

**SOUTH TYNEDALE RAILWAY PRESERVATION SOCIETY
TRUSTEES' REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

South Tynedale Railway Preservation Society
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**South Tynedale Railway Preservation Society
Reference and Administrative Details
For The Year Ended 31 March 2025**

Trustees

Mr David Smith
Mr Michael Potts (appointed 09/09/2024)
Mr Graeme Hodgson (appointed 21/10/2024)
Mr David Granath - Secretary
Mr Francis Shaw
Mr Ian Millward
Mr Kevin Malone
Mr Ian Howatt (resigned 30/11/2024)

Charity Number

514939

Company Number

01850832

Registered Office

The Railway Station
Alston
Cumbria
CA9 3JB

Independent Examiner

Jonathan Miller FCA DChA
Seavor (South Cumbria) Limited
12 The Office
Mardale Road
Penrith
Cumbria
CA11 9EH

Bankers

Santander
Bridle Road
Bootle
Merseyside
L30 4GB

South Tynedale Railway Preservation Society
Company No. 01850832
Trustees' Report For The Year Ended 31 March 2025

The trustees present their annual report together with the financial statements of the charity for the year 1st April 2024 to 31st March 2025. The trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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) as amended by Update Bulletin 1

Since the charity and the group qualifies as small under section 382, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Preface

This trustees' report deals with the year ending 31st March 2025 and significant post year end events and aims to describe the ability of the charity (also known as the Society) to deliver its charitable objectives.

The Society ran trains from 31st March 2024 until the 27th October 2024 with further Santa Specials on 7th, 8th, 14th and 15th December 2024. Trains recommenced on 5th April 2025 and at the time of writing (October 2025) we are coming to the end of the season with Santa Specials still to come in December.

In the light of our achievements in the year to 31st March 2025 and during the 2025 running season the Society remains a going concern and it is planned that it will operate the railway in 2026, reopening at Easter of that year.

It should be borne in mind that, despite major infrastructure projects the Society is in a favourable financial position because, apart from some freelance support, it is entirely run by volunteers who give freely of their time.

As ever, the primary aim of the Society is to run a railway that is safe for passengers, volunteers and the general public and this is the overriding consideration in all operational, marketing and financial activities.

Charitable objectives

The original objectives of the Society as stated in the Memorandum and Articles of Association (MMA) of 2010 remain in place. A prime objective is maintaining a timetabled passenger train service and in so doing to earn the fare and other income required to support the Society's activities.

Although object 3(l)(a) in the MMA to restore the line from Alston to Haltwhistle remains in place, this is not achievable under the current structure of the organisation. The EGM on 24th of May bought out a number of opinions on both sides of the argument, regarding a possible change to the MMA. Currently there are no plans to change the MMA but the Trustees must keep open minds to maximise the opportunities for the security of STRPS.

Public benefit

In setting objectives and planning activities, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit including the guidance:

- Public Benefit: the public benefit requirement (PB1)
- Public Benefit: running a charity (PB2)
- Public Benefit: reporting (PB3)

Public benefit is achieved by the provision of heritage, recreational, economic, and leisure activities to the general public and the provision of fulfilling activities for volunteering. In doing this the Society strives to involve and provide services to all members of the community.

Overview of the 2024 and 2025 seasons

Our trading patterns during the 2024 and 2025 have continued to remain similar. We have introduced more events and offers to improve the number of passengers visiting the railway. Rostering continues to be a problem for the Operations Manager. We have had several new operational volunteers but on the debit side some of our older and infirm colleagues have decided to step down from their chosen duties. As in other years some days were lost. A few new, volunteers have started in the non-operational side of the railway. There will have to be further recruitment for us to make progress in 2026.

This is not unusual in the heritage railway sector where there is significant reliance on volunteer effort. On the South Tynedale Railway many volunteers put in a huge effort to keep the railway running but we have to accept that people have other lives and we cannot expect volunteers to always be available. We have had several new volunteers and we are hopeful of improving the situation in the coming year.

We feel we can always do better in terms of passenger numbers. We carried around 9,000 passengers in the 2024, similar to the 2023 season and we are likely to carry the same number in 2025 including the Santa Specials. While the trustees appreciate the huge effort involved in achieving these passenger numbers it must be acknowledged that they are insufficient for the railway to achieve progress in the long term, particularly if we are to become a staffed rather than a volunteer run railway in the future. We also have to generate funds for major repairs as well as running costs.

