

Registered Charity Number: SC051405
Registered Company Number: SC1329414 (Scotland)

Strathspey Railway Association
Report of the Trustees and
Unaudited Financial Statements for
The Year Ended 31 March 2022



Chartered Certified Accountants
3 Wyvis Drive
Balloch
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Strathspey Railway Association
Contents of the Financial Statements
For the Year Ended 31 March 2022

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Strathspey Railway Association

Officers & Professional Advisors

For the year ended 31 March 2022

DIRECTORS

Mr Brian George Burgess
Mr David Green
(Appointed 18/02/2022) Mr William Thomas Johnson (Membership Secretary)
Mr Neil MacQueen
(Appointed 24/08/2021) Mr Grant Birnie Ritchie
Mr Richard Paul Stainton Sandbach (Finance Director)
Mr Ian Keith Stanworth (Chair)
Mr Robert John Walters

COMPANY SECRETARY

Mr Robert John Walters

REGISTERED OFFICE

Spey Lodge, Aviemore Railway Station
Dalfaber Road
Aviemore
PH22 1PY

INDEPENDENT EXAMINER

Gareth Jones Compliance Ltd
Chartered Certified Accountants
3 Wyvis Drive
Balloch
Inverness
IV2 7HP

REGISTERED CHARITY NUMBER: SC051405

COMPANY REGISTRATION NUMBER: SC132941 (Scotland)

Strathspey Railway Association

Report of the Trustees **For the Year Ended 31 March 2022**

The Trustees, who are also the directors of the charity for the purposes of the Companies Act 2006, present their report and accounts for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Companies Act 2006 and the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102)(effective 1 January 2019)

Structure, governance and management

Governing Document

The charity is a company and as such is governed by the memorandum and articles of association, The charity constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. Charitable status was awarded to the organisation on 18 November 2021 under new articles of association adopted at the AGM of 6th November 2021.

Recruitment and appointment of new trustees

The directors must be members of the association and are elected by the members in the Annual General Meeting or co-opted by the Board until the next AGM. Three directors, who have served longest since their latest election, retire by rotation at each AGM, at which they will be eligible to offer themselves for re-election. All directors are unpaid. Trustee induction is carried out under the guidance of the Office Bearers of the company.

Organisational structure

The SRA is a members association, which provides its members with information about the Strathspey Railway through its quarterly magazine, the Strathspey Express. Its members are also entitled to travel on the railway at a significant discount. Working members are entitled to use the accommodation and other facilities of Spey Lodge on payment of the appropriate sum.

The SRA raises money primarily from its members through membership subscriptions and donations, coupled with other fundraising activities such as a Raffle and a 200 Club.

The SRA makes grants or loans to bodies associated with the Strathspey Railway. All applications for financial assistance are to be made on the Grant Application Form to be found on the website. Grants will only be approved if they fall within the Charitable Objects of the Company.

In addition the SRA has a significant but non-controlling stake in the Strathspey Railway Company Ltd, which operates the heritage railway.

Risk management

A risk review of the organisation's activities is considered, together with the business plan. The major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, as identified by the trustees, have been reviewed and systems have been established to mitigate exposure to those risks.

Objectives and Activities

The company exists for the benefit of its members, the general public and visitors to the Strathspey area, without distinction of age, ability, sex or of political, religious or other opinions, with the following objects: The advancement of education The advancement of the arts, heritage, culture or science.

In furtherance only of the above objects the company shall assist any other body through grants and other means any person or company to preserve, operate or restore part or all of the former Highland Railway line from Aviemore station to Grantown on Spey, now known as the Strathspey Railway or beyond or any locomotive or other rolling stock or other railway relics

Strathspey Railway Association

Report of the Trustees - continued **For the Year Ended 31 March 2022**

Trustees' report on Activities

The year was one of restricted activity on the railway, with Covid restrictions impacting on all areas of the Strathspey Railway, including preservation and conservation. As a consequence, there were not many applications for financial assistance. Fortunately, the various government support schemes enabled the Strathspey Railway Company Ltd to come through in a reasonably healthy state, so our emergency reserve was not called on.

Our results show a surplus, before making grants of £57,000, which provides us with significant funds to be able to advance our charitable purpose of the preservation of our railway heritage in Strathspey, and hopefully to educate our volunteers as well as visitors.

