

WENSLEYDALE RAILWAY PLC
FINANCIAL STATEMENTS
31 MARCH 2023

WENSLEYDALE RAILWAY PLC

COMPANY INFORMATION

Directors	M D Cleaver (appointed 14 November 2022) S Davies A M Dudiak T L Larder R T Leathley (appointed 14 November 2022) C A Les R F Lord N Park (appointed 14 November 2022) J R Smithson (appointed 14 November 2022) D Walker T Williamson (appointed 8 August 2022) J D Loveridge (resigned 4 August 2022) M J Lynch (resigned 1 April 2022) C M Almond (resigned 20 November 2022) J R Crampton (resigned 15 October 2022) R J Holt (resigned 11 July 2022) A J Jones (resigned 11 July 2022) G J C Loveridge (resigned 4 August 2022)
Company secretary	P J C Smith
Registered number	04093919
Registered office	Leeming Bar Station Leases Road Leeming Bar Northallerton North Yorkshire DL7 9AR
Independent auditors	Armstrong Watson Audit Limited Chartered Accountants & Statutory Auditors Third Floor 10 South Parade Leeds LS1 5QS

WENSLEYDALE RAILWAY PLC

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WENSLEYDALE RAILWAY PLC

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Introduction

The directors present the strategic report for the year ended 31 March 2023.

Governance

This year, there has been a significant change in the way in which the Company has worked with the Wensleydale Railway Association (Trust) Ltd (referred in this report as "the Trust"), in order to become more efficient and to improve communications between the two Companies. There are now several Directors who are also Trustees of the Trust. An improvement in overall governance and management has been apparent.

There has been a substantial change in Directors over the past year. Guy Loveridge resigned as Chair and Director in August 2022 and Jim Loveridge Company Secretary on the same day. Cliff Almond, Janet Crampton, Andy Jones and Richard Holt resigned during the year for health and/ or business reasons. On 14 November 2022, Martin Cleaver, Richard Leathley, Nigel Park and John Smithson were coopted to the Board and, at the AGM, will be nominated for election. A new Chair has not been found; Carl Les has nobly taken the Chair for Board meetings but his role with the North Yorkshire Council means that he cannot take on the position of Chair of the Board.

The legal team of Wrigley's has served the Company well over the years but, with their full agreement, in order to save costs, the Board has appointed Phil Smith as a volunteer Company Secretary so that only where legal advice is needed will Wrigley's be employed. The other adviser to the Board who attends Board meetings is Teresa Chapman, Accounts Manager, who brings not only financial details, but also vital information about the day to day running of the commercial services. Another very important (and long serving) volunteer who supports the Board is Peter Harbord, the Company Registrar, who looks after all of the extensive administration involved with the 2,700 or so shareholders.

During the year, a decision was made to close down the two subsidiary companies- TWRC and WRC (P) - for which the Board is also responsible. These companies were essentially moribund and had conducted no business for several years and their closure will result in financial savings and a reduction of administration. The consultation and closure process took some time, but the final removal from the register of companies took place in May 2023.

WENSLEYDALE RAILWAY PLC

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Staffing

Regarding paid staff positions, we have not had a General Manager since Chris Williams left at the end of 2021, although Paul Sutherland" filled in" for 3 months or so. The breadth of this position is huge and four of the Directors have agreed to share the responsibilities voluntarily as a management team with their individual responsibilities as follows - Martin Cleaver (Finance and Polar), Terry Larder (Safety and Permanent Way), Nigel Park (Operations and Commercial) and Tim Williamson (Rolling Stock and Engineering). This has worked extremely well in this year and the Board as a whole is very grateful to these Directors for taking on their important responsibilities and the immense workload at no cost to the Company.

The Board has agreed that two suitably qualified persons should be employed as Permanent Way Manager and Operations Manager; these are difficult roles to fill, with personality and ability to lead and inspire volunteers equally important aspects and, so far, we have been unable to find suitable candidates for these positions. (It is hoped that a possible solution for the Permanent Way Manager will be explained at the AGM).

For most of the year, the Company runs with about 3 or 4 paid staff, with an extra guard and two extra young persons coming on board to assist during the summer. The Board wishes to thank Teresa Chapman (Accounts Manager), Jon Easton (Administration) and Rob Williamson (Operations and Rolling Stock) for their dedication and hard work throughout the year; also to others, paid and unpaid, who have given service, which has enabled Wensleydale Railway to have had, in the judgement of the Board, a successful year.

