

WENSLEYDALE RAILWAY PLC
FINANCIAL STATEMENTS
31 MARCH 2020



JWPCREERS LLP
Chartered accountant & statutory auditor
Genesis 5
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WENSLEYDALE RAILWAY PLC
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2020

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WENSLEYDALE RAILWAY PLC

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2020

The Board presents the Strategic Report for the year ended 31 March 2020. This report follows a similar structure as last year which will hopefully serve as a useful comparison with previous years. Although clearly the impact of the Covid-19 lockdown was just being felt at the end of this report period and should be borne in mind, it is dealt with in "The Future Including Principal Risks and Uncertainties".

The principal activity of the company continues to be that of heritage operations and commercial activities carried out on the Wensleydale Railway (the "Railway").

OPERATIONS

The Board has again faced many difficulties caused by a general shortage of financial resources but has been helped in its endeavours by additional revenues generated by the hugely successful hosting of "Polar Express" in November and December 2019. Without these, the Railway would have found it difficult to continue with many of its aspirations, but we are happy to report that further progress has been made with improving the general condition of the track with the result that some speed restrictions have been lifted.

It was again decided not to run an official diesel gala during 2019 due largely to the cost of transporting 'guest' locomotives to and from the Railway but we did operate a full diesel day using home-based locomotives. A class 33 locomotive, which provided a much-needed ETH (electric train heat) capability, which was used extensively during the Polar Express programme, and it remains with us at the Railway. We sadly suffered low passenger numbers due to a particularly wet summer, with August being particularly badly hit with flooding in the Dale and issues with the provision of locomotives for steam running. The Board are only too aware that it must strike the balance between "everyone wanting steam" and the commercial reality of short hire steam engines being non-viable. An ongoing, and not unique, issue.

We maintained our strong links with the A1 Trust whose "Tornado" returned to the line for late summer running. Finally, in late 2019 we saw the appearance of two steam locomotives at Leeming Bar for the first time since the 1960s when "Tornado" came for her winter servicing and was in steam along-side Polar's S160 "Lend-Lease" engine. Tornado was able to emerge from her servicing and offer a February steam service, which sadly was curtailed as the engine suffered a mechanical breakdown, and then Covid-19 precluded the Railway from gaining its services later in the reporting period.

The Railway's award-winning heritage education programme, operated in conjunction with the Wensleydale Railway Association (Trust) Limited (the "Trust"), based at Scruton continues to be a considerable success even though a train journey from Leeming Bar to Scruton could not be included due to problems at Ham Hall. Several repairs and renewals have been carried out, but the Ham Hall crossing remains a thorn in our side which must be rectified before the programme can be expanded again. Progress with a second heritage programme at Leeming Bar to totally refurbish The Station House has progressed well, with the Trust and The National Lottery Heritage Fund having agreed the grant and terms thereof and work was ready to commence just before the Covid-19 restrictions were implemented. The re-development is at an advanced stage with the majority of the major works now complete.

WENSLEYDALE RAILWAY PLC

STRATEGIC REPORT *(continued)*

YEAR ENDED 31 MARCH 2020

FINANCE AND KEY PERFORMANCE INDICATORS (KPIs)

In summary, the loss before tax (£73,419) is a positive step forward from 2019 (£84,834). However, it masks an even more significant improvement in our sustainable operating income.

The adjusted loss before exceptional items for each year is £80,419 (2020) and £153,899 (2019). In the year ended 31 March 2019, the Railway benefitted from some 'one-off' transactions separate to rail operations. The adjusted position represents a £73,480 reduction in operating losses in 2020.

The effects of the undoubted financial boost because of the Polar Express at the end of this period cannot be underestimated. These proceeds have provided an invaluable source of funds to help solve several long-standing problems; allowing us to deal quickly with any unforeseen circumstances and generally help with the multitude of day-to-day costs of running the Railway.

Our Events Manager moved on to pastures new toward the end of this period, but her presence in the run up to and then the delivery of Polar Express was invaluable to its success.

It should be noted that figures whilst "Tornado" was at the Railway show ticket sales were well up on the prior year which reinforces our view that well-advertised steam hauled services are a route we should take in the future.

It remains clear that we must do our utmost to improve our performance in a number of areas which hopefully will lead to another significant increase in passenger numbers and a position where the Railway at least breaks even with our operating costs.

The Trust continues to support the Railway financially to fund infrastructure and rolling stock works. At times of need the regular monthly income from the sponsor scheme is very gratefully received, thank you!

Grants to help the Railway with specific items are also made by The 250 Club. We must again take this opportunity to thank everyone for their continued support. The Board is determined to move to "financial self-sufficiency" in operational terms.

