

DRAFT MINUTES OF THE 2025 ANNUAL GENERAL MEETING OF THE STRATHSPEY RAILWAY ASSOCIATION HELD ON SATURDAY 1ST NOVEMBER 2025 AT 13:30 IN THE CAIRNGORM HOTEL, AVIEMORE.

Present

Grant Ritchie (Chair) Dickon Sandbach, Brian Burgess, Bill Johnson, Christine Torry (Secretary) Andrew McCracken and Glenn Cameron. (A full list of members present is available from the Association Secretary) 55 Attendees and 5 Remote Attendees

1 Apologies

The Chairman welcomes members present to the 34th SRA AGM. Apologies have been received from Doug and Aileen Scott and Max Maxwell.

2. Minutes of 2024 AGM

The draft Minutes of the AGM held on Saturday 2nd November 2024 had been distributed with the AGM papers. The minutes were approved as an accurate record of the meeting. Proposed by Ian Stanworth and Seconded by David Scott. - Carried

3. Presentation and Approval of Directors' Report and Financial Statements for y/e March 2025

Dickon Sandbach, Financial Director addressed the meeting initially presenting an alternative method for collecting money on the train, principally to replace the need for requesting cash from passengers for raffle tickets. He showed a Digital Card machine that basically is a credit card reader but would be used solely for use of raffle tickets and other SRA goods. Dickon made a Powerpoint presentation to the meeting, including a summary of the Annual Accounts (available in full on the SRA website) the current state of the Association funds, the sources of income and the level of expenditure incurred by the Association in its operation.

Total Income - £158,64 including. Donations and Legacies - £143,517. Subscriptions - £19,353. 200 Club - £2,585 (will be closed end December). Raffle - £46,814. Spey Lodge - £14,029

Total Expenditure - £93,492

The Association makes grants in support of heritage on the Strathspey Railway with a recognition that preservation of our heritage can also involve adoption of mechanised process, without which the long-terms maintenance of the railway will deteriorate. Total Grants made amounted to £68,529

Unrestricted funds - £501,747. Designated funds - £60,000. Restricted funds: - £95,882 Total: £657,629.

In conclusion, Dickon explained how our duties as a responsible charity require formal application for all potential grants and reminded all that, with said application and full tracking of all expenditure association with projects supported by SRA grants, the Association would not be able to retain its

charitable and tax status. It is a major shareholder (owning approx. 45% of shares) in Strathspey Railway Company Ltd (SRC). SRA role is to influence SRC strategic management and safeguard against any unforeseen disasters. The recent \$1M donation is very welcome which should cushion the railway from such an event.

The Accountant is happy with the SRA accounts and funds and are there to be used with proviso to charity status and heritage.

Chairman thanked Dickon for his work on the SRA finances and confirmed that copies of the full report and Financial Statements could be obtained from the Association Secretary or can be found on the SRA website Approval of Report was Proposed by: Ian Stanworth, and was Seconded by: Nick Thomson.

4. Chairman's Report

\$1M donation is very welcome. Donator wishes to remain anonymous but he was a visitor and passenger on the train a few years ago and was very impressed with what we do. The only detail we can get is he is American. Many thanks to him and we hope he makes a return journey.

The railway is doing well and the Inspiration 200 Train was a complete success. Even the weather was on our side. There is a possibility of the train being available next year in May in which case we will have another Gala event. Every loco both steam and diesel were on the tracks for the event.

SRA now have SRA branded merchandise which was showcased at the meeting. sweatshirts, fleeces, polo shirts, golf hats. Order forms and prices can be obtained from Bill Johnson.

5. Report from Membership Secretary

881 members, with possibility of 3 more. Subscriptions are the same, no change.

