

**THE ALN VALLEY RAILWAY TRUST**  
(A company limited by guarantee and not having a share capital)

**CHARITY NUMBER 1063332**

**COMPANY NUMBER 03319861**

TRUSTEES REPORT AND  
UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 December 2020



THE ALN VALLEY RAILWAY TRUST

**LEGAL AND ADMINISTRATIVE INFORMATION**

**NAME OF CHARITY:** The Aln Valley Railway Trust

**INCORPORATION:** The company was originally incorporated on 12<sup>th</sup> February 1997 and registered as a charity on 8<sup>th</sup> July 1997.

**OFFICERS:**  
(Directors and Trustees) M Proctor (Chair) (appointed 3<sup>rd</sup> October 2020)  
T Spence  
C Freeman  
A Hogg  
M Robinson  
W Stafford  
R Maughan (appointed 3<sup>rd</sup> October 2020)  
G Maughan (appointed 3<sup>rd</sup> October 2020)  
G Head (appointed 3<sup>rd</sup> October 2020)  
Mark Hayton (appointed 3<sup>rd</sup> October 2020)  
Maureen Hayton (appointed 3<sup>rd</sup> October 2020)  
P Stonell (appointed 3<sup>rd</sup> October 2020)  
R Sewell (appointed 3<sup>rd</sup> October 2020)

The following Directors/Trustees served during the year:

R Mitchell (resigned 13<sup>th</sup> October 2020)  
K Holden (resigned 3<sup>rd</sup> October 2020)  
M Fairnington (resigned 3<sup>rd</sup> October 2020)  
N Brison (resigned 3<sup>rd</sup> October 2020)  
T Allen (resigned 3<sup>rd</sup> October 2020)

**COMPANY SECRETARY:** M Hayton

**REGISTERED OFFICE:** Lionheart Railway Station  
Lionheart Enterprise Park  
Alnwick  
Northumberland  
NE66 2EZ

**INDEPENDENT EXAMINER:** Richard Aisept Chartered Accountant  
16 Burlington Terrace  
Cardiff  
CF5 1GG

**BANKERS:** Lloyds Bank

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## **TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

### **Introduction**

The trustees present their report and the financial statements for the year ended 31 December 2020.

The trustees have prepared the annual report and financial statements in accordance with the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in January 2015.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governance**

The Aln Valley Railway Trust a registered charity and a company limited by guarantee. It was incorporated as a company on 12<sup>th</sup> February 1997 and registered as a charity on 8<sup>th</sup> July 1997, and its principal activity is the re-opening of the Alnmouth to Alnwick railway line and associated cycleway and footpath.

#### **Trustees**

The Trustees are charity trustees for the purpose of charity law and are Directors of the company. Trustees are appointed by the members at the Annual General Meeting (AGM) of the charity. The charity consists of individual members and corporate members. Any individual who supports the objects of the charity may be eligible for admission as a member, provided that he or she has attained 18 years of age. A body corporate supporting the objects of the charity shall be entitled to appoint one representative.

#### **Trustee Induction and Training**

A Trustee Information Pack is available to potential and new Trustees. Potential Trustees are invited to attend a Trustee meeting to find out more about the workings of the Board and the governance of the charity, after which they may feel better informed to make the decision to become a Trustee.

New Trustees are introduced to the charity, their legal obligations under charity law, the content of the governing document, the Trustees and the decision-making process, the business plan and financial performance of the charity during an induction period soon after appointment. Trustees are also encouraged to attend appropriate training events that will support effective conduct in their role.

#### **Risk Management**

Where appropriate, policies and procedures or systems have been put in place to mitigate the risks the charity might face. Significant external risks to funding, and the nature of funding across the Community and Voluntary Sector, have led to the development of a long term strategic plan including the identification of priority activities in relation to income generation.

Policies and procedures exist to ensure compliance with health and safety of all staff, volunteers and beneficiaries of the charity. This includes the provision of adequate insurance cover. These policies and procedures are reviewed annually or more frequently, on change of circumstances, to ensure that they continue to meet the needs of the charity.