INFRASTRUCTURE

The members of the infrastructure team must be congratulated for all their efforts in, at the very least, maintaining the existing quality of our track work and in several areas bringing about significant improvements with the result that some of the enforced speed restrictions have been removed.

In response to recommendations made by the Office of Rail and Road ("ORR") following an inspection March 2020, the directors have implemented a schedule of infrastructure works and substantially reduced rail operations until this work is completed (although operations would have been affected by Covid-19 restrictions which had been put in place at the end of the year. These works have been ongoing since the year end with the Railway also benefitting from the expertise and resources of the Royal Engineers with them undertaking a number of the works scheduled as a training exercise. This exercise alone required an investment by the Railway in materials of some £46,000, which was covered by an appeal and allocated funds assisted by the Trust, but resulted in some £200,000 of donated materials and labour. This was the first time the Royal Engineers have carried out a major exercise on the British Railway Network for some 50+ years. The required repairs/replacements to crossings at Yafforth and Ainderby Steeple have also been carried out with further work still required at Ainderby Gates. The climax of the army being on the Railway was the signing by director S Davies of the "Forces Mandate" on Leyburn station.

Although we have certain identified "red areas" which the Army works assisted with, we recognise we must address other areas self-identified. However, the proposed replacement of a further 400 yards of track to follow on from that replaced the year before had to be shelved and will be addressed after the Covid-19 restrictions are lifted.

Necessary repairs to several crossings have also been carried out which brings about the possibility of again running services to Northallerton West, once Ham Hall crossing has been replaced, this is still our ambition and much work at Ham Hall has brought it closer to being achievable.

WENSLEYDALE RAILWAY PLC

STRATEGIC REPORT *(continued)*

YEAR ENDED 31 MARCH 2020

MAINTENANCE AND ROLLING STOCK

Our new maintenance facility has now been in operation for over a year with the benefits even more pronounced than we had envisaged. Many people probably do not realise the amount of work required to keep locomotives and rolling stock fit to run but this facility has enabled the small but dedicated maintenance team to plan and then carry out work some of which would have been, to say the least, challenging to carry out in the open. In some instances, these works would have proved to be impossible. There have been many successes but two which stand out are the progress on the Guards Van and the ability to, with the Trust's funding, take in two Mk II carriages for full overhaul and repair. This facility has also proved a useful asset in encouraging steam locomotive groups to send their locomotives to the Railway with both the S160 and "Tornado" arriving at the Railway; the provision of undercover facilities being an important factor in the owner's decision to send these to Wensleydale.

Along with the always ongoing day to day maintenance simply to enable us to operate trains, long term restoration work on several vehicles have been planned for the coming year together with further coach repainting.

PROPERTY

As in other years, the company is responsible for several properties which form part of the Network Rail lease of the whole line. These properties are sub-let by the company to both domestic and commercial tenants which results in a not insignificant rental income for the Railway. We also have the responsibility for Bedale station which is owned by Hambleton District Council. Late in the year, The Whistle Stop Cafe closed so the Railway then re-let the property. A new tenant has taken over the operation of the café at Bedale as "Platform One" and reported themselves most pleased with their initial trading. Their operations were successful for most of the period, and we also secured a licensee for an initial 12-month trial period for the platform and garden at Wensley Station.

The Railway concluded the sale of Leeming Bar Station House to the Trust in May 2020 as the first stage of its National Lottery funded redevelopment for use on the educational programme. This cleared our debt to the Trust released additional cash reserves for reinvestment in the Railway. This also frees the Railway of all maintenance and running costs relating to the property.

GOVERNANCE

During the year G J C Loveridge, as Chairman, oversaw major changes at the Railway.

At Board level, we had the resignation of G Harris and then three new appointments bringing new expertise to the Board. Two further appointments are to be made which significantly strengthen the Board - T Larder will step up from an advisory role, having had a career in H&S in the energy industry, with railway operations to the fore. We also welcome A Jones whose 'day job' is as Asset Engineer (Support) [Track] Rail Management - Rail Testing & Lubrication East Coast & North and East Routes, Eastern Region, based in York and as such, we are "professionally" of interest to him as well as enthusiastically so. We are also still in discussions with other parties with specific skills which we believe will be beneficial to the Board. News of definitive moves will be conveyed when appointments are made.

STAFFING

Contracted staffing underwent a dramatic change during the period, with our General Manager leaving the Railway, the plc Chairman standing in as an "interim" at the end of the period, to oversee essential visits. We have made a replacement appointment, who has been closely involved in the infrastructure works detailed above. We also said farewell to our Events and Engineering Managers in 2020.

The Railway is supported by numerous volunteers performing a plethora of operational duties and their efforts have been at their usual high level, although Covid-19 restrictions have knocked certain activities. Non-cost surveys by suitably qualified volunteers have been key in mapping our route through both ORR and Covid-19 "recovery".

