

NORTH YORKSHIRE MOORS RAILWAY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

NORTH YORKSHIRE MOORS RAILWAY TRUST
(A Company Limited by Guarantee)

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NORTH YORKSHIRE MOORS RAILWAY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 28 FEBRUARY 2026

Trustees

Mr J Bailey (resigned 31 July 2026)
Mr D Boddy (appointed 18 October 2025)
Mr A Bruce
Mr J Green (appointed 18 October 2025)
Mr C Martin
Mr A Mead
Mr J Philip (appointed 18 October 2025)
Mr A Scott, Vice Chairman
Mr D Slack
Mr A Stuart (appointed 18 October 2025)
Mr J Swift, Chairman
Mr K Yeoman (appointed 18 October 2025)
Ms K Dodds (resigned 18 October 2025)
Mr T Laasko (resigned 18 October 2025)
Ms T McGee (resigned 18 October 2025)

Company registered number

01036704

Charity registered number

501388

Registered office

Pickering Station
Pickering
North Yorkshire
YO18 7AJ

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2026

Company secretary

Miss C McCann

Independent auditor

Sumer Auditco Limited
Chartered Accountants & Statutory Auditor
Rievaulx House
1 St Mary's Court
Blossom Street
York
YO24 1AH

Bankers

Santander UK Plc
Clearwater House
Columbia Drive
Thornaby
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National Westminster Bank Plc
Commercial Banking
1 Humber Quays
Wellington Street West
Hull
HU1 2BN

Solicitors

Wilkin Chapman Rollits
Citadel House
58 High Street
Hull
HU1 1QE

Preface and Group Structure

The Trustees present their report and the audited financial statements of the North Yorkshire Moors Railway Trust ("NYMR", "the Trust" or "the Charity") for the year ended 28 February 2026. The Annual Report serves the purposes both of a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

The Board sets strategy and annual objectives and agrees annual business plans for its PLC subsidiary tasked with employing staff, holding safety certificates and for the successful delivery of the Trust's activities, pursuant to a regularly reviewed Collaboration and Services Agreement. The financial statements cover the activities of the NYMR Group ("the Group") comprising the NYMR and its controlled subsidiary, NYMR plc ("the PLC").

Trustees recognise and are compliant with the Charity Governance Code and the Charity Commission's guidance on equality, diversity and inclusion and accept the strength that compliance brings to the Trust's activities.

Both as an Accredited Museum and a licensed railway operator on its own line and the part of the National Network between Grosmont and Whitby, the NYMR Trust is committed to meeting standards overseen by the Office of Rail and Road and by Arts Council England. We value our relationships with the rail regulator and the museums accreditation office of ACE as we strive to deliver the greatest possible benefit to the heritage, the region, our community and our many thousands of visitors each year.

Part 1 Chair's Introduction

The impact of a changing climate has been writ large on our results this year. Our volunteers and our staff have excelled through challenging circumstances with two significant lineside fires impacting the services we could operate.

Indeed, income projections were positive at the start of the season, with a small surplus anticipated. However, the weather conditions were not favourable for a heritage railway from the start of the season. With above-average temperatures and minimal rainfall we had an initial lineside fire in an SSSI (Site of Special Scientific Interest) early in the season that impacted operations.

This disruption continued into the summer with a largescale fire on Langdale Moor. The impact of this fire on the region was profound and with the Fire Service under such pressure we took the responsible decision to retire steam services and move to diesel-only haulage for the majority of the summer.

In this challenging environment there was an understandable impact on our visitor numbers and income generation potential in the busiest part of the season.

We were delighted to support Rail 200, the national celebration of 200 years since that first train journey on the Stockton & Darlington Railway. The S&DR was not the first railway, but it was the first that bought all the elements of a modern railway together, from steam power through public haulage of freight and a railway that carried passengers on a regular basis.

Early visiting locomotives included Tornado and Sir Nigel Gresley, both of which proved a huge hit and helped close the gap in the railways' finances. But it was the later visit of Flying Scotsman which provided a real boost.

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TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) (CONTINUED)
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Alongside Flying Scotsman, we had Locomotion No 1, the replica of that very first S&DR locomotive, which proved popular with visitors. The other significant visitor this year was the North Eastern Railway Railcar, the precursor to every modern diesel electric multiple unit, built in 1903 by Vincent Raven.

Our infrastructure has proved challenging. We have an ongoing programme of visual inspections of our lineside assets. Bridge 42, just south of Grosmont station, is the most heavily used bridge on our line, was built in 1846 when the original Stephenson horse drawn railway was expanded by George Hudson. Recent inspections have highlighted the requirement for repairs of the structure to ensure the continued safe operation of the full railway line.

The safety of our passengers, employees and volunteers is always our top priority and at the time of writing, we have propped the bridge to allow us to operate the summer season and then carry out full repairs in the winter of 2026-27. A public appeal for funds has so far raised in excess of £400k with the likely final cost in excess of £1million. There are reassuring indications of potential financial support from a number of sources.

We have launched a number of streaming services on YouTube so that subscribers can access our lineside cameras in real time: early indications are that they are very popular.

Returning to the subject of lineside fires, one very significant project should be complete for this season, and it stands to be a game changer. Through the generosity of Peter Best, work is nearing completion on the conversion of Omaha 2253, a locomotive he owns, to burn oil instead of coal. This class of locomotive, built in large numbers in the USA for use in war-ravaged Europe, did count a number of oil-burners amongst their number. Omaha will be the first oil-burning locomotive to operate on the standard gauge British railway network for many years. Oil is not cheap, but if it enables us to carry on operating steam during periods of extreme fire risk, it is a price worth paying. With continuing uncertainty over the long term prospects for coal, it is also a very useful insurance policy.

Work is nearing completion on our new Mutual Improvement Classroom (MIC, also with support from Peter Best and North Yorkshire Council). MICs have existed on the railway since the 19th century with enginemen running 'improvement classes' for their colleagues, to improve standards and enable promotion. Most have gone, and ours may be the last: we hope that it will provide a beacon of excellence for learning across the globe.

Once again, we have been in close touch with a number of other visitor attractions in the region and all report similar levels of depressed demand since Covid and the subsequent national and international financial challenges. Costs are feeding through and it is clear that many people have less disposable income. On the other hand, there is still demand for quality experiences. Those are something we will be focussing on this coming year.

A huge vote of thanks is due to all staff and volunteers who have dealt with difficult circumstances and have continued to provide the visiting public with the unforgettable experience of travel through the magnificent scenery of the North York Moors.

As we noted in last year's report the Trustees recognise the continuing need for change. Whether it is greater attention to diversity, equality and inclusion or seeking ways to provide outreach to SEND children, they will continue to try and improve the offer NYMR makes to its communities, whilst balancing the need to preserve our heritage and make it available to an ever wider audience in innovative and exciting ways.

We are looking forward to sharing our Strategic Plan which is now complete and will have been published by the time this report is available. We believe it points to an exciting future for the NYMR, for our members, our volunteers and staff, and most importantly for our visitors.

With the continuing support of staff, volunteers and our members and supporters, the NYMR will offer its unique experiences to new generations in the years to come.

Part 2 Charitable Objectives

The Trust's strategic objectives are closely based on the four charitable purposes set out in our Articles of Association. They are summarised below:

- 1 **Preserving our historic railway** between Pickering and Grosmont and **operating heritage train services** over the line and onwards to Whitby. We sustain the operation of one of the world's earliest passenger railways as an engaging and enjoyable experience **for visitors and volunteers alike.**
- 2 **Enhancing our visitors' experience** by telling stories and engaging their curiosity through informal learning (eg the interpretation that we offer to general visitors) and education (eg curriculum-related services for school groups) for all – **a broad audience of families, school groups, specialists and researchers.**
- 3 **Building citizenship, skills and wellbeing for individuals** of all ages by promoting volunteering, learning and training within a community of members, volunteers and staff; striving to identify and break down barriers to engagement and involvement wherever we can.
- 4 Addressing the community's increasing concern for the environment by **caring for and building public understanding of our unique green corridor through the National Park.**

Part 3 Principal Activities

The Trust's activities centre around providing for the public the experience of heritage train travel through the North York Moors National Park. The Trust owns and cares for its 18-mile long historic railway, its structures and its environmentally important corridor through the Moors. It conserves, maintains and operates an important collection of heritage railway equipment much of which provides the Trust's train services. The railway provides associated education and interpretation activities for diverse audiences. It provides opportunities for volunteer engagement in a huge variety of activities and specialisms upon which the Trust depends. The Trust's railway from Pickering to Grosmont and its route onwards over Network Rail tracks into Whitby provide the stage from which the full range of the Trust's charitable activities are delivered. The Trust's heritage railway service is the busiest in Britain, carrying prior to the Covid downturn, up to 300,000 passengers per annum over a total of more than 60,000 train-miles each year. As the busiest visitor attraction in the National Park, it has a significant impact on the local economy.

Through its PLC subsidiary, the Trust employs and trains around 100 staff and provides opportunities for over 750 volunteers. It should be noted that thanks to a robust audit and engagement programme with our volunteers has improved the accuracy in our reporting of all active volunteers deployed across the railway, with non-active volunteers engaged with as part of our membership programme.

Keeping the railway in operation is not to be taken lightly. Railway operation is highly regulated and the NYMR's rolling stock, trackwork and signalling workshops at Grosmont and Pickering train and employ teams of skilled workers and volunteers who have to work to the highest technical and safety standards to ensure visitors have a safe and enjoyable experience.

The Trust has volunteering at its heart. It was set up by local people as a reaction to the closure of the railway in the mid-1960s Beeching cuts and is a true community organisation, shaped and operated by a volunteer Board and membership.

Membership has declined in this financial year, possibly as a result of a lack of focus on ongoing engagement with our membership base. Membership recruitment has also declined in this period. This performance has given the executive and trustees the opportunity to have a more open conversation about how a new membership structure could look, balance the charitable purposes and individual giving objectives as well as offering an attractive membership package.

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Volunteers are active in everything from tea-room operation and archive care to locomotive driving; with many committing themselves to intensive safety-critical training and the rostered shifts on which safe and reliable operation depends.

3.1 Fundraising objectives and policy

As noted elsewhere, the model for heritage railways was that the cost of operations were covered by the farebox whilst capital works were funded from any excess plus specific fundraising. It is becoming increasingly clear that model no longer works and more general fundraising is required to support the day-to-day operation of the railway.

2025/26 marked our second year as an Arts Council England (ACE) National Portfolio Organisation (NPO) and forms a vital part of our core fundraising activity. The ACE funding programme provides £250,000 per annum (index linked, £254,025 for year ended February 2026) for three years in support of the Trust's charitable purposes and serves to encourage more creative approaches and the enhancement of our professionalism as a cultural organisation.

This public funding also helps the Trust deliver an increasing programme of learning activities for all ages from early years to adult researchers. The Trust's archive centre at Pickering is increasingly used as a learning resource by a diverse range of users.

ACE has extended the NPO programme to four years. We have now applied for the further extension into year 5. This is the first revenue support that the Trust has received during its existence and with continuing cost pressures such as increases in national living wage and National Insurance charges it continues to be very welcomed.

Taking a wider view of our activity, NYMR is registered with the Fundraising Regulator. All fundraising complies with the requirements of the Fundraising Regulator and the Code of Fundraising Practice and with all relevant codes and legislation. The Trustees are not aware of any failure to comply with legislation or the codes.

The Charity has received no complaints about its fundraising activities in the year.

The Charity has opened discussions on taking the services of a specialist fundraising company, Compton Fundraising Consultants Ltd. This will be reported in detail in next year's report.

We raise funds directly from the public either to support our general activities or to support specific projects. Where we raise money for projects, we are careful to ensure that these funds are kept strictly for the purpose for which they were given. In the event that the project completes without requiring use of all the funds, we will seek the donor's permission to re-allocate or we will return the money to the donor.

In order to protect vulnerable people and other members of the public from behaviour which is an unreasonable intrusion on a person's privacy, is unreasonably persistent or which places undue pressure on a person to give money or other property, the Charity does not use street fundraising or similar techniques. Through our publications or by posters on our stations, we set out the projects we are seeking funds for and how they can be donated. On our trains, our ticket inspectors distribute envelopes to invite passengers to contribute. Where a member has given us permission to do so, we may email to invite donations. We also make use of donation points on our stations.

