

NORTH OF ENGLAND HISTORIC RAILWAY TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

Charity Commission Reference Number 1092957

Company Registered Number 4393170

WALTER DAWSON & SON

Chartered Accountants

7 Wellington Road East
Dewsbury
West Yorkshire
WF13 1HF

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NORTH OF ENGLAND HISTORIC RAILWAY TRUST LIMITED
REPORT AND FINANCIAL STATEMENTS

<u>Contents</u>	<u>Page</u>
Legal and Administrative Information	1
Statement of Trustees' Responsibilities	2
Report of the Trustees	3 - 4
Independent Examiner's Report	5 - 6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 - 14

NORTH OF ENGLAND HISTORIC RAILWAY TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

1 CONSTITUTION

North of England Historic Railway Trust Limited is a company limited by a guarantee (Company No 4393170) and a registered charity (Charity No 1092957) governed by its Memorandum and Articles of Association

2 DIRECTORS AND TRUSTEES

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees

The trustees serving during the year and since the year end were as follows

<u>Chairman and Treasurer</u>	W David Smith
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<u>Secretary</u>	Christine Smith
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<u>Trustees</u>	W David Smith Christine Smith James Shuttleworth
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<u>Independent Examiner</u>	Walter Dawson & Son 7 Wellington Road East Dewsbury WF13 1HF
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<u>Bankers</u>	National Westminster Bank Plc 34 King Edward Street Hull HU1 3YU
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<u>Registered Office</u>	Red House Farm Staintondale Scarborough YO13 0HA
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NORTH OF ENGLAND HISTORIC RAILWAY TRUST LIMITED

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The trustees (who are also directors of the charity 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)

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which 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

- (a) select suitable accounting policies and then apply them consistently,
- (b) observe the methods and principles in the Charities SORP,
- (c) make judgements and estimates that are reasonable and prudent,
- (d) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- (e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The trustees are responsible for keeping proper accounting records that 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 or other irregularities

NORTH OF ENGLAND HISTORIC RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST MARCH 2011

The trustees present their report along with the financial statements of the charity for the year ended 31st March 2011

The legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the statement of Recommended Practice - Accounting and Reporting by Charities

1 Structure, Governance and Management

The management and operation of the charity is the responsibility of the trustees, who are elected at each Annual General Meeting

2 Objectives and Activities

The objective of the charity is the renovation, maintenance and operation of historic railway vehicles and rail infrastructure

When planning the activities for the year, the trustees have considered the Commission's guidance on public benefit

3 Achievements and Performance

The steam locomotive 'Galatea' No 45699, owned by the charity, is currently undergoing restoration work for future use on the railways

NORTH OF ENGLAND HISTORIC RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST MARCH 2011

4 Financial Review

The income of £14,399 represents the income from a café and tea rooms within Hellifield Railway Station. The charity retained a deficit for the year of £125.

5 Plans for the Future

The continuing restoration of steam locomotive 'Galatea' for future railway operations is the primary objective of the charity.

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities. In preparing this report advantage has been taken of the small companies exemption.

This report was approved and authorised for issue by the Trustees on 19th September 2011 and signed on their behalf by



W David Smith

Chairman

INDEPENDENT EXAMINER'S REPORT TO THE
TRUSTEES OF NORTH OF ENGLAND HISTORIC RAILWAY TRUST LIMITED

I report on the financial statements of the charitable company for the year ended 31st March 2011 which are set out on pages 7 to 14

Respective Responsibilities of Trustees and Examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under Section 43 (2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

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

- (a) examine the financial statements under Section 43 of the 1993 Act,
- (b) to follow the procedures laid down in the General Directions given by the Charity Commission under Section 43(7)(b) of the 1993 Act, and
- (c) to state whether particular matters have come to my attention

Basis of Independent Examiners' Report

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

INDEPENDENT EXAMINER'S REPORT TO THE
TRUSTEES OF NORTH OF ENGLAND HISTORIC RAILWAY TRUST LIMITED

Independent Examiners' Statement

In connection with my examination, no matter has come to my attention

- (a) which gives me reasonable cause to believe that, in any material respect the requirements
 - (i) to keep accounting records in accordance with Section 386 of the Companies Act 2006, and
 - (ii) to prepare financial statements which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities (Revised 2005) have not been met, or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached



Graham Atkinson FCA
WALTER DAWSON & SON

Chartered Accountants
7 Wellington Road East
Dewsbury
West Yorkshire
WF13 1HF

19th September 2011

NORTH OF ENGLAND HISTORIC RAILWAY TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2011