6. Re-election of Brian Burgess as Director/Trustee

Proposed by B. Faulkner and Seconded by I. Stanworth – Carried

7. Re-election of B. Johnson as Director/Trustee

Proposed by D. Scott and Seconded by D. Dow - Carried

8. Re-election of D. Cook as Director/Trustee

Proposed by I. Stanworth and Seconded by R. Hayward - Carried

9. Election of D. Scott as Director/Trustee

Proposed by M. McCloud and Seconded by M. Tough – Carried

10. Re-election of Andrew McCracken and Ian Ratray as joint Editors of the Strathspey Express

Proposed by B. Faulkner and Seconded by D. Ingles – Carried

11. Re-appointment of Gareth Jones as Association Secretary

Proposed by N. Thomson and Seconded by I. Stanworth – Carried

12. Re-appointment of Bill Johnson as Membership Secretary

Proposed by D. Dow and Seconded by T.Rose - Carried

13. Reports from Around the Railway

CR 828 Trust 2025 Update – Doug Scott

CR 828 has remained at Tunbridge Wells throughout 2025. She is in regular service on the Spa Valley Railway and continues to attract a great deal of interest and admiration. The Spa people look after her extremely well and have completed all required maintenance to a very high standard. They have had occasional assistance from Aviemore Shed including the re-metalling and machining of a worn Left Hand big end bearing a few months ago. The loco has run reliably so far in 2025 and will come out of service shortly for her annual boiler inspection.

The hire period at Tunbridge Wells has been continued into 2026. No firm decision has yet been made regarding a date for her return to Aviemore. But the CR828 Trust continues to see Aviemore as the home to which she will always return.

The Trust itself remains in good health. Following our proposal in 2024 we have made progress in recruiting another Trustee from within the Strathspey Railway. There are a few formalities to be completed before revealing the identity of the new appointee. The Trust has also created an account with the charitable funding organisation Just Giving. This account will be used to promote the opportunity for people to donate to the overhaul fund that will help secure the loco's long-term future.

SRCT (R2G) – Linda Coe

Despite several requests to the Scottish Government, we have been unable to secure the remaining funding required by Transport Scotland to finalise its Plans to realign the A95. As a consequence, we are looking at the future viability of the Project. One course of action is to suspend the Project.

How long this suspension would last is dependent upon either the Scottish Government finding the necessary funding for Transport Scotland or the Project establishing the feasibility of a Halt or Terminus closer to Grantown, which would not require the Railway to cross the A95. We are still working on the second option.

SRT – Andrew Fairley

In 1974 the Directors of the Strathspey Railway Company:-W.E.C Watkinson, Douglas Barclay, Ian Fraser, James Black, James Hood, Eric Cooper and John Hunter, set up the Strathspey Railway Trust. Money was provided at the time by Ted Watkinson for the Trust to purchase a considerable number of shares in the Company. The reason behind the Trust was to maintain a substantial interest in the Company to protect it from any actions which could hurt the Company and therefore the Railway. The Trust lay dormant until 1997 when it was realised that there were only 2 Trustees still living. It was arranged through solicitors for the Trust to be fully resurrected and additional Trustees appointed.

The Trust is a private Trust and not Charitable, but is registered in Scotland and is also registered with HM Revenue and Customs. The Trustees are all persons who have had a significant part to play in the past of the railway and work towards the goals of the original Trustees.

Financial support has been provided for substantial improvements to the railway and its infrastructure such as the refurbishment of the Boat footbridge. Also, over £42,000 was given to the Company to repair No9's boiler but the boiler was incorrectly repaired and unfortunately the money wasted.

Several bequests have been left to the Trust; an example is from Roy Hamilton and using this bequest the Trust paid for the construction of the Roy Hamilton Carriage shed.

Recently the Trust has not invested in any projects as the Trustees were concerned with finances of the Company and the Trustees wished to be in a position to help the Company should the worst happen.

The Trust is now considering projects that the Company are looking for financial help with.

Any money left to the Trust is used for the good of the Railway. The Trust has no employees, and the Trustees take no remuneration.