Part 4 Achievements and Performance

Key metrics:

Operating days 206

Steam mileage operated – 24831 (47878 – 2024) down 48%

Diesel mileage operated – 27811 (16413 – 2024) up 41%

Diesel includes the North Eastern Railway autocar

Note: 2024 – 7 day a week season, 2025 – 5 day a week season

Steam Gala visitor numbers 3,883

Diesel Gala visitor numbers 1,659

Despite the challenging circumstances that the NYMR has operated in, overall, income has grown 21% since 2019. However, due to the disruption throughout the season we have not been able to maintain this growth rate when compared with our performance year-on-year, with traffic income down 4% in 2024 against 2023. Secondary spend was down 5% over the same period.

Cost pressures continued throughout the year with the increase in national living wage and NI contributions both coming through. Fuel prices showed some signs of softening (the bombing of Iran by the US and Israel started on the final day of the year under review: fuel prices climbed rapidly after that date) but general inflation has stayed between 3% and 4%, above the Bank of England target of 2%.

Our budget for 2025 anticipated a circa £200k deficit for the year with a 5-day operating model in all but peak season when we would operate 7 days. Evidence from other railways was that this would have a negligible effect on overall passenger numbers. We planned on the basis of static visitor numbers. The year initially saw buoyant visitor numbers, but that trend quickly reversed during the summer, due to the high temperatures and increased fire risk. That continued, punctuated by a number of successful visiting engines events.

Autumn 2025 saw the iconic locomotive No. 60103 Flying Scotsman return to our line between Grosmont and Pickering, as part of the national Railway 200 celebrations marking two centuries of rail travel in the UK. What has worked extremely well this operating season, is generating income from visiting engines. This year we have had Sir Nigel Gresley, Bahamas, Tornado and Flying Scotsman - our engines have delivered, and we have seen a 59% increase in our events income.

The outlook for UK tourism presents both opportunities and challenges for heritage attractions like the North Yorkshire Moors Railway. While international visitor numbers are forecast to continue growing, offering a chance to attract more overseas guests, domestic tourism has faced some headwinds, with fewer overnight trips and more restrained spending by UK residents. This means that focusing on delivering high-value experiences, such as premium journeys, special events, and unique offerings, has become essential. Diversifying our audience, balancing international and domestic visitors, and ensuring memorable, high-quality experiences will help secure the railway's sustainability and growth in a competitive tourism market.

We changed the ticketing model first introduced in 2023, and which was continued into 2024, of an all line day ticket with free return travel for 12 months. In 2025 we reverted to a 'donation fare' to facilitate Gift Aid, supported by a discount voucher for use in our shops and tea rooms to encourage uptake. We re-introduced children's fares and shorter journeys were also available from ticket offices on the day. We will keep all these fare initiatives under close review. With improving information from our booking systems, segmentation and tracking should improve over the coming 12 months.

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Lineside conservation

The 2025 season presented significant environmental challenges. In April, the Ellerbeck Fire damaged 110 acres, an incident reportable to the Charity Commission. The Met Office confirmed that summer 2025 was officially the hottest on record in the UK. In response, we operated Fire Control measures for 10 weeks, with our staff and volunteers undertaking fire patrols along the lineside, and the responsible use of diesel locomotives during the Langdale Moors Fire. We extend our sincere thanks to our staff, volunteers, and North Yorkshire Fire Services for their tireless efforts. This remains an ongoing challenge, and completing the oil conversion of 2253 Omaha before the start of the next operating year is a key priority to ensure safer, more sustainable operations.

We have started the Mill Scar Project, which is an initiative to restore 500 meters of historic dry- stone walls near Mill Scar, above Goathland Station, with support from the North York Moors National Park Authority. It is a multi-year project focused on preserving the heritage and wildlife habitats these walls provide. As part of this project, we have now completed Beck Hole and Hill Top Farm.

The Wild Newtendale project is a rewilding initiative in England, led by Forestry England, that involves rewilding several "wild areas" across the country, including Newtendale. The project's goals include restoring natural processes, enhancing biodiversity, and creating more dynamic, resilient forests by allowing nature to guide the process.

This is achieved through methods like conservation grazing, restoring wetlands, reintroducing key species like beavers and pine martens, and creating a mosaic of habitats that can support more life. As part of this project, we have completed the access points across the railway which you may have seen.

"Linking Levisham" is a £23 million DEFRA funded Landscape Recovery Project in the North York Moors National Park that aims to restore natural habitats and increase biodiversity. It involves actions like natural regeneration, sustainable farming, and restoring natural processes to create a resilient, working landscape that balances conservation with agriculture. This is a long-term project focused on environmental restoration and biodiversity enhancement across approximately 2,880 hectares. As a significant local landowner, we have confirmed our willingness to be part of the project on the express understanding that our railway operations as a statutory undertaker will not be compromised.

Education & community engagement

Towards the end of the review year, NYMR has achieved a number of significant milestones. The Exhibition Train welcomed 953 visitors over a three-day period, providing an engaging experience for the public, while Locomotion 1 has been on site and generated £12,000 in income. The MIC Classroom has now been installed and is scheduled for fit out completion early in 2026, enhancing our educational offerings. We are also featured in Channel 4's "Steam Train Diaries", which provided further national exposure for the railway. In our schools programme, 2,171 children have visited this year, highlighting our ongoing commitment to learning and community engagement. Additionally, we successfully completed the apprenticeship collaboration with the North York Moors National Park Authority as part of the National Lottery Heritage Fund "Yorkshire's Magnificent Journey" Project, supporting skills development and fostering the next generation of heritage professionals.

Volunteering

Volunteers remain at the heart of the NYMR, bringing passion, expertise, and dedication that enable us to operate, preserve, and share our heritage. We are currently undertaking a detailed review to understand the resources and skills required across the organisation, helping to identify priority areas for volunteer support and ensuring contributions have the greatest impact. As we continue to expand our programmes and maintain our ageing infrastructure, the need for skilled and enthusiastic volunteers has never been greater. Whether supporting operations, conservation projects, educational initiatives, or visitor experiences, every contribution makes a tangible difference.

PART 5 Delivering our Objectives

5.1 Heritage

Caring for the railway, its infrastructure, signalling systems and buildings

The pivotal issue this year has been the emergence of the issues with Bridge 42 at Grosmont, noted in the Chair's report at the beginning of this review. Since the end of the financial year, extraordinary progress has been made with a major engineering challenge to prop the bridge and obtain all the consents required for work in a difficult location. It is expected that services to Grosmont and beyond to Whitby will resume in early June.

Elsewhere on the railway, we had achieved considerable success earlier in the season with extensive hand tamping around milepost 15. This was targeted at lifting the speed restriction, reducing the impact of dipped joints (where rails are joined to each other end on, the ends of the rail get hammered down resulting in a more pronounced drop of the vehicle as it passes the joint). This will improve our ability to maintain the timetable. It also had a significant impact of the number of broken springs on locomotives down from a yearly figure of around 70 in 2020 to 10 for the year 2025-26. We will be continuing with a robust approach to track maintenance to continue this improving trend.

Locomotives

The Chair's report noted the high use of diesels through the year because of the two fires, one of which was adjacent to the railway and the other of which was so large that Fire Service resources would not have been available. The fact that we had diesels available in numbers that we had not previously had gave us some resilience in the face of challenging circumstances. 37688 has now joined the home based fleet and is registered for the National Network giving us resilience to Whitby. 31128 gave sterling service and left us towards the end of the year. It will return in 2026.

In terms of others in the diesel fleet, with resources committed to maintaining the operational fleet, work on other locomotives was necessarily curtailed. However, we did focus on getting four of our shunting locomotives completed and back into service for use elsewhere on the railway: the Drewry shunter has now returned to duty for the Carriage and Wagon department

On the steam front, work is complete on the conversion of Omaha to oil burning, with testing commencing in April 2026. This will be a first for large UK standard gauge preservation and whilst this class was built with some oil burners during and after the second world war, this will be conversion to a modern system piloted on a number of American railroads. It will be a gamechanger, allowing the continued use of steam at times of high fire risk with minimal risk of emitting sparks or embers to start wild fires. If proven, locomotive Dame Vera Lynn will receive a similar treatment.

Work continues on Hartland with our inhouse CNC machine turning out the highest quality boiler stays in volume. There are multiple lengths and different material types so CNC machining makes speed, accuracy and consistency possible in a way that wouldn't have been possible with endlessly re-setting older types of lathes. We are fortunate to have several volunteer machinists with CNC skills. The locomotive boiler has now been rotated to allow fitting of the crown stays.

80135 overhaul continues, with work on the boiler progressing well. The copper firebox construction is well underway with plates all formed and marked up. The chassis is largely complete with only a few remaining jobs to complete including the fitment of TPWS/AWS

The J94 is proceeding at Darlington in the NELPG workshops pursuant to a partnership agreement. NELPG is using its skilled resources to undertake work on the chassis allowing it to be fully utilised before the next NELPG locomotive is due in for overhaul.

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We welcomed a number of visiting engines to the NYMR and pay particular thanks to their owning groups and operators. It was Rail 200 year, and we were extremely proud to be the only heritage railway operating Locomotion No 1 (the replica) on passenger services and had the honour of seeing it alongside the A3 class Flying Scotsman. We also welcomed Jubilee class Bahamas, A4 Pacific Sir Nigel Gresley and A1 Pacific Tornado. A particular favourite amongst visitors was the North Eastern Railway Railcar, the precursor to every modern diesel passenger train on railways around the world.

It was a challenging year, with the availability of diesels at times of some concern when we could not operate steam, made up for by the huge success of Flying Scotsman in particular. We look forward to what next year will bring.

Carriage and Wagon

A full programme of maintenance has taken place this year on our operating collection of passenger carriages. This was achieved following the work done to complete the return of the 11 coaches damaged in a shunting accident in the previous year.

Pullman car Robin saw an intermediate overhaul completed with interior refurbishment. Four of our coaches have received bogie overhauls and have had new tyres fitted.

The carriage workshops themselves saw work completed with a new dust extraction system installed and new woodwork area created.

Finally, BR Mk 1 coach 21100 has been overhauled.

We have continued to support our friends at the London and North Eastern Railway Coach Association (LNERCA) and their fabulous teak coaches. We have a 10 year agreement with them and are hopeful that in 2026 we can once again operate the teak coaches covered by the agreement. The challenge has been one particular vehicle with excess wear on its tyres which was key to operating the other vehicles. We believe we now have a way forward on this issue which has troubled both LNERCA and ourselves.

As a result of LNERCA completing work on one of their vehicles, we are delighted that our Wagon Group are now back under cover in the Atkins Shed. They continue their excellent work overhauling our extensive collection of freight wagons which then run in a demonstration freight train, showing the way goods were handled up to the 1950's on branch lines across the country.

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Caring for our smaller artefacts and archives and the administration of our heritage collections

The key priorities delivered by the Archive Team in 2025/26 were to:

- identify the need for and take action to create additional supporting policies including a new NYMR security policy and to review and obtain agreement to the lineside and station artefacts policy.
- having delivered the core SPECTRUM procedures, continue to develop additional good practice including the audit procedure.
- review donations offered for the Museum Collection, accession where appropriate and refuse items which are not relevant. Ensure fully documented process for offers of donations from initial entry to outcome.
- Identify items located in the archive which have not been accessioned and taking action to remedy this
- continue to identify items previously accessioned into the Collection which are not relevant and after seeking approval from Trust Board, identifying and liaising with other railway societies and museums to transfer them over to them to add to their Collections.
- continue to audit, review and assess materials and objects in the Archival Collection to ensure accurate categorisation, improved storage and retrieval.
- "Cleaning" data records to ensure clarity and systematic recording of items.
- completed the lineside artefacts survey with results entered onto the NYMR Mapping system.
- Station Audits been underway to update records of all station based artefacts. In addition, the artefacts have been entered individually or as relevant groups, onto the Museum records system. This will ease future retrieval and audits and ensure these are documented in a systematic way, linked to the artefacts.
- continuing with the oral history project and starting to consider ways in which to share the output.
- continuing a project using census data to develop historical perspectives of people and the railway and beginning to share this with Members and with the public.
- continued with the work to deliver an audited, re-categorised photographs, digital images and slides by topic whilst also ensuring the photographer is also credited which will ease retrieval and usability to support other projects and articles/interpretation.
- reviewing items not owned by the NYMRT to ensure appropriate agreements/loans in date and according to standard procedures. The outcome has included donation of some objects to the Collection, renewal of some loans and the ending of other loans. Considerable progress has been made but this work continues.
- registered with the Museum Data Service, a national collection of c6.5m records from museums across the country: this enables information about the NYMR and the records from our Collection to reach a much wider audience. As the data itself is not a live link, updates are loaded every few months.
- NYMR website has up to date content regarding the Museum Collection which includes how it is managed (records and care and conservation); online access to the Museum Collection records (this stands at c 1000 objects and is closely linked to the ongoing audit work to verify entries/records) and also interpretive articles about the Collection. Archive hosted a display of a range of objects from the Collection for the Heritage Open Days in 2025
- exploration of potential developments in interpretation taking advice from our accreditation adviser and working with colleagues across the railway – work has been underway to prepare materials
- responding to queries from within NYMR; research for TV programmes; the general public and researchers undertaking studies of various levels or aspects of the railway for books. Identifying materials and records to support their work.
- In liaison with Marketing, exploring potential items to be digitised for display.