	Notes	Unrestricted Funds	Restricted Funds	Total 2011	Total 2010
		£	£	£	£
<u>INCOMING RESOURCES</u>					
Incoming Resources from Generated Funds					
Activities for Generating Funds	3	14,399	-	14,399	14,966
Investment Income	4	-	-	-	-
<u>TOTAL INCOMING RESOURCES</u>		<u>14,399</u>	<u>-</u>	<u>14,399</u>	<u>14,966</u>
<u>RESOURCES EXPENDED</u>					
Governance Costs	5	14,524	-	14,524	6,505
<u>TOTAL RESOURCES EXPENDED</u>		<u>14,524</u>	<u>-</u>	<u>14,524</u>	<u>6,505</u>
<u>NET INCOME/(EXPENDITURE)</u> <u>BEFORE TRANSFERS</u>	7	(125)	-	(125)	8,461
<u>TRANSFERS</u>					
Gross Transfers Between Funds		-	-	-	-
<u>NET MOVEMENTS IN FUNDS</u>		<u>(125)</u>	<u>-</u>	<u>(125)</u>	<u>8,461</u>
<u>RECONCILIATION OF FUNDS</u>					
Total Funds at 1st April 2010		(18,697)	-	(18,697)	(27,158)
Total Funds at 31st March 2011		<u>(18,822)</u>	<u>-</u>	<u>(18,822)</u>	<u>(18,697)</u>

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

NORTH OF ENGLAND HISTORIC RAILWAY TRUST LIMITED
BALANCE SHEET AS AT 31ST MARCH 2011

	Notes	£	2011	£	2010	£
<u>FIXED ASSETS</u>						
Tangible Assets	9		152,720		164,982	
<u>CURRENT ASSETS</u>						
Debtors		-		-		
Cash at Bank and in Hand		9,447		2,499		
		<u>9,447</u>		<u>2,499</u>		
<u>CREDITORS</u> Amounts Falling						
Due Within One Year	10	(41,148)		(38,075)		
<u>NET CURRENT LIABILITIES</u>			(31,701)		(35,576)	
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			121,019		129,406	
<u>CREDITORS</u> Amounts Falling						
Due After More Than One Year	11	(139,841)		(148,103)		
		<u>(18,822)</u>		<u>(18,697)</u>		
The Funds of the Charity						
<u>RESTRICTED INCOME FUNDS</u>	14		-		-	
<u>UNRESTRICTED FUNDS</u>						
General Funds	14	(18,822)		(18,697)		
		<u>(18,822)</u>		<u>(18,697)</u>		

The directors consider that the charitable company is entitled to exemption from the requirement to have an audit under the provisions of Section 477 of the Companies Act 2006. Members have not required the company under Section 476 of the Act to have an audit for the year ended 31st March 2011. The directors acknowledge their responsibilities for ensuring that the charitable company keeps accounting records which comply with Section 386 of the Act, and for preparing financial statements which give a true and fair view of the state of affairs of the charitable company, as at 31st March 2011, and of its surplus or deficit for the year then ended in accordance with the requirements of Section 396 of the Act, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the charitable company.

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

The financial statements were approved and authorised for issue by the Trustees on 19th September 2011 and signed on their behalf by

W David Smith TRUSTEE



NORTH OF ENGLAND HISTORIC RAILWAY TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2011

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed assets investments at market value, and in accordance the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in October 2005, applicable accounting standards and the Companies Act 2006. The principle accounting policies adopted in the preparation of the financial statements are as follows

(a) Donations, Legacies and Similar Incoming Resources

Donations, legacies and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource

(b) Capital Grant Funding

Grants in respect of capital expenditure are credited to a deferred income account and are released to the income and expenditure account in equal annual instalments over the expected useful life of the relevant assets

(c) Investment Income and Rental Income

Income from investments and from rental income is included in the SOFA in the year in which it is receivable

(d) Expenditure

All expenditure is included on an annual basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the SOFA. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT

(e) Tangible Fixed Assets

Depreciation is provided on a straight line basis over the expected useful lives of each category of tangible fixed assets

Locomotives	10% per annum on cost
Rail Infrastructure	5% per annum on cost

NORTH OF ENGLAND HISTORIC RAILWAY TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2011

1 ACCOUNTING POLICIES (continued)

(f) Fund Accounting

Funds held by the charity are either

- . *Unrestricted general funds* - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees
- . *Designated funds* - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects
- . *Restricted funds* - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes

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

(g) Cash Flow Statements

The charity qualifies as a small company under the Companies Act 2006. The trustees have elected to take advantage of the exemptions under FRS1 not to prepare a cash flow statement

