

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
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SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2020**

Trustees	J Leftwich (deceased 28 April 2020) D E Mead N C Paul (CBE) D C Williams P B Copsey R Treverton-Jones A D Owen (OBE) P C Fathers L M Shoaf (appointed 30 March 2020)
Company registered number	04341280
Charity registered number	1092723
Registered office	Number One Comberton Place Kidderminster Worcestershire DY10 1QR
Company secretary	P B Copsey
Independent auditor	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
Bankers	HSBC Bank Plc 31 Church Street Kidderminster Worcestershire DY10 1QR
Senior Management Team	Shelagh Paterson - Director of Development

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
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**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020**

The chairman presents his statement for the year.

We are delighted to report for the financial year ending 30 June 2020 the Trust raised £1,342,562, which was £501,815 higher than budgeted. Fundraising expenditure was £191,022, £17,589 lower than budgeted, giving us a return on investment of 6.0. The main factor for the significant increase in fundraising income was the substantial level of legacy income we received, and the Trustees give their heartfelt thanks to our donors who have sadly passed away, and who chose to leave their final and lasting donation in their Will to sustain the future of the Railway.

In addition, we were extremely fortunate to receive a tremendously high level of donations from supporters who gave to our emergency Fight Back Fund appeal, launched in March 2020, following lockdown and the closure of the Railway due to the Covid-19 pandemic.

The Railway suffered greatly in the last six months of the financial year. At the start of the 2020 season, the line was only partly open, with Kidderminster closed, and trains starting from Bewdley, whilst essential restoration work took place at Falling Sands Viaduct. Some 70% of our passengers would normally start their day out from Kidderminster, and the Railway therefore experienced a drop in passengers due to the closure of the station, which was further compounded following the floods from Storm Dennis and the greatly reduced access to Bewdley town and Bewdley Station. Just as the floods receded, we were hit with closure due to Covid-19 as the nation went into lockdown.

Heritage railways were one of the last sectors to receive government green light to re-open, and it was not until August 1st 2020 that the Railway opened, running a reduced service and greatly reduced passenger numbers to ensure we adhered to social distancing. The Railway is extremely fortunate to have three sets of compartment trains and hence we were able to offer our visitors their own compartment for up to a family of six; having the heritage isolation pod ensured passenger safety and enjoyment, with mask-free journeys in their allocated compartment.

With operations closed, and no income being generated from running trains or engineering works, the three organisations quickly worked together, forming a Gold Command team of non-executive directors from the three SVR boards along with senior executives. The outcome of the three companies working in a rapid and united form enabled the SVR to: -

- Launch the Fight Back Fund emergency appeal, raising £895,090 in just over three months.
- Secure a £1.5 million loan for SVR Holdings from the government-backed Coronavirus Business Interruption Loan Scheme.
- Secure a £250,000 Heritage Emergency Grant for SVR Holding's from the National Lottery Heritage Fund.
- Continue with the restoration of Falling Sands Viaduct funded by the Trust and the National Lottery Heritage Fund. Phase 1 dealing with drainage was completed in March 2020.
- Furlough some of the Trust's staff and the bulk of SVR Holdings employees.
- Obtain a business rates holiday for SVR Holdings.
- Defer PAYE and National Insurance payments
- Enhance communications to staff, volunteers, shareholders, members, and donors.
- Develop new safety and operating procedures and timetable to comply with social distancing rules.

Because of the successes highlighted above, we did not have to seek permission from the National Lottery Heritage Fund to draw down income from the Trust's Future Fund Investment, safeguarding this vital income for the future growth and sustainability of the SVR.

Plans to launch an appeal for the much-needed replacement of the roof for the locomotive shed at Bridgnorth and an overhead crane came to an abrupt halt, along with our plans to further engage our high-value donors. These two crucial activities will recommence in the next financial year.

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CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020

The planned priorities pre Covid-19 are highlighted below: -

Charitable Activities

Deliver Phase 1 of the £1.25 million project to restore the Falling Sands Viaduct to time and budget and as part of the project, work with volunteers and apprentices to tell the stories of those who designed and built the railway and develop a range of accessible interpretation and activities to share these stories with our local community and visitors to the Severn Valley Railway.

Project-manage the delivery to time and budget of the complete overhaul of locomotive 4930 Hagley Hall and associated interpretation of the locomotive's history and its restoration.

Fundraising

Increase unrestricted income, through regular gifts from existing donors, shareholders and members.

Build stronger cases for support (rational and impacts) for projects requiring funding to secure more restricted funding through grants.

Promote the benefits of leaving a legacy to the Railway, and the impact of this way of giving, including invitations to visit and see the effect previous legacy donations have had on the Railway's sustainability.

Donor management and engagement

Improve retention of existing donors through enhanced communications. Work with existing high-value donors to ensure they are aware of the impact of their donations, including VIP visits to the Railway.

Ensure donor details and Gift Aid declarations are up to date and captured on the Trust's CRM database.

Administration

Launch new accounting, reporting and financial management and data management systems.

Governance

Review policies for the Trust, specifically our grant-making process and our governance and management.

Fundraising Summary

Donations in Wills & Commemorative plans

Legacies Pledged (Guardians)

It was a strong year for recruiting new Guardians (supporters planning on leaving a gift in their Will to the SVR Charitable Trust). 24 individuals or couples confirmed their intention to leave a gift to the SVR. Due to Covid-19 we were unable to hold our annual Legacy thank-you event, however one to one tours were carried out earlier in the year.

Thanks to the generosity of our Guardians, we received £469,491 in legacy income, which provided some 35% of the total fundraising income. This income funded essential engineering and infrastructure projects following the Covid-19 pandemic.

Our thoughts are with the families and loved ones of those who have left legacies to the Charitable Trust, we are very extremely grateful for their kind donations.

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CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020

Dorothy June Round
Ernest Herbert Downs
Ian William Pamphilon
Joe Crocket
John Anthony Tooth
John Spencer
Leslie Bishop
Max Bowker
Nadia Mary Dunning
Neil Haynes
Norman Edward Alan Preedy
Peter Jeremy Lambert Morgan
Richard Brian Dimmock
Robert John Lovegrove
Roy Denison
William Frazer Dukes

We wish to thank volunteer Michael Howard who continued to successfully manage the administration of legacies, working closely with solicitors and family members.

The Commemorative garden at the Engine House Visitor Centre at Highley and an indoor Commemorative area were created to reflect and recognise individuals who have financially supported the Railway and / or volunteered.

Appeals and single gifts

We had planned to launch a £250,000 appeal for a much-needed new roof at Bridgnorth Motive Power Depot, along with a 10-tonne overhead travelling crane, however, with the closure of the Railway and a lack of income from passengers we diverted the focus and launched the emergency Fight Back Fund in March 2020. At a time of national emergency and widespread sorrow, it was uncomfortable asking for help, but our need was significant. Grant-making bodies and donors gave generously and we were overwhelmed with the level of support we received.

Some 4,000 people donated or purchased shares in SVR Holdings plc and at 30 June SVR had raised net £895,450. in total: £167,977 in donations to the Trust, £339,706 donations directly to SVR Holdings, and £387,767 in SVR Holdings shares.

Regular Gifts

The regular giving appeal earlier in the year was hugely successful, resulting in a 30% increase in the number of people choosing to give a monthly donation.