14. Any Other Competent Business

Volunteer of the Year – Jimmy Summers, Long overdue award for Jimmy as he turns out for duties when no one else is available! Even though he does not own a car but manages to get to the railway for Royal Scotsman duties, to name but one. Enjoy the whisky Jimmy!

Steve Muirhead made an Honorary Member. Long serving member who has contributed a lot to the railway, and forgets to pay his subscriptions every year!

Raffle conducted by Brian Burgess. This year's project the Running Shed. Amount raised £30,000 and many thanks to John and Linda Cleworth for their hard work and ongoing support for the railway.

Very informative and interesting presentation by Iain Smith on Carmyllie Pilot 46464 restoration. Thank you Iain for the time and energy put into your presentation. Greatly enjoyed and appreciated by all present.

Appendix 1 – SCR Report from their AGM

SRC – John Yule (Chairman)

I would like to take this opportunity to update you on a number of matters starting with the Announcement we made on Wednesday. To say that we were astonished to receive a donation of this size would be the understatement of the year! To give you a little more background, we first became aware that the Railway had been the beneficiary of a substantial donation when the Company's bank account received a significant seven figure deposit at the end of August. Beyond being asked to provide the Company's bank details, we had no prior indication of the size of, or reason for, the donation. Our initial thoughts were that this was a mistake or some kind of scam! As a result, there then followed a period of due diligence during which our Bank confirmed that, following their own checks, they had no concerns over the source of funds. We were eventually able to contact the Benefactor who, as explained in the Announcement confirmed that he wished to remain anonymous and did not wish to place any restrictions on how the money was spent beyond expressing the hope that the Board would use this wisely for the long-term benefit of the Railway as a whole.

As you will appreciate a donation of this size places great responsibility on the Board to ensure that the money is invested wisely and that steps are taken to understand any tax implications which might arise. Accordingly, the Board have appointed a specialist tax advisor and are planning to open an account with the UK's leading online savings platform which will enable the funds to be invested with a number of UK regulated banks across a range of different terms and notice periods. In this way we will be able to maximise the amount of interest we are able to earn whilst leaving us the flexibility required to invest in

various projects already in the pipeline and others which will no doubt be identified in the years ahead. This is likely to be a one-off opportunity to safeguard and future proof the Railway which must be carefully managed. This will mean that some of the money will be retained to rebuild the strategic reserve which was decimated during the Covid years. In summary rather than spending on a range of completely new projects, this very unexpected donation will allow us, with the help of the SRA and our other funding sources, to complete projects already agreed quicker than might otherwise have been the case and, crucially, to better plan and implement our ongoing overhaul and restoration commitments in the years ahead.

In conclusion, I would like you to join me in expressing our thanks to our American benefactor who so enjoyed his experience of travelling on the Strathspey all those years ago that he has seen fit to recognise this by way of this wonderful donation.

If I can now turn to the Board changes which were flagged in my letter which accompanied the AGM papers. As you know, even before the events of late 2023, it had been the intention to make changes to the SRC Board and how it interacted with, in particular the SRA, but also employees and volunteers. Dealing with the various other matters which needed to be addressed to keep the Railway running as successfully as it has over the past two seasons has meant that, other than appointing

Gordon Kirk to be our General Manager last year, the Board restructure largely took a back seat until earlier this year. In July we finalised what turned out to be an evolving proposal for a restructured Board which would be much more focused on strategic issues with particular reference to the Railway's finances, regulatory compliance and safety with a general oversight of Railway operations being provided by the GM being accountable to the Board. Having made an appeal for applications for the various roles identified in the Half Year Report issued in made an appeal for applications for the various roles identified in the Half Year Report issued in August, I am pleased to say that we had a good response. As a result, we held a number of interviews over the past two months with the result that a Board Meeting will be held after the AGM to formally appoint three new Directors. All these Directors will be subject to ratification at next year's AGM as I am afraid the process was still ongoing at the time we had to finalise and issue the Agenda for this meeting.

