

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 2021



THE ALN VALLEY RAILWAY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

NAME OF CHARITY: The Aln Valley Railway Trust

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

OFFICERS:
(Directors and Trustees)

M Proctor (Chair)
R Maughan (Deputy Chair)
C Freeman
Mark Hayton
Maureen Hayton
G Head
A Hogg
G Maughan
R Sewell
P Stonell
K Holden (appointed 24th July 2021)
A Stone (appointed 24th July 2021)

The following Directors/Trustees served during the year:

T Spence (resigned 7th July 2021)
M Robinson (resigned 24th July 2021)
W Stafford (resigned 24th July 2021)

COMPANY SECRETARY: Mark Hayton

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

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

BANKERS: Lloyds Bank

THE ALN VALLEY RAILWAY TRUST

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TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The trustees present their report and the financial statements for the year ended 31 December 2021.

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 October 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

The Aln Valley Railway Trust is a registered charity and a company limited by guarantee. It was incorporated as a company on 12th February 1997 and registered as a charity on 8th 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 2021

2021 Annual Report Achievements and Performance

2021 started much the same as 2020 ended, with another long period of lockdown due to a surge in Covid cases. Inevitably this meant that some of the planned winter maintenance work was either delayed or constrained by the availability of volunteers and changed working practices in order to keep everyone safe.

However, work did continue on site to a limited extent, while essential planning and strategy work were able to continue thanks to video conferencing, which trustees and managers have become experts at by necessity. In particular, the extra time gave us the opportunity to completely rewrite our Safety Management System, the key foundation document setting out how the railway operates safely, as well as many of the policies and procedures that underpin it. Lockdown also gave us the opportunity to do some long term planning work as a board, much of which was brought together in a planning day in September, that will form the foundation for a five year strategic plan, due to be completed in the spring of 2022.

As restrictions started to ease, attention turned to planning for re-opening. Inevitably, having been closed for 18 months, this meant that all train crew needed to be re-assessed, as did locomotives, rolling stock and track. Not only that, but we needed to plan for how we'd re-open safely within whatever Covid restrictions might be in place at that time and be ready to cope with any changes at short notice. A decision was made to re-open on 26th June, meaning a much shorter running season, but it gave the railway enough time to be confident that everything was in place.

Firsts

Despite previous difficulties and the ever present threat of Covid, 2021 was a year of firsts. Our two Pacer train sets arrived directly from main line service in December 2020. Completely new to us at the time, we had a rapid learning curve to make sure that they were fit to run and get crew trained so that we were ready to operate passenger services. In addition, the cramped airline style seating was stripped out and rearranged to make more family friendly groups of four seats. The seats were refurbished, the interiors repainted and Covid protective Perspex screens installed to provide a barrier between seat groups. The tired Northern Rail livery remained for most of the running season, but work started as soon as the season ended to repaint the two car set in Regional Railways livery from the early 1990s. The Pacers proved invaluable to us and provided a huge step up from brake van rides that were previously our only alternative for non steam days.

THE ALN VALLEY RAILWAY TRUST

2020 was to have seen the grand opening of Greenrigg Halt, but that was another casualty of Covid. For 2021, we were able to run trains to Greenrigg, crossing the magnificent Cawledge viaduct. As the platform surface wasn't complete at that time, it remained a round trip, without passengers being able to leave the train. With the new platform surface installed after the end of the main running season, Greenrigg will be fully open for 2022.

Covid was the spur to another innovation, the introduction of online booking and seat reservations. With concerns about safety and the spread of infection, a decision was taken to allocate a whole compartment or seating area on the Pacer to each group of visitors. That required a complete re-think to how we operated and online booking was a key part of this. The planning and logistics of this were complex, but the system worked well and will be retained for the future, but with restrictions lifted. Alongside this, we also introduced card payment systems in both the cafe and shop to keep up with the increasing shift towards contactless payment.

