

Registered Charity Number: SC051405
Registered Company Number: SC132941 (Scotland)

Strathspey Railway Association

Report of the Trustees and

Unaudited Financial Statements for

The Year Ended 31 March 2024



Chartered Certified Accountants
3 Wyvis Drive
Balloch
Inverness
IV2 7HP

Strathspey Railway Association
Contents of the Financial Statements
For the Year Ended 31 March 2024

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Strathspey Railway Association

Officers & Professional Advisors

For the year ended 31 March 2024

DIRECTORS

Mr Benjamin David Angus (resigned 6/3/2024)
Mr Brian George Burgess (Vice chair) (re-appointed 4/11/2023)
Mr Glenn Cameron (appointed 17/5/2024)
Mr Duncan Cook (appointed 4/11/2023)
Mr David Green
Mr William Thomas Johnson (Membership Secretary)
Mr Max Maxwell (appointed 17/5/2024)
Mr Andrew McCracken (appointed 24/6/2024)
Mr Grant Birnie Ritchie (interim chair)
Mr Richard Paul Stainton Sandbach (Finance Director)
Mr Ian Keith Stanworth (resigned 27/5/2024)
Mr Robert John Walters (resigned 19/4/2024)

COMPANY SECRETARY

Mr Robert John Walters (resigned 4/11/2023)
Ms Christine Torry (appointed 4/11/2023)

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 2024**

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 2024.

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 2024**

Trustees' report on Activities

This report covers the period from 1 April 2023 to 31 March 2024. For the first six months of the year, it seemed as though we were getting back to normal, despite the energy crisis and cost of living crisis. However, in the autumn a number of problems occurred on the Strathspey Railway. First there was unrest in the ranks, then the slow speed collision between the Flying Scotsman and Royal Scotsman train, and then the realisation that the railway might not have the funds to tide it over the winter. The SRA has done its best to help the railway move on and survive these problems.

We loaned SRC £30,000 to part fund the solar panels, which have helped SRC control its soaring energy costs. We made a further loan to SRC of £57,500 to assist it with cashflow. We have participated in the Joint Boards Group to help guide the interim board as it keeps the show on the rails, and to develop a new management and governance structure.

In addition to this we have made grants to SRC in respect of:

- the Running Shed (£21,000)
- the renovation of the Boat of Garten platform (£16,000)
- Springs for No 9 (£6,490)
- Work on Queen Ann (£638)
- Provision of a clamshell bucket for the permanent way department

At the year end we had £194,555 in the bank. Whilst this may seem a considerable sum, it is a temporary situation. Since the year end we have loaned £30,000 to the Strathspey Railway Company for the installation of solar panels; have contributed towards the repair of the platform surface at Boat of Garten Station; and provided a further grant towards the running shed.

We have also collected from our members and paid over £4,977 to the Strathspey Railway Charitable Trust, to help it in its goal of extending our railway to Grantown-on-Spey.

None of this would have been possible without the wonderful support of our membership, who have continued to support us despite the difficult financial times. Special mention should also be made of John Cleworth, who has very successfully sold raffle tickets on the train, helping us to raise an additional £20,000 more than normal in the year, and has continued his successful efforts in the current year.

In addition to that significant renovation and improvement has taken place to the Lodge, which is continuing. The trustees and lodge committee are aware of the need for this continual improvement so that the lodge is fit for purpose.

Despite all of this expenditure (but before the loans) the accounts show a small surplus of £8,220.

In the difficult financial circumstances the board agreed to make available £20,000 from its emergency reserve, but has since been able to restore that.

In the 6 months following the year end, a number of former members and well-wishers have bequeathed some quite substantial sums, which will enable the SRA to continue to support the SRC with projects that meet our charitable objectives of education and preserving our heritage.

During the current year two stalwarts of the SRA retired: Ian Stanworth and Robert Walters. Ian was the Chairman for several years and helped lead the SRA through many challenges. In all of this he was aided by Robert Walters as Company Secretary. It is difficult adequately to express the gratitude of the trustees and indeed the members to these two for their long service, but the trustees would like to record their thanks to them, however inadequate a tribute this might seem to be.

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.