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5.2 The Visitor Experience

We operated public services on 206 days during the year, with daily operations from late March until mid-November, together with Santa services and Pullman Diners in the lead up to Christmas and during the New Year holidays. Our steam locomotives operated for 24,831 miles and diesels 27,811 miles during the year.

The Diesel Gala in June and the Steam Gala in September were both resounding successes, operationally and financially.

Building on the achievements of the previous two years, the Diesel Gala featured four visiting diesel locomotives operating alongside our home fleet, including the North Eastern Railway autocar. The event attracted several thousand passengers, further cementing its growing popularity.

The Steam Gala in September also proved highly successful, delivering a flawless operation and excellent timekeeping throughout the four day event. We maximised the railway's capacity by running three main service sets between Grosmont and Pickering, complemented by shuttle services between Pickering and Levisham, and Grosmont and Goathland. Services to Whitby were also incorporated into the timetable.

With visiting locomotives 41313 from the Isle of Wight Railway and 78019 from the Great Central Railway, the event offered a distinctive character, through the use of smaller engines, providing a refreshing contrast to previous years.

We are fortunate to be able to offer some of the best Gala events in the Heritage Rail sector.

The unique Autocar Trust's North Eastern Railway Autocar 3170 continued as a welcomed and popular visitor to the railway, both during the Diesel Gala and through normal operating. This remarkable vehicle, built by the North Eastern Railway in York in 1904 was the world's first passenger carrying internal combustion powered rail vehicle and as such, the precursor of almost every diesel powered passenger train in the world today. The Autocar entered service at February half term and has proved instantly popular. It remained on the NYMR until August 2025 and we hope that it will become a regular visitor, providing a unique ride experience for visitors and unlocking fascinating stories of railway innovation in our region.

5.3 Learning activities

Over the 2025–26 season, Learning and Engagement activity has continued to expand in reach and strategic focus, with particular emphasis on access, interpretation, and audience development.

A key highlight was hosting the Inspiration Train at Grosmont in October, celebrating 200 years of the modern railway. This free exhibition, developed with the Railway 200 team and the National Railway Museum, welcomed 682 visitors. Across four themed coaches—Railway Firsts, Wonderlab on Wheels, Your Railway Future, and the Partner Zone—visitors engaged with railway innovation, STEM, and careers through interactive displays.

A varied programme of events further broadened engagement. Activities included MPD Shed Tours (324 participants), Meet the Baby Dinosaurs (1,032), Meet Paddington (689), and the Railway 200 Exhibition Train (682), alongside smaller-scale sessions such as the Big Science Show (53), Brickin' It Lego workshops (52), Stargazing (31), and creative workshops. Bridge-themed activities, developed to support the current fundraising campaign, attracted a minimum of 30 participants daily, rising to over 60 on peak days over Easter weekend.

Our Early Years and family offer has continued to grow, with at least five Early Years community activities delivered. The new Station Stay and Play sessions for under 5s launched successfully, with the first session selling out (16 children). Work is also underway to introduce new free-play and self-led activities at Goathland Learning Coach and Pickering Visitor Centre.

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Informal learning, updates to workshops have responded to feedback from schools and volunteers. 'King Coal' is now delivered at Goathland, and 'Signaller's Challenge' at Pickering. Development is underway for a revised EYFS offer and a new Key Stage 3 STEM-focused workshop at the new Grosmont Mutual Improvement Classroom. We hosted 63 schools and community groups across the 2025 season, with a total of 2,171 pupils, teachers and carers visiting the railway across those visits. Bookings are already being secured for 2026–27.

Digital interpretation has progressed through the Station Stories app, with Pickering Station content now live. Downloads totalled 544 in 2025, indicating a need for improved on-site promotion, with an in-app competition planned. The NYMR website has also been significantly updated to improve access to the Museum Collection, including archival, lineside, and rolling stock records, alongside guidance on collections management. Online access to records has begun, supported by an ongoing archive audit, and the collection is now also accessible via the Museum Data Service. Future plans include expanding in-person archive access and developing interpretation to complement digital content.

Heritage Open Days in September attracted nearly 200 visitors across two days, focusing on NYMR architecture and archival material, particularly at Pickering Station.

Accessibility and inclusion remain priorities. Sighted Guide Training with Guide Dogs for the Blind has recently taken place at Pickering Station, in order to better support visually impaired visitors. Volunteer development has also progressed, with Train Guides participating in pre-season Shed Tours and evacuation training, and further training in Customer Service and Safeguarding planned.

We continue to explore partnership opportunities with local museums and heritage organisations. Attending the Celebrating Museums North conference in Leeds provided a valuable networking opportunity and has already initiated further conversations with Beck Isle Museum and Whitby Museum, supporting future collaboration and knowledge sharing.

5.4 Access and Engagement

Building citizenship, skills and wellbeing for individuals of all ages

As an historic railway dependent upon skills learned over the last 200 years (2025 was the 200th anniversary of the Stockton & Darlington Railway, closely associated with the early Whitby and Pickering Railway which is at our core), maintaining those skills in a modern world ever more sensitive to environmental and heritage impacts becomes more central to what we do.

Over the last 12 months we have been able to engage with diverse groups including volunteers from the national rail network, schools, colleges, the National Park and many others, alongside our own teams, to develop those skills and the ethos of teamwork, sensitive to the environment in which we work. We are hugely encouraged by the successes in this area and will be looking to expand similar schemes for mutual benefit in the years ahead.

5.5 Environment

Addressing the community’s increasing concern for the environment, caring for and building public understanding of our unique green corridor through the National Park.

NYMR Environmental Sustainability programmes continue to be well represented and supported amongst staff, volunteers and our wider membership base. We have identified our key target areas of work and where they fit within the United Nations Sustainability Goals. Our three main ‘themes’ with target focus areas include:

People

- | | |
|-------------------------------------|--|
| • Access for all and Inclusivity | • Partnerships and Communities |
| • Interpretation and Communication | • Positive procurement |
| • Education and Outreach | • Sustainable services (including cafes and shops) |
| • Apprentices and Junior Volunteers | |

Places

- | | |
|---|---------------------------------|
| • Energy conservation, use and procurement. | • Water conservation |
| • Sustainable estates management and development | • Waste minimisation. |
| • Responsible construction, refurbishment, and retrofitting | • Pollution control. |
| • Planning for sustainability | • Net-gain biodiversity policy. |
| • Nature conservation within a living landscape | |

Progress

- | | |
|---------------------------|---|
| • Heritage for the future | • Adaptability. |
| • Clever maintenance | • Training, upskilling, and skills sharing. |
| • Product diversification | • Risk Management and Safe Working Systems |
| • Fuel diversification. | • CO2e reporting and Decarbonisation. |
| • Engineering solutions. | |

The Lineside Conservation team continues to attract volunteers and requests from community volunteers to take part in activities. Volunteer teams work 5 days a week on sites in a range of tasks, all of which continue to make our railway safer, biodiverse and rich in heritage features. We continued our survey work of rare and common species to inform management tasks including our continued partnership with the Birds on the Edge survey work for turtle doves in the National Park. In 2025 we also welcomed Whitby Naturalists Society who conducted two species surveys and were able to record a plethora of types including uncommon species.

In 2025 we trained Permanent Way (PWay) and Lineside team members in boom spraying competence and PWay designed and put together our own NYMR pesticide boom spray wagon. From Spring 2026 we are now able to manage all pesticide spraying on the PWay inhouse. This is a significant improvement that is financially sustainable and allows us to take greater control, maintaining a safer PWay and lineside and reducing fire risk.

2025 saw the launch of the Mill Scar Drystone Wall Restoration Project. This is a three year project with funding from the National Park S106 Strategic Boundary Fund. It is a very public facing site and an Open Day in October 2025 saw 60 people attend a dry stone walling session and 6 join the volunteer team. A fantastic success. The project continues to progress well and interpretation will be on site for passing public education in 2026.

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The NYMRs role in Linking Levisham continues with the NYMR Conservation Manager being the primary link whilst the marketing team continue to support comms. The two year planning, surveying and stakeholder engagement piece ends in April 2026 with final submission to Defra for the 20 year funding proposal due in at that time. It has been a significant amount of work but if funding is approved it will see financial support for lineside conservation projects, engineering projects and interpretation and education investment for the next 20 years.

The NYMR's partnership with Forestry England for their Wild Newtendale Project has been very successful so far. Winter extraction of the first stand of forestry via the lineside took place in winter 2025. It was a smooth operation and with support from Lineside and PWay working with Control we were able to complete the project for this year in good time. It is a significant change to the landscape and a good talking point for our TTIs (Travelling Ticket Inspectors) and others on the trains with passengers. An 8.5km fencing project has been in planning and training over winter 2025 and the project to re-fence the lineside between Levisham Station and Northdale as part of Wild Newtendale started in winter 2025. It has been a significant piece of work and we will continue to be actively engaged until the end of the fencing scheme.

Our Fire Control and Fire Patrol work has stepped up to a new level for the start of 2026. With a new agreed budget, we have been able to significantly progress with lineside habitat mitigation over winter 2025; purchase a new Fire Patrol vehicle; upgrade tools; continue to work with North Yorkshire Fire and Rescue Services for future partnership activities; recruit a new role for Fire Patrol Lead; and recruit new volunteers. Wildfire risk continues to be a big consideration with the team meeting weekly through the running season. We are upskilling at every opportunity but acknowledge this continues to be a real risk in many different ways to the NYMR and landscape.

Part 6 Managing Ourselves

6.1 Structure, Governance and Management

The Core Leadership Team continues to be led successfully by our CEO, Laura Strangeway. During the year the PLC Chair was briefly filled by Chris Gee who stepped aside. He was replaced by Mark Brierley who had been a Trustee and Secretary to the Trust Board two years earlier: we were delighted that Mark accepted our invitation to rejoin us.

Each year, one third of the Trust board step down by rotation and may offer themselves for re-election.

During this cycle we saw the departure of Tammie McGee and Katherine Dodds who both stood down and Tuukka Laakso who did stand for re-election to the board but was unsuccessful. We thank them all for their valued contributions.

We had a substantial field of candidates, and we welcomed five new members to the board, elected by our members. As a National Portfolio Organisation we are committed to ensuring that our leadership reflects the diversity of our current and future audiences, and this will be an active part of our ongoing trustee recruitment process.

Within our Core Leadership team Matt Bell (Chief Operations Officer) and Andy Woolley (Head of People) have been invited to join the PLC board. Our Head of Engagement, Kerry Carruthers, moved on and we are working with a consultancy to cover her fundraising work and will report on this next year. Her membership work is now being actively led by one of our new Trustees, Dave Boddy, who accepted the volunteer role of membership secretary.

Encouraging home-grown talent to take on leadership roles as PLC directors sends an important motivational signal to our employees. However, it can lead to misunderstanding. Although their salaries are not increased to reflect their additional responsibilities their remuneration must be shown in the Report and Accounts as directors emoluments. This gives the mistaken impression that the total amount paid to directors has increased even though the actual salary cost has not increased.

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A periodic review of Board Support Groups took effect during the year with the Trust Board adopting a number of changes to remit and a reduction in the total number of BSGs. The changes will, it is believed, enhance communication and decision making across the organisation.

6.2 Staff and Volunteers

Recruitment

Despite challenges in the recruitment market, we have successfully filled roles in our operations, people, commercial and Civils directorates. The Core Leadership team has been strengthened with internal appointments that have continued to balance the gender balance in the core leadership team.