2021 also saw the introduction of new visitor toilets, increasing capacity three fold as well as providing a more appropriate environment for visitors than the former toilets in the workshop.

Aside from the Pacers there were a number of other additions to our operating rolling stock. Most notably we took delivery of a third operational steam locomotive – Hudswell Clark 0-6-0T Jennifer of 1943 in June. Jennifer is on a free long term loan to the railway and we plan to see her in service in 2022. Meanwhile, we also saw the return to service of ex BR Class 11 diesel electric 12088, Shirley to operational use. With the addition of vacuum brakes, Shirley entered passenger service for the last running day of the season and will be a regular part of our operation in 2022. Shirley's return provided the opportunity to withdraw Drewry diesel manual loco, Drax, from service for much needed attention to the air system. With a repaint over the winter and the installation of vacuum brakes, Drax will also be available for passenger services this year. Finally, the acquisition of another Mark 1 coach for a rapid restoration should see us able to operate 3 coach trains soon.

The last running days of the main season saw a visit from the Go Loco Miniature Railway, which proved popular with children as an additional attraction at Lionheart. So much so that we have now entered into an agreement that will see it as a regular feature at Lionheart operating from the cafe towards the main gate. Also on the last weekend of the season, we took part for the first time in the Heritage Open Days scheme, offering behind the scenes guided tours. Something that we will look to repeat in 2022.

We ended the year with our most successful ever Santa Specials operating for three weekends in December. Moving on from a short brake van ride to Santa's grotto in a coach, our new approach involved a Pacer ride to Greenrigg with Santa visiting children on the train and delivering bespoke high value gifts to each child. The Pacers had the big advantage of being warm and well lit and were decorated and had Christmas music. In all we carried over 1000 passengers and Santa met over 400 children.

Fundraising

At the start of 2021 we set the ambitious target of raising £100,000 to undertake the first stage of repairs to the Cawledge Viaduct. Years of neglect to the viaduct had led to serious damage to the brickwork of the arches caused by blocked drains and water percolating through the structure. The funds were to cover the first stage of repairs, laying a waterproof membrane and new drainage to prevent any further damage to the structure.

THE ALN VALLEY RAILWAY TRUST

Thanks to the amazing generosity of members and supporters, sufficient funds were raised by the summer and in September, the viaduct was closed, the track lifted and a waterproof membrane installed by contractors. The surface was then relaid and the track reinstalled in time to operate the Santa Specials in December. A huge achievement and another great milestone in our journey to Alnmouth.

Departures and appointments

For the first time, the Trust held the Annual General Meeting in the engine shed at the end of an operating day in July. The new approach resulted in significantly more members taking part in the AGM and we are looking at the possibility of adding a social event for members to follow the AGM in 2022.

Former chairmen Tom Spence and Martin Robinson both stood down from the Board of Trustees as did William Stafford. All three had been long standing members of the board of trustees and their commitment to the railway was recognised in the award of Patron Membership to them and their spouses in recognition of their extraordinary contributions to the railway. In addition, members voted to appoint Tom Spence an Honorary Vice President of the railway.

Two new Trustees were elected at the meeting – Kevin Holden and Adam Stone, returning the number of Trustees to 12, which had been expanded slightly in response to the problem of holding elections during Covid restrictions.

At management level, 2021 saw Pat Murphy retire as Chief Civil Engineer and Roger Harrison as General Manager. It also saw the appointment of Stuart Edgar as Site Maintenance Manager, who together with Tom Lloyd and Tom Morrow has formed a Civil Engineering Team to take on Pat's former role; Norman Brason as General Manager; and Mel Clark as Visitor Services Manager, a completely new role for the railway.

Huge thanks are due to all of those retiring from active roles for the dedication and effort they have put into the railway's success as well as tanks to those picking up these challenging roles, who will help support the railway in the next stages of its development.