Much of the day-to-day work on the railway is carried out by volunteers; some of these devote a full-time commitment to this; others give a few hours or days. It is perhaps obvious, but nevertheless to be applauded and recognised, that the railway could not survive without their dedication. In common with many charities and not for profit organisations, Wensleydale Railway needs many more such people and it seems that they are increasingly hard to find! This means an even bigger reliance on the goodwill of both paid staff and current volunteers, who frequently have to step in to fill urgent slots. By doing so, occasions when services have not been able to run, or which have had to be reduced because of staff shortages, have been few and the Board wishes to acknowledge the immense dedication of all those who have given us a successful year.

The Board also wishes to acknowledge with thanks the work of the staff and volunteers of the Trust who also work for the benefit of the railway, whether through raising essential funds, finding volunteers or running community and educational events and projects.

WENSLEYDALE RAILWAY PLC

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Infrastructure

As is well known (but needs repeating!) the Wensleydale Railway is a long line - some 22 miles in all. This involves a huge and continuous effort to manage it and enable trains to run on it safely and economically and to comply with extremely strict national railway regulations.

We have two Permanent Way teams working on the line most weeks. The Vegetation team meets weekly, often splitting into two sub-teams. Ideally, there would be more teams and more days of such work and there is a constant effort to attract more volunteers for these teams. It also should be understood that the work these teams do takes place sometimes in very difficult conditions and in occasional appalling weather! They do well to keep up morale and even to (apparently) enjoy their work! Again, the Board wishes to thank all those involved.

Unfortunately, services are not yet returning to Redmire due to the state of the track. The appeal led by the Trust has raised over £50k for this and work has already started. It was partly delayed owing to the need to relay some 320 yards of track from Aiskew crossing to the A1 bridge; this was essential remedial work not covered by the appeal funds, but it was completed well below budget, with some scrap rail sales helping in this. The target for the return to Redmire project is to get at least halfway (to Wensley) during 2023 (the main work is for improved drainage and the replacement of about 85 sleepers); then to complete the work in 2024. However, availability of volunteers, weather and further funding will all have a part to play in realising that ambition.

We are indebted to Vince Middleborough, who is a Network Rail employee, who has voluntarily checked our infrastructure work on a regular basis. Also, to Ray Wilkinson, who has taken on the task of inspecting and reporting on footpaths and crossings over the line - well over 100 do so!

The over 4 miles of track which came from the closure of Eggborough Power Station has been delivered and we were delighted to be donated a further large stock of rail, sleepers, etc from SUEZ of Teesside. We have already lifted and transported 250 60-foot rails, plus chairs, etc and there is more which might be available. Our grateful thanks go to Neil Guest for bringing this fantastic agreement to fruition.

There are ongoing issues with the fencing of the track (as reported last year); Ray Wilkinson has been instrumental in representing the Company with the various landowners involved, many of whom have been responding positively to suggested solutions. However, much expensive work is still needed, and costs are rising rapidly.

Rolling Stock

The two Mark 1 coaches arrived on site during the early part of the financial year; an appeal was made to sponsor the new seats and the generosity of supporters was fantastic. All 96 seats were sponsored, and it is expected that the refurbished coaches will be ready for service during 2023 and that the sponsors will be invited to travel on them prior to them entering service.

One of our Pacer trains was sold to Sheffield University and another to Weardale Railway. The Sheffield Pacer was transformed by them into a very dramatic black and orange unit to use on a research project involving Wensleydale Railway to test and develop a method of removing the dreaded leaves on the line by using dry ice. This was a very worthwhile collaboration for us both financially and with the extensive publicity for the project, with it being featured extensively on BBC Look North and also via Channel 5 for a show to be aired shortly. The result is further projects with the University being planned, giving an additional welcome income stream. Our staff and volunteers worked hard on this project and should be congratulated.

Efforts have been made to remove a good number of coaches and other stock which are owned by others, creating some badly needed space.

The Bubble Car is about to resume operation after over 3 years under repair/ restoration. Testing and driver and guard training are underway.

Special thanks go to Christine Butterworth and Bob Coombs who, together with their colleagues, manage to keep on top of the cleaning of trains (also, Leeming Bar station house, mess room and toilets). This is another area where we would like to increase the number of volunteers, as the trains in particular are very difficult to clean.

WENSLEYDALE RAILWAY PLC

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Properties

Leeming Bar Station has undergone a major improvement, following the restoration by the Trust of the station house. Not before time, we now have excellent new toilets, the yard has undergone a huge tidy-up and, recently, collaboration between the Trust and the Company, helped by a grant from Tarmac Ltd and a very welcome legacy has enabled tarmac surfacing to the whole platform. The cost was £56k, split between the Trust, the Company and the grant, but we believe that it was money well spent. Particular thanks are due to Matt Jervis, who worked so hard to tidy the yard in time for the first model railway show in 2022. Information boards have been erected and platform lighting sympathetic to the history has been installed (thanks to Neil Guest). In addition, a mess room for staff and volunteers has been fitted out (attached to the engine shed), with a roaring fire when needed, toilet and hot drinks available, making this a welcome and much valued space. Recently, a station team has been established and they have greatly enhanced the appearance and general impression given to passengers. All of these have greatly improved the customer experience.