WENSLEYDALE RAILWAY PLC

STRATEGIC REPORT *(continued)*

YEAR ENDED 31 MARCH 2020

THE FUTURE INCLUDING PRINCIPAL RISKS AND UNCERTAINTIES

As noted earlier in this report, the impact of Covid-19 on services for 2020 has been dramatic. We have not run a paid service on the Railway since early March and we face the prospect of limits on 2021 services due to social distancing, etc. We have been most fortunate to have secured grants from Local and Central government, which have helped cover running costs whilst operations have been suspended. These have included placing staff members on varying levels of furlough and a specific "Covid-19 Recovery" grant of some £90,000. Additionally, appeals conducted by the Trust have raised funds for the infrastructure works and to support running costs through the Covid-19 restrictions.

As detailed above, rail operations have been suspended whilst a schedule of infrastructure works is being undertaken. We have addressed a number of the recommendations raised by the ORR and a full response to them outlining the "road map" to the future was submitted in November by the new General Manager.

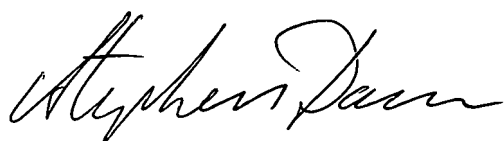
Funding has already been secured for the infrastructure works from the Department for Digital, Culture, Media & Sport's Culture Recovery Fund (detailed above) and, in addition to that, further funding will come from a combination of future grants and appeals. We are hopeful that the Trust will support us in this key objective to deliver infrastructure improvements. Additionally, we now have the very positive relationship with the Army and hope this will flourish in the coming years. In terms of the challenge - to relay 400m of rail with second hand materials costs approximately £150,000. A metre of lineside fencing costs £8 so support for these works is crucial.

Although our 2020 Polar Express was forced to be cancelled due to Covid-19, its operator's commitment into the future to continue using the Railway to run the trains is reassuring and they have confirmed their intention to make Wensleydale Railway their lead for Polar Express operations, and have just signed a 5 year deal with Warner Brothers to ensure this.

The company/Railway still has a long way to go but we are optimistic that decisions taken in the last eighteen months will put the Railway on a much firmer financial footing enabling us to implement the development plan that we have put in place. Extending westwards, initially towards Bolton Castle, is still in its infancy but the extension committee is hard at work with all the planning that is required. In the shorter term, we will be focusing our efforts in providing a better railway for our potential visitors which will hopefully lead to a significant increase in numbers. The excitement of "Polar Express" for the November and December months at the close of the 2019 calendar year was a hugely significant project. This was a very profitable undertaking and, with further years pencilled into the agreement, should become a popular mainstay of the Railway's operation and calendar for years to come.

Lastly, as always, the Board must thank everyone in whatever capacity who has helped the railway in the last year. Without that help, none of this could have been achieved.

This report was approved by the board of directors on 14 December 2020 and signed on behalf of the board by:



S Davies
Director

Registered office:
Leeming Bar Station
Leases Road
Leeming Bar
Northallerton
North Yorkshire
DL7 9AR

WENSLEYDALE RAILWAY PLC

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2020

The directors present their report and the financial statements of the group for the year ended 31 March 2020.

DIRECTORS

The directors who served the company during the year were as follows:

R J Holt	
R F Lord	
C A Les	
D Walker	
S Davies	
A M Dudiak	
G J C Loveridge	(Appointed 8 April 2019)
N J Hugill	(Appointed 14 October 2019)
C M Almond	(Appointed 13 January 2020)
J R Crampton	(Appointed 13 January 2020)
G Harris	(Resigned 14 October 2019)

DIVIDENDS

As per the Articles of Association, shareholders are not entitled to a dividend.

FUTURE DEVELOPMENTS

The future developments of the company are disclosed in the strategic report.

APPROVAL OF REDUCED DISCLOSURE

The company, as a qualifying entity, has taken advantage, in respect of its separate financial statements, of the disclosure exemptions in FRS102 paragraph 1.12. The company's shareholders have been notified in writing about the intention to take advantage of the disclosure exemptions and no objection has been received.

The company also intends to take advantage of these exemptions in the financial statements to be issued in the following year. Objections may be served on the company by shareholders holding in aggregate 5 per cent or more of the total allocated shares in the company. They should be served no later than 31 March 2021.

DISCLOSURE OF INFORMATION IN THE STRATEGIC REPORT

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, the directors have prepared a Strategic Report which can be found on page 1 of the financial statements.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 group and the company and the profit or loss of the group for that period.