Conclusion

With creative use of marketing, and particularly making good use of social media, where our profile has increased substantially, we were able to make up for the loss of more traditional media such as posters and leaflets due to Covid. Despite a late start and early end to the season, we still had over 6,000 visitors, managed to hold a number of our regular seasonal events and increased visitor income by almost £3,000 compared to 2019. That, alongside introducing a range of improvements to our visitor offering, makes 2021 a very successful year and gives us a good foundation for 2022's season.

FINANCIAL REVIEW

There was one financial priority in 2021 and that was to re-commence running and do so in a financially viable way – given we could not commence operations until late June, and in a limited way, due to Covid restrictions.

However, even allowing for the restrictions, we had a successful year financially and ended with a good and improving picture with surpluses shown on the Statement of Financial Affairs, and increased cash and net assets of £84,278, rising from £47,671 in 2020.

THE ALN VALLEY RAILWAY TRUST

How was this achieved?

Income - the accounts show that donations and grants increased by £62,159 despite the ending of government Covid support.

This was due to

- increased membership fees due to the final implementation of the 2021 increase; a 10% increase in membership and the integration of gift aid into fees led to an increase of £5,178 to £14,982.
- a generous bequest of over £30,000 from Kay Seymour-Walker
- volunteer donations towards railway costs of £26,889
- fundraising efforts which produced a phenomenal £83,041 towards the costs of waterproofing of the Cawledge Viaduct.

Everyone who supports us by their fees and donations can make their payment via gift aid; which enables the railway to reclaim the tax previously paid on these contributions - in 2021 we were able to reclaim £26,548 from HM Revenue and Customs.

Expenditure – there was a slight increase of £14,422 in the cost of our charitable activities which demonstrates our continuing careful management of spending; whilst at the same time we invested £109,151 of capital spending in running stock, the estate and, most importantly, waterproofing the Cawledge Viaduct.

Loans – during the year we arranged for the repayment of all outstanding loans to volunteers and commenced then 10-year repayment of our government bounce back loan.

We were also successful in receiving a £100,000 interest-free loan from the National Lottery Heritage Fund which facilitates an immediate start to the planning and work on phase 2 of the Cawledge Viaduct repairs whilst, at the same time, undertaking a fundraising appeal to meet these costs. At the conclusion of the works and phase 2 appeal we will be able repay the loan.

In conclusion

We express our thanks to Roger Bagnall who retired after 6 years as our bookkeeper and a welcome to Graham Morton who has taken on this role.

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 2021, the Charity's free unrestricted working capital (net current assets) amounted to £48,470. This represented approximately 3 – 4 months' operating costs, and so the current reserve policy is just met.

THE ALN VALLEY RAILWAY TRUST

The Trustees' strategy is 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 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.

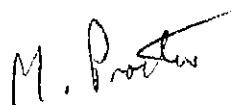
Responsibilities of the Trustees

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
- 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 October 2019) and in accordance with the special provisions of the Companies Act 2006 relating to small entities.

Approved by the Trustees on 10th March 2022 and signed on their behalf by:



M Proctor, Director (Chair of Trustees)

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

I report to the Charity Trustees on my examination of the accounts of The Trust for the year ended 31 December 2021, which are set out on pages 8 to 17.

Respective and basis of report

The trustees, who are also the directors of The Aln Valley Railway Trust ('the Company') for the purposes of company law, 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 charity 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.

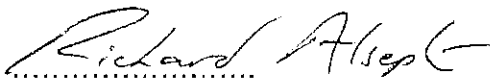
Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in Section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with my 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 the requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an Independent Examination; and
- (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 (FRS102)).

I have no concerns and have come across no 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.