Bedale and Leyburn Stations are well supported by their station groups, for maintenance, fund raising and staffing on running days and both stations look welcoming and efficient. Bedale Station, as an interim station on the line, has little custom for the shop and tea room and attempts are being made to address this problem. At Leyburn, the planned footbridge has still not been installed due to tortuous negotiations with the Land Registry about the precise boundaries of the land.

Scruton Station had to be closed to passengers late in 2022 due to the wooden platform being too much of a slip hazard when wet; hard work by the minor works and the station teams, supported by funds from the Trust, rectified this issue in early 2023.

Finghall Station is having repair and restoration work done by a small volunteer team and has encouraged more use of the station, including the running of some craft workshops there.

Redmire Station is, of course, unused for passengers at present, but the car park has been used to store the donated rail and sleepers, as mentioned earlier. The car park has, however, been tidied up recently due to the filming of the ITV programme " Vera" at the station. Recent work by the Minor Works team has repaired the temporary shelter, which was unsightly and leaking.

The signal box intended for Constable Burton has been delivered and its erection is currently in progress. Thanks go to Bob Coombs who has kindly donated funds in memory of an uncle to provide two gates for Crakehall crossing, replacing four half gates which were in a poor state and very difficult to operate and control, especially in windy weather. The gates are currently nominated for a National Heritage Association award.

Finance

2022/23 was another tough year financially, although we did not have to draw down income from the season's Polar Express until October and the event itself was the most successful to date, with over 60,000 passengers and an income for the railway of around £250,000. It should be noted (and applauded) that Tim Williamson and Nigel Park worked every one of the shifts over the six weeks. Others also worked extremely hard to ensure the success of this event, which is crucial to ensure our financial stability. The Company was still in credit at the end of the financial year, with the best bank account balance for years, or possibly ever! Loans have been cleared and budgets are now produced (and adhered to) for major works. We manage with an overdraft facility of £28,500, which is an incredible feat considering the current financial climate!

We are working with new auditors this year and the change has required huge effort (from Teresa Chapman particularly) as they have demanded full stock valuations of all in the railway's ownership- buildings, rolling stock, contents of stores, etc in addition to very detailed financial information. However, it is very pleasing to note that the report from the auditors not only accepts the accounts as correct, but also does not contain the usual warning about the financial state of the Company. Fingers crossed!

WENSLEYDALE RAILWAY PLC

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Operations and Events

The railway has returned to full operations following the covid pandemic, with the pattern of operating days similar in 2022 and 2023. However, the volunteer numbers have not returned and there have been a few days having to be cancelled; only a few but something to be avoided because of the poor resulting publicity. In particular, we need more guards, drivers, level crossing operators and, vitally, a few more persons to qualify as Responsible Officer, where we are exposed by relying so heavily on one or two persons. It may be necessary to modify the planned programme for 2024 to take account of this shortage.

The overall policy of fewer regular running days and more events has been successful financially. Passenger numbers overall have increased slightly from 2022 and are similar to pre covid seasons. The afternoon tea trains did very well in 2022 and have been enhanced in quality for 2023. Mo Park and her on board catering team deserve our thanks for the success of these. Introduced for the first time in 2023, the fish and chip trains have been a great success, with full bookings for the rest of the year and we will certainly try to increase the number in future. Martin Cleaver and his wife, Sheila, have been instrumental in planning and organising these. Collaboration with a local gin distillery business has resulted in successful gin trains. All of these use some of the coaches on regular service train timetables, using the loco hauled Mark 2 stock. Special events in both 2022 and 2023 include the model railway weekend, this year combined with an open day for Leeming Bar Station, and which was again a tremendous success; thanks in particular go to Terry Larder and the Trust for organising this. Also, the charity jazz train (which also brings income to us) in support of McMillan Nurses.

Driver Experience has been run regularly on a Thursday, to great success this year and we have had tremendously good feedback from those taking part.

A number of other new "events" during 2023 include filming for a new TV episode of " Vera" and a filmed visit by Michael Portillo; both have and will achieve good publicity as well as income for the railway.