## **OBJECTIVES AND ACTIVITIES**

The Charity is established for the purpose of restoring, preserving and operating railway locomotives, carriages, wagons, vehicles and other artifacts of historical interest and buildings connected therewith and in particular but without prejudice to the generality of the foregoing to restore the rail link between Alnwick and Alnmouth so as to bring the historic town of Alnwick into contact with the rest of the country for the benefit and education of the public and the preserving of books, drawings, records, documents, sound and visual recordings, cinematography films and photographs relating to such artifacts and vehicles, their history and their development.

## **REVIEW OF 2020**

### **Achievement and performance**

2020 was to have been a significant year for the Aln Valley Railway, with the opening of Greenrigg Halt, giving us, for the first time, a destination where passengers could leave the train. A grand opening was planned for Easter and the start of a new season.

Ahead of that, a major piece of work to review operating procedures and training was started, led by Tom Allen. This recognised that we were moving up a gear in the heritage railway stakes and so needed to significantly improve competence management and maintenance procedures to be ready to operate safely in a tightly regulated environment. Trustees placed a ban on all but essential train movements whilst we undertook the review.

Of course, no-one expected what happened next and the complete lockdown caused by the Covid 19 pandemic put a halt to much of the good work that had started and led to a virtual complete closure of the site, aside from essential security and maintenance patrols.

A visit from our regulators, The Office of Rail and Road (ORR) in July was extremely helpful in confirming what we already knew was required to improve our operating procedures and gave us a clear set of targets to aim for. The board agreed to extend the ban on train movements while we completed the work that had been started earlier in the year.

Thanks to a huge effort from volunteers across the organisation, a return visit from the ORR in December noted great progress since July. Not only that, but a number of our key documents have been highly commended and recommended to other heritage railways. We still have more to do, but we're clearly now on the right track and can look forward to being better still when we re-open for 2021.

While Covid 19 has been a huge blow to us, we have weathered the loss of visitor income much better than many other heritage railways, mainly due to being entirely volunteer run, so we don't have the problem of paying salaries with no income. Of course, Covid has seen many of our volunteers staying away for the sake of their own and their family's wellbeing, while those who have been on site to undertake essential maintenance have been constrained in what they can do by Covid restrictions. We look forward to the gradual lifting of these restrictions during 2021 so that we can welcome more volunteers back to the railway.

The departure of a number of Trustees during the course of the year led to an unusually high number of vacancies at a delayed Annual General Meeting held under very restricted

## THE ALN VALLEY RAILWAY TRUST

Covid safe arrangements in October. Having eight new Trustees out of 13 current board members has given the board the opportunity to undertake a fundamental review of where we are now and our aspirations and our plans for the future. This work started immediately after the AGM and continues, with a view to developing a medium-term strategic plan for the railway in 2021.

Thanks are due to those departing Trustees –Tom Allen, Neil Brison, Mick Fairnington, Kevin Holden and Robin Mitchell for the sterling work they have done leading the railway to where we are today. Some continue to be actively involved in the railway in other capacities and we hope to welcome others back when their personal circumstances allow.

Despite the many challenges caused by a combination of repeated lockdowns, fewer volunteers and a ban on train movements lasting much of the year, we have continued to make progress in a number of areas. These include:

- Continued work on the restoration and overhaul of Class 11 diesel electric 'Shirley'. Although a key member of our diesel fleet, Shirley has seen little use as it was in a very fragile state mechanically. With the addition of vacuum brakes almost complete, we can expect to see Shirley hauling passengers in 2021, one of only a small number of this class that have survived into preservation.
- Continued work on the restoration of our NER directors' saloon. This unique survivor of the Victorian railway age should also be ready to launch into service for an extremely luxurious ride in 2021.
- Construction of additional storage sidings to provide additional space for stock and reduce congestion at the Lionheart station site.
- The arrival of two Pacer trains direct from mainline service, thanks to the generosity of both the leasing company and several of our members who funded their purchase and delivery. Although not everyone's cup of tea, the Pacers provide a cheap and easy to operate solution, which will be ideal for midweek operations as well as the possibility of evening and out of season services. Rest assured though that our priority will always be to run steam or heritage diesel trains whenever we can.
- Laying additional ballast, kindly funded by a generous donation from one of our members, all along the main line ready for a tamper visit.
- Completion of the conversion of our LMS style Brake Goods coach to act as a cafe, toilet and waiting room at Greenrigg. Again, this should see service later in 2021.
- A major overhaul of electrical systems on site including the installation of a dedicated power supply to the workshop area and the complete refit of the electrical systems for our Lister generator so that it is available as backup for the main generator and a source of power for quieter days.

