</u>	<u>754,181</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	26,774	(38,688)	(21,956)	(33,870)
Locomotive Overhaul Fund	85,928	-	-	85,928
Locomotive Maintenance Fund	<u>77,822</u>	<u>(167,618)</u>	<u>-</u>	<u>(89,796)</u>
	190,524	(206,306)	(21,956)	(37,738)
Restricted funds				
J72 Restoration Fund	26,691	(30,403)	-	(3,712)
	<u>217,215</u>	<u>(236,709)</u>	<u>(21,956)</u>	<u>(41,450)</u>

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	54,119	8,534	(16,000)	46,653
Locomotive Overhaul Fund	444,381	29,100	(206,998)	266,483
Locomotive Maintenance Fund	<u>230,516</u>	<u>6,825</u>	<u>222,998</u>	<u>460,339</u>
	729,016	44,459	-	773,475
Restricted funds				
J27 & Q6 Safety Valve Fund	1,135	(1,135)	-	-
J72 Restoration Fund	<u>10,606</u>	<u>11,550</u>	<u>-</u>	<u>22,156</u>
	<u>11,741</u>	<u>10,415</u>	<u>-</u>	<u>22,156</u>
TOTAL FUNDS	<u>740,757</u>	<u>54,874</u>	<u>-</u>	<u>795,631</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	14,328	(35,382)	29,588	8,534
Locomotive Overhaul Fund	29,100	-	-	29,100
Locomotive Maintenance Fund	<u>82,268</u>	<u>(75,443)</u>	<u>-</u>	<u>6,825</u>
	125,696	(110,825)	29,588	44,459
Restricted funds				
J27 & Q6 Safety Valve Fund	-	(1,135)	-	(1,135)
J72 Restoration Fund	<u>43,695</u>	<u>(32,145)</u>	<u>-</u>	<u>11,550</u>
	<u>43,695</u>	<u>(33,280)</u>	<u>-</u>	<u>10,415</u>
TOTAL FUNDS	<u>169,391</u>	<u>(144,105)</u>	<u>29,588</u>	<u>54,874</u>

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	54,119	(25,336)	(1,600)	27,183
Locomotive Overhaul Fund	444,381	115,028	(222,198)	337,211
Locomotive Maintenance Fund	<u>230,516</u>	<u>(82,971)</u>	<u>223,798</u>	<u>371,343</u>
	729,016	6,721	-	735,737
Restricted funds				
J27 & Q6 Safety Valve Fund	1,135	(1,135)	-	-
J72 Restoration Fund	<u>10,606</u>	<u>7,838</u>	-	<u>18,444</u>
	<u>11,741</u>	<u>6,703</u>	-	<u>18,444</u>
TOTAL FUNDS	<u><u>740,757</u></u>	<u><u>13,424</u></u>	<u><u>-</u></u>	<u><u>754,181</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	41,102	(74,070)	7,632	(25,336)
Locomotive Overhaul Fund	115,028	-	-	115,028
Locomotive Maintenance Fund	<u>160,090</u>	<u>(243,061)</u>	-	<u>(82,971)</u>
	316,220	(317,131)	7,632	6,721
Restricted funds				
J27 & Q6 Safety Valve Fund	-	(1,135)	-	(1,135)
J72 Restoration Fund	<u>70,386</u>	<u>(62,548)</u>	-	<u>7,838</u>
	<u>70,386</u>	<u>(63,683)</u>	-	<u>6,703</u>
TOTAL FUNDS	<u><u>386,606</u></u>	<u><u>(380,814)</u></u>	<u><u>7,632</u></u>	<u><u>13,424</u></u>

The trustees have designated funds for the purpose of financing cyclical overhauls of the locomotives which the charity own. These costs will be substantial and the trustees therefore feel it prudent to ring fence reserves to enable those assets to be protected for future generations to enjoy

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. RELATED PARTY DISCLOSURES

An amount of £1,349 (2021: £Nil) was paid to a Trustee in respect of work done for the Charity which was not in respect of their role as a Trustee.

15. ULTIMATE CONTROLLING PARTY

The charitable company is controlled by its trustees.