Falling Sands Viaduct Donation Wall

Just under 3,000 individuals, grant-making bodies, companies, groups, and clubs donated £50 or more each to see their name on the SVR's first ever donation wall, situated at The Engine House Visitor Centre, Highley. This was installed and ready to view in September 2019.

Grants

We did not have a Trust fundraiser in post until December 2019, and this had a significant impact on the number of grant-making bodies we were able to approach in the year. Following the UK lock-down from Covid-19, many of the small to medium trusts who would normally fund our work, redirected their support to charities providing front line services to assist in the pandemic.

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FOR THE YEAR ENDED 30 JUNE 2020

We did however receive funding from 16 grant-making bodies, totalling £471,757. Of this total £360,057 was from The National Lottery Heritage Fund for the Falling Sands Viaduct restoration and interpretation project.

In June 2020, we assisted SVR Holdings in applying for a £250,000 Heritage Emergency Fund grant from the National Lottery Heritage Fund and were informed of our success on the 7 July 2020.

We give thanks to the grant-making bodies who supported us during the year: -

Baron Davenport's Charity
Bransford Trust
Geoff Hill Charitable Trust
Grantham York Trust
Langdale Trust
National Lottery Heritage Fund
The Ian Addison Charitable Foundation
The Finnis Scott Foundation
The George Cadbury Fund
The Grimmitt Trust
The Owen Family Trust
The People's Postcode Lottery
The Pilgrim Trust
The Roger and Douglas Turner Charitable Trust
The Uncle Bill Trust
William A Cadbury Charitable Trust
Wyre Forest District Council

Companies and groups

We were unable to progress our corporate fundraising plan due to limited resources, the Railway being closed until 1 August 2020 and the required social distancing rules. We did however receive support from the 12 organisations listed below.

Allelys Heavy Haulage
Bewdley Brewery Ltd
Callow Oils
Coalyard Miniature Railway
Higgs & Sons
Hotelshopuk Ltd
MFG Solicitors
Nock Deighton
TXM Plant
Walsh Construction

Strategic planning

You may be aware the SVR consists of three independent organisations: SVRCT, SVRG and SVRH, plus many rolling stock owning groups. It is vital for the future success of the SVR that they exchange ideas and information to enable effective decision-making for the benefit of the whole Railway. This has led to the creation of a Tripartite Working Group of the three organisations that is working on a new strategy for the SVR in 2020/2021 and to agree capital expenditure plans. A Memorandum of Understanding to clarify and focus the roles and responsibilities of the three organisations has been ratified by the Trust Board.

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CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020

Administration, finance & governance

The Trustees mourned the loss of our fellow-trustee John Leftwich, who sadly died in April 2020. John was instrumental in widening the remit of the Trust and securing over £5 million since the creation of the SVR Charitable Trust. John will be greatly missed by me, and all who knew him. Whilst I had been acting Chairman for the previous 12 months, I was approached by my fellow trustees to become Chairman in June 2020, which was unanimously approved by the Board.

I am delighted to report that Laura Shoaf (Managing Director, Transport for West Midlands) joined the Board in March.

AGM

The 18th Annual General meeting took place using proxy votes on 30 March 2020, and the following resolutions were approved.

- Minutes of the previous meeting AGM17 (2019).
- Adoption of the reports and Financial Statements for year ending 30th June 2019.
- The re-election of auditors Crowe UK (Previously Crowe Clark Whitehill LLP).
- The authorisation for the directors to determine the Accountants remuneration.
- Re-election of directors Peter Copsey and Ron Treverton-Jones.
- The ratification of the appointment of Laura Shoaf as a director of the company.

Policies

A review of our policies was undertaken and improvements to our grant funding policy were made and a new governance policy was created.

Staffing

Two members of the team were furloughed for a combined total of 3.5 months.

Lesley Carr, previously responsible for delivering our individual giving fundraising and communications moved over to SVR Holdings as their Head of Communications. Frankie Spickernell, project manager for the Falling Sands Viaduct project, left the Trust in March 2020 with Laura Hines taking the mantle and keeping the project on track.

Bodies & Associations

We register with the Information Commissioner's Office and are registered with the Fundraising Regulator. In addition, we are organisational members of the Institute of Fundraising and the Foundation for Social Improvement.

Charitable Activities - Project funding & restoration during 2019-2020

Future Fund Investment. Portfolio valuation £1,478,066 (2019 £1,462,757)

A total of £1,201,274 has been invested since the fund's inception in 2015. The value as of 30 June 2020 is £1,478,066. The fund has therefore grown by £276,791.60, some 23% over the last five years.

Our Future Fund is a long-term investment, and its purpose, in the future, is to provide a steady funding stream to help protect and preserve the SVR's rolling stock and infrastructure and strengthen its educational offerings, thereby safeguarding the future of the Railway.

The Future Fund is invested in a portfolio, professionally managed by Brewin Dolphin Limited and overseen by an investment committee which meets twice a year. It consists of one trustee, two external representatives and the Trust's Director of Development. The Future Fund received a fantastic kick-start, thanks to £500,000 match funding from The National Lottery Heritage Fund in 2017. Although the National Lottery Heritage Fund offer has now ended, we are still actively welcoming donations to the Future Fund investment, and we give thanks to those

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FOR THE YEAR ENDED 30 JUNE 2020

who did donate to the fund this year.

I am pleased to report that due to the fast action of the three SVR companies, with the launch of the Emergency Fight back fund appeal, an early application to the Heritage Lottery Fund grant, an overdraft increase and a bank loan, all for SVR Holdings we were able to safeguard the Investment Fund and we do not anticipate seeking approval from the National Lottery Heritage Fund the draw down this fund.

In line with the Railway's aims to reduce its carbon footprint, Brewin Dolphin were requested to increase our "Green investments / ESG" to 5% of our total investment, ideally by January 2021. These currently sit at 3%.

Heritage Apprenticeship Scheme (HAS) 2020 £134,000 (2019 £92,500)

The programme was set up as a pioneering venture in 2013 to address the decline in heritage engineering skills in the UK. Since its inception, the Trust continues to play the key role in its funding.

Within the Apprenticeship four-year programme, young people work and learn across the different departments, including locomotive running, boiler shop, carriage mechanical and carriage bodywork.

These apprentices rotate around departments to gain experience and knowledge across a range of trades. After two years, they are assigned to one of the departments to pursue a specialisation. As well as intensive on-the-job training, apprentices work towards nationally recognised NVQ 2 and 3 Level qualifications.

The Railway also trains apprentices on shorter courses in specialised areas such as heritage signal maintenance and boiler shop work.

As the apprentices gain experience, as well as restoring our own rolling stock, the Railway is able to use their skills to deliver external contract work for other heritage organisations. This brings in additional income to the Railway. It costs £21,000 to fund an apprentice for one year, and whilst the Railway will not recruit apprentices in Summer 2020, there are currently seven apprentices and three improvers within the scheme. In the region of 50% of the apprentice programme costs are funded by small to medium local grant-making bodies, to whom we are extremely grateful.

Infrastructure & Permanent Way 2020 £917,760 (2019 £137,854)

This comprised: -

Emergency infrastructure funding following SVR's closure due to Covid-19 pandemic 2020

Due to the substantial donations received for the Fight Back Fund appeal and unrestricted legacies received, the Trust was able to support the following infrastructure and permanent way projects:

Track relay

- Bewdley Tunnel (CWR) to Bridge 5.
- Bridge 5 to Foley Park Yard T/O.
- Foley Park Yard.
- Falling Sands Viaduct track relay.