Overview of the 2024 and 2025 seasons (continued)

Steam services were run using Naklo, Green Dragon and Barber in 2025. Green Dragon was the main engine for steam operations during the first half of 2025. Barber has been stripped down for its 10-year inspection. This will involve some major expenditure to get it into ticket, but we are hopeful that it will be back in action soon. A major positive was the re-introduction of Naklo in August. With its extra room on the footplate and large capacity tender, it will be a boon for training and Footplate experiences, as well as regular services in the future.

Steam crew continues to be a problem, with a few retirees over the last 12 months. We are attempting to attract people to this skill set. Hopefully we can achieve progress with recruitment. When we have not been able to find steam crews our battery electric locos (Newcastle and Carlisle) and diesel loco (Old Rusty) have been good, reliable standbys although at the time of writing one battery electric loco, Carlisle, is out of service due to control system problems. The diesel loco, Naworth, should be back in service in 2026.

It should be noted that Green Dragon's boiler ticket expires within the next year or so and we have to start planning now to carry out and fund the work involved in returning these two locos to service.

Competencies are being regularly monitored and we are finding several volunteers are training and have passed out on multiple duties. The danger of multi-tasked volunteers is the possibility that they are called upon too often. As ever, we need more training to be done.

Previous reports have stated that the ten-mile round trip to Slaggyford and back is proving to be a popular tourist attraction with car parking and café facilities at both ends of the line and a trip long enough to enjoy the South Tyne Valley but not too long for families. This continues to be the case.

The new café operators have bedded in and we continue to liaise with them to maximise the advantages of our mutual operations to both parties.

The structures on the line north of Slaggyford, Lambley Viaduct and Alston Arches as well as Haltwhistle goods yard are in the possession of the Society and are well used by the public. They are not however required in order to run the railway. The viaducts in particular will require specialist and expensive maintenance work at some point in order to keep them safe and sound and this will be beyond the means of the Society. We were unable to transfer the two large viaducts to a third party and Lambley viaduct needed emergency repairs during the summer. We were able to cover this financial cost but a fighting fund needs to be replenished as soon as possible, in case we get a similar problem sooner rather than later.

It has become apparent over the past year that the expectation of the public and regulatory bodies is that heritage and tourist railways are businesses that must be professionally run and where the safety of the public, staff and volunteers is the paramount consideration. In order to provide a focus for safety on the railway the trustees have established the Safety Management Group. This is a sub group of the board of trustees and is charged with developing safety governance, culture, policies and procedures for the railway.

Management structure

In January 2025 The management team continues to be as follows:

- Head of Engineering
- Head of Buildings and Infrastructure
- Head of Finance, Legal and External Affairs
- Head of Safety
- Head of Volunteering
- Head of Permanent Way and Signalling
- Head of Marketing

The Society runs with three sub-groups:

- Safety Management Group
- Marketing Group
- Management Group

In addition, a volunteer has recently taken up the duties of the Operations Manager, which has given the railway on site cover throughout the week.

There is, currently a Business Plan and Management Structure review being undertaken by three Trustees and 2026 may see some changes in how the Society is run.

Safety on the railway

The overriding concern of the trustees of the Society is to operate a railway that is safe for passengers, volunteers, contractors and the public.

The focus of safety on the railway is the Safety Management Group which is attended by the key individuals involved in running the railway. Since its inception in September 2023 it has met on several occasions and continues to meet at approximately six weekly intervals.

The group operate within the railway Safety Management System (SMS) and focuses upon day-to-day safety issues and the development of safety policy and specific risk assessments.

Safety on the railway (Continued)

The assessment of the effectiveness of the SMS is carried out using the Office of Rail and Road RM3 2019 Risk Management Maturity Model. The Safety Management Group led by the railway's Independent Competent Person carried out the RM3 assessment in September 2024 and the outcome was that the railway is mainly Managed in RM3 terms. This is an encouraging outcome and gives the trustees a firm foundation upon which to continue to develop safety on the South Tynedale Railway.