Strathspey Railway Association

Report of the Trustees - continued **For the Year Ended 31 March 2024**

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 on2024 and signed on its behalf by:

Grant Birnie Ritchie (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 2024 set out on pages 6 to 11, 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:2024



Gareth Jones FCCA
Gareth Jones Compliance Ltd
3 Wyvis Drive
Balloch
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Strathspey Railway Association

Statement of Financial Activities

For the year ended 31 March 2024

	<u>Note</u>	Unrestricted Funds £	Restricted Funds £	Total Funds 31/03/24 £	Total Funds 31/03/23 £
Income & Endowments from					
Donation, Legacies and grants	2	2,162	21,957	24,119	35,052
Charitable Activities	3	37,013	25,727	62,740	38,197
Investment income	4	1,538	-	1,538	492
Total		<u>40,713</u>	<u>47,684</u>	<u>88,397</u>	<u>73,741</u>
Expenditure on					
Charitable Activities	5	29,324	50,853	80,177	44,574
Net Income		<u>11,389</u>	<u>(3,169)</u>	<u>8,220</u>	<u>29,167</u>
Transfers (to)/from Restricted Funds		(18,678)	18,678	-	-
Net Movement in Funds		<u>(7,289)</u>	<u>15,509</u>	<u>8,220</u>	<u>29,167</u>
Total funds brought forward		477,066	36,293	513,359	484,192
Total funds carried forward		<u><u>469,777</u></u>	<u><u>51,802</u></u>	<u><u>521,579</u></u>	<u><u>513,359</u></u>

The notes on pages 8 to 11 form part of these accounts.

Strathspey Railway Association

Balance Sheet

For the year ended 31 March 2024

	<u>Note</u>	<u>General Funds 2024 £</u>	<u>Restricted Funds 2024 £</u>	<u>Total Funds 2024 £</u>	<u>Total Funds 2023 £</u>
FIXED ASSETS					
Tangible fixed assets	9	3,320	-	3,320	-
Investments	10	334,135	-	334,135	334,135
		<u>337,455</u>	<u>-</u>	<u>337,455</u>	<u>334,135</u>
CURRENT ASSETS					
Debtors	11	90,266	-	90,266	3,087
Cash at Bank and in hand		59,102	51,802	110,904	194,555
		<u>149,368</u>	<u>51,802</u>	<u>201,170</u>	<u>197,642</u>
CREDITORS					
Creditors amounts due within 1 year.	12	17,046	-	17,046	18,418
NET CURRENT ASSETS					
		<u>132,322</u>	<u>51,802</u>	<u>184,124</u>	<u>179,224</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>469,777</u>	<u>51,802</u>	<u>521,579</u>	<u>513,359</u>
NET ASSETS					
		<u>469,777</u>	<u>51,802</u>	<u>521,579</u>	<u>513,359</u>
REPRESENTED BY:					
Unrestricted funds	13			429,777	417,066
Designated Funds				40,000	60,000
Restricted funds	14			51,802	36,293
TOTAL FUNDS					
				<u>521,579</u>	<u>513,359</u>

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 2024 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

a) ensuring that the charitable company keeps accounting records that comply with sections 386 and 387 of the Companies Act 2006 and

b) 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 on2024 and signed on its behalf by

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

..... - Grant Birnie Ritchie (Chair)

The notes on pages 8 to 11 form part of these accounts

Strathspey Railway Association
Notes to the Accounts
For the year ended to 31 March 2024

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.

ii) 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.

Fixtures & Fittings 20% on cost

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.

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

Strathspey Railway Association
Notes to the Accounts
For the year ended to 31 March 2024

2 DONATIONS, LEGACIES & GRANTS	General	Restricted	Total Funds	Total Funds
	Fund	Funds	Y/E 31/03/24	Y/E 31/03/23
	£	£	£	£
Donations	1,308	18,797	20,105	25,378
Legacies	-	-	-	5,187
Gift Aid Receivable	854	3,160	4,014	4,487
	<u>2,162</u>	<u>21,957</u>	<u>24,119</u>	<u>35,052</u>

3 INCOME FROM CHARITABLE ACTIVITIES	General	Restricted	Total Funds	Total Funds
	Fund	Funds	Y/E 31/03/24	Y/E 31/03/23
	£	£	£	£
Memberships	19,246	-	19,246	19,223
Raffle & Club 200 Proceeds	2,907	25,727	28,634	8,685
Spey Lodge Income	14,860	-	14,860	10,289
Grants receivable	-	-	-	-
	<u>37,013</u>	<u>25,727</u>	<u>62,740</u>	<u>38,197</u>

4 INVESTMENT INCOME	General	Restricted	Total Funds	Total Funds
	Fund	Funds	Y/E 31/03/24	Y/E 31/03/23
	£	£	£	£
Bank Interest	1,538	-	1,538	492
	<u>1,538</u>	<u>-</u>	<u>1,538</u>	<u>492</u>