Civil engineering works

- Relaying of cobbles on Kidderminster station forecourt.
- Stonework repairs to the station house bay window at Bewdley.
- Tree clearance at Stanley cutting by rope-access contractors.
- Repairs to Bewdley North signal box.
- Topographic surveys of formation in Aveley Woods.
- Signal Engineering support for the Falling Sands viaduct project and ground frame associated with Foley Park yard.

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Falling Sands Viaduct restoration & education

A National Lottery Heritage Fund development grant was awarded jointly to the Charitable Trust and the SVR Holdings Company in March 2019. The grant awarded was for £853,800, 68% of the total project costs, with the remaining 32% having been raised from individual donors, grant-making bodies and corporates. Of the total £1,25 million, £689,681 was invested in the project during this financial year.

The project aims are to:

- Repair the viaduct successfully to ensure there is ongoing access to the whole line now and in the future.
- Broaden understanding of a major Victorian railway-engineering construction through research, interpretation, and educational activities.
- Broaden heritage skills for staff, volunteers and apprentices.
- Engage the local community and schools, especially those situated near the Viaduct.

Falling Sands Viaduct restoration

The timing was chosen to make the most of the annual six-week shutdown period, with the work to be fully completed by Autumn-2020. The first phase necessitated closure of the railway between Bewdley and Kidderminster from the end of the 2019 Christmas services with the line reopening at Easter 2020.

Repair work began at the very end of December 2019 with the lifting of the track by a team of volunteers and paid staff. External contractors Walsh Construction then removed the ballast and infill from the viaduct. After the infill was removed, the contractors improved the drainage channels and added a waterproof membrane, before refilling the arches. These works were completed ahead of schedule.

While the railway remained closed, CAN Structures took control of the site to assess the viaduct and begin the brickwork phase and the erection of GRP (glass reinforced polymer) corbelling. Sadly, the discovery of roosting bats held up repairs while a licence was obtained from Natural England to allow work to be carried out. Work recommenced in July 2020 on arches where bats were not evident. The project is forecast to run four weeks over the scheduled completion date. As trains are able to continue running over the viaduct, this has not had a detrimental impact on operations.

Falling Sands Viaduct Education and community engagement

Part of the National Lottery Heritage Fund grant involved an exciting programme of activities and events to celebrate the Falling Sands Viaduct and its place within the history of the Severn Valley Railway from its Victorian beginnings. The community engagement includes working with local schools on a viaduct art project; archival research to discover more about the history of the viaduct; a celebration of navvy culture through song and performance, and an oral history project to record volunteers' accounts of the SVR over the past 50 years.

In addition, the funding has also enabled us to use one of the Railway's restored brake vehicles, known as the Stove R, as a mobile exhibition space. The Stove R can be attached to passenger trains or stand alone in sidings, but most importantly it will begin to tell the stories of several key characters who will shed new light on the history of the Railway, the viaduct and the 'loop line'. Visitors can then continue to learn more about these characters through new exhibitions and displays at the Engine House Visitor centre at Highley.

The Stove R is now fully completed along with the exhibition at the Engine House and was ready in time for the Railway opening 1 August 2020. Due to Covid-19 the planned outreach activities with the community and local schools will continue to be developed but will be delivered in the next financial year.

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Rolling stock 2020 £941,470 (2019 £113,485)

Emergency Rolling Stock funding following SVR's closure due to Covid-19 pandemic 2020

As with the emergency grant for Infrastructure and Permanent Way highlighted above, due to the generosity of our supporters, the Trust was able to support the Railway by funding the costs of rolling stock maintenance and restoration undertaken during January 2020 to March 2020. This included: -

Carriages/coaches

- LNER 24506 tyre turn.
- Adjust bogie and coach ride heights for LNER 43600.
- LMS Buffet car 149, planned mechanical work including modifications to the bogie brake rigging to accept BR1 standard brake blocks.
- Start of BR MK 1 bogie overhaul for coach 16169.
- Repaint and repairs of Observation Saloon 80972.

Locomotives

- 813 – Routine winter maintenance. Seal weld repair carried out on foundation ring.
- 7714 – Winter maintenance, and a scheduled valve & piston exam during which the piston rings were replaced and the big ends had some fettling work done. Annual Boiler Insurance exam completed.
- 1501 – Refurbished valves & pistons, new motion and rod bushes and re-metalling. Smokebox door extensively repaired/refurbished including new inner plate work and baffle sheet and repaint.
- 75069 – Limited routine winter maintenance. Annual Boiler Insurance exam completed.
- 43106 – Limited routine winter maintenance. Annual Boiler Insurance exam completed.
- 2857 - Winter maintenance, including some work on springing including the manufacture of new components to replace very badly worn parts of the spring compensating gear. Paintwork patched up on top of boiler.
- 34027 - Winter maintenance.
- 6960 – Locomotive on hire to SVR, winter maintenance including repairs to tender water valves. Annual Boiler Insurance exam
- 42968 - Valves fitted and motion assembled, sanders fitted and various pipework etc.

Hagley Hall Locomotive 4930

Restoration

The year began well for the SVR's former flagship locomotive. Key areas included the newly machined cylinders successfully trial fitted to the frames, and then removed for final adjustments before being permanently assembled in December 2019. SVR's staff along with two BESTT (Boiler Engineering Skills Training Trust) trainees, on placement at the SVR were directly involved in this work, giving them the unique opportunity to work on this unusual activity. The boiler entered its final stage of restoration at Northern Steam Engineering, with 1,500 new crown stays being produced by SVR staff.

With the Nation going into lockdown in spring 2020, the project was initially delayed by four months. When staff were able to return, this was within a socially distanced capacity, causing further delay. Test running and final painting is tentatively planned for September 2021, with a celebration event shortly after.

Interpretation

Cardboard models of Hagley Hall continue to be made available for visitors and school children at the Engine House at Highley. Filming began, including an interview with one of the Railway's founders who was part of the working party who brought Hagley Hall to the SVR from Barry scrapyard in Wales. In February 2020 half-term, cardboard models were included in the goody bags given to children/families who attended the 'Engineer for a Day' events.

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FOR THE YEAR ENDED 30 JUNE 2020

Our thanks go to the Heritage Lottery Fund, The Friends of Hagley Hall and all our donors who have made this now- £1 million restoration possible. A special note of thanks goes to the late David Clifford who left a substantial sum in his will to the SVRCT to fund a GWR project. We are deeply grateful for his kind gift; his final generous donation will give thousands of visitors the joy of seeing this flagship locomotive back in steam in 2021 after 35 years.

BR Class 11 12099 is the SVR's only 0-6-0 Class 11 350 hp diesel shunting locomotive and is owned by the Trust. Without shunting locomotives, it would be impossible to move the fleet of rolling stock from the carriage shed into operations. The Class 11 shunter also takes part in the Railway's profitable 1940's annual event. £4,500 in funding was allocated to the deep overhaul required; this included a new voltage regulator and generator filter boxes. Due to the closure of the Diesel works during the Nation's lockdown, work was delayed until July 2020.