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Subscriptions and donations	67,898	84,324
Grants	17,728	-
Legacies	48,609	100
Members events	<u>3,506</u>	<u>-</u>
	137,741	84,424
Other trading activities		
Locomotive hire fees	73,566	79,600
Sale of goods	<u>811</u>	<u>951</u>
	74,377	80,551
Investment income		
Bank interest receivable	<u>5,097</u>	<u>4,416</u>
Total incoming resources	217,215	169,391
EXPENDITURE		
Raising donations and legacies		
Stock for resale	328	427
Member events	<u>3,575</u>	<u>-</u>
	3,903	427
Charitable activities		
Insurance	18,217	17,200
Locomotive restoration costs	179,610	82,313
Workshop consumables	2,735	-
Travel & subsistence	9,048	5,890
Mainline costs	3,181	11,967
Workshop maintenance	3,447	4,795
Subscriptions and donations	425	593
Training and medicals	-	3,758
Depreciation of leasehold property	3,399	3,396
Depreciation of plant and equipment	745	1,851
Depreciation of Vehicles	<u>1,942</u>	<u>2,332</u>
	222,749	134,095
Support costs		
Management		
Administration costs	8,857	8,383
Governance costs		
Independent examiners fee	1,200	1,200

This page does not form part of the statutory financial statements

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 <u>£</u>	2021 <u>£</u>
Total resources expended	<u>236,709</u>	<u>144,105</u>
Net (expenditure)/income before gains and losses	(19,494)	25,286
Realised recognised gains and losses		
Gains on current asset investments	<u>(21,956)</u>	<u>29,588</u>
Net (expenditure)/income	<u>(41,450)</u>	<u>54,874</u>

This page does not form part of the statutory financial statements

REGISTERED COMPANY NUMBER: 02570979 (England and Wales)
REGISTERED CHARITY NUMBER: 1002017

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

Ribchesters
Chartered Accountants
Finchale House
Belmont Business Park
Durham
DH1 1TW

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 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 December 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).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing documents, a Memorandum of Association and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02570979 (England and Wales)

Registered Charity number

1002017

Registered office

67 The Mount
York
Yorkshire
YO24 1AX

Trustees

C J Lawson (resigned 20/5/2022)
P G Hutchinson
R A Pearson
R Marshall
C Foxton
R D Bingham
P Mason (resigned 29/4/2022)
D A Pennock (resigned 20/5/2022)
I L Storey (appointed 25/5/2022)
J R P Hunt (appointed 7/11/2022)
J D Carr (appointed 7/11/2022)

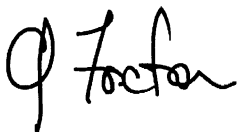
Company Secretary

R Marshall

Independent Examiner

David Holloway
FCA DChA
Ribchesters
Chartered Accountants
Finchale House
Belmont Business Park
Durham
DH1 1TW

Approved by order of the board of trustees on 1 March 2023 and signed on its behalf by:



C Foxton - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

Independent examiner's report to the trustees of North Eastern Locomotive Preservation Group ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.



David Holloway
FCA DChA
Ribchesters
Chartered Accountants
Finchale House
Belmont Business Park
Durham
DH1 1TW

1 March 2023

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	111,050	26,691	137,741	84,424
Other trading activities	3	74,377	-	74,377	80,551
Investment income	4	<u>5,097</u>	<u>-</u>	<u>5,097</u>	<u>4,416</u>
Total		<u>190,524</u>	<u>26,691</u>	<u>217,215</u>	<u>169,391</u>
EXPENDITURE ON					
Raising funds	5	11,591	-	11,591	8,302
Charitable activities					
Promotion, restoration and preservation		<u>194,715</u>	<u>30,403</u>	<u>225,118</u>	<u>135,803</u>
Total		<u>206,306</u>	<u>30,403</u>	<u>236,709</u>	<u>144,105</u>
Net gains/(losses) on investments		<u>(21,956)</u>	<u>-</u>	<u>(21,956)</u>	<u>29,588</u>
NET INCOME/(EXPENDITURE)		(37,738)	(3,712)	(41,450)	54,874
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>773,475</u>	<u>22,156</u>	<u>795,631</u>	<u>740,757</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>735,737</u></u>	<u><u>18,444</u></u>	<u><u>754,181</u></u>	<u><u>795,631</u></u>