Permanent staff numbers are as follows:

Permanent staff as at 1st March 2025	102 (without apprentices 98)
Permanent staff as at 28th February 2026	103 (without apprentices 99)
Current volunteers registered on HOPS	1,337

As noted elsewhere, we are working on an extensive review of volunteer competency and skills. We anticipate that this review may significantly reduce the number of apparently active volunteers. We believe that HOPS numbers are inflated through poor data quality; an issue that we are tackling robustly.

Training and Education Programmes

Work is nearing completion on the new Mutual Improvement Classroom with the formal opening scheduled for 04 July 2026. Thanks are due to North Yorkshire Council’s UK Shared Prosperity Fund, and a private donor. We were delighted to see our Head of Mechanical Engineering complete his degree course and one of our Apprentices be shortlisted for an award in the Heritage Railway Association Awards as a “Rising Star”. We are working closely with our Apprentice Training Body in the development a new programme of Heritage Engineering Skills which is likely to be of interest, not only for Heritage Railways, but also Heritage Aviation, Heritage Vehicle and Heritage Boat/Ship bodies.

We have also invested in training to increase our internal skills. Examples include, Train the Trainer, to increase the amount of training we can deliver in house, Leadership Skills, DEI, IOSH Managing Safely and functional skills, linked to amended Policies and Procedures. As noted elsewhere, we are working on an extensive review of volunteer competency and skills, which has enabled us to more accurately reflect the number of active volunteers across the organisation.

HR Policies and Procedures

Key Policies have been reviewed, amended and implemented, with supporting training by the new Head of People. Volunteer Processes have been reviewed in conjunction with the People Board Support Group and Trust Board. This will result in slicker processes and a matrix of volunteer skills which we can utilize to make better use of existing skills and reduce costs.

Improvements to Internal Communications include a Weekly Update, the re-introduction of the Staff Forum and launch of a Volunteer Forum, the latter two elements to improve two-way communications.

6.3 Safety & Safeguarding

Safety

The NYMR operates within a strict safety regime regulated by the Government's Office of Road and Rail Regulation, who grant us a Safety Certificate allowing us to operate over the National Rail Network between Grosmont and Whitby. We remain the only heritage railway operating routine daily services over the National Network in this way. As part of the Regulator's certification, we are subject to both regular audits and visits from the Office of Rail and Road (ORR). Whilst this year we have not been audited, we have successfully hosted a team of ORR trainers and their prospective future inspectors, with positive feedback on what they observed during the week they spent hosted in Pickering.

Over the course of 2025 we had 6 incidents requiring reporting to the ORR under the Reporting of Injuries, Diseases or Dangerous Occurrence Regulations 2013 (RIDDOR). We had two significant injuries which were reported – one to a visitor who sustained a cut to their leg which required sutures, and one to a volunteer who fell and broke a hip on Grosmont Platform 3 and was taken to hospital. In June we had an instance where two tokens were found to be out of the token machine at Goathland station which was found to be the result of an operating error induced by complex abnormal working. Two of the incidents were associated with the failure to return to danger of Grosmont Platform 4 south end gantry signal, and we had one SPAD at Levisham as part of a driver experience. All have had appropriate corrective actions identified and implemented.

Our request for modification of Regulation 5 exemption for Door Locks was withdrawn at the request of the ORR, in order that further exploration of burst strength of locks be reviewed ahead of any further evaluation of an exemption. We have provisionally scoped and priced for this design and testing work, but have continued with door stewards for the duration of last season. Our thanks are due to those volunteer stewards who have enabled us to maintain services to and from Whitby.

Following a significant wildfire in Northdale on the 19th April 2025 (described elsewhere), we had some excellent development work in our risk assessment process for evaluating lineside fire risk. A wider range of data sources for conditions and risk across the wider landscape, including the National Gamekeepers Association are now included as part of the new risk assessment process, which includes differentiation between likelihood of a fire starting, and that of it subsequently spreading from our lineside. The extremely dry spring weather last year led to some risk-led extended periods of diesel-only running in higher fire risk sections, and out with that both staff and volunteers have been called upon to ensure we have trained fire patrols deployed at periods of higher fire risk. This has necessitated further recruitment and training of volunteers in suitable skills, and we now have 77 people with sufficient training for our Fire Patrol. Our operational team attended the National Park's Fire Liaison Panel, engaging with neighbouring stakeholders in work to mitigate lineside fire risk, which has led to a significant improvement in consideration of fire breaks and fuel management in adjoining land. We have also continued our wider engagement with the NYFRS, with a number of the Fire Service senior team joining a special train service to view first hand and discuss lineside fire management.

There has been some excellent work developing the Health and Safety Employee Induction pack, and work is underway in creating a NYMR Safety Induction Video to be used for all new starters.

Training of all staff remains a priority. Key safety training continues utilising our iHASCO online training resource which is proving a successful resource for the organisation. 672 courses have been successfully completed in the last year across 148 people in a variety of roles, giving us over 1087 live valid competencies, an increase from 2.2 courses per person to 4.5 compared to the previous year, which is a good indicator of the quality of the training provided. We have also successfully completed IOSH Managing Safely training for a group of 10 of our leaders in line with our Safety Management System for the management of competence. We have also trained 8 people as Level 3 Awards in Education and Training which will allow them to both train and assess on behalf of the railway.

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The Incident Log continues to be well used to provide insights into trends, with 421 incidents reported in 2026, up 12% on the previous year. We continue to share this data in Staff Meetings and to the Boards throughout the year, allowing us to provide monthly reporting trends to monitor the impact of improvements and learnings following accidents and incidents, as well as highlighting hot spots or spikes in trends.

Safeguarding

Creating a safe and welcoming environment where everyone is respected, treated equally, and valued remains at the heart of safeguarding at the NYMR as work continued in building a culture of safeguarding. During the year we have trained and appointed two new safeguarding leads, reflecting the importance attached to Safeguarding. The Chair of the Board of Trustees has become the Trustee Designated Safeguarding Lead, supported by the CEO and Head of People as Deputy Designated Safeguarding Leads.

Safeguarding and its importance is included in the inductions of both paid staff and volunteers. Reminders of the importance of Safeguarding were shared as part of the pre-season all employee meeting.

The Safeguarding Policy was reviewed this year and currently the NYMR DBS checking procedure is being aligned to changes made by North Yorkshire Council who provide the actual checks.

6.4 Working with Partners

We are also grateful for the unstinting support provided by the NYMR's local groups in Hull, South Yorkshire, Teesside and York, the latter being an independent charity. The Trust also values its relationship with a wide range of public bodies including the National Lottery Heritage Fund, the Arts Council for England, the North York Moors National Park Authority and Natural England. This year saw the launch of the Combined Authority for York and North Yorkshire and we hope to be working with the Mayor. We have refreshed our relationship with North Yorkshire Council having had a very fruitful meeting with the Chief Executive and the Leader of the Council, focussed on Bridge 42.

We would also like to pay tribute to our Vice Presidents, Kevin Hollinrake MP and Baroness Anne Mackintosh of Pickering who have been immensely helpful and supportive. We will be following up on a previous invitation to Alison Hume MP, Scarborough's MP.

Other key partners include the London and North Eastern Railway Coach Association (LNERCA), North Eastern Locomotive Preservation Group (NELPG), and the Lambton Trust, to name the larger ones. We consult widely with other attractions across the region and would like to express our gratitude for the open flow on information and assistance always willingly given.

6.5 Fundraising

Our fundraising income performance in 2025 showed mixed results across three of our core funding streams, membership, bequests and project grants, resulting in a total trust unrestricted income declining from £1.07 million in 2024 to just £0.78 million in 2025, a 27% drop in income.

Membership income decreased from £147,248 to £136,748 (a 7% decline) although project grants showed a marginal increase from £250,634 to £254,720 (a 1% increase). However, our bequest income dramatically declined from £515,953 in 2024/25 to just £229,695 in 2025 (a 55% decrease). Overall, these three pillars of our fundraising strategy - membership, project grants, and bequests - collectively generated a figure of £621,163 in 2025/26 compared to £913,835 in 2024/25, representing a 33% overall decline in income and that has required strategic attention.

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As a consequence, we have reviewed both our membership rates and offering: We have since increased our membership rates by some 50%, which is the first increase since March 2021, as well as now offering a tiered membership rate to encourage an overall increase in membership: these changes will take effect in 2026/27.

The decline in core trust income was offset to some degree by our restricted income streams which, excluding the MIC (Mutual Improvement Classroom) and Yorkshire's Magnificent Journey funding, increased from £403,537 in 2024/25 to £455,914 in 2025/26 – a 13% increase (The MIC funding was £576,250 in 2024/25 reducing to £35,000 in 2025/26).

While we must address the membership and project grant income trends through enhanced donor engagement and grant application strategies, our ability to mobilise substantial restricted funding for specific projects demonstrates strong supporter confidence in our mission and provides a solid foundation for future capital development initiatives. An example of this is has been the fantastic response we have had to the Bridge 42 appeal, which to date (September 2026) has generated an overall contribution of some £400,000 towards the minimum £800,000 overall value of the appeal.

6.6 Principal Risks and Uncertainties

Both Boards are committed to managing all risk throughout the organisation, with a particular emphasis on the safety of visitors, volunteers and staff. The Corporate Risk Register quantifies risk and impact, with Charity Commission Guidance Note CC26 (Charities and risk management) underpinning much of the process. The review process assesses every risk against the following criteria:

- Is the risk current? Is it clearly defined?
- Is the quantification of likelihood and impact correct?
- Is the identified mitigation still current and clearly defined?
- Is the quantification of likelihood and impact post-mitigation correct?
- Is the risk allocated to an appropriate 'owner', 'mitigator' and 'reviewer'?
- Are the dates and any milestones correct?

We have recognised the need to continue to be vigilant in our controls, for the safety and health of everyone who is in contact with our activities. The Corporate Risk Register is a living document, reviewed at every Trust and PLC Board meeting so that Trustees and Directors have a clear view of the issues facing the charity and the mitigations required to reduce or manage the risk. We categorise risks as red, amber or green based on their score, before and after controls are applied. Perhaps unsurprisingly, most risks directly attributable to our operations are currently green or amber as we believe we have robust demonstrable controls in place consistent with safety responsibilities and our licence to operate the railway. Red risks tend to be external and less easily controlled. Current 'Red' risks (those with an identified risk score of 15 or more) are:

- Inability to fund scheduled and unplanned capital renewals in order to maintain service.
- Serious disruption to operations; loss of a significant structure - bridges, tunnels, embankments, cuttings, retaining walls meaning operations are either severely curtailed or (depending on location) impossible.
- Operation of longer trains with passenger operated doors in short platforms causes an accident on NYMR or elsewhere leading to ban on use of hinged door rolling stock unless exterior doors provided with door locks operated by staff.

This is a reduction of one, on our 'Red Risks' reported last year. We are satisfied that whilst the availability of trained and competent volunteers remains a challenge, it does not warrant 'Red' status.

Whilst it is not a 'Red' risk, the railway has noted the risks associated with a potential cyber security incident and has taken action which we said we would report on this year.

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We undertook an external review of our IT systems and their security. We were pleased to be given a 'clean bill of health' and are following up on any of the recommendations. Two-factor authentication was implemented and whilst not popular with some staff and volunteers, we agreed with the auditors that it was a necessary step. We will continue to monitor this key area and we are well aware that new threats emerge on an almost daily basis.

Part 7 Group Priorities in 2026/27

Trustees delegate train operations to the PLC, whose annual service delivery plan and organisational development plan are published separately. The role of the Trust Board is to set goals, to take a strategic overview and ensure the long-term success of the whole organisation. Priorities for the year ahead are as follows:

7.1 What would success look like in 2026/27:

Over the winter of 2025/26, the team have continued to work hard to reduce operating costs. With the assumption that we will retain the same footfall and similar revenue as last year our aim is to achieve a budget with no deficit, but with the material uncertainty currently present (fuel cost primarily allied to uncertain visitor numbers), we do not currently believe that we can accurately forecast the next 12 months so assumptions have had to be made. The finalised 2026/2027 budget forecast a very nearly break-even scenario. However, the extended period of curtailed operations until services can be restored beyond Goathland and the continuing impact of hostilities in the Middle East mean this season is, yet again, going to be challenging.