9615 GWR Kitchen Diner

This is a long-term project funded by the Trust to restore the 1932-built Kitchen First Saloon, which commenced in October 2017. On completion of the project the SVR will possess the only completely authentic GWR dining car set.

At the end of February 2020, the sides and ends have been plated, filled and given two coats of primer. The roof is complete with ventilators and gutters. The sliding lights have been overhauled and are ready to be fitted along with the windows. The centre section of the saloon ceiling has been installed and the light fittings installed and wired. The electrical control panel and relays have been overhauled and fitted along with some of the wiring. 6 new door frames have been manufactured and now require fitting and panelling. The door hinges have been overhauled and new hinge pins manufactured. Varnishing of the internal panels and seat ends has commenced.

9581 GWR Wheelchair-accessible/Buffer Car

This long-term project largely funded by the Trust is to convert an ex-GWR 1928 Full Third into a high-quality wheelchair-user-access Buffet Car based on a GWR Composite Kitchen/Diner. This will replace the BR Buffet Car currently running the GWR passenger set and provide more appropriate wheelchair-user facilities. This is a solely volunteer project being undertaken by the LNER Carriage Group. Funding has also been obtained from the 2019 SVR Raffle and LNER fund-raising group.

The body is complete with windows fitted and 3 doors in place. The roof is complete with new ventilators, gutters and internal planking fitted. Partition frames are in place and some of the wall panelling fitted. A new floor has been laid. Some wiring and electrical equipment has been installed.

Due to the national lockdown, both these projects have been delayed by six to nine months.

993898 Ballast Plough Brake (Shark)

This is a project to overhaul a Charitable Trust-owned vehicle and is being undertaken by the BR and LMS Carriage Group. Work has concentrated on preparing the timbers and rebuilding the north end veranda. Work is planned to start on the south end veranda in 2021.

26921 LMS Brake Third Corridor

This is a long-term project to convert the carriage into a wheelchair-accessible vehicle, since the existing LMS set does not have one of these. It only has a standard railway carriage toilet. The restoration will also provide a seating area with picture windows as the existing carriage just has a seat added to the luggage area. The project is being undertaken by the BR and LMS Carriage Group. Plans for the conversion have been drawn up and work has started on repairs to the metal body framing. A metal toilet compartment tray has been fitted ready to receive a terrazzo floor. Work also started on repairing and replacing the wooden flooring.

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Education 2020 £6,000 (2019 £28,400)

Anderson shelter helps children learn about WW2

Following receipt of funding from the People's Postcode Lottery in the previous year we funded an enlarged Anderson shelter at The Engine House, Highley. More than 10,000 children visit the Railway each year on our educational programmes, and the new shelter plays a key part in their experience.

The Postcode Lottery funding was also used to build a large outdoor classroom at The Engine House, which means our educational activities can take place even when the weather is less than ideal. This year the project was completed with the purchase of 1940's objects to add a greater immersive experience.

In Summary

We finish the year having met our objects and raised £1,342,562. 60% above the budget of £840,747. Key factors were substantial legacy income and the Fight Back Fund emergency appeal, along with a successful regular giving recruitment campaign.

We had minimal resource in Grants fundraising and this is evident in the reduced income we have secured from this source for the 2020-2021 financial year.

Falling Sands Viaduct project; Phase 1 restoration was delivered ahead of time and under budget, Phase 2 was put on hold due to Covid-19 and bat investigations. This did not impact on the opening of the Railway post Covid-19 lockdown on 1 August. In addition, interpretation was ready for the August opening.

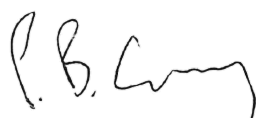
As the Covid-19 pandemic widened in the UK, staff worked from home for the last quarter of the financial year, with two staff furloughed for a period. The Bridgnorth Motive Power Depot roof & crane appeal was put on hold and working with SVR Holdings & the SVR Company, the Fight back Fund was launched, to secure emergency funding to pay for the operational costs of the Railway whilst in shutdown, and to assist in the recovery plan. This raised just under £900,000 in income: donations to the Trust and to Holdings and the purchase of shares in SVR Holdings.

The formation of the Tripartite group, and the prioritising of capital projects by all three boards (Holdings, Guarantee and Charitable Trust) will deliver a stronger, more cohesive, and financially secure Railway.

The Trust mourned the loss of John Leftwich who sadly died in April 2020. John was instrumental in widening the remit of the Charity and securing over £5 million over the last 8 years.

In the financial year £1,998,616 has been invested in the SVR in projects including education, rolling stock and infrastructure projects.

Laura Shoaf kindly joined the Board and I became Chair. To finish I would like to personally thank every donor, all of whom are part of the growing supporter base that is helping to ensure our beloved Railway continues to flourish, enabling 250,000 visitors a year to immerse themselves in a bygone era of steam. Thank you.



.....
Peter Copsey, Chairman and Trustee
Date: 19th April 2021

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TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2020

The trustees who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 30 June 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (Charities SORP (FRS 102) 'Accounting and Reporting by Charities'.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Severn Valley Railway Charitable Trust Limited, which changed its name from SVR Rolling Stock Trust Company on 29 June 2012, was incorporated and registered as a company limited by guarantee, company registration number 04341280, on 17 December 2001, and was registered with the Charity Commission on 1 July 2002, registration number 1092723. It is governed by its Memorandum and Articles of Association, which were last amended on 8 April 2019.

The Severn Valley Railway Charitable Trust was established to raise funds to ensure the long-term survival of the Severn Valley Railway (SVR).

The day-to-day income the SVR receives from passenger fares, shops, cafes and pubs can only cover the cost of running trains, along with standard maintenance and restoration. These activities do not generate enough income to improve and develop the Railway. The Charitable Trust provides essential funds to enable the Railway to develop and widen its offerings to its visitors.

The Charitable Trust offers tax-efficient ways of giving, and helps ensure the future of this amazing piece of living history, so that it can continue to delight, thrill and inform generations to come.

Method of appointment or election of trustees

There shall be a maximum of nine trustees unless otherwise determined by ordinary resolution of the members of the Charity. Of the nine trustees, two shall be ex officio the chairman of each of Severn Valley Railway (Holdings) plc and Severn Valley Railway Company Limited or if any such chairman does not wish to act as trustee, such other person nominated by such chairman to act as trustee. Such a trustee (whether a chairman or his nominee) shall be referred to an "ex officio trustee". Any person nominated by a chairman to act as a trustee may from time to time be removed and replaced by his appointor.

The Charity may by ordinary resolution appoint a person who is willing to act to be a director provided that person is not at the time such resolution is passed a director of Severn Valley Railway (Holdings) plc or Severn Valley Railway Limited (but for the avoidance of doubt this proviso shall not apply to ex official directors mentioned above).

Trustees are elected for a three year period at the AGM by the members of the Trust.

All the charity trustees receive an induction into their legal and administrative responsibilities, with an ongoing training programme as and when needed for issues arising during their term of office.

The Trustees are aware of the 7 principles of the Charity Governance Code and continue to improve the Trust's governance addressing the codes guidelines.

Organisational structure and decision making

The board of trustees has delegated the day to day running of the Charity to the senior management team. The board of trustees meets at least four times a year to review the Charity's performance and administration generally and to decide policy issues arising.