As I said the process and more particularly the Directors' roles have evolved to match individual's skill sets. The Board which I am about to introduce is a mix of old and new faces and in the case of some of the new faces only in the sense that they are new to being Directors. I should say that we have not quite completed the process as we are still looking for a Finance Director and an Independent Director. In the case of the latter, ideally, we would like to appoint someone who is not currently involved with the Railway but can bring local business and or other experiences which complement those within the Board.

The new Board Members are:

Tom Spink who will take up the position of Strategy Director. Tom is well known on the Railway having been a member of the ICT team for many years and has just taken over as Head of ICT from Colin Stirling.

Simon Hanney who will be appointed as External Affairs Director. Currently living and working in Dorset, he has volunteered as a Guard on the Strathspey. He has extensive heritage railway experience having previously been the General Manager at the Epping and Ongar Railway and second in command on the Swanage Railway.

Gordon Kirk. In view of Gordon's invaluable contribution to the successful renaissance of the Railway we have decided that Gordon should join the Board and be given an upgrade to Managing Director.

Other members of the Board are:

Stephen Muirhead who retains his title of Safety and Standards Director

Brain Burgess who has been re-styled as SRC/SRA Interface Director. This is a critical role in helping to ensure that both entities are fully aligned and working together in the best interests of all stakeholders.

Aidan Bell will take up a new position of Director for Railway Operations and, along with Gordon, will be a key link between the Board and those responsible for delivering the successful operation we have today.

In my letter to Members, I referred to Bob Anderson's decision to step down as Finance Director at the conclusion of this meeting. I would like to reiterate my thanks for all his hard work over the past ten years.

Like all volunteers he has freely given of his time to manage the Railway's finances particularly during the difficult Covid years. I am very pleased that Bob has agreed to stay on to support Gordon in looking after the Railway's finances.

As previously advised, this is also Duncan Gilmour's last meeting as our Company Secretary although he, like Bob, has agreed to stay involved including in his case to complete number of outstanding restructuring projects designed to simplify the current corporate structure and safeguard the Railway's assets. As Company Secretary, Duncan has been the legal and administrative backbone of the Board for some eight years, providing solid guidance around difficult corporate, governance and indeed HR matters. I've said this before, but if it wasn't for Duncan's advice and interventions, particularly after the problems in 2023, the Railway would be in a very different place today. I am particularly grateful to Duncan for this and for his support over the last two challenging, but rewarding years.

Again, as already announced, we have been very lucky to secure Dave Wilson as Duncan's replacement.

Finally, you may have noticed that in my run through of the new Board I didn't mention the Chair. When I agreed to take over in early 2024, this was initially on an interim basis pending the restructure just announced. We were in a very difficult position at the end of 2023 but starting with the festive services that year and despite some very difficult challenges, we have implemented a series of changes and are now in an immeasurably better position than we were two years ago. Following the Scotsman incident which resulted in the RAIB commenting unfavourably on a number of aspects of our safety and operational management, the Board and staff led by Stephen Muirhead have made great strides in implementing the changes necessary to demonstrate that we are competent to run a heritage railway. As result of this and having a full time General Manager in charge of operations, we are now a much safer, happier and stronger railway than before. For me this culminated in the very safe and successful Gala organised in connection with the visit of the Rail 200 Inspiration Train and for which I can take absolutely no credit. With the new Board now largely in place this seems like the right time for me to step away and let a new Chair take the Railway forward to the next stage.

Rather than me or Gordon giving you a lengthy update on the Railway's operations over the past year and plans for the future, you will see that Gordon has prepared a very detailed report, copies of which are still available on the table by the door and will be issued later to those in the Company's Comms List.