All told, it's fair to say that nothing about 2020 turned out as planned, however we have used the year as a vital opportunity to prepare for a return to service in 2021. The railway will be open to visitors again as soon as circumstances allow, bigger and better than before.

## FINANCIAL REVIEW

There were 2 main financial priorities in 2020:

1. for the Aln Valley Railway Trust to remain solvent in a year when we would not be operational, but nevertheless still needed to keep the railways in good order; as well as meeting the costs associated with an ORR inspection and report.
2. to ensure we had a sufficient "pot of money" available to fund the re-opening of the railway in 2021.

That we achieved a surplus of £28,164 and had cash reserves as at 31 December 2020 of £47,671 is testimony that these twin aims were more than achieved!

How was this achieved?

**Income** - the accounts show that membership fees, and donations more generally, were only slightly reduced. Details of the various contributions are detailed below: -

- members continued to support us during closure and a decision was made to defer the planned increase in membership fee renewals until 2021; nevertheless, membership fees received in 2020 totalled £9,804.
- donations totalled £26,999.
- fundraising efforts undertaken produced the following outcomes:
  - to complete the purchase of Richboro - £24,132.
  - "Sponsor a Sleeper" appeal - £7,100.
  - a "Buckets of Coal" appeal to build coal stocks as supplies become less available - £9,630.
  - a "Bounce Back Bank" appeal to fund re-opening expenses which reached £4,918 by the end of December.
- Everyone who supports us by their fees and donations can make their payment via gift aid; this enables the railway to reclaim the tax previously paid on these contributions - in 2020 we were able to reclaim £25,242 from HM Revenue and Customs.
- we received a generous £17,309 bequest from the estate of Mike Little.
- grant income improved though a £13,300 National Lottery Heritage Fund grant and £11,634 of government support funding during the lockdowns to suppress the spread of Covid-19.
- we also took advantage of the government supported Bounce Back Loan facility of £50,000 - to be repaid over 10 years after an interest free first year.

**Expenditure** - was only slightly reduced as maintenance and other works continued to ensure the railways various assets were maintained in a safe and running order.

### In conclusion

It would be remiss not to acknowledge that a great deal of the achievements in 2020 are due to the efforts of Robin Mitchell, Finance Director, who stood down in October after 5 and a half years of sterling service to the Aln Valley Railway Trust.

### **Investment Policy**

The charity currently holds no investments. The Memorandum and Articles of the charity permit wide powers of investment.

### **Reserves Policy**

The Trustees aim to have a reserve of sufficient unrestricted funds to cover three months' operating costs, plus exit charges. This figure has been identified following consideration of the main financial risks to the charity. At 31 December the Charity's free unrestricted working capital (net current assets) amounted to £14,655. This represented approximately just over 1 month of the 2021 operating costs, and so the current reserve policy is not met.

The Trustees' strategy is therefore to continue to build reserves through economies of scale wherever possible, suitable cost control, and seeking additional funding to meet essential expenses which underpin the provision of service to members. The Trustees regularly review the level of unrestricted reserves at Council meetings with the aim of ensuring that any temporary shortfall in grant funding does not have an immediate impact on services for members.

### **Statement of Trustees' Responsibilities**

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year; in preparing those financial statements, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the company will continue on that basis.

The Trustees are responsible for maintaining 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. The Trustees 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.

### **Responsibilities of the Trustees**

Trustees, who are directors for the purpose of company law, and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out under Legal and Administrative Information. In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant information of which the company's accountants are unaware; and

THE ALN VALLEY RAILWAY TRUST

- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant accounts information and to establish that the charity's accountants are aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in January 2015) and in accordance with the special provisions of the Companies Act 2006 relating to small entities.