WENSLEYDALE RAILWAY PLC**DIRECTORS' REPORT** *(continued)***YEAR ENDED 31 MARCH 2020**

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 14 December 2020 and signed on behalf of the board by:



S Davies
Director

Registered office:
Leeming Bar Station
Leases Road
Leeming Bar
Northallerton
North Yorkshire
DL7 9AR

WENSLEYDALE RAILWAY PLC**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WENSLEYDALE RAILWAY PLC****YEAR ENDED 31 MARCH 2020****OPINION**

We have audited the financial statements of Wensleydale Railway plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2020 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 27 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 3 in the financial statements, which indicates that the accounts have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future and the additional information to support that opinion.

We also draw attention to the statement of comprehensive income which reports a loss before taxation of £73,419 and statement of financial position which shows net assets of £556,238. As stated in the accounting policies in note 3, going concern and impairment of fixed assets, these events or conditions, along with other matters set forth in note 25, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

WENSLEYDALE RAILWAY PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WENSLEYDALE RAILWAY PLC *(continued)*

YEAR ENDED 31 MARCH 2020

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

WENSLEYDALE RAILWAY PLC**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WENSLEYDALE RAILWAY
PLC (continued)****YEAR ENDED 31 MARCH 2020****AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nigel Clement ACA FCCA (Senior Statutory Auditor)

For and on behalf of
JWPCreers LLP
Chartered accountant & statutory auditor
Genesis 5
Church Lane
Heslington
York
YO10 5DQ

18 December 2020

WENSLEYDALE RAILWAY PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
TURNOVER	4	574,039	441,043
Cost of sales		<u>(410,089)</u>	<u>(372,941)</u>
GROSS PROFIT		163,950	68,102
Administrative expenses		<u>(276,690)</u>	<u>(268,402)</u>
Other operating income	5	42,499	90,188
Exceptional item		<u>—</u>	<u>28,272</u>
OPERATING LOSS	6	(70,241)	(81,840)
Other interest receivable and similar income	10	25	14
Interest payable and similar expenses	11	<u>(3,203)</u>	<u>(3,008)</u>
LOSS BEFORE TAXATION		(73,419)	(84,834)
Tax on loss	12	<u>—</u>	<u>—</u>
LOSS FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME		<u>(73,419)</u>	<u>(84,834)</u>

All the activities of the group are from continuing operations.

WENSLEYDALE RAILWAY PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 MARCH 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	13	1,122,199	1,150,745
CURRENT ASSETS			
Stocks	15	15,715	14,965
Debtors	16	64,860	50,080
Cash at bank and in hand		<u>1,237</u>	<u>17,657</u>
		81,812	82,702
CREDITORS: amounts falling due within one year	18	<u>257,111</u>	<u>219,194</u>
NET CURRENT LIABILITIES		<u>175,299</u>	<u>136,492</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>946,900</u>	<u>1,014,253</u>
CREDITORS: amounts falling due after more than one year	19	<u>390,662</u>	<u>390,346</u>
NET ASSETS		<u>556,238</u>	<u>623,907</u>
CAPITAL AND RESERVES			
Called up share capital	22	2,666,432	2,660,682
Statement of comprehensive income	23	(2,110,194)	(2,036,775)
MEMBERS FUNDS		<u>556,238</u>	<u>623,907</u>

These financial statements were approved by the board of directors and authorised for issue on 14 December 2020, and are signed on behalf of the board by:



S Davies
Director

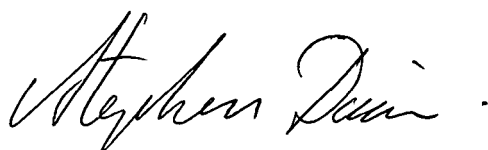
Company registration number: 04093919

WENSLEYDALE RAILWAY PLC
COMPANY STATEMENT OF FINANCIAL POSITION
31 MARCH 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	13	1,122,199	968,209
Investments	14	2	2
		<u>1,122,201</u>	<u>968,211</u>
CURRENT ASSETS			
Stocks	15	15,715	14,965
Debtors	16	64,860	232,616
Cash at bank and in hand		1,237	17,657
		<u>81,812</u>	<u>265,238</u>
CREDITORS: amounts falling due within one year	18	<u>257,113</u>	<u>219,196</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(175,301)</u>	<u>46,042</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>946,900</u>	<u>1,014,253</u>
CREDITORS: amounts falling due after more than one year	19	<u>390,662</u>	<u>390,346</u>
NET ASSETS		<u>556,238</u>	<u>623,907</u>
CAPITAL AND RESERVES			
Called up share capital	22	2,666,432	2,660,682
Statement of comprehensive income	23	(2,110,194)	(2,036,775)
MEMBERS FUNDS		<u>556,238</u>	<u>623,907</u>

The loss for the financial year of the parent company was £73,419 (2019: £84,834).