Richard Alsept A.C.A
Chartered Accountant
16 Burlington Terrace
Cardiff
CF5 1GG

10th March 2022

THE ALN VALLEY RAILWAY TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 December 2021

		Unrestricted Funds	Restricted Funds	Total y/e 31 December 2021	Total y/e 31 December 2020
	Note	£	£	£	£
INCOME					
Donations and grants	3	103,087	99,846	202,933	140,774
Charitable activities	3	58,452	-	58,452	12,073
<i>Investment income:</i>					
Interest received		8	-	8	1
Total Income		161,547	99,846	261,393	152,848
EXPENDITURE					
Charitable activities	4	139,106	28,418	167,524	124,684
Total Expenditure		139,106	28,418	167,524	124,684
Net Income/(expenditure)		22,441	71,428	93,869	28,164
Transfer between funds		-	-	-	-
Net Movement in Funds		22,441	71,428	93,869	28,164
Reconciliation in funds: Fund balances brought forward		247,886	342,784	590,670	562,506
Fund balances carried forward		270,327	414,212	684,539	590,670

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.

THE ALN VALLEY RAILWAY TRUST

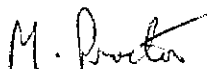
BALANCE SHEET AS AT 31 December 2021

	Notes	December 2021 £	£	December 2020 £	£
FIXED ASSETS	2		747,483		638,332
CURRENT ASSETS					
Stocks		10,209		13,416	
Debtors	5	15,997		6,714	
Cash at bank and in hand		119,957		40,188	
		<u>146,163</u>		<u>60,318</u>	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	6	(61,885)		(12,647)	
Net Current Assets / Liabilities (working capital)			84,278		47,671
Creditors due after one year	7		(147,222)		(95,333)
NET ASSETS			<u>684,539</u>		<u>590,670</u>
Restricted Funds	10		414,212		342,784
Unrestricted Funds			270,327		247,886
TOTAL CHARITY FUNDS			<u>684,539</u>		<u>590,670</u>

For the financial year ended 31 December 2021, 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 10th March 2022 and signed on its behalf by:


.....

M Proctor, Director


.....

P Stonell, Director

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2021

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
Alnwick, Northumberland NE66 2EZ

These financial statements were authorised for issue by the Board on 10th March 2022.

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) 2019), 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 2021

- 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% - 2.75% straight line
Cawledge Viaduct	-	4% 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 2021

2. Tangible Fixed Assets

	Structures and Track £	Rolling Stock £	Tools & Equipment £	Total £
Cost				
As at 1 January 2020	524,690	194,758	21,460	740,908
Additions	119,802	17,633	1,765	139,200
As at 31 December 2021	<u>644,492</u>	<u>212,391</u>	<u>23,225</u>	<u>880,108</u>
Depreciation				
As at 1 January 2020	55,034	37,946	9,596	102,576
Charge for year	17,352	8,722	3,975	30,049
As at 31 December 2021	<u>72,386</u>	<u>46,668</u>	<u>13,571</u>	<u>132,625</u>
Net book value At 31 December 2021	<u>572,106</u>	<u>165,723</u>	<u>9,654</u>	<u>747,483</u>
At 31 December 2020	<u>469,656</u>	<u>156,812</u>	<u>11,864</u>	<u>638,332</u>

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2021

3. Income

	Unrestricted Funds	Restricted Funds	Total y/e 31 December 2021	Total y/e 31 December 2020
	£	£	£	£
<i>Donations and Fundraising</i>				
General donations	69,924	86,595	156,519	115,839
Fundraising activities	6,184	280	6,464	-
Donations, friends of AVR	3,000	-	3,000	-
<i>Grants</i>				
Northumberland				
Community Chest	-	2,971	2,971	-
Alnwick Town Council	-	2,000	2,000	-
National Lottery Heritage				
Fund	-	8,000	8,000	13,300
Northumberland CC (Covid				
related)	4,364	-	4,364	11,635
Northumberland CC Other	14,239	-	14,239	-
Northumberland CC Rates	5,376	-	5,376	-
<i>Other Charitable activities</i>				
Membership subscriptions	14,758	-	14,758	9,804
Trading income	43,694	-	43,694	2,269
	<u>161,539</u>	<u>99,846</u>	<u>261,385</u>	<u>152,847</u>
<i>Interest receivable</i>				
Bank interest receivable	8	-	8	1
	<u>8</u>	<u>-</u>	<u>8</u>	<u>1</u>
Total	<u>161,547</u>	<u>99,846</u>	<u>261,393</u>	<u>152,848</u>