The notes form part of these financial statements

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**BALANCE SHEET
31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	9	14,100	-	14,100	20,186
CURRENT ASSETS					
Debtors	10	47,845	-	47,845	16,116
Investments	11	163,981	-	163,981	185,937
Cash at bank		<u>515,695</u>	<u>18,444</u>	<u>534,139</u>	<u>575,495</u>
		727,521	18,444	745,965	777,548
CREDITORS					
Amounts falling due within one year	12	(5,884)	-	(5,884)	(2,103)
		<u>721,637</u>	<u>18,444</u>	<u>740,081</u>	<u>775,445</u>
NET CURRENT ASSETS					
		<u>735,737</u>	18,444	754,181	795,631
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>735,737</u>	<u>18,444</u>	<u>754,181</u>	<u>795,631</u>
NET ASSETS					
		<u>735,737</u>	<u>18,444</u>	<u>754,181</u>	<u>795,631</u>
FUNDS					
	13			735,737	773,475
Unrestricted funds				<u>18,444</u>	<u>22,156</u>
Restricted funds					
TOTAL FUNDS					
				<u>754,181</u>	<u>795,631</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

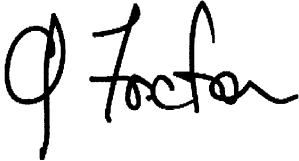
The notes form part of these financial statements

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**BALANCE SHEET - continued
31 DECEMBER 2022**

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 1 March 2023 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'C Foxton', written in a cursive style.

C Foxton - Trustee

A handwritten signature in black ink, appearing to read 'R. Marshall', written in a cursive style.

R Marshall - Trustee

The notes form part of these financial statements

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 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.

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.

Hire fees are recognised in the period which the hire is provided.

Legacies

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made to the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed where material.

Should the charity be notified of a legacy subsequent to the accounting reference date but before the date of approval of the accounts and evidence exists which suggests that the executors of the estate agreed the distribution prior to the end of the reporting period and receipt of the legacy is deemed to be probable then that receipt will be recognised as income in that accounting period.

Grants

Grants of a revenue nature are credited to income in the period to which they relate.

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.

Tangible fixed assets

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

Leasehold property	- straight line over 10 years
Improvements to property	- straight line over 10 years
Plant & equipment	- straight line over 10 years
Heritage assets	- not provided
Vehicles	- straight line over 3 years

Heritage assets have indefinite useful economic lives and are therefore not depreciated.

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.

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

Fund accounting

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

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Grants	17,728	-
Royalties	-	-
Legacies	48,609	100
Patron donations	25,719	29,000
Sundry donations	<u>42,179</u>	<u>55,324</u>
	<u><u>134,235</u></u>	<u><u>84,424</u></u>

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Locomotive hire fees	73,566	79,600
Sale of goods	<u>811</u>	<u>951</u>
	<u><u>74,377</u></u>	<u><u>80,551</u></u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Bank interest receivable	<u>5,097</u>	<u>4,416</u>

5. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Stock for resale	328	427
Member events	3,575	-
Support costs	<u>7,688</u>	<u>7,875</u>
	<u><u>11,591</u></u>	<u><u>8,302</u></u>

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Depreciation - owned assets	<u>6,086</u>	<u>7,579</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

The charity made allowances totalling £3,344 during the year for expenses claimed by the trustees whilst doing volunteer work for the specific charitable areas (2021:£1,470).

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	40,729	43,695	84,424
Other trading activities	80,551	-	80,551
Investment income	<u>4,416</u>	<u>-</u>	<u>4,416</u>
Total	<u>125,696</u>	<u>43,695</u>	<u>169,391</u>
EXPENDITURE ON			
Raising funds	8,302	-	8,302
Charitable activities			
Promotion, restoration and preservation	<u>102,523</u>	<u>33,280</u>	<u>135,803</u>
Total	<u>110,825</u>	<u>33,280</u>	<u>144,105</u>
Net gains on investments	<u>29,588</u>	<u>-</u>	<u>29,588</u>
NET INCOME	44,459	10,415	54,874
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>729,016</u>	<u>11,741</u>	<u>740,757</u>
TOTAL FUNDS CARRIED FORWARD	<u>773,475</u>	<u>22,156</u>	<u>795,631</u>