The Future (including risks and uncertainties)

Polar Express is at maximum number of passengers and operational days now and there are a number of changes ahead to ensure that the product continues to be attractive. More downtime for the actors between trains and better welfare arrangements are being proposed to give some leeway should there be any problems (only one day was partially lost last year due to broadcast sound failures - the responsibility of PNP). There will be more competition next year, as the Embsay Railway are also to run this event, but our sales are already at 65% capacity and we need to make the customer experience so good that customers choose us again next year! The risks, though, are reliability on the one steam engine, the small number of qualified Responsible Officers (essential for all services) and, of course, possible weather effects.

Future planned developments for the service season include improvement of buffet facilities at Leeming Bar as, currently, it is only possible to offer hot and cold drinks and simple snacks, with no shop space for retail items. However, the main aim is the return to Redmire, which is dependent upon, not only sufficient finance, but the availability of enough volunteers and, of course, the weather.

WENSLEYDALE RAILWAY PLC

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Overall, the Company is in a good position financially, especially compared to previous years, but the risks of major incidents, such as land slips or infrastructure failures such as bridges and level crossings leave no room for complacency. The biggest single threat currently, however, is shortage of people - paid staff and volunteers. Those we have (and have had) deserve the grateful thanks of all who support Wensleydale Railway

This report was approved by the board and signed on its behalf.



.....
C A Les
Director

Date:

WENSLEYDALE RAILWAY PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors present their report and the financial statements for the year ended 31 March 2023.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to 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.

Results and dividends

The profit for the year, after taxation, amounted to £795,639 (2022 - loss £21,887).

Directors

The directors who served during the year were:

M D Cleaver (appointed 14 November 2022)
S Davies
A M Dudiak
T L Larder
R T Leathley (appointed 14 November 2022)
C A Les
R F Lord
N Park (appointed 14 November 2022)
J R Smithson (appointed 14 November 2022)
D Walker
T Williamson (appointed 8 August 2022)
J D Loveridge (resigned 4 August 2022)
M J Lynch (resigned 1 April 2022)
C M Almond (resigned 20 November 2022)
J R Crampton (resigned 15 October 2022)
R J Holt (resigned 11 July 2022)
A J Jones (resigned 11 July 2022)
G J C Loveridge (resigned 4 August 2022)

WENSLEYDALE RAILWAY PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WENSLEYDALE RAILWAY PLC

Opinion

We have audited the financial statements of Wensleydale Railway plc (the 'Company') for the year ended 31 March 2023, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity 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 Financial Reporting Standard 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 Company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

WENSLEYDALE RAILWAY PLC

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Future developments

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

Matters covered in the Strategic report

In accordance with section 414C(11) of the Companies Am 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.

Approval of reduced disclosures

The company, as a qualifying entity, has taken advantage, in respect of its separate financial statements, of the disclosure exemptions in FRS 102 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 2023.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This report was approved by the board and signed on its behalf.



.....
C A Les
Director

Date:

WENSLEYDALE RAILWAY PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WENSLEYDALE RAILWAY PLC (CONTINUED)

Opinion 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 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 7, 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 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 Company or to cease operations, or have no realistic alternative but to do so.

WENSLEYDALE RAILWAY PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WENSLEYDALE RAILWAY PLC (CONTINUED)

Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

-We obtained an understanding of laws and regulations that affect the company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the UK Companies Act, tax legislation and occupational health and employment legislation, Railways and Other Guided Transport Systems (Safety) Regulations 2006 (as amended) (ROGS), Transport and Works Act Orders, Light Railway Act Orders and private Acts of Parliament, Train Driving Licences and Certificates Regulations 2010, The Rail Vehicle Accessibility (Non-Interoperable Rail System) Regulations 2010, The Railway Safety (Miscellaneous Provisions) Regulations 1997, The Railway Safety Regulations 1999 (RSR 99), The Health and Safety (Enforcing Authority for Railways and Other Guided Transport Systems) Regulations 2006 (as amended) ("EARR").

-We enquired of the directors and reviewed correspondence for evidence of non compliance with relevant laws and regulations. We also reviewed controls the directors have in place to ensure compliance.

-We gained an understanding of the controls that the directors have in place to prevent and detect fraud. We enquired of the trustees about any incidences of fraud that had taken place during the accounting period.

-The risk of fraud and non compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: management override, bias and intervention, and revenue recognition focused on cut off where transactions may be recognised in the wrong year.

-We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.

-We enquired of the directors and third party advisors about actual and potential litigation and claims.

-We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.

-In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.


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 Auditors' report.

WENSLEYDALE RAILWAY PLC

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WENSLEYDALE RAILWAY PLC
(CONTINUED)**

Use of our 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 Auditors' 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.