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020

Risk management

The trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Principal Risks and Uncertainties

The trustees endeavour to continually raise funds and to further support the Severn Valley Railway. The principal risks associated with the organisational activities are categorised as a loss of income mitigated by implementing strong and targeted marketing and fundraising strategies; financial fraud and error will be mitigated with robust processes and procedures which incorporate active segregation of duties and practices; lack of fundraising ability is mitigated with a dedicated fundraising team to deliver a targeted fundraising strategy.

OBJECTIVES AND ACTIVITIES

Policies and objectives

The objectives of the Severn Valley Railway Charitable Trust (SVR CT) are:

To advance education for the benefit of the public by financing the acquisition, restoration, preservation and operation of heritage locomotives, coaches, wagons, buildings, track and other associated infrastructure.

Establishing buildings to house and preserve the Severn Valley Railway Charitable Trust rolling stock collection.

Providing educational and interpretive displays for the travelling public.

Providing education and skills training used in the restoration, repair and operation of historic railways to ensure their long term survival.

In setting the Charity's policy and planning its activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The charity has a strong network of volunteers with experience in a range of areas. The trustees are very appreciative of the support provided by the volunteers as they are essential to allowing the Trust to perform its charitable activities.

FINANCIAL REVIEW

Reserves policy

The Reserves policy of the Charity is to maintain a level of unrestricted funds, not committed or invested in tangible assets, which will enable the Charity to ensure continuity of activity and have the ability to adjust, in a measured way, to any significant changes in resources. The Reserves policy recognises that reserves are necessary to maintain the day to day operations of the Charity for a period of up to 6 months. This would currently equate to approximately £120,000. The appropriate measure of free reserves is therefore net assets, less restricted and designated funds, less fixed assets attributable to unrestricted funds. Currently this amount is £187,533, of which £67,533 remained available for subsequent unrestricted project funding decisions.

At the balance sheet date the Charity had unrestricted reserves of £318,335, designated unrestricted reserves of £154,820, restricted reserves of £409,607 and endowment funds of £1,213,091.

Monthly management accounts are prepared and available to the officers and the board of trustees. Quarterly management accounts are circulated to the senior officer and the board of trustees. The annual accounts are audited. It is considered that there is an adequate system of internal control in place.

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020

A Strategic Plan and an annual budget are approved by the trustees; regular consideration by the trustees of financial results, variance from budgets, non-financial performance indicators and benchmarking reviews. Delegation of authority and segregation of duties, and identification and management of risks. The officers review external developments and consider the risks and opportunities these present to the Charity in fulfilling its objects.

Investment policy

The Heritage Lottery Fund Catalyst: Endowment Fund and all funds restricted or designated for long-term use are held in a managed fund by Brewin Dolphin.

The initial investment on 30 September 2015 amounted to £210,000 of donations towards the fund.

The Trustees' aim to achieve a balance between total return primarily through capital growth with a medium risk investment policy over the long term i.e. over a period 10 years or more. They seek to achieve long term growth of capital and income maintaining the value of both in real terms over time. A total return approach should be taken as it is likely that income will be accumulated for some years to establish a substantial Endowment Fund to safeguard the future of the SVR. At that time there may be an increasing income requirement to help to protect the Railway's rolling stock, bridges, viaducts, buildings, other infrastructure and educational offerings and in so doing safeguard the future of the Railway.

The trustees, in consultation with the Investment Manager, have agreed the following investment strategy:

The investment of the funds should follow a total return (excluding inflation) approach; aiming to generate income and capital growth in order to achieve the SVR Endowment Fund objective of growing the income and capital in real terms over time.

Brewin Dolphin have used the WMA Balanced Total Return Index to determine the value of the fund in real terms. It is measured by Brewin Dolphin and reported to the trustees who review the performance on a regular basis.

Investment income of £34,996 has been generated during the year.

Fundraising Policy

The Severn Valley Railway Charitable Trust Limited raises income from a wide range of funding streams to include, from individuals: single, regular, legacy and gifts in memory. From corporate sponsorship and gift in kind, and project funding from grant-making bodies to include, lottery, statutory, trusts and foundations.

- The Severn Valley Railway Charitable Trust is a voluntary member of the Information Commissioner's Office, a member of the Fundraising Regulator and the Institute of Fundraising
- The Charity is not aware of any failure by the Charity, or by any person acting on its behalf, to comply with fundraising standards or scheme.
- Fundraising standards are monitored on an ongoing basis by the Director of Development.
- Any complaints received during the year were addressed.
- A safeguarding policy is in place. In addition all fundraising messages are not intrusive and supporters are contacted on an infrequent basis for a mix of messages which include feedback on the impact of their donation and light requests for funding additional projects. Collection pots are not shaken and are static around the railway. We do not practice telephone fundraising or face to face fundraising. GDPR regulations are adhered to.

Key Management Personnel

Key management personnel are remunerated in line with sector averages. Salary reviews take place annually and are approved by the trustees. Payment is made monthly in arrears.

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020

PROVISION OF INFORMATION TO AUDITOR

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

- so far as that trustees are aware, there is no relevant accounts information of which the charitable company's auditor's are unaware, and
- that trustees have taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charitable company's auditor's in connection with preparing their report and to establish that the charitable company's auditor's are aware of that information.

TRUSTEES RESPONSIBILITY STATEMENT

The trustees (who are also directors of Severn Valley Railway Charitable Trust Limited for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

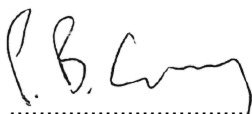
Company and charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing this report, the trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by order of the board of trustees on 19th April 2021 and signed on its behalf by:



.....
Peter Copsey
Chairman and Trustee

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED

Opinion

We have audited the financial statements of Severn Valley Railway Charitable Trust Limited (the 'charitable company') for the year ended 30 June 2020 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows 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 charitable company's affairs as at 30 June 2020 and of its incoming resources and application of resources, including its income and expenditure 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 Charities Act 2011.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees 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 Trustees are responsible for assessing the charitable 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditor's 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.

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 Auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditor's 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP

Crowe U.K. LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 21 April 2021

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income and endowments from:						
Donations and legacies	4	639,562	703,000	-	1,342,562	1,475,611
Charitable activities	5	40,977	-	-	40,977	138,144
Investments	6	5,965	31,242	-	37,207	33,979
Total income and endowments		686,504	734,242	-	1,420,746	1,647,734
Expenditure on:						
Raising funds	7,8	115,774	2,041	8,790	126,605	139,426
Charitable activities		705,770	1,435,484	-	2,141,254	695,991
Total expenditure		821,544	1,437,525	8,790	2,267,859	835,417
Net (losses)/gains on investments		(986)	(34)	(8,175)	(9,195)	41,522
Net expenditure		(136,026)	(703,317)	(16,965)	(856,308)	853,839
Transfers between funds	18	4,942	(4,942)	-	-	-
Net movement in funds		(131,084)	(708,259)	(16,965)	(856,308)	853,839
Reconciliation of funds:						
Total funds brought forward		561,677	1,160,428	1,230,056	2,952,161	2,098,322
Net movement in funds		(131,084)	(708,259)	(16,965)	(856,308)	853,839
Total funds carried forward		430,593	452,169	1,213,091	2,095,853	2,952,161

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 45 form part of these financial statements.