Approved by the Trustees on 8th April 2021 and signed on their behalf by:

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

M Proctor, Director (Chair of Trustees)

THE ALN VALLEY RAILWAY TRUST

**INDEPENDENT EXAMINERS REPORT ON THE UNAUDITED FINANCIAL STATEMENTS  
TO THE TRUSTEES OF THE ALN VALLEY RAILWAY TRUST.**

I report on the accounts of The Trust for the year ended 31 December 2020, which are set out on pages 8 to 17.

**Respective responsibilities of trustees and examiner**

The trustees, who are also the directors of The Aln Valley Railway Trust for the purposes of company law, are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011, the 2011 Act, and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

**Basis of independent examiner's report**

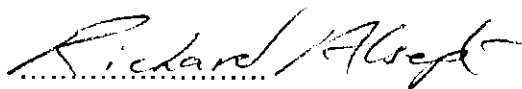
My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or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

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect the requirements:

- (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- (ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;

have not been met.



Richard Alsept  
Chartered Accountant  
16 Burlington Terrace  
Cardiff  
CF5 1GG

8th April 2021

THE ALN VALLEY RAILWAY TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 December 2020

		Unrestricted Funds	Restricted Funds	Total y/e 31 December 2020	Total y/e 31 December 2019
	Note	£	£	£	£
<b>INCOME</b>					
Donations and grants	3	93,711	47,063	140,774	162,003
Charitable activities	3	12,073	-	12,073	72,426
<i>Investment income:</i>					
Interest received		1	-	1	2
<b>Total Income</b>		<b>105,785</b>	<b>47,063</b>	<b>152,848</b>	<b>234,431</b>
<b>EXPENDITURE</b>					
Charitable activities	4	98,827	25,857	124,684	140,775
<b>Total Expenditure</b>		<b>98,827</b>	<b>25,857</b>	<b>124,684</b>	<b>140,775</b>
Net Income/(expenditure)		6,958	21,206	28,164	93,656
Transfer between funds		-	-	-	-
Net Movement in Funds		6,958	21,206	28,164	93,656
Reconciliation in funds: Fund balances brought forward		240,928	321,578	562,506	468,850
<b>Fund balances carried forward</b>		<b>247,886</b>	<b>342,784</b>	<b>590,670</b>	<b>562,506</b>

The statement of financial activities includes all gains and losses in the year / period.  
All incoming resources and resources expended derive from continuing charitable activities.

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**BALANCE SHEET AS AT 31 December 2020**

	Notes	December 2020 £	£	December 2019 £	£
FIXED ASSETS	2		638,332		657,136
CURRENT ASSETS					
Stocks		13,416		-	
Debtors	5	6,714		26,203	
Cash at bank and in hand		40,188		2,385	
		<u>60,318</u>		<u>28,588</u>	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	6	(12,647)		(75,385)	
Net Current Assets / Liabilities (working capital)			47,671		(46,797)
Creditors due after one year	7		(95,333)		(47,833)
NET ASSETS			<u>590,670</u>		<u>562,506</u>
Restricted Funds	10		342,784		321,578
Unrestricted Funds			247,886		240,928
TOTAL CHARITY FUNDS			<u>590,670</u>		<u>562,506</u>

For the financial year ended 31 December 2020, the company was entitled to exemption from audit under section 477(1) of the Companies Act 2006; and no notice has been deposited under section 476(1) requesting an audit. The trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirements of section 394 and which otherwise comply with the Companies Act 2006, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the 'small companies' regime under the Companies Act 2006 and with the provisions of Financial Reporting Standard 102, Section 1a for Small Entities (effective January 2015).

Approved by the Board on 8th April 2021 and signed on its behalf by:

*M. Proctor*

.....

M Proctor, Director

*P. Stonell*

.....

P Stonell, Director

## THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2020

### 1 ACCOUNTING POLICIES

The principle accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

#### a. Basis of accounting

The company is a charitable company, limited by guarantee, incorporated in England. The charity constitutes a public benefit entity as defined by FRS 102.