Armstrong Watson Audit Limited

Chartered Accountants
Statutory Auditors

Third Floor
10 South Parade
Leeds
LS1 5QS

Date: 8 - September - 2023

WENSLEYDALE RAILWAY PLC

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Turnover	528,405	595,684
Cost of sales	(150,417)	(285,312)
Gross profit	377,988	310,372
Administrative expenses	(343,299)	(406,687)
Other operating income	413,570	74,920
Operating profit/(loss)	448,259	(21,395)
Interest receivable and similar income	-	1
Interest payable and similar expenses	(1,019)	(493)
Profit/(loss) before tax	447,240	(21,887)
Tax on profit/(loss)	348,399	-
Profit/(loss) for the financial year	795,639	(21,887)
Unrealised surplus on revaluation of tangible fixed assets	780,178	-
Other comprehensive income for the year	780,178	-

The notes on pages 17 to 33 form part of these financial statements.

The profit and loss account has been prepared on the basis that all of operations are continuing operations.

WENSLEYDALE RAILWAY PLC
REGISTERED NUMBER: 04093919

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	1,957,378	1,212,922
Investments	14	-	2
		1,957,378	1,212,924
Current assets			
Stocks	15	30,200	28,348
Debtors: amounts falling due within one year	16	364,917	63,875
Cash at bank and in hand	17	100,734	10,225
		495,851	102,448
Creditors: amounts falling due within one year	18	(130,908)	(294,662)
Net current assets/(liabilities)		364,943	(192,214)
Total assets less current liabilities		2,322,321	1,020,710
Creditors: amounts falling due after more than one year	19	(194,660)	(470,266)
Net assets		2,127,661	550,444
Capital and reserves			
Called up share capital	21	2,699,682	2,698,282
Revaluation reserve		780,178	-
Profit and loss account		(1,352,199)	(2,147,838)
		2,127,661	550,444

The Company's 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 board and were signed on its behalf by:

.....
C A Les
 Director

Date:

The notes on pages 17 to 33 form part of these financial statements.

WENSLEYDALE RAILWAY PLC

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 April 2021	2,696,682	-	(2,125,951)	570,731
Loss for the year	-	-	(21,887)	(21,887)
Total comprehensive income for the year	-	-	(21,887)	(21,887)
Shares issued during the year	1,600	-	-	1,600
At 1 April 2022	2,698,282	-	(2,147,838)	550,444
Profit for the year	-	-	795,639	795,639
Surplus on revaluation of other fixed assets	-	780,178	-	780,178
Total comprehensive income for the year	-	780,178	795,639	1,575,817
Contributions by and distributions to owners				
Shares issued during the year	1,400	-	-	1,400
At 31 March 2023	2,699,682	780,178	(1,352,199)	2,127,661

The notes on pages 17 to 33 form part of these financial statements.

WENSLEYDALE RAILWAY PLC

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
Cash flows from operating activities		
Profit/(loss) for the financial year	795,639	(21,887)
Adjustments for:		
Depreciation of tangible assets	38,549	46,907
Loss on disposal of tangible assets	(6,250)	(3,535)
Interest paid	(1,019)	(493)
Interest received	-	(1)
Taxation charge	(348,399)	-
(Increase) in stocks	(1,852)	(14,389)
Decrease in debtors	47,357	6,843
(Decrease)/increase in creditors	(442,185)	191,260
Finance cost	1,019	493
Net cash generated from operating activities	82,859	205,198
Cash flows from investing activities		
Purchase of tangible fixed assets	-	(232,184)
Sale of tangible fixed assets	6,250	5,000
Interest received	-	1
Net cash from investing activities	6,250	(227,183)
Cash flows from financing activities		
Proceeds from issue of shares	1,400	1,600
Net cash used in financing activities	1,400	1,600
Net increase/(decrease) in cash and cash equivalents	90,509	(20,385)
Cash and cash equivalents at beginning of year	10,225	30,610
Cash and cash equivalents at the end of year	100,734	10,225
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	100,734	10,225
	100,734	10,225

The notes on pages 17 to 33 form part of these financial statements.

WENSLEYDALE RAILWAY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Wensleydale Railway plc is a private company limited by shares incorporated in England and Wales. The registered office is Leeming Bar Station, Leases Road, Leeming Bar, Northallerton, North Yorkshire, DL7 9AR.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

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

The company is exempted from preparing consolidated financial statements as per sections 405 (2) of the Companies Act 2006 and paragraph 9.9A of FRS 102 in that inclusion of all its subsidiaries is immaterial as both are dormant

The following principal accounting policies have been applied:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.2 Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future but the directors are aware of significant material uncertainties which may cast doubt on the company's ability to continue as a going concern.