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 04341280

BALANCE SHEET
AS AT 30 JUNE 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	106,367	131,853
Investments	13	1,502,501	1,487,187
		<u>1,608,868</u>	<u>1,619,040</u>
Current assets			
Stocks	14	11,973	11,973
Debtors	15	64,991	48,512
Cash at bank and in hand		501,719	1,307,786
		<u>578,683</u>	<u>1,368,271</u>
Creditors: amounts falling due within one year	16	(91,698)	(35,150)
Net current assets		<u>486,985</u>	<u>1,333,121</u>
Total net assets		<u><u>2,095,853</u></u>	<u><u>2,952,161</u></u>
Charity funds			
Endowment funds	18	1,213,091	1,230,056
Restricted funds	18	409,607	1,160,428
Unrestricted funds	18	473,155	561,677
Total funds		<u><u>2,095,853</u></u>	<u><u>2,952,161</u></u>

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 04341280

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2020

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

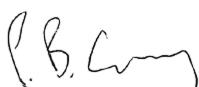
The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on
19 April 2021 and signed on their behalf by:


.....
P B Copsey

The notes on pages 23 to 45 form part of these financial statements.

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	(818,458)	861,382
Cash flows from investing activities		
Dividends, interests and rents from investments	37,207	33,979
Purchase of tangible fixed assets	(307)	(1,286)
Proceeds from sale of investments	277,166	135,392
Purchase of investments	(277,938)	(338,805)
Net cash provided by/(used in) investing activities	36,128	(170,720)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(782,330)	690,662
Cash and cash equivalents at the beginning of the year	1,330,631	639,969
Cash and cash equivalents at the end of the year	548,301	1,330,631

The notes on pages 23 to 45 form part of these financial statements

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

1. General information

1.1 Company Status

The Severn Valley Railway Charitable Trust is a company limited by guarantee in England, whose registered office is Number One, Comberton Place, Kidderminster, Worcestershire, DY10 1QR. The companies registered number is 04341280. The members of the company are the trustees named on page 1. In the event of the Severn Valley Railway Charitable Trust Limited being wound up, the liability in respect of the guarantee is limited to £1 per member of the Severn Valley Railway Charitable Trust Limited.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Severn Valley Railway Charitable Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Severn Valley Railway Charitable Trust Limited constitutes a public benefit entity as defined by FRS 102.

2.2 Going concern

The company has cash resources and has no requirements for external funding. The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)

2.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)

2.6 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Artefacts	-	10% straight line
Rolling stock	-	10% straight line
Office equipment	-	33% straight line

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities incorporating income and expenditure account.

The Heritage Lottery Fund Catalyst: Endowment Fund is held in a managed fund by Brewin Dolphin.

Income generated from the Heritage Lottery Fund Catalyst: Endowment fund is treated as endowment income, unless it relates to any unapplied total return. If this is the case, the income is treated as restricted and held in a separate fund of the same name. The income is restricted to the restoration of rolling stock.

2.9 Investment Income

Income generated from the Heritage Lottery Fund Catalyst: Endowment fund is treated as endowment income, unless it relates to any unapplied total return. If this is the case, the income is treated as restricted and held in a separate fund of the same name. The income is restricted to the restoration of rolling stock.

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)

2.10 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

2.11 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.13 Financial instruments

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term creditors are measured at transaction price.

Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

There are no complex financial instruments.

2.14 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.15 Role of volunteers

The charity relies on the efforts of its volunteers. The value of these volunteers is not incorporated within the accounts.

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Critical areas of judgement:

- i) Valuation of the rolling stock which is based on past experience and expert knowledge.

4. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations and legacies	602,915	204,775	807,690	1,240,159
Income tax reclaimable	20,943	26,668	47,611	46,803
Grants	200	471,557	471,757	172,578
Government grants	4,717	-	4,717	-
Other income	10,787	-	10,787	16,071
	<u>639,562</u>	<u>703,000</u>	<u>1,342,562</u>	<u>1,475,611</u>
<i>Total 2019</i>	<u><u>543,628</u></u>	<u><u>931,983</u></u>	<u><u>1,475,611</u></u>	

5. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Restoration costs recharged to SVRH	40,977	40,977	138,144
	<u>138,144</u>	<u>138,144</u>	
<i>Total 2019</i>	<u><u>138,144</u></u>	<u><u>138,144</u></u>	

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6. Investment income

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Dividend income	3,754	31,242	34,996	32,302
Interest receivable	2,211	-	2,211	1,677
	<u>5,965</u>	<u>31,242</u>	<u>37,207</u>	<u>33,979</u>
<i>Total 2019</i>	<u><u>2,862</u></u>	<u><u>31,117</u></u>	<u><u>33,979</u></u>	

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Fundraising costs	9,957	134	10,091	33,394
Support costs	10,606	39	10,645	18,246
Wages and Salaries	93,403	1,832	95,235	75,362
Support costs - depreciation	748	-	748	833
	<u>114,714</u>	<u>2,005</u>	<u>116,719</u>	<u>127,835</u>
<i>Total 2019</i>	<u><u>127,835</u></u>	<u><u>-</u></u>	<u><u>127,835</u></u>	

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8. Investment management costs

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment managers costs	1,060	36	8,790	9,886	11,591
<i>Total 2019</i>	<u>416</u>	<u>42</u>	<u>11,133</u>	<u>11,591</u>	

9. Analysis of expenditure by activities

	Direct costs 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Charitable activities	2,064,615	76,639	2,141,254	695,991
<i>Total 2019</i>	<u>633,248</u>	<u>62,743</u>	<u>695,991</u>	

Analysis of direct costs

	Charitable activities 2020 £	Total funds 2020 £	Total funds 2019 £
Railway restoration	1,954,348	1,954,348	356,556
Railway restoration recharged to SVRH	40,977	40,977	138,144
Engineering academy and education	6,000	6,000	98,547
Wages and salaries	38,245	38,245	14,957
Depreciation	25,045	25,045	25,044
	<u>2,064,615</u>	<u>2,064,615</u>	<u>633,248</u>
<i>Total 2019</i>	<u>633,248</u>	<u>633,248</u>	

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Support Costs

	2020 £	2019 £
Professional fees	2,187	3,596
Telephone, postage and stationery	4,211	5,890
Travel and subsistence	207	4,553
Bank charges	4,040	2,726
Training	-	1,481
Depreciation	748	833
	<u>11,393</u>	<u>19,079</u>

Management and administration

	2020 £	2019 £
Auditors remuneration	7,396	5,000
Wages and salaries	69,243	57,743
	<u>76,639</u>	<u>62,743</u>

10. Staff costs

	2020 £	2019 £
Wages and salaries	202,723	148,062
	<u>202,723</u>	<u>148,062</u>

The average number of persons employed by the company during the year was as follows:

2020 No.	2019 No.
<u>7</u>	<u>5</u>

One employee received remuneration amounting to more than £60,000 during the year.

The key management personnel of the charity is the Director of Development. The total benefits of key management personnel of the charity were £61,822 (2019: £59,683).

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11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 30 June 2020, no Trustee expenses have been incurred (2019 - £NIL).