These financial statements were approved by the board of directors and authorised for issue on 14 December 2020, and are signed on behalf of the board by:



S Davies
Director

Company registration number: 04093919

WENSLEYDALE RAILWAY PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 MARCH 2020

	Called up share capital £	Statement of comprehensive income £	Total £
AT 1 APRIL 2018	2,643,382	(1,951,941)	691,441
Loss for the year	<u> </u>	(84,834)	(84,834)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	–	(84,834)	(84,834)
Issue of shares	17,300	–	17,300
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	17,300	–	17,300
AT 31 MARCH 2019	2,660,682	(2,036,775)	623,907
Loss for the year	<u> </u>	(73,419)	(73,419)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	–	(73,419)	(73,419)
Issue of shares	5,750	–	5,750
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	5,750	–	5,750
AT 31 MARCH 2020	<u>2,666,432</u>	<u>(2,110,194)</u>	<u>556,238</u>

The notes on pages 16 to 26 form part of these financial statements.

WENSLEYDALE RAILWAY PLC
COMPANY STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 MARCH 2020

	Called up share capital £	Statement of comprehensive income £	Total £
AT 1 APRIL 2018	2,643,382	(1,951,941)	691,441
Loss for the year		(84,834)	(84,834)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	—	(84,834)	(84,834)
Issue of shares	17,300	—	17,300
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	17,300	—	17,300
AT 31 MARCH 2019	2,660,682	(2,036,775)	623,907
Loss for the year		(73,419)	(73,419)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	—	(73,419)	(73,419)
Issue of shares	5,750	—	5,750
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	5,750	—	5,750
AT 31 MARCH 2020	<u>2,666,432</u>	<u>(2,110,194)</u>	<u>556,238</u>

WENSLEYDALE RAILWAY PLC
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss for the financial year		(73,419)	(84,834)
<i>Adjustments for:</i>			
Depreciation of tangible assets		57,979	42,770
Other interest receivable and similar income		(25)	(14)
Interest payable and similar expenses		3,203	3,008
Loss on disposal of tangible assets		–	9,350
Accrued expenses		7,545	10,960
<i>Changes in:</i>			
Stocks		(750)	2,580
Trade and other debtors		(14,780)	(5,519)
Trade and other creditors		23,037	21,166
Cash generated from operations		2,790	(533)
Interest paid		(3,203)	(3,008)
Interest received		25	14
Net cash used in operating activities		<u>(388)</u>	<u>(3,527)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of tangible assets		(29,433)	(59,916)
Proceeds from sale of tangible assets		–	6,250
Net cash used in investing activities		<u>(29,433)</u>	<u>(53,666)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of ordinary shares		5,750	17,300
Repayments of borrowings		–	(4,500)
Payments of finance lease liabilities		–	(4,750)
Net cash from financing activities		<u>5,750</u>	<u>8,050</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		(24,071)	(49,143)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		(2,956)	46,187
CASH AND CASH EQUIVALENTS AT END OF YEAR	17	<u>(27,027)</u>	<u>(2,956)</u>

WENSLEYDALE RAILWAY PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2020

1. GENERAL INFORMATION

The company is a public company limited by shares, registered in England and Wales. The address of the registered office is Leeming Bar Station, Leases Road, Leeming Bar, Northallerton, North Yorkshire, DL7 9AR.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

GOING CONCERN

The financial statements have been prepared on a going concern basis which assumes that the group will continue in operational existence for the foreseeable future.

In order to prepare the financial statements on the going concern basis, the directors have completed detailed financial projections which take account of normal operating conditions and known variable factors which have affected the forecast in the past. However, the impact of the global pandemic, and UK Government's response are making the forecasting very challenging resulting in several possible outcomes. The directors have established a range of financial outcomes but acknowledge that it is impossible to predict the effect of several lockdowns on revenue or the appetite of visitors to choose to visit the railway.

Visitor numbers determine profit and cash flow through the peak operation period so that funding decisions regarding essential infrastructure work can be funded through the closed period with the support of the Wensleydale Railway Association (Trust) Limited (the "Trust"). Visitor numbers will depend on the railway recommencing passenger operations and the easing of restrictions implemented to limit the spread of Covid-19. The support of the Trust is dependent on the continued generosity of the general public reflecting their commitment to keeping the heritage railway operational. Historically, appeals made by the Trust to support infrastructure work have been well subscribed.

The directors continue to seek support from a variety of funding organisations and individuals to provide grants donations and bequests.

DISCLOSURE EXEMPTIONS

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

WENSLEYDALE RAILWAY PLC
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2020

3. ACCOUNTING POLICIES *(continued)*

CONSOLIDATION

The consolidated financial statements annual report and accounts incorporate the financial statements annual report and accounts of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated statement of comprehensive income is published, a separate statement of comprehensive income for the parent company is omitted from the group financial statements annual report and accounts by virtue of section 408 of the Companies Act 2006.