7.2 Key Success Measure for 2026:

- For the PLC to break even and start to progress at being financially sustainable.
- Increase fundraising income to help assist core capital projects such as carriage and rolling stock maintenance.
- Tickets with the "plus 10%" Gift Aid on fares model deliver similar or greater revenue than the previous year. No increase in income is assumed despite the 10% uplift on those paying the donation fare. Continuation of a 15% thank you voucher for those paying the donation fare.
- Completion of No. 2253 Omaha oil conversion, which would alleviate pressures during periods of drought and increased temperatures. Fire risk and increased temperatures continue to be a challenge.
- Special events income again in line with 2025 actuals.

The PLC has developed its Business Plan and the Trust Board is pleased to endorse it. The NYMR will focus on:

- **Safety & Compliance:** Maintaining an up-to-date risk register, ensuring statutory compliance (ROGS, PUWER, LOLER, boiler regs), and embedding monthly reviews.
- **Operational Resilience:** Completing Operating Standards Manuals, reducing incidents, upgrading level crossings, and delivering fire mitigation plans.
- **Volunteer Growth & Competence:** Increasing volunteer capacity in all departments and delivering competency audits and onboarding improvements.
- **Financial Performance:** Accelerating management account delivery to 12 days, improving forecasting, and strengthening budget control.
- **Infrastructure Capability:** Recording 95% of assets, completing structural works (Platform 4, Bridge 42), and aligning with ORR frameworks.
- **Commercial Growth:** Exceeding ticketing and secondary spend targets, expanding catering, building partnerships, and launching new offerings.

This plan ensures consistent delivery, governance oversight, and alignment with Board timelines and reporting periods.

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) (CONTINUED)
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7.3 Strategic Objectives

7.3.1 Safety & Compliance

- Risk registers up to date by **31 March 2026**, reviewed monthly.
- High and emerging risks have documented mitigations and owners.
- Compliance audits completed (ROGS, PUWER, LOLER, PSSR, boiler regulations).
- Preventative maintenance aligned to statutory requirements.

7.3.2 Operational Resilience

- Complete all Operating Standards Manual (OSM) documents by **January 2027**.
- Identify and prioritise operational risks and resilience gaps.
- Reduce operational incidents requiring formal investigation by **25%+** by January 2027.

7.3.3 Workforce, Competence & Volunteering

- Organisation-wide competency audit with monthly updates.
- New volunteer onboarding routes implemented for the 2026 season.
- Volunteer numbers increased across all departments (Ops, Infra, Commercial, T&RS).
- Staff reduction of 5–10 through natural wastage and volunteer substitution.

7.3.4 Financial Sustainability

- Management accounts delivered within **12 days** by December 2026.
- Weekly 13 week forecast updated.
- Long-term cashflow integrated into reforecasts.
- Departments operate within budget.

7.3.5 Infrastructure Delivery

- 95% of assets recorded by June 2026.
- Complete Bridge 42 repair and Platform 4 at Grosmont.
- Implement ORR-aligned frameworks and policies.

7.3.6 Commercial Delivery

- Achieve **5% above revenue budget** (tickets + secondary spend).
- Launch new catering offers at Goathland & Grosmont by June 2026.
- Develop 5 strategic partnerships by year end.
- Improve EPOS, web journey, and conversion rates.

7.4 Departmental Plans

7.4.1 Traction & Rolling Stock (T&RS)

- Maintain statutory compliance across all fleet.
- Conduct full compliance review (100% audit) with documentation gap closure.
- Develop locomotive project plans with scope, milestones, budgets, risks.
- Deliver CDL package by Feb 2027.
- Strengthen MPD workforce via multi-skilling programme.
- Increase volunteer numbers across MPD, C&W, caretakers, and admin.

7.4.2 People (HR)

- Conduct full competency audit, monthly updates.
- Improve manpower resourcing (5–10 fewer paid staff).

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) (CONTINUED)
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- Deliver leadership and compliance training (DEI, IOSH, recruitment, grievance, inspirational leadership).
- Implement 2026 volunteer pathways and communications.
- Deliver volunteer questionnaire & skills audit.
- Review OnTrack People Module and alternatives.

7.4.3 Operations & Safety

- Complete OSM documents by January 2027.
- Identify risk & resilience gaps; prioritise capital/operational projects.
- Increase volunteer numbers in all core roles (drivers, guards, TTIs, door stewards, FireCon).
- Deliver level crossing upgrades and signage compliance.
- Implement fire control mitigation plans.
- Reduce incidents requiring investigation by 25%+.
- Improve SMS to 90% by January 2027.

7.4.4 Infrastructure

- Review departmental structure; ensure correct skills for safety.
- Record 95% of assets by June 2026.
- Increase volunteer numbers (track, workshop, cleaners, S&T).
- Complete Bridge 42 propping and Platform 4.
- Deliver ORR-aligned frameworks for safety, competence, and asset management.

7.4.5 Commercial

- Deliver competency management for all commercial staff & volunteers.
- Hit ticket revenue & secondary spend budgets (target: +5%).
- Grow volunteer resource across retail, catering, booking office, events.
- Establish 5 partnerships.
- Launch new catering offers at Goathland & Grosmont by June 2026.
- Launch new commercial product/experience by June 2026.
- Deliver improved EPOS and online booking journeys (Merac transition).
- Deliver brand campaign and 2027 ticket package campaign.

7.4.6 Finance

- Management accounts - 12 days by Dec 2026.
- Complete Finance Process Documentation (Dec 2026).
- Maintain daily actuals & weekly 13 week forecasts.
- Deliver two reforecasts per year with long-term cashflow embedded.
- Strengthen departmental budget monitoring.

7.4.7 Fundraising (Trust)

- Raise £800,000 for Bridge 42 project.
- Deliver compliant NLHF submissions and full project planning documentation.

7.5 Cross Cutting Themes

Volunteer Strategy

- Recruitment targets across 170+ volunteer roles.
- Skills audit implemented.
- Clear pathways and resource alignment.

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) (CONTINUED)
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Governance & Reporting

- Monthly risk register reviews.
- PLC Board reporting windows per SMART deadlines.

Customer Experience

- Enhanced events programme with cost control.
- Upgraded catering & retail.

Sustainability

- Fire mitigation across estate & operations.
- Tree safety surveys and actions (Lineside).

7.6 KPIs

Area	KPIs
Safety	Monthly risk register review, compliance status, incident reduction
Finance	12 day accounts, variance tracking, forecast accuracy
Operations	OSM completion, resilience projects, 25% incident reduction
Volunteers	Role targets met across all departments
Infrastructure	95% asset logging, Platform 4, Bridge 42
Commercial	+5% revenue, partnership count, new offerings live
HR	Training delivered, staff reduction, volunteer pathway lives
Fundraising	Deliver Fundraising programme

Part 8 Financial Review

Overview

The year to 28 February 2026 proved to be one of resilience and mixed financial outcomes. The operating environment remained challenging, with the Group facing continuing inflationary pressures, higher employment costs and the direct financial consequences of an unprecedented period of wildfire risk across the North York Moors. For significant periods of the operating season the railway was required to substitute diesel traction for steam services, reducing the attractiveness of the core offer and impacting traffic income. Nevertheless, decisive management action, strong fundraising support, successful special events and continued cost control enabled the Group to remain financially stable and deliver a positive overall result.

Towards the end of the financial year, as mentioned earlier, the group was presented with the challenges surrounding the urgent and unplanned closure of Bridge 42 at Grosmont. From a financial standpoint there have been two distinct issues arising from this which have impacted the next financial year. In addition to the costs of propping, in excess of £500,000, substantially offset by a very successful appeal, it was necessary to operate the railway only between Pickering and Goathland during the first quarter of the 2026/27 financial year. This caused additional operating costs as the line is not designed to be operated in this way, and also significantly reduced income through lower visitor numbers and lower fares per visitor. Following the reopening in late May 2026 the operation has seen a gradual improvement in income to expected levels, leaving the one-off deficit in the period of bridge closure.

NORTH YORKSHIRE MOORS RAILWAY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2026

The year also demonstrated the growing importance of diversification. Whilst traditional traffic income reduced significantly, income generated through special events, commercial activities and charitable fundraising helped offset these pressures. The success of Railway 200 activities, particularly the visits of Flying Scotsman, Tornado and Sir Nigel Gresley, together with the growth in events income, provided an important contribution to the Group's financial performance.

The Group recorded a net surplus for the year of £191,874 (2025: £728,028). Although substantially lower than the previous year, this reflects a year in which the operational challenges created by fire risk had a significant impact on railway trading performance. The result nevertheless represents an important achievement given the exceptional circumstances encountered during the year.

Railway Operations

Income from the operation of the railway increased to £4.50 million (2025: £4.33 million). However, this headline figure masks a significant change in composition. Traffic receipts reduced from £3.73 million to £3.01 million, reflecting the impact of reduced steam operation and continued economic pressures affecting visitor behaviour. Against this, special events income increased dramatically from £595,048 to £1.49 million, demonstrating the value of targeted event programming and major locomotive visits in attracting visitors and generating incremental revenue.

The reduction in operating days to 206 and the adoption of a five-day operating model outside peak periods continued the strategy of matching capacity to demand and controlling costs. Whilst the year was heavily impacted by fire-related operating restrictions, management believes that the revised operating model avoided substantially greater financial losses and improved resource utilisation.

Other Trading Activities

Commercial income from non-charitable railway trading activities increased marginally to £3.32 million (2025: £3.31 million). Growth was achieved through retail, catering, footplate experiences, car parking and oilers' services, although dining train income reduced when compared with the previous year. The ability to broadly maintain commercial income despite operational challenges demonstrates the strength of the NYMR brand and the effectiveness of efforts to diversify revenue streams beyond traditional passenger receipts.

Fundraising Contribution

Fundraising continues to play a critical role in sustaining the charity and supporting its long-term objectives. Total income from donations, legacies, memberships and grants amounted to £1.26 million during the year (2025: £2.04 million). While this represented a reduction from the previous year, largely reflecting lower donation and legacy income, fundraising performance remained robust. Arts Council England National Portfolio Organisation funding of £254,025 continued to provide valuable support for the Trust's cultural and educational activities.

The year also demonstrated the commitment of supporters to major infrastructure projects. The appeal for Bridge 42 launched shortly before year end and had already generated significant public support, with donations continuing to be received after the balance sheet date. Trustees remain extremely grateful to members, supporters, grant-making bodies and donors whose contributions continue to enable essential conservation and development work across the railway.

The Group generated net cash from operating activities of £531,826 during the year. Cash balances increased substantially to £1.73 million at the year-end compared with £1.02 million in 2025, reflecting improved cash generation and careful management of working capital. However at the year end the overdraft facility had increased to £997,672 from £189,200. This reflected the point in time of the winter cashflow, and quickly reduced after the date of the accounts.

NORTH YORKSHIRE MOORS RAILWAY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2026

Total net assets increased to £18.44 million (2024/25 £18.25 million). Designated funds increased to £19.67 million while the deficit on unrestricted general funds reduced to £3.03 million. Although the unrestricted funds position remains challenging, the modest improvement reflects the continuing progress being made towards strengthening the balance sheet and improving long-term financial resilience.

Borrowings continued to reduce during the year, with long-term debt falling from £1.07 million to £0.94 million. The Group has therefore continued its steady reduction of indebtedness, improving financial flexibility whilst maintaining investment in essential infrastructure and heritage assets.

Capital Expenditure

The Group continued to invest in its infrastructure, property and operational assets. Capital commitments remained focused on maintaining and enhancing the heritage railway, ensuring that core assets remain fit for purpose whilst preserving them for future generations. Capital commitments at the year end totalled £97,354.

Reserves and Going Concern

The Trust continues to face the challenge common to many heritage railways of maintaining a large and valuable collection of infrastructure and rolling stock whilst operating with limited unrestricted reserves. The long-term sustainability of the organisation remains dependent upon a combination of operational performance, successful fundraising, grant support and continued prudent financial management.

This position has made the highly desirable building of reserves exceptionally difficult, and therefore the Charity, in common with many others in its sector, holds no free reserves. At the year-end, free reserves were in a deficit position of £3,027,949 (2025: £3,242,051).

Given the present reserves position the Trust has not formulated a detailed reserves policy beyond the need to have reserves to mitigate risk. Any policy would be focused around the comprehensive risk register maintained by the Trustees and the financial requirements to offset those risks should the need arise. Given the challenges referred the above, and the operational risks of running a public railway, such reserves would inevitably be very substantial, probably running into many millions in value. However, given the circumstances and the very unlikely event that such a number will ever be reached, no formal target has been determined at this time.