2 LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £10

3 ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds	Restricted Funds	Total 2011	Total 2010
	£	£	£	£
Cafe and Tea Room Income	14,399	-	14,399	14,966
	<u>14,399</u>	<u>-</u>	<u>14,399</u>	<u>14,966</u>

NORTH OF ENGLAND HISTORIC RAILWAY TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2011

4 INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total 2011	Total 2010
	£	£	£	£
Bank Interest	-	-	-	-
	-	-	-	-

5 GOVERNANCE COSTS

	Unrestricted Funds	Restricted Funds	Total 2011	Total 2010
	£	£	£	£
Accountancy Fees	293	-	293	211
Sundry Expenses	15	-	15	60
Depreciation	4,000	8,262	12,262	12,262
Rates	1,242	-	1,242	1,030
Electricity	8,943	-	8,943	1,155
Grants Released	-	(8,262)	(8,262)	(8,262)
Bank Charges	31	-	31	30
Bank Interest	-	-	-	19
	14,524	-	14,524	6,505

6 TRUSTEES' REMUNERATION

Trustees received no remuneration and were not reimbursed for any of their expenses in either year

7 NET INCOME/(EXPENDITURE) FOR THE YEAR

	2011 £	2010 £
This is stated after charging		
Depreciation	12,262	12,262
Accountants Fee	293	211
Grants Released	(8,262)	(8,262)

NORTH OF ENGLAND HISTORIC RAILWAY TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2011

8 CORPORATION TAX

The charitable company is exempt from corporation tax on its charitable activities

9 TANGIBLE FIXED ASSETS

	Locomotive	Rail Infrastructure	Total
	£	£	£
<u>Cost</u>			
At 1st April 2010	40,000	283,277	323,277
Additions	-	-	-
At 31st March 2011	<u>40,000</u>	<u>283,277</u>	<u>323,277</u>
<u>Depreciation</u>			
At 1st April 2010	32,000	126,295	158,295
Charge for Year	4,000	8,262	12,262
At 31st March 2011	<u>36,000</u>	<u>134,557</u>	<u>170,557</u>
<u>Net Book Value</u>			
At 31st March 2011	<u>4,000</u>	<u>148,720</u>	<u>152,720</u>
At 31st March 2010	<u>8,000</u>	<u>156,982</u>	<u>164,982</u>

10 CREDITORS Amounts Falling Due Within One Year

	2011	2010
	£	£
Amount Owed to Related Parties	27,640	29,625
Deferred Grant Income	8,262	8,262
Accruals	5,246	188
	<u>41,148</u>	<u>38,075</u>

11 CREDITORS Amounts Falling Due After More Than One Year

	2011	2010
	£	£
Deferred Grant Income	<u>139,841</u>	<u>148,103</u>

NORTH OF ENGLAND HISTORIC RAILWAY TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2011

12 RELATED PARTY TRANSACTIONS

Mr W David Smith is the chairman of the trustees of the charity. He is also a director and the controlling shareholder of William Smith (Wakefield) Limited.

At 31st March 2011, the charity owed the following amounts to its related parties

<u>Name</u>	<u>2011</u>	<u>2010</u>
	£	£
W David Smith	-	2,295
William Smith (Wakefield) Limited	27,640	27,330
	<u>27,640</u>	<u>29,625</u>

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<u>General Funds</u>	<u>Restricted Funds</u>	<u>Total Funds</u>
	£	£	£
Tangible Fixed Assets	4,000	148,720	152,720
Current Assets	10,064	(617)	9,447
Current Liabilities	(32,886)	(8,262)	(41,148)
Long Term Liabilities	-	(139,841)	(139,841)
Net Assets at 31st March 2011	<u>(18,822)</u>	<u>-</u>	<u>(18,822)</u>

NORTH OF ENGLAND HISTORIC RAILWAY TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2011

14 MOVEMENT IN FUNDS

	At 1st April 2010	Incoming Resources	Outgoing Resources	At 31st March 2011
	£	£	£	£
<u>Restricted Funds</u>				
Turntable at Fort William	-	-	-	-
Total Restricted Funds	-	-	-	-
<u>Unrestricted Funds</u>				
General Funds	(18,697)	14,399	(14,524)	(18,822)
Total Unrestricted Funds	(18,697)	14,399	(14,524)	(18,822)
TOTAL FUNDS	(18,697)	14,399	(14,524)	(18,822)

Restrictions Imposed and Purpose of Restricted Funds

The various funding was received in order to purchase and maintain the turntable at Fort William