Notwithstanding, I would like to point to a number of highlights and in particular the Gala. To quote from Gordon's email thanking everyone for their efforts in making this such a successful event:

"We sold almost 1,000 tickets and generated income of nearly £28,000. The Rail200 Inspiration Train had over 930 visitors. There was a tremendous "Buzz "around the Railway with a huge amount of interest and posts on social media. This highlighted the many exciting opportunities to see our fleet in action..."

Hopefully you have all been watching the Celebratory Traitors (More Traitors to come later in the year!) which I am told has a spectacular finale thanks to the Strathspey Railway and all those of our staff who helped the production team.

The hard work of all our staff, volunteers and employees, has again delivered a first in class service for our customers which I am sure will be the envy of many heritage railways. Even without our recent windfall, with the help of everyone, including the SRA, we are on track to again make a profit during what remains very challenging times for the heritage railway sector. So again, renewed thanks to everyone who has supported the Railway over the past year.

We must not forget how fortunate we are, not just financially, but in being recognised as a key tourist attraction in the Spey Valley – "The Home of Highland Steam".

Managing Director's Report from Gordon Kirk

2024-25 Festive Services

We ended last year well with our Santa Trains generating a profit before normal costs of over £90,000.

We reintroduced Mince pie specials seven days after Christmas and into January which were very successful.

Office of Road and Rail Regulator Inspection

Thanks, to a great deal of planning and preparation work done by many people on the railway, we had a successful inspection by the ORR on 10 and 11 March. This was a significant achievement.

2025 Season

We had 191 running days this season, which was an increase of 18 on last year.

We opened the season on the last weekend of March with a double header with both Ivatts, which generated a lot of interest. We ran full weeks over the Easter Holiday period and six days throughout July and August. All planned services were steam hauled this year. We added additional diesel services on weekends in July largely to provide driver training opportunities.

As crews continue to be a problem, we had to rely quite heavily on paid staff to cover fireman and even guard turns.

On 28 June we suffered major lineside fires which damaged several gardens on Kinchurdy Road and was a major incident for us. The impact was greatly enhanced because of the extremely and almost unheard-of dryness of the vegetation coupled with high winds which caused the fires to spread. This happened on the same day as the huge wildfires at Carrbridge and Dava Moor started. As a follow up to this we have invested heavily in additional fire management measures as this is a very critical issue and we cannot afford any major lineside fire incidents going forward.

Over the whole season, although generally standard services did fairly well, we were affected by the very good weather in the summer months and also having to use Diesels which are generally less popular. We also saw a significant drop in uptake of our catering service which I believe was affected by the economic climate plus, possibly, the weather.

Group Bookings were extremely healthy this year with over 9,000 passengers generating over £220,000.

Having successfully bid for a visit from the Rail 200 Inspiration train, we built a Rail 200 Celebration Event round this, with an intensive timetable showcasing all our locos and carriage stock with eight trains a day including double and triple headers, brake van, and drive for a fiver. This was a big success.

We have addressed some key points from the Santa Trains last year with the result that we will be running an Elf Express for 11 days this year including Christmas Eve.

The number of Scotsman visits increased to 53 this year giving us a healthy boost to income of over £150,000.

We had two filming dates for Traitors including the spectacular explosion in Celebrity Traitors together with a couple of smaller events all producing an additional income stream but perhaps even better, great publicity.

5060, the Officers' saloon and the 1936 RU were all refurbished and brought into service. We purchased a Mark1 Brake from NYRM allowing us to sell a Mark 2 CL which was not economic to repair. As a result, we currently have 12 running coaches and with the return of the LMS Brake from Lee Sharpe, this will give us a total of 13 operational coaches. During all our running days Nathan and his extremely small team kept everything going and we were able to run successfully with no cancellations and no major delays whilst all maintenance was carried out, a significant achievement. Refurbishment work was completed on the Class 37 diesel with a very smart repaint to finish it off. Progress has also been made on No 9, with a significant milestone of her now being back on her wheels.