In summary, although the financial outcome fell short of aspirations at the start of the year, the Group demonstrated considerable resilience in the face of exceptional operational challenges. The strong performance of special events, continued supporter generosity, improved cash balances and a strengthened balance sheet provide a sound platform from which to address the strategic priorities of 2026/27 and continue the long-term journey towards financial sustainability.

Part 9 Summary

The year to February 2026 has again proved particularly challenging, and first and foremost we pay tribute to our volunteers and staff who have gone above and beyond on so many occasions to keep NYMR as one of the foremost heritage railways in the UK. In particular, our CEO Laura Strangeway has made great strides in professionalising our railway so that we have the data to enable effective decision making. She leads a top class team of whom we are all rightfully proud.

We had some outstanding successes in the year under review. All our visiting engines drew in the crowds but Flying Scotsman was the outstanding success, with revenue far exceeding our predictions.

We had some success controlling costs but overall, the outturn was not where we would wish it to be. The main issue was the two significant fires that prevented us from operating a full range of steam services: we estimate that lack of steam will depress our revenues by at least 10%. The first fire was on our lineside and stopped steam operations for several weeks. We had just got through that when a fire broke out on Langdale Moor, unconnected with the railway, but with North Yorkshire Fire and Rescue so heavily committed (drawing in resources from as far away as London) we took the decision that we could not risk being without fire cover until that fire was under control: it took 40 days in total and had destroyed 25 square kilometres of moorland.

The very end of year was curtailed by the decision to close Bridge 42 pending propping and repair, on safety grounds and under professional civil engineering advice.

We cannot prove it (there are too many variables) but we estimate that without the impact of the fires and Bridge 42, this year's result would have been close to or even exceeded the prior year.

Looking forward, the next few years will be dominated by a focus on infrastructure. We have started a detailed review of all our infrastructure assets to determine condition and identify a timed plan for works arising. In the short to medium term, we have identified a need to raise at least a further £1m per annum to meet this need. We will also be undertaking detailed work to prioritise our investment should the necessary funding not be forthcoming. Trustees have committed to focussing on this need.

In last year's report we identified success for the charity. Looking at each in turn:

- Increased visitor numbers, with some coming for a visit other than a simple train ride – *not achieved – numbers stagnant.*
- A more sustainable financial situation for the charity with a clear vision of how reserves can start to be built - *some success. We have a much better view of what is needed and how it may be achieved.*
- A robust plan for our estate, identifying some of those opportunities for diversifying our offer – *we now have a detailed plan for our estate, and we are starting to implement it where resources allow.*
- A clear and deliverable plan for carriage and locomotive availability – *some success with robust plans for both, but a gap remaining in around 2028.*
- A transition away from a dependence on paid staff towards greater use of volunteers where this is achievable: we need to change the demographic of our existing volunteer base to be both more varied in age and more diverse to reflect the communities on whom we draw – *some success. Staff numbers have been reduced as leavers have not been replaced. We have a much better understanding of the demographic of our workforce.*
- Reduced churn in our workforce, both volunteer and paid, reflecting greater diversity and a higher level of satisfaction – *some success. Indications are positive.*

NORTH YORKSHIRE MOORS RAILWAY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT) (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2026

- Look for partnership opportunities both in terms of operating and diversification: working with, for example, hoteliers on partnerships in group bookings or continuing our successful partnership with the owners of the NER Railcar – *some success, continuing our partnership with the owners of the NEW Railcar and a number of visiting locomotives.*
- Rebuild our partnerships with LNERCA, NELPG and Lambton Trust etc for mutual benefit - *ongoing.*

In summary, a mixed picture but with some success against a challenging background. We will be continuing to pursue successes for the NYMR.

Disclosure of information to auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Sumer Auditco Limited were appointed as auditor to the company following BHP LLP becoming part of the Sumer Group on 31 December 2025, which required a change in audit firm to comply with applicable regulatory requirements.

Sumer Auditco Limited has indicated its willingness to continue in office as auditor of the charitable group.

In approving the Trustees' Report, we also approve the Strategic Report included therein, in our capacity as company directors.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Mr J Swift

Date:

NORTH YORKSHIRE MOORS RAILWAY TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 28 FEBRUARY 2026

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees 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 Group and the Company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP 2019 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:

Mr J Swift

Date:

NORTH YORKSHIRE MOORS RAILWAY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTH YORKSHIRE MOORS RAILWAY TRUST

Opinion

We have audited the financial statements of North Yorkshire Moors Railway Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 28 February 2026, which comprise the consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and notes to the financial statements, including 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 group's and parent charitable company's affairs as at 28 February 2026, and of the group's 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 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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 trustees' 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 group and parent charitable 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 trustees 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 trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTH YORKSHIRE MOORS RAILWAY TRUST

a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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 trustees' report which includes the strategic report and the directors' report prepared for the purposes of company law 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 included within the trustees' 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the parent 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 group and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor 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 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTH YORKSHIRE MOORS RAILWAY TRUST
(CONTINUED)

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:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and parent charitable company through discussions with management and trustees, and from our knowledge and experience of this organisation;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent charitable company, including the Charities Act 2011, the Companies Act 2006, data protection, health and safety legislation and employment law. In addition to this, we specifically reviewed compliance with railway safety standards and ensured the railway continued to hold the necessary certification required to operate the railway;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and trustees; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit of the group and parent charitable company.

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by;

- making enquiries of management and trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risks of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected variances;
- tested journal entries to identify unusual transactions;
- assessed whether judgments and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial

NORTH YORKSHIRE MOORS RAILWAY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTH YORKSHIRE MOORS RAILWAY TRUST
(CONTINUED)

statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC'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 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 charitable company's members 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Laura Mashedor (Senior statutory auditor)

for and on behalf of

Sumer Auditco Limited

Chartered Accountants & Statutory Auditor
Statutory Auditor
Rievaulx House
1 St Mary's Court
Blossom Street
York
YO24 1AH

Date:

NORTH YORKSHIRE MOORS RAILWAY TRUST
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 28 FEBRUARY 2026

		Endowment funds 2026 £	Restricted funds 2026 £	Unrestricted funds 2026 £	Total funds 2026 £	Total funds 2025 £
	Note					
Income from:						
Donations and legacies:	4					
Yorkshire's Magnificent journey donations and grants		-	13,763	-	13,763	119,235
Donations, legacies, grants and membership		-	490,914	770,651	1,261,565	2,035,693
Operation of railway	5	-	-	4,502,187	4,502,187	4,329,823
Subsidiary railway activities	6	-	-	3,323,795	3,323,795	3,308,234
Investment income and interest	7	-	-	13,046	13,046	9,064
Total income		-	504,677	8,609,679	9,114,356	9,802,049
Expenditure on:						
Raising funds:						
Costs of raising funds	8	-	7,263	370,258	377,521	337,814
Other railway activities		-	-	1,853,192	1,853,192	1,914,103
Charitable activities:						
Net release of deferred maintenance provision	24	-	-	(4,099)	(4,099)	40,264
Operation of railway		2,416	50,678	6,642,774	6,695,868	6,781,840
Total expenditure		2,416	57,941	8,862,125	8,922,482	9,074,021
Net (expenditure)/income		(2,416)	446,736	(252,446)	191,874	728,028
Transfers between funds	26	-	(741,386)	741,386	-	-
Net movement in funds		(2,416)	(294,650)	488,940	191,874	728,028

NORTH YORKSHIRE MOORS RAILWAY TRUST
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2026

		Endowment funds 2026 £	Restricted funds 2026 £	Unrestricted funds 2026 £	Total funds 2026 £	Total funds 2025 £
	Note					
Reconciliation of funds:						
Total funds brought forward		56,486	1,184,018	17,009,083	18,249,587	17,521,559
Net movement in funds		(2,416)	(294,650)	488,940	191,874	728,028
Total funds carried forward	26	54,070	889,368	17,498,023	18,441,461	18,249,587

The Consolidated Statement of Financial Activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 40 to 73 form part of these financial statements.

NORTH YORKSHIRE MOORS RAILWAY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01036704

CONSOLIDATED BALANCE SHEET
AS AT 28 FEBRUARY 2026

	Note	2026 £	2025 £
Fixed assets			
Intangible assets	16	24,011	26,679
Tangible assets	17	19,699,151	19,671,313
Heritage assets		-	-
		19,723,162	19,697,992
Current assets			
Stocks	19	351,184	373,033
Debtors	20	726,780	527,018
Cash at bank and in hand	29	1,727,204	1,023,386
		2,805,168	1,923,437
Current liabilities			
Creditors: amounts falling due within one year	21	(2,786,378)	(2,033,710)
Net current assets / liabilities		18,790	(110,273)
Total assets less current liabilities		19,741,952	19,587,719
Creditors: amounts falling due after more than one year	23	(1,038,186)	(1,071,728)
Provisions for liabilities	24	(262,305)	(266,404)
Total net assets		18,441,461	18,249,587

NORTH YORKSHIRE MOORS RAILWAY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01036704

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 28 FEBRUARY 2026

	Note	2026 £	2025 £
Charity funds			
Endowment funds	26	54,070	56,486
Restricted funds	26	889,368	1,184,018
Unrestricted funds			
Designated funds	26	19,669,092	19,394,254
General funds	26	(3,027,949)	(3,242,051)
Total unrestricted funds	26	16,641,143	16,152,203
Total funds attributable to the parent charity		17,584,581	17,392,707
Non-controlling interests	26	856,880	856,880
Total funds	26	18,441,461	18,249,587

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 were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr J Swift
Trustee
Date:

The notes on pages 40 to 73 form part of these financial statements.

NORTH YORKSHIRE MOORS RAILWAY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01036704

COMPANY BALANCE SHEET
AS AT 28 FEBRUARY 2026

	Note	2026 £	2025 £
Fixed assets			
Intangible assets	16	24,011	26,679
Tangible assets	17	19,699,151	19,671,313
Heritage assets		-	-
Investments	18	50,000	50,000
		<u>19,773,162</u>	<u>19,747,992</u>
Current assets			
Debtors	20	219,961	245,313
Cash at bank and in hand		1,136,110	991,250
		<u>1,356,071</u>	<u>1,236,563</u>
Current liabilities			
Creditors: amounts falling due within one year	21	(1,701,015)	(1,423,966)
Net current liabilities		<u>(344,944)</u>	<u>(187,403)</u>
Total assets less current liabilities		<u>19,428,218</u>	<u>19,560,589</u>
Creditors: amounts falling due after more than one year	23	(638,186)	(671,728)
Total net assets		<u><u>18,790,032</u></u>	<u><u>18,888,861</u></u>

NORTH YORKSHIRE MOORS RAILWAY TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 28 FEBRUARY 2026

	Note	2026 £	2025 £
Charity funds			
Endowment funds	26	54,070	56,486
Restricted funds	26	889,368	1,184,018
Unrestricted funds			
Designated funds	26	19,669,092	19,394,254
General funds	26	(1,822,498)	(1,745,897)
Total unrestricted funds	26	17,846,594	17,648,357
Total funds		18,790,032	18,888,861

The Company's net movement in funds for the year was (£98,829) (2025 - £2,168,320).

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 were approved and authorised for issue by the Trustees and signed on their behalf by:

Mr J Swift
Trustee
Date:

The notes on pages 40 to 73 form part of these financial statements.

NORTH YORKSHIRE MOORS RAILWAY TRUST
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 28 FEBRUARY 2026

	Note	2026 £	2025 £
Cash flows from operating activities			
Net cash provided by operating activities	28	531,826	1,392,879
Cash flows from investing activities			
Bank interest and rent receivable		13,046	9,064
Proceeds from the sale of tangible fixed assets		6,793	-
Purchase of intangible assets		-	(4,125)
Purchase of tangible fixed assets		(462,473)	(773,527)
Interest paid		(63,568)	(80,179)
Net cash used in investing activities		(506,202)	(848,767)
Cash flows from financing activities			
Repayments of bank loans		(130,278)	(410,444)
Net cash used in financing activities		(130,278)	(410,444)
Change in cash and cash equivalents in the year		(104,654)	133,668
Cash and cash equivalents at the beginning of the year		834,186	700,518
Cash and cash equivalents at the end of the year	29	729,532	834,186

The notes on pages 40 to 73 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

1. General information

North Yorkshire Moors Railway Trust is a limited company (company number 01036704). The registered office is Pickering Station, Pickering, North Yorkshire, YO18 7AJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

North Yorkshire Moors Railway Trust meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, unless otherwise stated in the relevant accounting policy. The financial statements are prepared in sterling which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 7 of FRS102 and has not presented its own Statement of Cash Flows in these financial statements

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 Going concern

The Group recorded a total surplus of £191,874 for the year ended 28 February 2026 (2025: £728,028 surplus) and reported unrestricted movement in funds of £488,940 (2025: £350,540). Total funds at the balance sheet date were £18,441,461 of which £16,641,143 (2025: £16,152,203) relates to unrestricted funds. Group cash balances increased to £1,727,204 (2025: £1,023,386) and total net assets increased to £18,441,461 (2025: £18,249,587).