RELATED PARTY TRANSACTIONS

The consolidated accounts of the Wensleydale Railway plc group are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 102 paragraph 33.1A from disclosing transactions with members of the Wensleydale Railway plc group.

JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

REVENUE RECOGNITION

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

GRANTS

Grants awarded to fund revenue expenditure are recognised when the expenditure is incurred.

Grants awarded to fund capital expenditure are recognised in the statement of financial position and are amortised in line with the method of depreciating the fixed assets they funded.

EXCEPTIONAL ITEMS

Exceptional items are disclosed separately in the financial statements in order to provide further understanding of the financial performance of the entity. They are material items of income or expense that have been shown separately because of their nature or amount.

WENSLEYDALE RAILWAY PLC

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2020

3. ACCOUNTING POLICIES *(continued)*

OPERATING LEASES

Lease payments are recognised as an expense over the lease term on a straight line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight line basis.

TANGIBLE ASSETS

Tangible assets over £1,000 are capitalised and initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Repairs and maintenance to the track and railway infrastructure due to wear and tear and replacements required due to changes in regulations are expensed as incurred.

DEPRECIATION

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and buildings	-	2% straight line
Track and railway infrastructure	-	2% straight line
Station improvements	-	2.5% reducing balance
Plant and equipment	-	25% straight line and 10% reducing balance

INVESTMENTS

Fixed asset investments are measured at fair value.

IMPAIRMENT OF FIXED ASSETS

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

The global pandemic and its impact on the company's ability to operate at a profit depends on factors that are unpredictable. Therefore, the sustainability of the business may be in doubt and the annual impairment review has identified the effects of Covid-19 as a significant risk.

An impairment loss occurs when the carrying amount of an asset exceeds its recoverable amount. The directors have identified that, given the specialised nature of the company's assets, being unique to the operation of a railway, they are susceptible to a write down to a recoverable amount materially less than the carrying amount. Track and railway infrastructure is carried on the balance sheet at £587,717 and plant and equipment at £90,794. If the railway was to cease operations the recoverable amount of these assets may only be the scrap value, net of the costs to recover and recycle materials. The recoverable amount of land and buildings may also be less than its value as carried in the balance sheet of £342,809 as the buildings may have limited other uses or may need modifying to be used for another purpose.

STOCKS

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

WENSLEYDALE RAILWAY PLC

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2020

3. ACCOUNTING POLICIES *(continued)*

FINANCIAL INSTRUMENTS

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

PENSION COSTS

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. TURNOVER

Turnover arises from:

	2020	2019
	£	£
Sale of goods	49,912	56,973
Rendering of services	394,020	280,392
Grants and similar income	60,148	50,335
Sponsorships	37,202	37,862
Other income	32,757	15,481
	<u>574,039</u>	<u>441,043</u>

The whole of the turnover is attributable to the principal activity of the group wholly undertaken in the United Kingdom.

5. OTHER OPERATING INCOME

	2020	2019
	£	£
Rental income	27,439	71,853
Other operating income	15,060	18,335
	<u>42,499</u>	<u>90,188</u>

WENSLEYDALE RAILWAY PLC

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2020

6. OPERATING PROFIT

Operating profit or loss is stated after charging:

	2020	2019
	£	£
Depreciation of tangible assets	43,763	42,770
Impairment of tangible assets recognised in:		
Administrative expenses	14,216	—
Loss on disposal of tangible assets	—	9,350
Impairment of trade debtors	(7,000)	1,705
Operating lease payments	<u>20,728</u>	<u>20,002</u>

7. AUDITOR'S REMUNERATION

	2020	2019
	£	£
Fees payable for the audit of the financial statements	<u>8,500</u>	<u>8,500</u>
Fees payable to the company's auditor and its associates for other services:		
Taxation compliance services	500	500
Other non-audit services	<u>1,500</u>	<u>1,500</u>
	<u>2,000</u>	<u>2,000</u>

8. STAFF COSTS

The average number of persons employed by the group during the year, including the directors, amounted to:

	2020	2019
	No.	No.
Number of railway operations and maintenance staff	4	7
Number of management and administration staff	<u>3</u>	<u>3</u>
	<u>7</u>	<u>10</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2020	2019
	£	£
Wages and salaries	149,874	149,062
Social security costs	9,436	9,005
Other pension costs	<u>2,933</u>	<u>1,669</u>
	<u>162,243</u>	<u>159,736</u>

9. EXCEPTIONAL ITEMS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Other trade gains	<u>—</u>	<u>(28,272)</u>	<u>—</u>	<u>(28,272)</u>

Exceptional costs in the previous year relate to other trade gains.