5 EXPENDITURE ON CHARITABLE ACTIVITIES	General	Restricted	Total Funds	Total Funds
	Fund	Funds	Y/E 31/03/24	Y/E 31/03/23
	£	£	£	£
Grants Made	3,530	49,105	52,635	23,662
Fundraising Costs	1,441	1,748	3,189	7,079
Spey Lodge Expenses	18,718	-	18,718	7,902
Express Production & Distribution	3,568	-	3,568	4,242
Postage, printing & stationery	818	-	818	316
AGM Expenses	336	-	336	434
General Overheads	13	-	13	39
Corporation Tax Payable	-	-	-	-
Support Costs (note 6)	900	-	900	900
	<u>29,324</u>	<u>50,853</u>	<u>80,177</u>	<u>44,574</u>

6 GOVERNANCE & SUPPORT COSTS

The charity has minimal overheads, which are charged against the general fund, amounting to £900 (2023 - £900) 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 2024

9 TANGIBLE FIXED ASSETS	<u>Plant & Machinery</u>	
	£	
COST		
Total at 1 April 2023 and 31 March 2024		2,412
Additions		4,150
Total at 1 April 2023 and 31 March 2024		<u>6,562</u>
DEPRECIATION		
Total at 1 April 2023		2,412
Charge in Year		830
Total at 1 April 2023 and 31 March 2024		<u>3,242</u>
NET BOOK VALUES		
At 1 April 2023		-
At 31 March 2024		<u>3,320</u>
10 INVESTMENTS	<u>Plant & Machinery</u>	
	£	
COST		
Total at 1 April 2023		334,135
Acquisitions		-
Disposals		-
Total at 31 March 2024		<u>334,135</u>
PROVISION		
Total at 1 April 2023 and 31 March 2024		-
NET BOOK VALUES		
At 1 April 2023		334,135
At 31 March 2024		<u>334,135</u>
11 DEBTORS	Y/E 31/03/24	Y/E 31/03/23
	£	£
Amounts due within 1 year		
Gift Aid Receivable	2,465	2,751
Room Rents Due	251	200
Loans to SRC	10,000	-
Prepayments	50	136
	<u>12,766</u>	<u>3,087</u>
Amounts due in more than 1 year		
Loans to SRC	77,500	-
	<u>77,500</u>	<u>-</u>
Total Debtors	<u>90,266</u>	<u>3,087</u>
12 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	Y/E 31/03/24	Y/E 31/03/23
	£	£
Accrued Expenses	1,716	1,564
Taxation	10	10
Outstanding Grant	-	-
Deferred Income	15,320	16,844
	<u>17,046</u>	<u>18,418</u>

Strathspey Railway Association
Notes to the Accounts
For the year ended to 31 March 2024

13 MOVEMENT IN FUNDS

	Balance at 01/04/23	Incoming Resources	Outgoing Resources	Net Movement in funds	Transfers between funds	Balance at 31/03/2024
	£	£	£	£	£	£
Unrestricted Funds	417,066	40,713	(29,324)	11,389	1,322	429,777
Designated Funds	60,000	-	-	-	(20,000)	40,000
Total Restricted Funds	36,293	47,684	(50,853)	(3,169)	18,678	51,802
Total Funds	513,359	88,397	(80,177)	8,220	-	521,579

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 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 £40,000 (2023 - £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 01/04/23	Incoming Resources	Outgoing Resources	Net Movement in funds	Transfers between funds	Balance at 31/03/2024
	£	£	£	£	£	£
Rails to Grantown	3,617	4,928	(4,977)	(49)	-	3,568
Survive & Thrive	-	4,215	-	4,215	-	4,215
Carriage & Wagon	9,772	1,908	-	1,908	-	11,680
Permanent Way	1,279	1,906	(6,490)	(4,584)	-	(3,305)
Loco Fund	6,510	2,196	-	2,196	-	8,706
Buildings & Structures	9,413	2,275	(16,000)	(13,725)	5,261	949
Signal & Telegraph	1,657	206	-	206	-	1,863
Running Shed	3,682	4,141	(21,000)	(16,859)	13,177	-
Raffle	60	25,723	(1,748)	23,975	-	24,035
Other	303	186	(638)	(452)	240	91
Total Restricted Funds	36,293	47,684	(50,853)	(3,169)	18,678	51,802

15 RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024 or the year ended 31 March 2023.