Notwithstanding this, the Trustees recognise that the Group continues to operate in a challenging financial environment. The charity holds no free reserves and, at 28 February 2026, unrestricted free reserves remained in deficit by £3,027,949 (2025: £3,242,051). The Group remains dependent upon a combination of operating income, fundraising, grant funding and careful financial management to support its long-term sustainability.

During the year railway operations were significantly affected by periods of wildfire risk and associated restrictions on steam operation. Since the year end, the Group has also incurred costs associated with emergency works to Bridge 42 at Grosmont and continues to face uncertainty arising from visitor demand, inflationary pressures and wider economic conditions.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

2. Accounting policies (continued)

2.2 Going concern (continued)

The Trustees have reviewed detailed budgets, cash flow forecasts and sensitivity analyses covering at least twelve months from the date of approval of these financial statements. The forecasts include assumptions relating to trading performance, fundraising activity, grant income, extent and timing of infrastructure expenditure and the availability of the Group's banking facilities. The Trustees have also considered the successful refinancing and restructuring of borrowing arrangements undertaken, together with the continued support received from members, donors, volunteers, grant-making bodies and other stakeholders.

Whilst recognising that uncertainties remain in relation to future trading performance, fundraising income and the cost of maintaining a substantial historic railway infrastructure, the Trustees are satisfied that the Group has adequate resources to continue in operational existence and meet its obligations as they fall due for the foreseeable future.

Accordingly, the Trustees consider it appropriate to prepare the financial statements on a going concern basis.

2.3 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.

Traffic income is recognised when the date of travel takes place. Where tickets are purchased in advance of the date of travel taking place, the income is deferred.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Traffic income is recognised when the significant risks and reward of ownership have transferred to the customer, usually at the time when travel takes place. Tickets purchased in advance are deferred and held on the balance sheet until the date of travel.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Memberships are recognised on a straight line basis over the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

2. Accounting policies (continued)

2.4 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.

Expenditure on raising funds includes those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Expenditure on charitable activities include those costs incurred in the operation of the Railway.

Governance costs include those incurred in the governance of the Trust and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

The company and its subsidiary NYMR Plc, are considered to pass the tests set out in Sch. 6, para. 1 of the Finance Act 2010 and therefore they meet the definition of a charitable company for UK corporation tax purposes. Accordingly, the group is potentially exempt from taxation in respect of income or capital gains received within categories covered by Pt. 11, Ch. 3 of the Corporation Tax Act 2010 or s. 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

2. Accounting policies (continued)

2.7 Intangible assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Assets under construction are not amortised.

Amortisation is provided on the following bases:

Whitby Project	-	10 years straight line
Safety Certificates	-	22 months straight line
Operator's Licence	-	10 years straight line
Other intangibles	-	10 years straight line

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

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 bases:

Track, land and buildings	-	2% to 33% reducing balance
Rolling stock, plant and office equipment	-	2% to 10% both reducing balance and straight line
Motor vehicles	-	25% reducing balance
Assets under construction	-	Not depreciated

Depreciation of rolling stock commences when the asset is available for use. However, depreciation is not charged during periods in which rolling stock is deemed out of service and undergoing significant repair or refurbishment, as management considers that, during such periods, the economic benefits embodied in the asset are not being consumed.

2. Accounting policies (continued)

2.9 Heritage assets

The Trust owns numerous assets of a heritage nature. The majority of major items are also used operationally in the Trust's activities and as such are capitalised at cost within the ordinary tangible fixed assets of the Trust. There are a large number of small items, both around the Railway and held in the archives at Pickering, which are logged on the Archive Register. The majority have been either donated to the Railway or acquired as part of other assets such as the land and buildings themselves. At this stage, no valuations have been undertaken on the register but the Archivist is working to value these in due course. However, the directors do not believe that these items will have any significant value and therefore no value is attributed to Heritage Assets in these accounts.

2.10 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 Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.11 Stocks and work in progress

Stocks and work in progress 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 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.13 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.

2.14 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2. Accounting policies (continued)

2.15 Provisions

Provisions are recognised when the Group has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2.16 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

2. Accounting policies (continued)

2.16 Financial instruments (continued)

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

2. Accounting policies (continued)

2.17 Pensions

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

2.18 Employee benefits

When employees have rendered service to the group, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.19 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 Group 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 Group 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.

Endowment funds are funds which must be held permanently by the Trust.

3. Critical accounting estimates and areas of judgment

Preparation of the financial statements requires management to make significant judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The items in the financial statements where these judgements, estimates and assumptions have been made include:

Critical accounting estimates and assumptions:

Useful economic lives of fixed assets

The trustees have used their judgement in estimating the useful economic lives (UEs) of assets. UEs have been estimated based on management's knowledge of the assets.

Provisions

These financial statements include provisions for liabilities as at 28 February 2026 that have arisen as a result of a past event, and that are judged probable to materialise at a future date. Where precise factual valuations of the liability are not available, judgement has been used to estimate the size and probability of the liability. Specifically, these provisions include the deferred maintenance provision for the upkeep of the locomotives and carriages.

Where the valuations cannot be measured reliably, a contingent liability has been disclosed.

NORTH YORKSHIRE MOORS RAILWAY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

4. Income from donations and legacies

	Restricted funds 2026 £	Unrestricted funds 2026 £	Total funds 2026 £	Total funds 2025 £
Donations	490,914	149,488	640,402	771,858
Legacies	-	229,695	229,695	515,953
Memberships	-	136,748	136,748	147,248
Grants				
Arts Council England National Portfolio Grant	-	254,025	254,025	250,000
Other grants	-	695	695	350,634
	490,914	770,651	1,261,565	2,035,693
Yorkshire's Magnificent Journey donations	13,763	-	13,763	29,251
Yorkshire's Magnificent Journey - National Lottery Heritage Fund grant	-	-	-	89,984
	504,677	770,651	1,275,328	2,154,928
Total 2025	1,099,022	1,055,906	2,154,928	

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NOTES TO THE FINANCIAL STATEMENTS
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5. Income from operation of railway

	Unrestricted funds 2026 £	Total funds 2026 £	Total funds 2025 £
Traffic receipts	3,009,928	3,009,928	3,734,775
Special events	1,492,259	1,492,259	595,048
	4,502,187	4,502,187	4,329,823
Total 2025	4,329,823	4,329,823	

All income in the previous year was unrestricted.

6. Other railway activities

Income from non charitable trading activities

	Unrestricted funds 2026 £	Total funds 2026 £	Total funds 2025 £
Footplate experience and sundry income	596,387	596,387	542,786
Fundraising and 900 club	8,105	8,105	6,456
Shop sales	661,440	661,440	614,818
Catering	866,922	866,922	863,458
Diner	1,018,675	1,018,675	1,158,808
Car park receipts	87,916	87,916	78,533
Oilers	84,350	84,350	43,375
	3,323,795	3,323,795	3,308,234
Total 2025	3,308,234	3,308,234	

NORTH YORKSHIRE MOORS RAILWAY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

7. Investment income

	Unrestricted funds 2026 £	Total funds 2026 £	Total funds 2025 £
Rent received	5,533	5,533	5,492
Bank interest received	7,062	7,062	3,572
Interest receivable	451	451	-
	13,046	13,046	9,064
Total 2025	9,064	9,064	

All income in the previous year was unrestricted.

8. Expenditure on raising funds

	Restricted funds 2026 £	Unrestricted funds 2026 £	Total funds 2026 £	Total funds 2025 £
Printing, postage, stationery and Moors Line	-	91,731	91,731	81,408
Professional fees	-	251,065	251,065	217,761
Station and area groups (excl maintenance)	7,263	-	7,263	11,151
Governance costs (see note 10)	-	27,462	27,462	27,494
	7,263	370,258	377,521	337,814
Total 2025	11,151	326,663	337,814	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

8. Expenditure on raising funds (continued)

Other railway activities

	Unrestricted funds 2026 £	Total funds 2026 £	Total funds 2025 £
Shops	331,200	331,200	307,897
Catering	251,226	251,226	248,901
Diner	168,659	168,659	165,049
Oilers	33,322	33,322	2,738
Support costs (see note 11)	1,068,785	1,068,785	1,189,518
	<u>1,853,192</u>	<u>1,853,192</u>	<u>1,914,103</u>
Total 2025	<u>1,914,103</u>	<u>1,914,103</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

9. Operation of the Railway

	Activities undertaken directly 2026 £	Support costs 2026 £	Total funds 2026 £	Total funds 2025 £
Maintenance of track, land, buildings and rolling stock	630,728	-	630,728	630,537
Coal, oil, lubricants etc	518,779	-	518,779	775,449
Hire of rolling stock	764,394	-	764,394	417,909
Operating costs	97,775	-	97,775	80,394
Cleaning materials	74,316	-	74,316	84,138
Wages and salaries	2,478,100	-	2,478,100	2,519,421
Water	75,647	-	75,647	47,683
Depreciation and amortisation	635,811	-	635,811	646,372
Profit on sale of fixed assets	(5,550)	-	(5,550)	-
Support costs (see note 11)	-	1,425,868	1,425,868	1,579,937
Net release of deferred maintenance provision	(4,099)	-	(4,099)	40,264
	5,265,901	1,425,868	6,691,769	6,822,104
Total 2025	5,242,167	1,579,937	6,822,104	

10. Governance costs

	2026 £	2025 £
Year end compliance	40,735	38,795
Other expenses	7,045	6,335
	47,780	45,130

£27,462 (2025: £27,494) of governance costs have been included within the costs of raising funds (note 8).
£20,318 (2025: £17,636) of governance costs have been allocated to other railway activity support costs (note 11).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

11. Support costs

	Other railway activities 2026 £	Railway operation 2026 £	Total funds 2026 £	Total funds 2025 £
Wages and salaries	341,795	522,605	864,400	902,512
Telephone	8,977	13,466	22,443	32,019
Electricity and gas	98,599	147,898	246,497	348,848
Rent, rates and insurance	117,366	176,049	293,415	255,002
Printing, stationery and postage	13,464	20,195	33,659	48,352
Marketing	176,955	265,433	442,388	412,567
Legal and professional	43,403	34,628	78,031	119,403
Motor expenses	-	48,387	48,387	47,740
Leasing charges	-	-	-	4,866
Bank charges and interest	153,853	14,204	168,057	185,904
Other expenses	95,753	143,630	239,383	193,495
YMJ support costs	-	-	-	154,028
Train of Thought running costs	-	11,444	11,444	13,611
Other Plc support costs	18,620	27,929	46,549	51,067
	1,068,785	1,425,868	2,494,653	2,769,414
Total 2025	1,189,518	1,579,896	2,769,414	

12. Auditor's remuneration

	2026 £	2025 £
Fees payable to the Company's auditor for the audit of the Group's annual accounts	17,435	16,065
Fees payable to the Company's auditor in respect of:		
Audit of the subsidiary's annual accounts	16,885	15,890
All non-audit services not included above	6,415	6,300

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NOTES TO THE FINANCIAL STATEMENTS
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13. Net income/(expenditure)

This is stated after charging:

	2026	2025
	£	£
Depreciation of tangible fixed assets	633,143	646,372
Amortisation of intangible fixed assets	2,668	-
Hire of rolling stock	708,010	382,030
Operating lease rentals - track, land and buildings	56,384	49,884
Operating lease rentals - rolling stock, plant, office equipment etc	7,846	4,866
	<u><u> </u></u>	<u><u> </u></u>

14. Staff costs

	Group 2026	Group 2025	Company 2026	Company 2025
	£	£	£	£
Wages and salaries	2,943,034	3,025,524	-	73,291
Social security costs	320,090	310,903	-	6,395
Contribution to defined contribution pension schemes	79,376	85,506	-	1,992
	<u><u>3,342,500</u></u>	<u><u>3,421,933</u></u>	<u><u>-</u></u>	<u><u>81,678</u></u>

During the year, termination costs totalling £nil (2025: £13,000) were provided for no (2025: 3) individuals.