Grants have been made in support of 46464's driving springs, from the incoming donations for the continuity fund, for the Charitable Trust and for the cost of some picnic benches for volunteers working in or near Carriage Shed. We are aware that a number of applications are likely to be made in the near future, and look forward to reviewing these.

On 18 November 2021 we were granted charitable status, and this enables us to claim gift-aid on donations from members, if they are able and willing to sign the declaration. Our claim, up to 31 March 2022 will be in the order of £2700, with much more to come.

Charitable status has other impacts on us, and this has changed the format of the annual accounts, as we are required to comply with the Statement of Recommended Practice for charities.

Reserves Policy

The directors hold a reserve of £60,000 as an emergency reserve to support the Strathspey Railway Company in case of urgent need, providing such support is within its purposes and within its powers.

Trustees' responsibilities

The Trustees, who are also the Directors of Strathspey Railway Association for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 8th October 2022 and signed on its behalf by:

.....
Ian Keith Stanworth (Chair)

Strathspey Railway Association

Independent Examiners Report to the Trustees of Strathspey Railway Association

Report to the trustees/members of Strathspey Railway Association for the year ended 31 March 2022 set out on pages 5 to 10, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

Respective responsibilities of Trustees and Independent Examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 ("the 2005 Act") and the Charities Accounts (Scotland) Regulations 2006 (as amended) ("the 2006 Regulations"). The charity's trustees consider that the audit requirement of Regulation 10(1)(d) of the 2006 Regulations does not apply. It is my responsibility to examine the accounts as required under section (44)(1)(c) of the 2005 Act and to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination is carried out in accordance with Regulation 11 of the 2006 Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In the course of my examination no matter has come to my attention: -

1 - which gives me reasonable cause to believe that, in any material respect, the requirements:- to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Regulations, and to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Regulations.

have not been met, or

2 - to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Dated: 14th October 2022



Gareth Jones FCCA
Gareth Jones Compliance Ltd
3 Wyvis Drive
Balloch
Inverness
IV2 7HP

Strathspey Railway Association

Statement of Financial Activities

For the year ended 31 March 2022

	<u>Note</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total Funds 31/03/22</u> £	<u>Total Funds 31/03/21</u> £
Income & Endowments from					
Donation, Legacies and grants	2	10,802	27,318	38,120	35,811
Charitable Activities	3	40,133	4,506	44,639	43,346
Investment income	4	10	-	10	43
Total		<hr/> 50,945	<hr/> 31,824	<hr/> 82,769	<hr/> 79,200
Expenditure on					
Charitable Activities	5	16,266	10,175	26,441	17,924
Net Income		<hr/> 34,679	<hr/> 21,649	<hr/> 56,328	<hr/> 61,276
Transfers (to)/from Restricted Funds		-	14,045	14,045	-
Net Movement in Funds		<hr/> 34,679	<hr/> 35,694	<hr/> 70,373	<hr/> 61,276
Total funds brought forward		413,819	-	413,819	352,543
Total funds carried forward		<hr/> 448,498	<hr/> 35,694	<hr/> 484,192	<hr/> 413,819

The notes on pages 7 to 10 form part of these accounts.

Strathspey Railway Association

Balance Sheet

For the year ended 31 March 2022

	<u>Note</u>	<u>General Funds 2022 £</u>	<u>Restricted Funds 2022 £</u>	<u>Total Funds 2022 £</u>	<u>Total Funds 2021 £</u>
FIXED ASSETS					
Tangible fixed assets	9	-	-	-	-
Investments	10	328,948	-	328,948	322,511
CURRENT ASSETS					
Stock of Association Regalia		-	-	-	50
Debtors	11	3,359	-	3,359	310
Cash at Bank and in hand		136,761	35,694	172,455	125,144
		140,120	35,694	175,814	125,504
CREDITORS					
Creditors amounts due within 1 year.	12	20,570	-	20,570	34,196
NET CURRENT ASSETS					
		119,550	35,694	155,244	91,308
TOTAL ASSETS LESS CURRENT LIABILITIES					
		448,498	35,694	484,192	413,819
NET ASSETS					
		448,498	35,694	484,192	413,819
REPRESENTED BY:					
Unrestricted funds	13			388,498	353,819
Designated Funds				60,000	60,000
Restricted funds	14			35,694	-
TOTAL FUNDS					
				484,192	413,819

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

For the year ended 31 March 2022 the company was entitled to exemption under section 477 of the Companies Act 2006.