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. TANGIBLE FIXED ASSETS

	Leasehold property £	Improvements to property £	Plant & equipment £
COST			
At 1 January 2022 and 31 December 2022	<u>33,963</u>	<u>28,986</u>	<u>21,468</u>
DEPRECIATION			
At 1 January 2022	30,564	28,986	20,723
Charge for year	<u>3,399</u>	<u>-</u>	<u>745</u>
At 31 December 2022	<u>33,963</u>	<u>28,986</u>	<u>21,468</u>
NET BOOK VALUE			
At 31 December 2022	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2021	<u>3,399</u>	<u>-</u>	<u>745</u>

	Heritage assets £	Vehicles £	Totals £
COST			
At 1 January 2022 and 31 December 2022	<u>14,100</u>	<u>6,995</u>	<u>105,512</u>
DEPRECIATION			
At 1 January 2022	-	5,053	85,326
Charge for year	<u>-</u>	<u>1,942</u>	<u>6,086</u>
At 31 December 2022	<u>-</u>	<u>6,995</u>	<u>91,412</u>
NET BOOK VALUE			
At 31 December 2022	<u>14,100</u>	<u>-</u>	<u>14,100</u>
At 31 December 2021	<u>14,100</u>	<u>1,942</u>	<u>20,186</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Gift aid	24,100	10,477
VAT	11,900	-
Accrued income and prepayments	<u>11,845</u>	<u>5,639</u>
	<u>47,845</u>	<u>16,116</u>

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. CURRENT ASSET INVESTMENTS

	2022 £	2021 £
Investment management fund	<u>163,981</u>	<u>185,937</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
VAT	-	903
Accrued expenses	<u>5,884</u>	<u>1,200</u>
	<u>5,884</u>	<u>2,103</u>

13. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	46,653	(33,870)	14,400	27,183
Locomotive Overhaul Fund	266,483	85,928	(15,200)	337,211
Locomotive Maintenance Fund	<u>460,339</u>	<u>(89,796)</u>	<u>800</u>	<u>371,343</u>
	773,475	(37,738)	-	735,737
Restricted funds				
J72 Restoration Fund	22,156	(3,712)	-	18,444
	<u>795,631</u>	<u>(41,450)</u>	<u>-</u>	<u>754,181</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	26,774	(38,688)	(21,956)	(33,870)
Locomotive Overhaul Fund	85,928	-	-	85,928
Locomotive Maintenance Fund	<u>77,822</u>	<u>(167,618)</u>	<u>-</u>	<u>(89,796)</u>
	190,524	(206,306)	(21,956)	(37,738)
Restricted funds				
J72 Restoration Fund	26,691	(30,403)	-	(3,712)
	<u>217,215</u>	<u>(236,709)</u>	<u>(21,956)</u>	<u>(41,450)</u>

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	54,119	8,534	(16,000)	46,653
Locomotive Overhaul Fund	444,381	29,100	(206,998)	266,483
Locomotive Maintenance Fund	<u>230,516</u>	<u>6,825</u>	<u>222,998</u>	<u>460,339</u>
	729,016	44,459	-	773,475
Restricted funds				
J27 & Q6 Safety Valve Fund	1,135	(1,135)	-	-
J72 Restoration Fund	<u>10,606</u>	<u>11,550</u>	<u>-</u>	<u>22,156</u>
	<u>11,741</u>	<u>10,415</u>	<u>-</u>	<u>22,156</u>
TOTAL FUNDS	<u>740,757</u>	<u>54,874</u>	<u>-</u>	<u>795,631</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	14,328	(35,382)	29,588	8,534
Locomotive Overhaul Fund	29,100	-	-	29,100
Locomotive Maintenance Fund	<u>82,268</u>	<u>(75,443)</u>	<u>-</u>	<u>6,825</u>
	125,696	(110,825)	29,588	44,459
Restricted funds				
J27 & Q6 Safety Valve Fund	-	(1,135)	-	(1,135)
J72 Restoration Fund	<u>43,695</u>	<u>(32,145)</u>	<u>-</u>	<u>11,550</u>
	<u>43,695</u>	<u>(33,280)</u>	<u>-</u>	<u>10,415</u>
TOTAL FUNDS	<u>169,391</u>	<u>(144,105)</u>	<u>29,588</u>	<u>54,874</u>