WENSLEYDALE RAILWAY PLC

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2020

10. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2020 £	2019 £
Interest on cash and cash equivalents	<u>25</u>	<u>14</u>

11. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020 £	2019 £
Interest on banks loans and overdrafts	1,193	967
Other interest payable and similar charges	<u>2,010</u>	<u>2,041</u>
	<u>3,203</u>	<u>3,008</u>

12. TAX ON LOSS

Reconciliation of tax income

The tax assessed on the loss on ordinary activities for the year is higher than (2019: higher than) the standard rate of corporation tax in the UK of 19% (2019: 19%).

	2020 £	2019 £
Loss on ordinary activities before taxation	<u>(73,419)</u>	<u>(84,834)</u>
Loss on ordinary activities by rate of tax	<u>(13,950)</u>	<u>(16,118)</u>
Effect of expenses not deductible for tax purposes	3,513	823
Unused tax losses	<u>10,437</u>	<u>15,295</u>
Tax on loss	<u>—</u>	<u>—</u>

13. TANGIBLE ASSETS

Group	Land and buildings £	Track and railway infrastructure £	Station improvements £	Plant and equipment £	Total £
Cost or revaluation					
At 1 April 2019	283,734	737,086	350,463	314,154	1,685,437
Additions	7,715	9,371	—	12,347	29,433
Transfer	216,265	—	(216,265)	—	—
At 31 March 2020	<u>507,714</u>	<u>746,457</u>	<u>134,198</u>	<u>326,501</u>	<u>1,714,870</u>
Depreciation					
At 1 April 2019	101,198	146,181	70,072	217,241	534,692
Charge for the year	24,370	12,559	2,584	18,466	57,979
Transfer	39,337	—	(39,337)	—	—
At 31 March 2020	<u>164,905</u>	<u>158,740</u>	<u>33,319</u>	<u>235,707</u>	<u>592,671</u>
Carrying amount					
At 31 March 2020	<u>342,809</u>	<u>587,717</u>	<u>100,879</u>	<u>90,794</u>	<u>1,122,199</u>
At 31 March 2019	<u>182,536</u>	<u>590,905</u>	<u>280,391</u>	<u>96,913</u>	<u>1,150,745</u>

WENSLEYDALE RAILWAY PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2020

13. TANGIBLE ASSETS (continued)

Company	Land and buildings £	Track and railway infrastructure £	Station improvements £	Plant and equipment £	Total £
Cost or revaluation					
At 1 April 2019	–	737,086	350,463	314,154	1,401,703
Additions	7,715	9,371	–	12,347	29,433
Intra-group transfer	283,734	–	–	–	283,734
Transfer	216,265	–	(216,265)	–	–
At 31 March 2020	507,714	746,457	134,198	326,501	1,714,870
Depreciation					
At 1 April 2019	–	146,181	70,072	217,241	433,494
Charge for the year	24,370	12,559	2,584	18,466	57,979
Intra-group transfer	101,198	–	–	–	101,198
Transfer	39,337	–	(39,337)	–	–
At 31 March 2020	164,905	158,740	33,319	235,707	592,671
Carrying amount					
At 31 March 2020	342,809	587,717	100,879	90,794	1,122,199
At 31 March 2019	–	590,905	280,391	96,913	968,209

Capital commitments

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Contracted for but not provided for in the financial statements	500	3,847	500	3,847

14. INVESTMENTS

The group has no investments.

Company	Shares in subsidiary undertakings £
Valuation	
At 1 Apr 2019 and 31 Mar 2020	2
Impairment	
At 1 Apr 2019 and 31 Mar 2020	–
Carrying amount	
At 1 Apr 2019 and 31 Mar 2020	2

WENSLEYDALE RAILWAY PLC
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2020

14. INVESTMENTS *(continued)***Investments held at valuation**

Investments in shares in subsidiary undertakings are revalued at the end of each financial year in line with the net assets of the subsidiary.

In respect of investments held at valuation, the comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

The group has no investments held at valuation.

Company	Shares in subsidiary undertakings £
At 31 March 2020	
Aggregate cost	101,650
Aggregate depreciation	—
Carrying value	101,650
At 31 March 2019	
Aggregate cost	101,650
Aggregate depreciation	—
Carrying value	101,650

Subsidiaries, associates and other investments

Details of the investments in which the parent company has an interest of 20% or more are as follows:

Subsidiary undertakings	Class of share	Percentage of shares held
TWRC Limited	Ordinary	100

In addition, in both the current and previous year, TWRC Limited owned 100% of the ordinary share capital of WRC(P) Limited, a company incorporated in England and Wales.

The registered office of both subsidiaries is Leeming Bar Station, Leases Road, Leeming Bar, Northallerton, North Yorkshire, DL7 9AR.