In order to prepare the financial statements on the going concern basis, the directors have completed detailed financial projections set out in their Business Plan which take account of the following:

- normal operating conditions;
- risks to operating income;
- "do minimum" expenditure plans;
- continuing grants and donations from fundraising appeals for infrastructure works; and
- costed known variable factors which have affected the forecast in the past and likely to continue to have an impact.

However, the ongoing impact of visitor numbers and maintenance schedules is making the forecasting very challenging resulting in several possible outcomes. The directors have prepared a Business Plan but acknowledge that it is impossible to predict the effect of reduced visitor numbers, scarcity of volunteers and fuel costs. The directors are meeting maintenance objectives to ensure the income stream can be secured.

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 full passenger operations, a range of exciting visitor experiences and delivery of Polar Express. Historically, appeals made by the Trust to support infrastructure work have been well subscribed and this has continued to be the case during the pandemic.

Finally, the grants from the National Lottery Heritage Fund ("NLHF") have been vital and the NLIIFS review of the Board's Business Plan, prepared in accordance with HM Treasury's "Guide to Developing the Project Business Case" supportive.

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

WENSLEYDALE RAILWAY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sales of goods

Income in the shops and within coaches during events are recognised at the point of sale, whereby ownership of the goods having physically been transferred to the customer at a predetermined price paid at the tills.

Rendering of services

Income for event ticket sales are recognised upon attendance on the day of the event. This is due the payment for the event occurring in advance, of the company delivering the service, in turn resulting in deferred income being generated but release upon attendance of the event.

Grants awarded to fund revenue expenditure are recognised in 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 deprecating the fixed assets they funded.

2.4 Operating leases: the Company as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Rental income from operating leases is recognized on a straight line basis over the term of the relevant lease.

2.5 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

WENSLEYDALE RAILWAY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold land and buildings	- 2% straight line
Plant and equipment	- 25% straight line and 10% reducing balance
Office equipment	- 25% straight line
Track & rail infrastructure	- 2% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.7 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at fair value.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

2.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The railway has historically operated at a loss so has been reliant on the support of the Wensleydale Railway Association (Trust) Limited and the general public for grants and donations to assist with funding infrastructure works to maintain the railway line to the required standard to operate passenger services. Therefore, the sustainability of the business may be in doubt and the annual impairment review has identified these factors as significant risks.

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 £1,342,164, office equipment at £70,524 and plant and equipment at £294,690. 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 freehold land and buildings may also be less than its value as carried on the balance sheet of £250,000 as the buildings may have limited alternative uses or may need modifying to be used for another purpose.

WENSLEYDALE RAILWAY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.9 Revaluation of tangible fixed assets

Individual freehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values of freehold, plant and machinery and office equipment are determined from market based evidence normally undertaken by professionally qualified valuers. Track and rail infrastructure have been determined by management by reviewing the market for replacement costs and recent costs of acquisitions, management are also well experienced to ensure the most appropriate value has been determined.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.11 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues of FRS 102 to all of its financial instruments.

Financial Instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

WENSLEYDALE RAILWAY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.14 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

WENSLEYDALE RAILWAY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements, in conformity with FRS102, requires management to make judgments, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, and associated assumptions, are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period, or in the period of the revision and future periods if the revision effects both current and future periods.

The Directors consider that the key judgments and sources of estimation made in preparation of the financial statements are:

1) The level of uncertainty within the financial statements with regards to the carrying value of tangible fixed assets. During the year all of the tangible fixed assets had been either value by an external expert valuer or by management, who have extensive experience in the industry. The related increase in value has been booked as an uplift to fixed assets with the related gain/loss being taken direct to reserves. In doing so the directors assessed the carrying value of assets have either been below the value deemed appropriate by the market and potential buyers, or in line with market expectations. The Directors have not identified any reasons for there to be a further impairment in the current year.

2) The level of uncertainty within the financial statements with regards to the carrying value of deferred capital grants. Following the review of its tangible fixed assets, the deferred capital grants have been appropriately adjusted to ensure it is in line with the assets still in use, with the residual released to other income.

4. Turnover

An analysis of turnover by class of business is as follows:

	2023 £	2022 £
Railway operations	515,640	308,892
Retail operations	12,210	11,753
Sponsorships	554	235,411
Other trading income	-	39,628
	<u>528,404</u>	<u>595,684</u>

All turnover arose within the United Kingdom.