There was one serious incident involving a volunteer this Summer. ORR representatives paid a visit to the railway to check on our safety systems and handling of the incident. The Board is pleased to report that the ORR were happy with everything done by STRPS and only had to act on a couple of small recommendations.

Marketing

Marketing continues to be a major pillar of the organisation. The successful Special Event days and Christmas trains in 2024 and the extra special event days are proving popular.

In order to achieve the necessary increase in income more effective marketing will be a priority in the coming year and will be achieved by developing the scope and effectiveness of the Marketing Group that has operated throughout 2024. By the use of effective digital marketing in particular and social media platforms that address all age ranges we aim to promote awareness of the South Tynedale Railway. By giving visitors an excellent day out we aim to enhance word of mouth promotion of what we offer.

Special events can enhance passenger numbers by tapping into new markets. Santa Specials are particularly popular and there is scope for running additional Santa days in 2025 if we can further develop our volunteer group.

The relatively remote location of the South Tynedale Railway will tend to work against the railway and our reputation as The Friendly Railway offers the scope for differentiation in marketing terms by way of compensation.

Volunteers

Maintenance of track and infrastructure remains a never-ending task with potentially very expensive repairs always lurking just around the corner. This is one of our major risks. However, we have a devoted group of gardening, building, permanent way and infrastructure volunteers who work all year round to keep the railway in good order. Similarly, the engineering volunteers do much work behind the scenes to maintain and improve our locos and rolling stock. The work of the volunteers is supplemented by a few freelance contractors who provide specialist support in finance, engineering and marketing.

The Society is governed by its volunteer trustees who are also directors of the charitable company. The volunteer trustees carry the responsibility for everything that happens on the railway and are responsible for its good governance and strategic direction.

We have also been fortunate in strengthening the membership of the board of trustees by appointing two new trustees in the autumn of 2024. However we have to acknowledge that the present group of trustees is at the older end of the age range and succession planning to recruit a further generation of trustees is a continual task. To that end, we are encouraging interested people from inside and outside the organisation to put their names forward to improve the age and skill cross section of the Board.

We must also recruit more and younger operational volunteers in order that we may run the railway in a reliable manner. We have to look beyond the railway enthusiast community to the wider public who wish to make a contribution to the life of their community. Our volunteer cohort tends to be male and more senior in years and we should diversify in order to reach a much wider group. Otherwise we will be losing out on what the community has to offer the railway.

Financial review

A full description of the financial performance and position of the Society is given in the Statement of Financial Activities (SOFA) and Balance Sheet and the notes shown later in the accounts.

In summary Total funds of the Society brought forward at 1st April 2024 were £2,942,402 and total funds carried forward on 31st March 2025 were £2,955,243.

The Society continued to pay off the loan from Santander during the year in question. The sum owed was £233,711 on 31st March 2024 and £224,777 on 31st March 2025, a reduction in the sum owing of £8,934. Interest payments on the loan during the year was £21,904.

As outlined in this report last year, The Society received a legacy of £106,437 during the year from the estate of former member, Mr. Peter Martin.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the financial year 2025/26 and into the 2026 operating season. The popularity of the railway as a tourist attraction has provided levels of income that cover most operating costs and the sale of unused and redundant equipment has provided a cash boost. For this reason, the trustees continue to adopt the going concern basis in preparing their financial statements.

Reserves policy

The Trustees aim to ensure that sufficient levels of free reserves are maintained to continue the operation of the railway for three months should all other sources of income cease. This equates to a sum of approximately £40,000 for essential running costs and three months bank loan repayments.

The sum of £50,000 continues to be held in reserve for the maintenance and repair of Lambley and Haltwhistle viaducts.

Depreciation

The depreciation policy of the Society is shown in note 2.5 to the accounts. The depreciation charge for the year in question shown in note 9 totalled £81,860 based upon the application of the depreciation rates for the various assets held by the Society.

Governance

The governance of the Society is the responsibility of the trustees who are elected by the members of the Society at the annual general meeting or co-opted by the trustees as necessary between annual general meetings in accordance with the terms of the Articles of Association.

Potential new trustees are interviewed by the present trustees who then recommend or not their appointment to the members at the annual general meeting.

The Society has a Company Secretary who is also a trustee.

The Society has a Treasurer and Membership Secretary who are officers but not trustees.