12. Tangible fixed assets

	Artefacts £	Rolling stock £	Office equipment £	Total £
Cost or valuation				
At 1 July 2019	3,445	249,750	3,729	256,924
Additions	-	-	307	307
At 30 June 2020	3,445	249,750	4,036	257,231
Depreciation				
At 1 July 2019	2,709	119,932	2,430	125,071
Charge for the year	345	24,700	748	25,793
At 30 June 2020	3,054	144,632	3,178	150,864
Net book value				
At 30 June 2020	391	105,118	858	106,367
At 30 June 2019	736	129,818	1,299	131,853

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13. Fixed asset investments

	Listed securities £	Shares in SVR (Holdings) Plc £	Total £
Cost or valuation			
At 1 July 2019	1,462,751	24,435	1,487,186
Additions	227,939	-	227,939
Disposals	(227,166)	-	(227,166)
Revaluations	(9,195)	-	(9,195)
Transfers between classes	23,737	-	23,737
At 30 June 2020	1,478,066	24,435	1,502,501

Investments at market value comprise:

UK Listed investments: £1,478,066 (2019: £1,462,751).

Market Value of shares held in SVR (Holdings) Plc £24,435 (2019: £24,435).

All fixed asset investments are held in the UK.

The endowment fund has been invested on a total return basis. Currently, there is no unapplied total return as all income generated is to be re-invested in the fund. During the year, donations of £5,201 (2019: £154,530) have been invested. This amount has been transferred into the Broker account for Brewin Dolphin to invest in line with the investment policy. Investment income of £34,995 (2019: £32,202) has been generated during the year which remains within the endowment fund.

During the year NIL (2019: £150,000) from unrestricted funds and NIL (2019: £4,530) from restricted funds have been invested with Brewin Dolphin alongside the total return endowment funds. The total income and capital gains generated during the year have been apportioned between funds based on the proportion of restricted, unrestricted and endowment funds invested with Brewin Dolphin at the point of each new cash injection.

14. Stocks

	2020 £	2019 £
Parts	11,973	11,973

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15. Debtors

	2020 £	2019 £
Due within one year		
Other debtors	63,605	48,512
Prepayments	1,386	-
	<u>64,991</u>	<u>48,512</u>

16. Creditors: Amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	4,201	3,144
Wages and pensions	1,354	-
Accruals	86,143	32,006
	<u>91,698</u>	<u>35,150</u>

17. Financial instruments

	2020 £	2019 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>1,502,501</u>	<u>1,464,342</u>

Financial assets measured at fair value through income and expenditure comprise listed investments and shares in SVR (Holdings) Plc .

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds

Statement of funds - current year

	Balance at 1 July 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 June 2020 £
Unrestricted funds						
Designated funds						
Futures fund	153,113	3,753	(1,060)	-	(986)	154,820
General funds						
General Funds - all funds	408,564	682,751	(777,922)	4,942	-	318,335
Total Unrestricted funds	561,677	686,504	(778,982)	4,942	(986)	473,155
Endowment funds						
Heritage Lottery Fund Catalyst: Endowments fund	1,230,056	-	(8,790)	-	(8,175)	1,213,091

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18. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 July 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 June 2020 £
Restricted funds						
Roof and Crane	-	12,515	-	-	-	12,515
Heritage Lottery Fund Catalyst: Endowments fund	72,122	31,114	-	-	-	103,236
Heritage Lottery Fund Catalyst: Restricted fund	9,967	5,329	(36)	-	(34)	15,226
Hinton Manor 7819	18,577	753	-	-	-	19,330
LNER Restaurant Composite 7960	283	-	-	(283)	-	-
Mark 1 TSO 4509	2,791	-	-	-	-	2,791
LMS & BR Coach Department	24,132	3,877	(9,866)	-	-	18,143
LNER Coach 52255	946	-	-	-	-	946
LNER Coach Department	6,097	1,494	(146)	283	-	7,728
Hagley Hall 4930	66,242	53,389	(87,771)	-	-	31,860
Diesel Facility	12,811	4,209	-	-	-	17,020
Engineering Academy	8,893	48,286	(50,986)	(4,942)	-	1,251
Toad A Brake Van 17410	3,075	-	-	-	-	3,075
Bridgnorth Station Restoration Fund	2,967	2,330	-	-	-	5,297
Bridgnorth Turntable Fund	18,209	-	-	-	-	18,209
Disabled Dining & Travel Facilities Fund	139	125	-	-	-	264
Falling Sands Viaduct	385,116	380,057	(691,879)	-	-	73,294

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 July 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 June 2020 £
Education Fund	6,600	-	(6,000)	-	-	600
GWR Buffet 9581	18,288	21,224	(37,000)	-	-	2,512
GWR Restoration Fund	503,173	1,563	(503,173)	-	-	1,563
Emergency Appeal	-	167,977	(93,230)	-	-	74,747
	<u>1,160,428</u>	<u>734,242</u>	<u>(1,480,087)</u>	<u>(4,942)</u>	<u>(34)</u>	<u>409,607</u>
Total of funds	<u><u>2,952,161</u></u>	<u><u>1,420,746</u></u>	<u><u>(2,267,859)</u></u>	<u><u>-</u></u>	<u><u>(9,195)</u></u>	<u><u>2,095,853</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 July 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 30 June 2019 £</i>
Unrestricted funds						
Designated funds						
Hagley Hall 4930	29,000	-	(29,000)	-	-	-
Engineering academy	5,763	-	(5,763)	-	-	-
Track improvements	46,000	-	(46,000)	-	-	-
Building improvements	25,900	-	(25,900)	-	-	-
Futures fund	-	1,185	(416)	150,000	2,344	153,113
	<u>106,663</u>	<u>1,185</u>	<u>(107,079)</u>	<u>150,000</u>	<u>2,344</u>	<u>153,113</u>
General funds						
General Funds - all funds	<u>360,273</u>	<u>683,449</u>	<u>(507,057)</u>	<u>(128,101)</u>	<u>-</u>	<u>408,564</u>
Total Unrestricted funds	<u>466,936</u>	<u>684,634</u>	<u>(614,136)</u>	<u>21,899</u>	<u>2,344</u>	<u>561,677</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 July 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 30 June 2019 £</i>
Endowment funds						
Heritage Lottery Fund Catalyst: Endowments fund	1,228,591	-	(11,133)	(26,429)	39,027	1,230,056
Restricted funds						
Heritage Lottery Fund Catalyst: Endowments fund	41,123	30,999	-	-	-	72,122
Heritage Lottery Fund Catalyst: Restricted fund	-	5,328	(42)	4,530	151	9,967
Hinton Manor 7819	14,282	7,795	(3,500)	-	-	18,577
LNER Restaurant Composite 7960	283	-	-	-	-	283
Mark 1 TSO 4509	2,791	-	-	-	-	2,791
LMS & BR Coach Department	23,198	5,742	(4,808)	-	-	24,132
LNER Coach 52255	946	-	-	-	-	946
LNER Coach Department	5,150	2,361	(1,414)	-	-	6,097
Hagley Hall 4930	53,215	13,027	-	-	-	66,242
Diesel Facility	13,441	14,370	(15,000)	-	-	12,811
Engineering Academy	-	95,630	(86,737)	-	-	8,893
Toad A Brake Van 17410	3,037	38	-	-	-	3,075
Bridgnorth Station Restoration Fund	772	2,195	-	-	-	2,967