WENSLEYDALE RAILWAY PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. Operating profit

	2023	2022
	£	£
Operating profit/(loss) for the year is stated after charging/(crediting):		
Government grants	-	(27,669)
Depreciation of owned tangible fixed assets	37,494	46,907
(Profit)/loss on disposal of tangible fixed assets	-	(3,535)
Operating lease charges	13,042	20,395
	<u><u> </u></u>	<u><u> </u></u>

6. Other operating income

	2023	2022
	£	£
Rent received	36,344	36,603
Donations	52,614	2,106
Sponsors	35,524	-
Capital grants	281,673	18,969
Other grants	7,423	17,423
	<u><u>413,578</u></u>	<u><u>75,101</u></u>

In the year the directors (in line with the company's accounting policy) assessed whether for each grant deferred on the balance sheet they had fulfilled their contractual obligations (e.g. acquired capital items and fully depreciated them or completed revenue projects). This resulted in the release of £281,673 of historic deferred grants to the profit and loss account in the year (creating a gain). The directors consider this not to be an adjustment to prior period results as the release reflects a judgement and estimate and as based upon more up to date information being available post the pandemic, and not an error in prior periods.

WENSLEYDALE RAILWAY PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. Auditors' remuneration

During the year, the Company obtained the following services from the Company's auditors:

	2023	2022
	£	£
Fees payable to the Company's auditors for the audit of the Company's financial statements	10,000	8,500
	<hr/>	<hr/>
For other services		
Taxation compliance services	1,000	500
All other non-audit services	1,000	1,500
	<hr/>	<hr/>
	2,000	2,000
	<hr/> <hr/>	<hr/> <hr/>

8. Employees

	2023	2022
	£	£
Wages and salaries	133,034	173,266
Social security costs	10,668	9,605
Cost of defined contribution scheme	2,449	2,146
	<hr/>	<hr/>
	146,151	185,017
	<hr/> <hr/>	<hr/> <hr/>

The average monthly number of employees, including the directors, during the year was as follows:

	2023	2022
	No.	No.
Railway operations and maintenance staff	5	5
Management and administration	2	2
	<hr/>	<hr/>
	7	7
	<hr/> <hr/>	<hr/> <hr/>

9. Directors' remuneration

	2023	2022
	£	£
Remuneration for qualifying services	-	5,500
	<hr/>	<hr/>
	-	5,500
	<hr/> <hr/>	<hr/> <hr/>

WENSLEYDALE RAILWAY PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Interest receivable

	2023	2022
	£	£
Other interest receivable	-	1
	<u>-</u>	<u>1</u>
	<u><u>-</u></u>	<u><u>1</u></u>

11. Interest payable and similar expenses

	2023	2022
	£	£
Interest on bank overdrafts and loans	1,019	143
Other interest	-	350
	<u>1,019</u>	<u>493</u>
	<u><u>1,019</u></u>	<u><u>493</u></u>

12. Taxation

	2023	2022
	£	£
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	(348,399)	-
Total deferred tax	<u>(348,399)</u>	<u>-</u>
Tax on profit/(loss)	<u>(348,399)</u>	<u>-</u>

WENSLEYDALE RAILWAY PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2022 - *the same as*) the standard rate of corporation tax in the UK of 19% (2022 - 19%) as set out below:

	2023	2022
	£	£
Profit/(loss) on ordinary activities before tax	447,240	(21,887)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	84,976	(4,159)
Effects of:		
Tax effect of expenses that are not deductible in determining taxable profit	-	1,070
Fixed asset differences	16,585	-
Remeasurement of deferred tax for changes in tax rates	32,072	-
Movement in deferred tax not recognised	(482,032)	-
Tax effect of income not taxable in determining taxable profit	-	(233)
Unutilised tax losses carried forward	-	103,988
Effect of change in corporation tax rate	-	(100,666)
Total tax charge for the year	(348,399)	-

WENSLEYDALE RAILWAY PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Tangible fixed assets

	Freehold property £	Plant and machinery £	Office equipment £	Track & rail infrastructure £	Total £
Cost or valuation					
At 1 April 2022	361,787	508,819	-	883,176	1,753,782
Revaluations	(3,085)	11,628	70,524	701,111	780,178
At 31 March 2023	<u>358,702</u>	<u>520,447</u>	<u>70,524</u>	<u>1,584,287</u>	<u>2,533,960</u>
Depreciation					
At 1 April 2022	103,563	209,984	-	227,313	540,860
Charge for the year on owned assets	5,139	15,773	-	14,810	35,722
At 31 March 2023	<u>108,702</u>	<u>225,757</u>	<u>-</u>	<u>242,123</u>	<u>576,582</u>
Net book value					
At 31 March 2023	<u>250,000</u>	<u>294,690</u>	<u>70,524</u>	<u>1,342,164</u>	<u>1,957,378</u>
At 31 March 2022	<u>258,224</u>	<u>298,835</u>	<u>-</u>	<u>655,863</u>	<u>1,212,922</u>

During the year the Company obtained a valuations of Freehold Property from youngs RPS, and Plant and Machinery and Office Equipment from RAIS, that have valued the property held at £250,000, plant and machinery held at £294,690 and office equipment held at £70,524. The related increase in value has been booked as an uplift to fixed assets with the related gain being taken direct to reserves.