New trustees are provided with the following documents:

- The Memorandum and Articles of Association
- The most recent charity accounts
- The Charity Commission publication CC3 The Essential Trustee
- The Charity Commission Code of Good Governance
- The Office of Road and Rail publication RM3 as applicable to heritage railways

Each trustee upon appointment signs the declaration to confirm that they are not automatically disqualified from being a trustee and they also complete a declaration of interests.

Pay policy for senior staff

The Society has no current employees.

Related party relationships

The Society is a registered charitable company limited by guarantee, where every member's liability is limited to £1. There is a wholly owned subsidiary, the South Tynedale Charitable Community Benefit Society Ltd. This was established to facilitate the extension of the railway to Haltwhistle and the South Tynedale Railway Preservation Society is the parent to the community benefit society. The community benefit society is currently dormant.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the governance, operation and finances of the Society. Risks are managed by the Trustees and there is a comprehensive risk register.

The most serious risks currently are seen as:

- A failure of the safety governance of the railway that leads to unsafe working or an accident and possibly criminal prosecution
- Inability to trade on at least a break-even basis leading to the Society's financial failure
- A failure of the corporate governance of the railway that leads to trustees undertaking activities that are outside the scope of the legal objects of the Society
- A lack of operational volunteers which leads to the inability to run trains on a reliable basis
- Requirement for major infrastructure repairs that the Society cannot afford

Trustees' Indemnities

The charity holds a standard insurance policy which includes a trustees' indemnity against any liability in connection with any negligence, default, breach of duty or breach of trust in relation to the charity.

The future

The top aims of the Society for 2025/26 and the following year are:

Governance

- To continue to ensure the good governance of the Society in order that it can effectively deliver its objectives and public benefit
- To recruit new trustees with appropriate knowledge and skills to take the Society forward in order to ensure its future
- To strive to ensure the composition of the trustee group reflects the wider community that the railway serves

Safety

- To run a railway in which safety is the paramount consideration and is characterised by a safety culture which is understood and supported by everyone involved
- Through the Safety Management Group and the RM3 tool to continue to develop and adhere to the safety management system, railway rulebook and all associated regulatory requirements

Operations

- To trade on at least a break-even basis and to plan, through increased service levels and train occupancy, to generate an operating surplus in order to build a repair fund for structures and equipment and to move to a situation where the railway is able to employ paid staff as necessary
- To recruit new operational volunteers using all the talents available in the community to ensure the continued existence of the railway
- Carry out any works necessary to renew Barber and Green Dragon 10 year boiler certificates

Property

- To maintain in good condition the buildings and railway infrastructure of the Society within the financial means available

Marketing

- Through the Marketing Group to further develop the profile of the railway in order to increase occupancy levels on the trains we run

Members' Liability

The Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

South Tynedale Railway Preservation Society
Company No. 01850832
Trustees' Report For The Year Ended 31 March 2025

Trustees' responsibilities statement

The Trustees (who are also directors of South Tynedale Railway Preservation Society for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP.
- make judgments and accounting estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

This report was approved by the Trustees at their board meeting on 27th October 2025 and presented to the Members at the Annual General Meeting on 15th November 2025 and signed on their behalf by:

Signed



Ian Millward Chair of Trustees
15 November 2025

South Tynedale Railway Preservation Society
Independent Examiner's Report to the Trustees of South Tynedale Railway Preservation Society
For The Year Ended 31 March 2025

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2025.

Responsibilities and Basis of Report

As the charity 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

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 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Jonathan Miller FCA DChA
15 November 2025
Seavor (South Cumbria) Limited
12 The Office
Mardale Road
Penrith
Cumbria
CA11 9EH

South Tynedale Railway Preservation Society
Statement of Financial Activities (including Income and Expenditure Account)
For The Year Ended 31 March 2025