The address of the registered office is:

Lionheart Railway Station  
Lionheart Enterprise Park  
Alwick, Northumberland NE66 2EZ

~~These financial statements were authorised for issue by the Board on 8th April 2021.~~

The financial statements are prepared under the historical cost convention and in accordance with the provisions of Financial Reporting Standard 102, Section 1a Small Entities, and the Charity Statement of Recommended Practice, (Charities SORP (FRS 102) 2015), as well as the Charities Act 2011.

#### b. Fund accounting

Unrestricted funds are incoming resources received or generated for charitable purposes. They are available for use at the discretion of the trustees in the furtherance of the general objectives of the charity.

Restricted funds can only be applied for a particular purpose as defined within their objects.

#### c. Income

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Income which is received by way of grants, donations and gifts to the charity is included in full in the Statement of Financial Activities upon receipt. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Bank interest and other investment income is included when receivable.
- Income from charitable activities is derived from member subscriptions and from trading activities, and is accounted for as the charity earns the right to consideration by its performance.

#### d. Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes unrecoverable VAT.

- Costs of generating funds comprise the costs associated with attracting voluntary income.

## THE ALN VALLEY RAILWAY TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2020

- Operation and development of the charity includes all costs incurred by the charity in the delivery of its activities and services.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include accountancy fees.

#### e. Fixed assets

Fixed assets are stated at cost less accumulated depreciation. All items with a useful life of more than one year are capitalised. Depreciation is provided at rates calculated to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Buildings, track and lease	-	2% straight line
Rolling stock	-	5% reducing balance
Tools and equipment	-	25% straight line

#### f. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### g. Trade debtors

Trade debtors are amounts due from funders for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### h. Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### i. Leasing

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

- j. **Stock** – stocks are stated at the lower of cost and estimated selling price.

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2020

**2. Tangible Fixed Assets**

	<b>Structures and Track £</b>	<b>Rolling Stock £</b>	<b>Tools &amp; Equipment £</b>	<b>Total £</b>
<b>Cost</b>				
As at 1 January 2019	523,490	194,133	17,268	734,891
Additions	1,200	625	4,192	6,017
As at 31 December 2020	<u>524,690</u>	<u>194,758</u>	<u>21,460</u>	<u>740,908</u>
<b>Depreciation</b>				
As at 1 January 2019	42,000	29,693	6,062	77,755
Charge for year	13,034	8,253	3,534	24,821
As at 31 December 2020	<u>55,034</u>	<u>37,946</u>	<u>9,596</u>	<u>102,576</u>
<b>Net book value At 31 December 2020</b>	<b><u>469,656</u></b>	<b><u>156,812</u></b>	<b><u>11,864</u></b>	<b><u>638,332</u></b>
At 31 December 2019	<u>481,490</u>	<u>164,441</u>	<u>11,206</u>	<u>657,136</u>

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2020

**3. Income**

	Unrestricted Funds	Restricted Funds	Total y/e 31 December 2020	Total y/e 31 December 2019
	£	£	£	£
<i>Donations and Fundraising</i>				
General donations	82,076	33,763	115,839	77,264
Donations, friends of AVR	-	-	-	4,500
<i>Grants</i>				
EAFRD	-	-	-	80,239
National Lottery Heritage Fund	-	13,300	13,300	-
Northumberland CC (Covid related)	11,635	-	11,635	-
<i>Other Charitable activities</i>				
Membership subscriptions	9,804	-	9,804	9,861
Trading income	2,269	-	2,269	62,565
	<u>105,784</u>	<u>47,063</u>	<u>152,847</u>	<u>234,429</u>
<i>Interest receivable</i>				
Bank interest receivable	1	-	1	2
	<u>1</u>	<u>-</u>	<u>1</u>	<u>2</u>
<b>Total</b>	<b><u>105,785</u></b>	<b><u>47,063</u></b>	<b><u>152,848</u></b>	<b><u>234,431</u></b>