During the year management completed an exercise that confirmed the existence of all Track and rail infrastructure. This process included the directors assessing the value of residual assets through both experience and consideration of available market values for identified assets. This review identified an increase in value of assets of £701,111. This has been recognised in the year.

Cost or valuation at 31 March 2023 is as follows:

	Land and buildings £	Plant and machinery £	Furniture, fittings and equipment £	Tracks & rail infrastructure £
At cost	361,787	508,819	-	883,176
At valuation: 31/03/2023	(3,085)	11,629	70,524	701,111
	<u>358,702</u>	<u>520,448</u>	<u>70,524</u>	<u>1,584,287</u>

WENSLEYDALE RAILWAY PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Tangible fixed assets (continued)

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2023	2022
	£	£
Cost	361,787	361,787
Accumulated depreciation	(108,702)	(103,563)
Net book value	253,085	258,224

If the plant and machinery had not been included at valuation they would have been included under the historical cost convention as follows:

	2023	2022
	£	£
Cost	508,819	508,819
Accumulated depreciation	(225,757)	(209,984)
Net book value	283,062	298,835

If the Tracks & rail infrastructure had not been included at valuation they would have been included under the historical cost convention as follows:

	2023	2022
	£	£
Cost	883,176	883,176
Accumulated depreciation	242,123	(227,313)
Net book value	1,125,299	655,863

WENSLEYDALE RAILWAY PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Fixed asset investments

	Unlisted investments £
At 1 April 2022	2
Amounts written off	(2)
At 31 March 2023	-
Net book value	
At 31 March 2023	-
At 31 March 2022	2

15. Stocks

	2023 £	2022 £
Consumables	26,925	25,028
Goods for resale	3,275	3,320
	30,200	28,348

16. Debtors

	2023 £	2022 £
Trade debtors	694	46,333
Prepayments and accrued income	15,824	17,542
Deferred taxation	348,399	-
	364,917	63,875

17. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	100,734	10,225
	100,734	10,225

WENSLEYDALE RAILWAY PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	6,947	123,862
Amounts owed to group undertakings	-	2
Other taxation and social security	30,998	9,593
Other creditors	18,951	34,357
Accruals and deferred income	74,012	126,848
	130,908	294,662
	130,908	294,662

19. Creditors: Amounts falling due after more than one year

	2023	2022
	£	£
Other creditors	-	4,550
Accruals and deferred income	194,660	465,716
	194,660	470,266
	194,660	470,266

20. Deferred taxation

	2023
	£
Charged to profit or loss	348,399
At end of year	348,399
	348,399

The deferred tax asset is made up as follows:

	2023	2022
	£	£
Accelerated capital allowances	(87,601)	(137,373)
Tax losses utilised	436,000	137,300
Retirement benefit obligations	-	73
	348,399	-
	348,399	-

WENSLEYDALE RAILWAY PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

21. Share capital

	2023	2022
	£	£
Allotted, called up and fully paid		
2,699,682 (2022 - 2,698,282) Ordinary share capital shares of £1.00 each	2,699,682	2,698,282
	<u><u>2,699,682</u></u>	<u><u>2,698,282</u></u>

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.

During the year, 1,400 new ordinary share of £1 each were issued at par (2022 – 1,600).

22. Reserves

Revaluation reserve

This reserve includes all the fair value gains and losses arising from the revaluation of the company's tangible fixed assets.

Profit and loss account

The 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.

23. Pension commitments

The company operates a defined contribution pension scheme for all qualifying employees. The amount charged to profit or loss in respect of defined contribution schemes is £2,450 (2022 - £2,146). The assets of the scheme are held separately from those of the company in an independently administered fund.

24. Commitments under operating leases

At 31 March 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023	2022
	£	£
Not later than 1 year	20,084	20,084
Later than 1 year and not later than 5 years	80,337	80,337
Later than 5 years	1,487,324	1,507,408
	<u><u>1,587,745</u></u>	<u><u>1,607,829</u></u>

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

25. Related party transactions

The Company has taken advantage of the exemption in Section 33 "Related Party Disclosures" from disclosing transactions with other members of the group, as permitted by FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

WENSLEYDALE RAILWAY PLC

**NOTES TO THE FINANCIAL STATEMENTS
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26. Controlling party

Ultimate control parties are the shareholders, however there is no individual ultimate controlling party by virtue of no significant shareholding by any one entity or person's.