		Unrestricted funds	Restricted funds	2025 Total funds	2024 Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	138,099	-	138,099	14,120
Other trading activities	4	126,274	-	126,274	133,441
Investments	5	20,065	-	20,065	22,540
Other income	6	12,798	-	12,798	13,884
		<u>297,236</u>	<u>-</u>	<u>297,236</u>	<u>183,985</u>
EXPENDITURE ON:					
Charitable activities:	8				
Infrastructure		(42,501)	(71,230)	(113,731)	(112,255)
Train operation		(170,664)	-	(170,664)	(125,343)
		<u>(213,165)</u>	<u>(71,230)</u>	<u>(284,395)</u>	<u>(237,598)</u>
NET INCOME/(EXPENDITURE)		84,071	(71,230)	12,841	(53,613)
Transfers between funds	20	-	-	-	-
NET MOVEMENT IN FUNDS		84,071	(71,230)	12,841	(53,613)
RECONCILIATION OF FUNDS:					
Total funds brought forward		377,677	2,564,725	2,942,402	2,996,015
TOTAL FUNDS CARRIED FORWARD	20	<u>461,748</u>	<u>2,493,495</u>	<u>2,955,243</u>	<u>2,942,402</u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 12 to 19 form part of these financial statements.

South Tynedale Railway Preservation Society
Comparative Statement of Financial Activities (including Income and Expenditure Account)
For The Year Ended 31 March 2025

		2024		
	Notes	Unrestricted funds	Restricted funds	Total funds
		£	£	£
INCOME AND ENDOWMENTS FROM:				
Donations and legacies	3	11,620	2,500	14,120
Other trading activities	4	133,441	-	133,441
Investments	5	22,540	-	22,540
Other income	6	13,884	-	13,884
		<u>181,485</u>	<u>2,500</u>	<u>183,985</u>
EXPENDITURE ON:				
Charitable activities:	8			
Infrastructure		(38,503)	(73,752)	(112,255)
Train operation		(124,152)	(1,191)	(125,343)
		<u>(162,655)</u>	<u>(74,943)</u>	<u>(237,598)</u>
NET EXPENDITURE		18,830	(72,443)	(53,613)
Transfers between funds	20	1,309	(1,309)	-
NET MOVEMENT IN FUNDS		20,139	(73,752)	(53,613)
RECONCILIATION OF FUNDS:				
Total funds brought forward		357,538	2,638,477	2,996,015
TOTAL FUNDS CARRIED FORWARD	20	<u>377,677</u>	<u>2,564,725</u>	<u>2,942,402</u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 12 to 19 form part of these financial statements.

South Tynedale Railway Preservation Society
Balance Sheet
As At 31 March 2025

		Unrestricted funds	Restricted funds	2025 Total funds	2024 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	13	413,357	2,493,495	2,906,852	2,972,842
		<u>413,357</u>	<u>2,493,495</u>	<u>2,906,852</u>	<u>2,972,842</u>
CURRENT ASSETS					
Stocks	14	7,104	-	7,104	11,226
Debtors	15	39,928	-	39,928	28,488
Cash at bank and in hand		267,284	-	267,284	187,555
		<u>314,316</u>	<u>-</u>	<u>314,316</u>	<u>227,269</u>
Creditors: Amounts Falling Due Within One Year	16	(48,083)	-	(48,083)	(30,332)
NET CURRENT ASSETS (LIABILITIES)		266,233	-	266,233	196,937
TOTAL ASSETS LESS CURRENT LIABILITIES		679,590	2,493,495	3,173,085	3,169,779
Creditors: Amounts Falling Due After More Than One Year	17	(217,842)	-	(217,842)	(227,377)
NET ASSETS		461,748	2,493,495	2,955,243	2,942,402
FUNDS OF THE CHARITY					
Restricted Funds				2,493,495	2,564,725
Unrestricted Funds				461,748	377,677
TOTAL FUNDS	20			<u>2,955,243</u>	<u>2,942,402</u>

For the year ending 31 March 2025 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charitable company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

On behalf of the board

David Granath

Mr David Granath
Trustee
15 November 2025

The notes on pages 12 to 19 form part of these financial statements.

South Tynedale Railway Preservation Society
Notes to the Financial Statements
For The Year Ended 31 March 2025

1. General Information

South Tynedale Railway Preservation Society is a company limited by guarantee, domiciled in England & Wales, registered number 01850832 and registered charity number 514939. The registered office is The Railway Station, Alston, Cumbria, CA9 3JB.

2. Accounting Policies

2.1. Basis of Preparation of Financial Statements

The financial statements 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.