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 July 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 30 June 2019 £</i>
Bridgnorth Turntable Fund	18,209	-	-	-	-	18,209
Disabled Dining & Travel Facilities Fund	28,250	152	(28,263)	-	-	139
Locomotive 45110	1,000	-	(1,000)	-	-	-
Falling Sands Viaduct	197,098	254,002	(65,984)	-	-	385,116
Education Fund	-	10,000	(3,400)	-	-	6,600
GWR Buffet 9581	-	18,288	-	-	-	18,288
GWR Restoration Fund	-	503,173	-	-	-	503,173
	<u>402,795</u>	<u>963,100</u>	<u>(210,148)</u>	<u>4,530</u>	<u>151</u>	<u>1,160,428</u>
Total of funds	<u><u>2,098,322</u></u>	<u><u>1,647,734</u></u>	<u><u>(835,417)</u></u>	<u><u>-</u></u>	<u><u>41,522</u></u>	<u><u>2,952,161</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Summary of funds

Summary of funds - current year

	Balance at 1 July 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 June 2020 £
Designated funds	153,113	3,753	(1,060)	-	(986)	154,820
General funds	408,564	682,751	(777,922)	4,942	-	318,335
Endowment funds	1,230,056	-	(8,790)	-	(8,175)	1,213,091
Restricted funds	1,160,428	734,242	(1,480,087)	(4,942)	(34)	409,607
	<u>2,952,161</u>	<u>1,420,746</u>	<u>(2,267,859)</u>	<u>-</u>	<u>(9,195)</u>	<u>2,095,853</u>

Summary of funds - prior year

	Balance at 1 July 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 June 2019 £
Designated funds	106,663	1,185	(107,079)	150,000	2,344	153,113
General funds	360,273	683,449	(507,057)	(128,101)	-	408,564
Endowment funds	1,228,591	-	(11,133)	(26,429)	39,027	1,230,056
Restricted funds	402,795	963,100	(210,148)	4,530	151	1,160,428
	<u>2,098,322</u>	<u>1,647,734</u>	<u>(835,417)</u>	<u>-</u>	<u>41,522</u>	<u>2,952,161</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. Summary of funds (continued)

Roof and Crane	This restricted fund is to fund a much needed replacement to the engine shed at Bridgnorth. The second objective is the purchase and installation of a crane, which will facilitate much more efficient and safe works on the heritage rolling stock.
HLF Catalyst Endowment	This is an endowment fund for the purpose of creating future income for the Trust for the continuance of its activities. Monies raised were match funded by Heritage Lottery Fund (HLF) up to a maximum of £500,000 which has been reached.
HLF Restricted Fund	This is a restricted fund for the purpose of creating future income for the Trust for the continuance of its activities. For donations made since the end of the matched funding arrangement with HLF.
Hinton Manor 7819	This is a restricted fund for the purpose of returning the locomotive to service.
LNER Restaurant	This is a restricted fund for the purpose of restoring the vehicle to Composite 7960 service.
Mark 1 TSO 4509	This is a restricted fund for the purpose of completion of restoration.
LMS & BR Coach Department	This is a restricted fund for the purpose of restoring LMS & BR built vehicles to original condition.
LNER Coach 52255	This is a restricted fund for the purpose of improving LNER coach 52255.
LNER Coach Department	This is a restricted fund for the purpose of restoring LNER built vehicles to original condition.
Hagley Hall 4930	This is a restricted fund for the purpose of restoring the locomotive 4930 Hagley Hall to service.
Diesel Facility	This is a restricted fund to provide a purpose built facility for the restoration and maintenance of diesel locomotives.
Engineering Academy	This is a restricted fund for the purpose of providing training in railway engineering skills.
Diesel Shunter	This is a restricted fund for the purpose of restoring the locomotive to Silver Spoon' service
Toad A Brake Van 17410	This is a restricted fund for the purpose of restoring the vehicle to service.
Bridgnorth Station Restoration Fund	This is a restricted fund for the purpose of restoring the station.
Bridgnorth Turntable Fund	This is a restricted fund for the purpose of restoring the turntable.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Summary of funds (continued)

Disabled Dining & Travel Facilities Fund	This is a restricted fund for the purpose of providing dining facilities for disabled passengers.
HLF Catalyst Restricted	This is a restricted fund for the dividends received on the investments held by Brewin Dolphin. The funds are restricted for the purpose of preserving the Severn Valley Railway Rolling Stock.
Track Improvements	This is a restricted fund for the purpose funding track improvement work.
Buildings Improvements	This is a restricted fund for the purpose of funding building improvement work.
Locomotive 45110	This is a restricted fund for the purpose of restoring the locomotive to service.
Vandalised coaches	This is a restricted fund for the purpose of restoring the coaches vandalised.
Falling Sands Viaduct	This is a restricted fund for the purpose of the restoration of the viaduct.
Education fund	This is a restricted fund to educate the public
GWR Buffet 9581	This is a restricted fund to convert carriage 9581 into a wheelchair-accessible buffet carriage.
GWR Restoration	This is a restricted fund specifically for 4930 Hagley Hall locomotive and / or a GWR turntable.
Emergency Appeal	This is a restricted fund in place to raise funds for immediate application to areas of the SVR's activities which met the charitable objects. The funds were to compensate for lost income due to COVID-19.

The transfer between the general funds and restricted funds of £4,942 was for expenditure incurred in 2019 that was classified as unrestricted when it should have gone against the Engineering Academy

The transfer between LNER Restaurant Composite 7960 and LNER Coach Department is to just show one restricted fund.

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Tangible fixed assets	106,367	-	-	106,367
Fixed asset investments	170,948	118,462	1,213,091	1,502,501
Current assets	240,527	338,156	-	578,683
Creditors due within one year	(44,687)	(47,011)	-	(91,698)
Total	473,155	409,607	1,213,091	2,095,853

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Endowment funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	131,853	-	-	131,853
Fixed asset investments	175,042	82,089	1,230,056	1,487,187
Current assets	289,932	1,078,339	-	1,368,271
Creditors due within one year	(35,150)	-	-	(35,150)
Total	561,677	1,160,428	1,230,056	2,952,161

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(856,308)	853,839
Adjustments for:		
Depreciation charges	25,793	25,877
Changes in market valuation	9,195	(41,523)
Dividends, interests and rents from investments	(37,207)	(33,979)
Decrease/(increase) in stocks	-	(8,640)
Decrease/(increase) in debtors	(16,479)	55,180
Increase in creditors	56,548	10,628
Net cash provided by/(used in) operating activities	(818,458)	861,382

22. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	501,719	1,307,786
Cash held by Broker	46,582	22,845
Total cash and cash equivalents	548,301	1,330,631

23. Analysis of changes in net debt

	At 1 July 2019 £	Cash flows £	At 30 June 2020 £
Cash at bank and in hand	1,307,786	(806,067)	501,719
Cash equivalents	22,845	23,737	46,582
	1,330,631	(782,330)	548,301

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24. Related party transactions

During the year the charity donated £2,066,506 (2019: £454,869) to Severn Valley Railway (Holdings) Plc and received £44,249.

Included with creditors is an amount of £23,317 (2019: £8,565) owed to Severn Valley Railway (Holdings) Plc which relates to recharges. Included within debtors is an amount of £203 (2019: £40,745) owed from Severn Valley Railway (Holdings) Plc for services supplied.