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

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting

- ensuring that the charitable company keeps accounting records that comply with sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

Approved by the Board of Directors on 8th October 2022 and signed on its behalf by

..... - Richard Paul Stainton Sandbach (Finance Director)

..... - Ian Keith Stanworth (Chair)

The notes on pages 7 to 10 form part of these accounts

Strathspey Railway Association
Notes to the Accounts
For the year ended to 31 March 2022

1 ACCOUNTING POLICIES

a) Accounting convention

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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. The financial statements have been prepared under the historical cost convention.

b) The principal accounting policies of the charity are shown below:

i) Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds. It is probable that the income will be received and the amount can be measured reliably.

ii) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings that have been allocated to activities on a basis consistent with the use of resources.

The charity is not registered for VAT and as such irrecoverable VAT is charged against the category of resources expended for which it was incurred.

iii) Fixed assets

Equipment acquisitions have been capitalised only on items over £1,000 and depreciation provided to write off the cost of fixed assets over their estimated useful lives.

iv) Taxation

The charity is exempt from corporation tax on its charitable activities.

v) Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds 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.

Strathspey Railway Association
Notes to the Accounts
For the year ended to 31 March 2022

2 DONATIONS, LEGACIES & GRANTS	General	Restricted	Total Funds	Total Funds
	Fund	Funds	Y/E 31/03/22	Y/E 31/03/21
	£	£	£	£
Donations	4,579	24,588	29,167	35,811
Legacies	5,660	-	5,660	-
Gift Aid Receivable	563	2,730	3,293	-
	<u>10,802</u>	<u>27,318</u>	<u>38,120</u>	<u>35,811</u>

3 INCOME FROM CHARITABLE ACTIVITIES	General	Restricted	Total Funds	Total Funds
	Fund	Funds	Y/E 31/03/22	Y/E 31/03/21
	£	£	£	£
Memberships	17,879	-	17,879	17,952
Raffle & Club 200 Proceeds	3,342	4,506	7,848	8,928
Spey Lodge Income	9,912	-	9,912	466
Grants receivable	9,000	-	9,000	16,000
	<u>40,133</u>	<u>4,506</u>	<u>44,639</u>	<u>43,346</u>

4 INVESTMENT INCOME	General	Restricted	Total Funds	Total Funds
	Fund	Funds	Y/E 31/03/22	Y/E 31/03/21
	£	£	£	£
Bank Interest	10	-	10	43

5 EXPENDITURE ON CHARITABLE ACTIVITIES	General	Restricted	Total Funds	Total Funds
	Fund	Funds	Y/E 31/03/22	Y/E 31/03/21
	£	£	£	£
Grants Made	1,000	9,316	10,316	4,652
Fundraising Costs	1,669	859	2,528	2,491
Spey Lodge Expenses	7,836	-	7,836	4,464
Express Production & Distribution	3,547	-	3,547	4,410
Postage, printing & stationery	627	-	627	539
AGM Expenses	723	-	723	786
General Overheads	113	-	113	74
Corporation Tax Payable	1	-	1	8
Support Costs (note 6)	750	-	750	500
	<u>16,266</u>	<u>10,175</u>	<u>26,441</u>	<u>17,924</u>

6 GOVERNANCE & SUPPORT COSTS

The charity has minimal overheads, which are charged against the general fund, amounting to £750 (2021 - £500) relating to the Independent Examination of the Financial Statements.

7 DIRECTORS/TRUSTEES REMUNERATION

No remuneration is paid to Directors/Trustees for their role as Trustees.

8 COMPANY LIMITED BY GUARANTEE & GENERAL INFORMATION

The company is limited by guarantee and has no share capital

Every member of the company undertakes to contribute to the assets of the company, in the event of a winding up, such an amount as may be required not exceeding £1

Strathspey Railways Association is a private company, limited by guarantee, incorporated in Scotland, registered number SC132941. The registered office is Spey Lodge, Aviemore Station, Dalfaber Road, Aviemore, PH22 1PY. The company is also registered as a Charity in Scotland, registered number SC051405.