South Tynedale Railway Preservation Society is a Public Benefit Entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2. Incoming Resources

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.3. Resources Expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4. Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5. Tangible Fixed Assets and Depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	2% reducing balance (land is not depreciated)
Long-term leasehold property	2% reducing balance
Plant and machinery	10% reducing balance

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South Tynedale Railway Preservation Society
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

Locomotives	1% straight line
Track and signalling equipment	5% reducing balance
Rolling stock	2% reducing balance
Other fixed assets	20% reducing balance

2.6. Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.7. Cash and Cash Equivalents

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.8. Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.9. Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10. Liabilities and provisions

Liabilities are recognised when there is, an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11. Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from Donations and Legacies

	Unrestricted funds	Restricted funds	2025 Total funds
	£	£	£
Donations and gifts	108,368	-	108,368
Grants	28,200	-	28,200
Similar incoming resources	1,531	-	1,531
	<u>138,099</u>	<u>-</u>	<u>138,099</u>

South Tynedale Railway Preservation Society
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

	Unrestricted funds	Restricted funds	2024 Total funds
	£	£	£
Donations and gifts	6,356	-	6,356
Grants	1,369	2,500	3,869
Similar incoming resources	3,895	-	3,895
	<u>11,620</u>	<u>2,500</u>	<u>14,120</u>

The following grants are included within the total income from donations and legacies above:

	Unrestricted funds	Restricted funds	2025 Total funds
	£	£	£
Eden District Council	-	-	-
Thrive with Arts, Culture and Heritage	28,200	-	28,200
	<u>28,200</u>	<u>-</u>	<u>28,200</u>

	Unrestricted funds	Restricted funds	2024 Total funds
	£	£	£
Eden District Council	-	2,500	2,500
Thrive with Arts, Culture and Heritage	-	-	-
	<u>-</u>	<u>2,500</u>	<u>2,500</u>

4. Income from Other Trading Activities

	2025 Unrestricted funds	2024 Unrestricted funds
	£	£
Shop, ticket and other sales	126,274	133,441
	<u>126,274</u>	<u>133,441</u>

5. Investment Income

	2025 Unrestricted funds	2024 Unrestricted funds
	£	£
Bank interest receivable	13,763	10,540
Rents received from investment properties	6,302	12,000
	<u>20,065</u>	<u>22,540</u>

6. Other Income

	2025 Unrestricted funds	2024 Unrestricted funds
	£	£
Other incoming resources	12,798	13,884
	<u>12,798</u>	<u>13,884</u>

South Tynedale Railway Preservation Society
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

7. Net Income/(Expenditure)

The net income/(expenditure) is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation of tangible fixed assets - owned	81,860	83,746

8. Analysis of Expenditure

	2025		
	Activities undertaken directly (see note 9)	Support costs (see note 10)	Total
	£	£	£
Infrastructure	86,526	27,205	113,731
Train operation	113,488	57,176	170,664
	200,014	84,381	284,395

	2024		
	Activities undertaken directly (see note 9)	Support costs (see note 10)	Total
	£	£	£
Infrastructure	86,940	25,315	112,255
Train operation	78,084	47,259	125,343
	165,024	72,574	237,598

9. Direct Costs

	2025		
	Infrastructure	Train operation	Total
	£	£	£
Events	-	11,195	11,195
Rent and rates	-	3,413	3,413
Coal and diesel	-	8,792	8,792
Sundry operating costs	-	5,076	5,076
Premises expenses	-	10,535	10,535
Repairs to locomotives	-	53,305	53,305
Repairs to rolling stock	-	3,375	3,375
Track and station maintenance	4,666	-	4,666
Insurance	-	17,797	17,797
Depreciation	81,860	-	81,860
	86,526	113,488	200,014

South Tynedale Railway Preservation Society
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

	2024		
	Infrastructure	Train operation	Total
	£	£	£
Events	-	7,398	7,398
Rent and rates	-	3,038	3,038
Coal and diesel	-	10,500	10,500
Sundry operating costs	-	5,178	5,178
Track and station maintenance	3,194	-	3,194
Premises expenses	-	12,112	12,112
Repairs to locomotives	-	20,336	20,336
Repairs to rolling stock	-	603	603
Site maintenance	-	1,093	1,093
Insurance	-	17,826	17,826
Depreciation	83,746	-	83,746
	86,940	78,084	165,024