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	54,119	(25,336)	(1,600)	27,183
Locomotive Overhaul Fund	444,381	115,028	(222,198)	337,211
Locomotive Maintenance Fund	<u>230,516</u>	<u>(82,971)</u>	<u>223,798</u>	<u>371,343</u>
	729,016	6,721	-	735,737
Restricted funds				
J27 & Q6 Safety Valve Fund	1,135	(1,135)	-	-
J72 Restoration Fund	<u>10,606</u>	<u>7,838</u>	-	<u>18,444</u>
	<u>11,741</u>	<u>6,703</u>	-	<u>18,444</u>
TOTAL FUNDS	<u><u>740,757</u></u>	<u><u>13,424</u></u>	<u><u>-</u></u>	<u><u>754,181</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	41,102	(74,070)	7,632	(25,336)
Locomotive Overhaul Fund	115,028	-	-	115,028
Locomotive Maintenance Fund	<u>160,090</u>	<u>(243,061)</u>	-	<u>(82,971)</u>
	316,220	(317,131)	7,632	6,721
Restricted funds				
J27 & Q6 Safety Valve Fund	-	(1,135)	-	(1,135)
J72 Restoration Fund	<u>70,386</u>	<u>(62,548)</u>	-	<u>7,838</u>
	<u>70,386</u>	<u>(63,683)</u>	-	<u>6,703</u>
TOTAL FUNDS	<u><u>386,606</u></u>	<u><u>(380,814)</u></u>	<u><u>7,632</u></u>	<u><u>13,424</u></u>

The trustees have designated funds for the purpose of financing cyclical overhauls of the locomotives which the charity own. These costs will be substantial and the trustees therefore feel it prudent to ring fence reserves to enable those assets to be protected for future generations to enjoy

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. RELATED PARTY DISCLOSURES

An amount of £1,349 (2021: £Nil) was paid to a Trustee in respect of work done for the Charity which was not in respect of their role as a Trustee.

15. ULTIMATE CONTROLLING PARTY

The charitable company is controlled by its trustees.

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Subscriptions and donations	67,898	84,324
Grants	17,728	-
Legacies	48,609	100
Members events	<u>3,506</u>	<u>-</u>
	137,741	84,424
Other trading activities		
Locomotive hire fees	73,566	79,600
Sale of goods	<u>811</u>	<u>951</u>
	74,377	80,551
Investment income		
Bank interest receivable	<u>5,097</u>	<u>4,416</u>
Total incoming resources	217,215	169,391
EXPENDITURE		
Raising donations and legacies		
Stock for resale	328	427
Member events	<u>3,575</u>	<u>-</u>
	3,903	427
Charitable activities		
Insurance	18,217	17,200
Locomotive restoration costs	179,610	82,313
Workshop consumables	2,735	-
Travel & subsistence	9,048	5,890
Mainline costs	3,181	11,967
Workshop maintenance	3,447	4,795
Subscriptions and donations	425	593
Training and medicals	-	3,758
Depreciation of leasehold property	3,399	3,396
Depreciation of plant and equipment	745	1,851
Depreciation of Vehicles	<u>1,942</u>	<u>2,332</u>
	222,749	134,095
Support costs		
Management		
Administration costs	8,857	8,383
Governance costs		
Independent examiners fee	1,200	1,200

This page does not form part of the statutory financial statements

**NORTH EASTERN LOCOMOTIVE PRESERVATION
GROUP**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 <u>£</u>	2021 <u>£</u>
Total resources expended	<u>236,709</u>	<u>144,105</u>
Net (expenditure)/income before gains and losses	(19,494)	25,286
Realised recognised gains and losses		
Gains on current asset investments	<u>(21,956)</u>	<u>29,588</u>
Net (expenditure)/income	<u>(41,450)</u>	<u>54,874</u>

This page does not form part of the statutory financial statements