15. STOCKS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Goods for resale and consumables	<u>15,715</u>	<u>14,965</u>	<u>15,715</u>	<u>14,965</u>

WENSLEYDALE RAILWAY PLC

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2020

16. DEBTORS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	12,425	8,245	12,425	8,245
Amounts owed by group undertakings	–	–	–	182,536
Prepayments and accrued income	50,108	7,118	50,108	7,118
Corporation tax repayable	–	1,361	–	1,361
Other debtors	2,327	33,356	2,327	33,356
	<u>64,860</u>	<u>50,080</u>	<u>64,860</u>	<u>232,616</u>

17. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

	2020	2019
	£	£
Cash at bank and in hand	1,237	17,657
Bank overdrafts	(28,264)	(20,613)
	<u>(27,027)</u>	<u>(2,956)</u>

18. CREDITORS: amounts falling due within one year

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans and overdrafts	28,264	20,613	28,264	20,613
Trade creditors	74,495	64,478	74,495	64,478
Amounts owed to group undertakings	–	–	2	2
Accruals and deferred income	60,242	52,697	60,242	52,697
Social security and other taxes	4,212	3,540	4,212	3,540
Other creditors	89,898	77,866	89,898	77,866
	<u>257,111</u>	<u>219,194</u>	<u>257,113</u>	<u>219,196</u>

Bank loans and overdrafts consist of a bank overdraft secured by the company.

On 29 December 2003, HSBC issued a debenture to secure monies owed to them. It agreed a fixed and floating charge over the undertaking and all property and assets present and future including goodwill, book debts uncalled capital buildings, fixtures, fixed plant and machinery.

19. CREDITORS: amounts falling due after more than one year

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Accruals and deferred income	377,812	374,896	377,812	374,896
Other creditors	12,850	15,450	12,850	15,450
	<u>390,662</u>	<u>390,346</u>	<u>390,662</u>	<u>390,346</u>

WENSLEYDALE RAILWAY PLC
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2020

20. DEFERRED TAX

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Accelerated capital allowances	63,025	56,347	63,025	56,347
Unused tax losses	(62,947)	(56,347)	(62,947)	(56,347)
Provisions	(78)	—	(78)	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

21. EMPLOYEE BENEFITS**Defined contribution plans**

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £2,933 (2019: £1,669).

22. CALLED UP SHARE CAPITAL**Issued, called up and fully paid**

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2,666,432</u>	<u>2,666,432</u>	<u>2,660,682</u>	<u>2,660,682</u>

Share movements

	No.	£
Ordinary		
At 1 April 2019	2,660,682	2,660,682
Issue of shares	5,750	5,750
At 31 March 2020	<u>2,666,432</u>	<u>2,666,432</u>

Ordinary shares were issued at par and fully paid.

As per the Articles of Association, shareholders are not entitled to a dividend. Other benefits, including travel and dining benefits, will be dependent on the level of subscription.

23. RESERVES

Statement of comprehensive income - This reserve records retained earnings and accumulated losses and are realised except where specifically identified, and are distributable except where specifically identified as un-realised and non-distributable.

WENSLEYDALE RAILWAY PLC

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2020

24. OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Not later than 1 year	20,084	18,655	20,084	18,655
Later than 1 year and not later than 5 years	80,337	74,620	80,337	74,620
Later than 5 years	1,548,545	1,457,024	1,548,545	1,457,024
	<u>1,648,966</u>	<u>1,550,299</u>	<u>1,648,966</u>	<u>1,550,299</u>

Operating lease commitments at the year end consist of two leases which expire in May 2102.

25. SUBSEQUENT EVENTS

In response to recommendations made by The Office of Rail and Road (ORR), the directors have implemented a schedule of infrastructure works and substantially reduced rail operations until this work is completed. The directors intend to resume full operations in due course.

26. RELATED PARTY TRANSACTIONS

Group

During the year the group entered into the following transactions with related parties:

	Transaction value		Balance owed by/(owed to)	
	2020	2019	2020	2019
	£	£	£	£
C Les - director	—	—	(16,000)	(16,000)
R Holt - director	—	—	(1,000)	(1,000)
	<u>—</u>	<u>—</u>	<u>(17,000)</u>	<u>(17,000)</u>

Company

During the year the company entered into the following transactions with related parties:

	Transaction value		Balance owed by/(owed to)	
	2020	2019	2020	2019
	£	£	£	£
TWRC Limited - subsidiary	—	—	(2)	(2)
WRC(P) Limited - subsidiary	182,536	—	—	182,536
C Les - director	—	—	(16,000)	(16,000)
R Holt - director	—	—	(1,000)	(1,000)
	<u>182,536</u>	<u>—</u>	<u>(17,002)</u>	<u>166,534</u>

During the year, freehold property with a net book value of £182,536 was transferred from WRC(P) Limited to the company, being settlement of the intragroup loan.

27. ETHICAL STANDARDS

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.