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2021

4. Expenditure

	Unrestricted Funds	Restricted Funds	Total y/e 31 December 2021	Total y/e 31 December 2020
	£	£	£	£
<i>Charitable Activities:</i>				
General expenditure	3,308	-	3,308	22,153
Fundraising and publicity	3,896	-	3,896	-
Café and other trading	11,690	-	11,690	-
General running costs	19,646	9,000	28,646	10,854
Building and site maintenance	8,843	-	8,843	10,908
Rolling stock	27,479	3,834	31,313	17,239
Plant and Transport	17,166	-	17,166	17,866
Civil engineering	22,766	-	22,766	18,317
Depreciation	14,465	15,584	30,049	24,821
	129,259	28,418	157,677	122,158
<i>Support & Governance</i>				
Professional fee	6,389	-	6,389	-
Independent Examination Fee	650	-	650	650
Bank charges and interest	2,808	-	2,808	1,876
	9,847	-	9,847	2,526
Total	139,106	28,418	167,524	124,684

5. Debtors

	31 December 2021 £	31 December 2020 £
VAT repayable	15,946	5,652
Prepayments	51	1,062
Total	15,997	6,714

6. Creditors: amounts falling due within one year

	31 December 2021 £	31 December 2020 £
Accruals	11,885	6,777
Deferred income / grants	50,000	5,870
Total	<u>61,885</u>	<u>12,647</u>

Deferred income relates to donations held, pending further work on the Cawledge Viaduct.

7. Creditors: amounts falling due after one year

	31 December 2021 £	31 December 2020 £
Member loans (note 10)	-	45,333
Other loans - NHLF	100,000	-
Bounce Back loan	47,222	50,000
Total	<u>147,222</u>	<u>95,333</u>

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

All loans to members were fully repaid or waived during the year.

The National Lottery Heritage Fund Loan is interest free and is repayable over a total period of 5 years from December 2021 with no repayments in the first year. The loan is secured by a legal charge in favour of the Trustees of the National Heritage Memorial Fund over the Charity's Richboro' locomotive.

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.

The Charity relies heavily on the support and input of volunteers. During the year, the Charity estimates that 24,217 hours were donated by volunteers to the activities of the Charity. At National Minimum Wage rates this equates to £215,000 of volunteer support.

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2021

9. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible Fixed Assets	369,079	378,404	747,483
Net Current Assets	48,470	35,808	84,278
Long term Creditors	(147,222)	-	(147,222)
Total	<u>270,327</u>	<u>414,212</u>	<u>684,539</u>

10. Transactions with Trustees

Loans from Trustees in the amount of £33,333 from two Trustees were repaid in full or waived during the year. Interest of £287 was paid on these loans during the year.

Other transactions with Trustees – aggregate donations of £35,692 were received during the year from Trustees.

11. Restricted Funds

	Balance 1 January 2021 £	Incoming Resources £	Resources Expended and depreciation £	Balance 31 December 2021 £
Richboro Fund / Coal	58,815	3,834	9,314	53,335
Cawledge Viaduct donations	-	83,041	3,321	79,720
Track and permanent way, including canopy and shed	182,699	-	6,783	175,916
National Lottery Heritage Fund	-	8,000	8,000	-
Other track and permanent way	101,270	4,971	1,000	105,241
	<u>342,784</u>	<u>99,846</u>	<u>28,418</u>	<u>414,212</u>

Of the restricted funds total of £414,212, the amount of £378,404 is represented by capital assets (the Richboro Steam Locomotive and track/permanent way).

11. Lease Commitments

The Charity operates from a site at Lionheart Enterprise Park, Alnwick. 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.