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2020

**4. Expenditure**

	Unrestricted Funds	Restricted Funds	Total y/e 31 December 2020	Total y/e 31 December 2019
	£	£	£	£
<i>Charitable Activities:</i>				
General expenditure	15,114	7,689	22,803	38,465
General running costs	9,254	1,600	10,854	36,815
Building and site maintenance	10,908	-	10,908	7,964
Rolling stock	16,739	500	17,239	13,386
Plant and Transport	15,737	2,129	17,866	6,789
Civil engineering	16,188	2,129	18,317	-
Depreciation	13,011	11,810	24,821	30,468
	<b>96,951</b>	<b>25,857</b>	<b>122,808</b>	<b>133,886</b>
<i>Support &amp; Governance</i>				
Bank charges and interest	1,876	-	1,876	6,889
	<b>1,876</b>	<b>-</b>	<b>1,876</b>	<b>6,889</b>
<b>Total</b>	<b>98,827</b>	<b>25,857</b>	<b>124,684</b>	<b>140,775</b>

**5. Debtors**

	31 December 2020 £	31 December 2019 £
Other Debtors	5,652	443
Prepayments	1,062	25,761
<b>Total</b>	<b>6,714</b>	<b>26,203</b>

**6. Creditors: amounts falling due within one year**

	31 December 2020 £	31 December 2019 £
Bank overdraft and loan	-	75,332
Accruals	6,777	53
Deferred grants	5,870	-
Total	<u>12,647</u>	<u>75,385</u>

**7. Creditors: amounts falling due after one year**

	31 December 2020 £	31 December 2019 £
Member loans (note 10)	45,333	25,000
Other loans	-	22,833
Bounce Back loan	50,000	-
Total	<u>95,333</u>	<u>47,833</u>

The Bounce Back bank loan is repayable over a maximum of 10 years at an interest rate of 2.5%.

The loans from Members have no formal repayment terms, but are repayable as the Charity is able to do so. The Charity does not anticipate making any repayments of these loans in 2021, and therefore these loans have been classified as falling due after one year.

**8. Staff costs and numbers**

During the financial period, the company had a maximum of 13 Directors. There were no staff costs, and no remuneration was paid to Directors during the year.

No employee received emoluments of more than £60,000.

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2020

**9. Analysis of net assets between funds**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total £</b>
Tangible Fixed Assets	328,564	309,768	638,332
Net Current Assets	14,655	33,016	47,671
Long term Creditors	(95,333)	-	(95,333)
<b>Total</b>	<b>247,886</b>	<b>342,784</b>	<b>590,670</b>

**10. Transactions with Trustees**

Creditors due after one year (note 7) include loans totalling £33,333 from two current Trustees. Of these loans, the amount of £24,500 carries an interest charge of 1.5% per annum. The remainder of the loan is interest free. In the year ended 31<sup>st</sup> December 2020 interest of £315.75 was paid to a Trustee.

There were other transactions with one former Trustee totalling £5,109. This transaction was undertaken on normal commercial terms.

**11. Restricted Funds**

	<b>Balance 1 January 2020 £</b>	<b>Incoming Resources £</b>	<b>Resources Expended and transfers £</b>	<b>Balance 31 December 2020 £</b>
Richboro Fund	40,452	24,132	5,769	58,815
Heritage Canopy	14,611	-	-	14,611
SK Coach E25032	5,694	-	-	5,694
Powerhouse Community Fund	3,725	-	-	3,725
ECF Award	540	-	-	540
Leader – Track and permanent way	64,813	-	-	64,813
EAFRD – permanent way	84,918	-	6,041	78,877
EAFRD – BG Coach 31407	13,989	-	-	13,989
Carriage Shed	450	-	-	450
National Lottery Heritage Fund	-	13,300	13,300	-
Other track and permanent way	92,386	9,631	747	101,270
	<b>321,578</b>	<b>47,063</b>	<b>25,857</b>	<b>342,784</b>

Of the restricted funds total of £342,784, the amount of £309,768 is represented by capital assets (the Richboro Steam Locomotive and track/permanent way).

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2020

**11. Lease Commitments**

The Charity operates from a site at Lionheart Enterprise Park, Alwick. The site is leased from Northumberland Estates at a rental of £1,000 per annum. The lease is for a period of 25 years, due to expire in 2037.

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