10. Support Costs

	2025		
	Infrastructure	Train operation	Total
	£	£	£
Premises expenses	5,301	16,528	21,829
Office costs	-	5,787	5,787
Sundry and other costs	-	9,728	9,728
Marketing	-	12,795	12,795
Telephone	-	1,365	1,365
Governance costs	-	2,029	2,029
Legal and professional	-	8,944	8,944
Finance costs	21,904	-	21,904
	27,205	57,176	84,381

	2024		
	Infrastructure	Train operation	Total
	£	£	£
Premises expenses	3,417	19,785	23,202
Office costs	-	7,904	7,904
Sundry and other costs	-	4,725	4,725
Marketing	-	10,354	10,354
Telephone	-	1,439	1,439
Governance costs	-	1,841	1,841
Legal and professional	-	7,331	7,331
Profit on disposal of fixed assets	-	(6,120)	(6,120)
Finance costs	21,898	-	21,898
	25,315	47,259	72,574

South Tynedale Railway Preservation Society
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

11. Independent Examiner's Remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £1,500 (2024 - £1,333).

	2025	2024
	£	£
Independent examination of the financial statements	1,500	1,333

12. Average Number of Employees

Average number of employees during the year was: NIL (2024: NIL)

13. Tangible Assets

	Land & Property					Total
	Freehold property	Long-term leasehold property	Plant and machinery	Locomotives	Track and signalling equipment	
	£	£	£	£	£	
Cost						
As at 1 April 2024	2,409,501	124,611	163,621	2,313,346	11,074	5,022,153
Additions	-	-	7,695	8,175	-	15,870
As at 31 March 2025	2,409,501	124,611	171,316	2,321,521	11,074	5,038,023
Depreciation						
As at 1 April 2024	391,576	102,858	144,254	1,405,406	5,217	2,049,311
Provided during the period	37,957	435	3,249	40,102	117	81,860
As at 31 March 2025	429,533	103,293	147,503	1,445,508	5,334	2,131,171
Net Book Value						
As at 31 March 2025	1,979,968	21,318	23,813	876,013	5,740	2,906,852
As at 1 April 2024	2,017,925	21,753	19,367	907,940	5,857	2,972,842

14. Stocks

	2025	2024
	£	£
Stock	7,104	11,226

15. Debtors

	2025	2024
	£	£
Due within one year		
Trade debtors	2,192	3,462
Prepayments and accrued income	27,132	20,723
Other debtors	10,604	4,303
	39,928	28,488

South Tynedale Railway Preservation Society
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

16. Creditors: Amounts Falling Due Within One Year

	2025	2024
	£	£
Trade creditors	31,593	16,411
Bank loans and overdrafts	6,935	6,334
Other creditors	6,178	2,731
Accruals and deferred income	3,377	4,856
	48,083	30,332

17. Creditors: Amounts Falling Due After More Than One Year

	2025	2024
	£	£
Bank loans	217,842	227,377

18. Loans

An analysis of the maturity of loans is given below:

	2025	2024
	£	£
Amounts falling due within one year or on demand:		
Bank loans	6,935	6,334
	2025	2024
	£	£
Amounts falling due between one and five years:		
Bank loans	217,842	227,377

19. Financial Instruments

The charitable company has the following financial instruments:

	2025	2024
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	267,284	187,555

South Tynedale Railway Preservation Society
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

20. Movement in Funds

	As at 1 April 2024	Income	Expenditure	As at 31 March 2025	
	£	£	£	£	
Unrestricted funds					
General:					
General unrestricted fund	377,677	297,236	(213,165)	461,748	
Restricted funds					
Restricted Fund	2,564,725	-	(71,230)	2,493,495	
Total funds	<u>2,942,402</u>	<u>297,236</u>	<u>(284,395)</u>	<u>2,955,243</u>	
	As at 1 April 2023	Income	Expenditure	Transfers	As at 31 March 2024
	£	£	£	£	£
Unrestricted funds					
General:					
General unrestricted fund	357,538	181,485	(162,655)	1,309	377,677
Restricted funds					
Restricted Fund	2,638,477	2,500	(74,943)	(1,309)	2,564,725
Total funds	<u>2,996,015</u>	<u>183,985</u>	<u>(237,598)</u>	<u>-</u>	<u>2,942,402</u>