Strathspey Railway Association
Notes to the Accounts
For the year ended to 31 March 2022

9 TANGIBLE FIXED ASSETS		<u>Plant & Machinery</u>
		£
COST		
Total at 1 April 2021 and 31 March 2022		<u>2,412</u>
DEPRECIATION		
Total at 1 April 2021 and 31 March 2022		<u>2,412</u>
NET BOOK VALUES		
At 1 April 2021 and 31 March 2022		<u>-</u>
10 INVESTMENTS		<u>Plant & Machinery</u>
		£
COST		
Total at 1 April 2021		322,511
Acquisitions		45,725
Disposals		(39,288)
Total at 31 March 2022		<u>328,948</u>
PROVISION		
Total at 1 April 2021 and 31 March 2022		<u>-</u>
NET BOOK VALUES		
At 1 April 2021		322,511
At 31 March 2022		<u>328,948</u>
11 DEBTORS		
	Y/E 31/03/22	Y/E 31/03/21
	£	£
Gift Aid Receivable	3,293	-
Prepayments	66	310
	<u>3,359</u>	<u>310</u>
12 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR		
	Y/E 31/03/22	Y/E 31/03/21
	£	£
Accrued Expenses	1,228	924
Taxation	10	8
Outstanding Grant	1,000	649
Deferred Income	18,332	32,615
	<u>20,570</u>	<u>34,196</u>

Strathspey Railway Association
Notes to the Accounts
For the year ended to 31 March 2022

13 MOVEMENT IN FUNDS

	Balance at 01/04/21	Incoming Resources	Outgoing Resources	Net Movement in funds	Transfers between funds	Balance at 31/03/2022
	£	£	£	£	£	£
Unrestricted Funds	353,819	50,945	(16,266)	34,679	-	388,498
Designated Funds	60,000	-	-	-	-	60,000
Total Restricted Funds	-	31,824	(10,175)	21,649	14,045	35,694
Total Funds	<u>413,819</u>	<u>82,769</u>	<u>(26,441)</u>	<u>56,328</u>	<u>14,045</u>	<u>484,192</u>

The designated funds are a reserve fund set aside by the trustees in accordance with the reserves policy as stated in the trustees' report

The company gained charitable status during the year, and in order to apply the charities accounting framework, it has been necessary to extract the restricted fund balances from the balance brought forward on the general fund.

The Association invites donations from its members for a number of purposes associated with the Strathspey Railway. Where specified, the amounts given are allocated to the appropriate fund and can only be used for the purpose of that fund (and always within the overall charitable purpose of the Association). Certain funds are given specifically for use by an associated body, where we effectively receive them as agent, and these are passed on. Examples of this are donations for Rails to Grantown, and the Continuity or Crisis Fund. Other funds are held until an appropriate project is identified, when we request a Grant Application Form is filled in for review. Such funds are referred to as Restricted Funds. In addition, the Association has set aside £60,000 in a designated fund intended to safeguard the Strathspey Railway against the risk of closure and the loss of heritage assets. Any other donations fall within the General Funds and may be used for any purpose that falls within the Charitable Purpose.

14 RESTRICTED FUNDS

	Balance at 01/04/21	Incoming Resources	Outgoing Resources	Net Movement in funds	Transfers between funds	Balance at 31/03/2022
	£	£	£	£	£	£
Rails to Grantown	-	4,737	(4,092)	645	409	1,054
Continuity Fund	-	2,246	(1,577)	669	383	1,052
Carriage & Wagon	-	1,331	-	1,331	6,491	7,822
Permanent Way	-	8,018	-	8,018	4,844	12,862
Loco Fund	-	9,226	(4,506)	4,720	(284)	4,436
Buildings & Structures	-	3,960	-	3,960	-	3,960
Signal & Telegraph	-	856	-	856	-	856
Running Shed	-	1,450	-	1,450	1,962	3,412
Other	-	-	-	-	240	240
Total Restricted Funds	<u>-</u>	<u>31,824</u>	<u>(10,175)</u>	<u>21,649</u>	<u>14,045</u>	<u>35,694</u>

15 RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022 or the year ended 31 March 2021.