During the year labour costs totalling £5,718 (2025: £63,269) were capitalised and have therefore not been included in total staff costs.

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NOTES TO THE FINANCIAL STATEMENTS
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14. Staff costs (continued)

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

	Group 2026 No.	Group 2025 No.
Manufacturing	2	2
Shops and catering	54	61
Administration	19	17
Railway operations and maintenance	55	60
	130	140

Staff numbers are based on the number of full and part time employees in each department. Comparatives to prior years may therefore be as a result of changes to the mix of full and part time staff rather than the number of paid positions.

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2026 No.	Group 2025 No.
In the band £80,001 - £90,000	1	1

The key management personnel comprise the Executive Directors of NYMR Plc. The total employee benefits, including Employers' pension and National Insurance, of the key management personnel of the group and parent charitable company were £166,256 (2025: £246,711). In the current year, 2 members of the executive team were remunerated (2025: 4 members).

15. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2025 - £NIL).

During the year ended 28 February 2026, £261 of expenses were reimbursed or paid directly to 1 Trustee (2025: £nil) to cover travel costs.

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NOTES TO THE FINANCIAL STATEMENTS
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16. Intangible assets

Group and Company

	Whitby Project £	Operator's Licence £	Other intangibles £	Safety Certificates £	Total £
<i>Cost</i>					
At 1 March 2025	378,534	51,517	26,679	7,900	464,630
At 28 February 2026	378,534	51,517	26,679	7,900	464,630
<i>Amortisation</i>					
At 1 March 2025	378,534	51,517	-	7,900	437,951
Charge for the year	-	-	2,668	-	2,668
At 28 February 2026	378,534	51,517	2,668	7,900	440,619
<i>Net book value</i>					
At 28 February 2026	-	-	24,011	-	24,011
At 28 February 2025	-	-	26,679	-	26,679

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NOTES TO THE FINANCIAL STATEMENTS
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17. Tangible fixed assets

Group and Company

	Track, land and buildings £	Rolling stock, plant and office equipment £	Motor vehicles £	Assets under construction £	Total £
<i>Cost or valuation</i>					
At 1 March 2025	19,384,202	9,788,917	183,393	472,347	29,828,859
Additions	32,557	383,615	-	246,052	662,224
Disposals	-	-	(9,412)	-	(9,412)
Transfers between classes	-	277,704	-	(277,704)	-
At 28 February 2026	19,416,759	10,450,236	173,981	440,695	30,481,671
<i>Depreciation</i>					
At 1 March 2025	4,236,836	5,784,942	135,768	-	10,157,546
Charge for the year	331,353	290,889	10,901	-	633,143
On disposals	-	-	(8,169)	-	(8,169)
At 28 February 2026	4,568,189	6,075,831	138,500	-	10,782,520
<i>Net book value</i>					
At 28 February 2026	14,848,570	4,374,405	35,481	440,695	19,699,151
At 28 February 2025	15,147,366	4,003,975	47,625	472,347	19,671,313

Included in track, land and buildings is freehold land with a carrying value of £329,850 (2025: £329,850) and is not depreciated.

All property and assets of the Trust (other than the rolling stock required in the usual course of business of the Trust) are pledged as security for the bank loans.

Under the terms of the National Lottery Heritage Fund grants programmes (historic and current) secondary legal charges have been granted over the properties at Pickering Station, the Volunteer Centre at Stape, and the Carriage Care Facility at Pickering.

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18. Fixed asset investments

<i>Company</i>	Investments in subsidiary companies £
<i>Cost or valuation</i>	
At 1 March 2025	50,000
At 28 February 2026	50,000
<i>Net book value</i>	
At 28 February 2026	50,000
At 28 February 2025	50,000

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
NYMR Plc	02490244	Pickering Station, Pickering, North Yorkshire, YO18 7AJ	Railway operations	Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net liabilities £
NYMR Plc	8,261,408	(7,970,705)	290,703	(298,571)

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19. Stocks

	Group 2026 £	Group 2025 £
Civil engineering, fuel and maintenance	162,901	141,031
Goods for resale	155,534	133,892
Other	32,749	98,110
	351,184	373,033

20. Debtors

	Group 2026 £	Group 2025 £	Company 2026 £	Company 2025 £
Trade debtors	45,010	29,716	1,380	193
Other debtors	238,330	118,943	8,177	23,230
Prepayments and accrued income	443,440	378,359	210,404	221,890
	726,780	527,018	219,961	245,313

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21. Creditors: Amounts falling due within one year

	Group 2026 £	Group 2025 £	Company 2026 £	Company 2025 £
Bank overdrafts	997,672	189,200	997,672	189,200
Bank loans	115,231	211,967	115,231	211,967
Other loans	-	92,618	-	92,618
Trade creditors	727,176	363,065	286,354	126,804
Amounts owed to group undertakings	-	-	189,718	690,053
Other taxation and social security	59,254	58,423	550	-
Other creditors	21,755	18,429	-	-
Accruals and deferred income	865,290	1,100,008	111,490	113,324
	2,786,378	2,033,710	1,701,015	1,423,966

22. Deferred income

	Group 2026 £	Group 2025 £	Company 2026 £	Company 2025 £
Balance at 1 March 2025	840,255	774,389	63,125	78,162
Released to statement of financial activities	(840,255)	(774,389)	(63,125)	(78,162)
Amount deferred in the period	632,095	840,255	58,396	63,125
Balance at 28 February 2026	632,095	840,255	58,396	63,125
	Group 2026 £	Group 2025 £	Company 2026 £	Company 2025 £
Due within one year	632,095	840,255	58,396	63,125
Due after one year	-	-	-	-
	632,095	840,255	58,396	63,125

Amounts included in deferred income relate to advanced ticket sales, membership to the railway and amounts pre paid on gift cards.

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

	Group 2026 £	Group 2025 £	Company 2026 £	Company 2025 £
Bank loans	638,186	671,728	638,186	671,728
Other loans	400,000	400,000	-	-
	1,038,186	1,071,728	638,186	671,728

Included within the above are amounts falling due as follows:

	Group 2026 £	Group 2025 £	Company 2026 £	Company 2025 £
<i>Between one and two years</i>				
Bank loans	87,460	109,385	87,460	109,385
Other loans	-	400,000	-	-
<i>Between two and five years</i>				
Bank loans	349,839	437,540	349,839	437,540
Other loans	100,000	-	-	-
<i>Over five years</i>				
Bank loans	200,887	124,803	200,887	124,803
Other loans	300,000	-	-	-

The bank loans are secured by way of a floating charge on all the undertakings and all property and assets of the Trust (other than the rolling stock required in the usual course of business of the Trust). A chattel mortgage has been issued over Engine 80135. In addition, there are first legal charges over the stations at Grosmont, Pickering, Levisham and Goathland, and a first legal charge over Newbridge Permanent Way Yard. A guarantee has been granted by NYMR Plc to the value of £2,500,000 (2025: £2,500,000).

Under the terms of the National Lottery Heritage Fund grants programmes (historic and current) secondary legal charges have been granted over the properties at Pickering Station, the Volunteer Centre at Stape, and the Carriage Care Facility at Pickering, in favour of the Trustees of the National Lottery Heritage Fund, as security for any amount(s) that could become payable to the National Lottery Heritage Fund.

A bank loan of £753,417 (2025: £883,695) is repayable by monthly instalments by July 2039 (commencing in July 2024) with an interest rate of 4% above the base rate. In addition, the company enjoys a £1,800,000 overdraft facility, which was in use at the year end to the extent of £997,672 (2025: £189,200).

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23. Creditors: Amounts falling due after more than one year (continued)

There are two other loans. The first is a concessionary interest free loan which is not secured with £400,000 (2025: £400,000) outstanding at the balance sheet date. Based on discussions with the lender, it is expected that repayments will commence on 1 April 2028 and continue by instalments until 31 March 2036. The other is an interest free loan from a Trustee which is not secured. At the balance sheet date amounts totalling £nil (2025: £92,618) were owed in respect of this loan.

24. Deferred maintenance provision

Group and Company

	Deferred maintenance £
At 1 March 2025	266,404
Additions	(4,099)
	262,305

This provision represents the financial obligation that may legally exist from the NYMR to third party owners of vehicles operated on the NYMR to restore or maintain those vehicles to a defined standard.

The costs provided for are the known incremental costs of materials or contractors to fulfil any obligation at 28 February 2026. Labour and related costs are not included as these are already expensed, neither is ongoing day to day minor running maintenance.

A small fund is being built up for Lambton No.29 and DMU Daisy based on mileage as it is currently unclear if this may crystallise.

There are no provisions within the charitable company itself.

25. Minority interest

The minority interest represents the 'A' ordinary shares of £1 each issued to the public as at 28 February 2026 in NYMR Plc. These shares do not entitle the holder to a dividend and on a winding up of the company they would be entitled to no more than the nominal value of the shares held.

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26. Statement of funds

Statement of funds - current year

	Balance at 1 March 2025 £	Income £	Expenditure £	Transfers in/out £	Balance at 28 February 2026 £
<i>Unrestricted funds</i>					
<i>Designated funds</i>					
Designated tangible fixed asset funds	19,367,575	-	(630,727)	908,233	19,645,081
Designated intangible fixed asset funds	26,679	-	(2,668)	-	24,011
	<u>19,394,254</u>	<u>-</u>	<u>(633,395)</u>	<u>908,233</u>	<u>19,669,092</u>
<i>General funds</i>					
General funds	(1,745,897)	348,271	(258,025)	(166,847)	(1,822,498)
NYMR Plc funds	(1,496,154)	8,261,408	(7,970,705)	-	(1,205,451)
Minority interest	856,880	-	-	-	856,880
	<u>(2,385,171)</u>	<u>8,609,679</u>	<u>(8,228,730)</u>	<u>(166,847)</u>	<u>(2,171,069)</u>
<i>Total Unrestricted funds</i>	<u>17,009,083</u>	<u>8,609,679</u>	<u>(8,862,125)</u>	<u>741,386</u>	<u>17,498,023</u>

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26. Statement of funds (continued)

	Balance at 1 March 2025 £	Income £	Expenditure £	Transfers in/out £	Balance at 28 February 2026 £
<i>Endowment funds</i>					
Locomotive 3672 - Dame Vera Lynn	26,660	-	(1,111)	-	25,549
Locomotive 30926 - Repton	29,826	-	(1,305)	-	28,521
	56,486	-	(2,416)	-	54,070
<i>Restricted funds</i>					
Restricted Fund - Other	176,769	37,807	(55,379)	(46,324)	112,873
Mutual Improvement Classroom	351,155	35,000	-	(215,601)	170,554
Station Hotel Fund	57,096	115,773	-	(92,618)	80,251
Loco 75029 - Green Knight	30,968	35,038	-	(335)	65,671
Bridge & Wheels Appeal - Loco 80135	117,620	2,859	-	(120,479)	-
Loco 3672 Dame Vera Lynn Appeal	137,145	21,026	(967)	-	157,204
The Foundation	66,013	53,256	(1,595)	-	117,674
Bridges & Infrastructure - Bridge 42	-	190,155	-	(5,014)	185,141
Yorkshire's Magnificent Journey - Capital	247,252	13,763	-	(261,015)	-
	1,184,018	504,677	(57,941)	(741,386)	889,368
<i>Total of funds</i>	18,249,587	9,114,356	(8,922,482)	-	18,441,461

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26. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 March 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 28 February 2025 £
<i>Unrestricted funds</i>					
<i>Designated funds</i>					
Designated tangible fixed asset funds	19,238,004	-	(643,956)	773,527	19,367,575
Designated intangible fixed asset funds	22,554	-	-	4,125	26,679
	<u>19,260,558</u>	<u>-</u>	<u>(643,956)</u>	<u>777,652</u>	<u>19,394,254</u>
<i>General funds</i>					
General funds	(2,241,610)	1,092,600	(283,106)	(313,781)	(1,745,897)
NYMR Plc funds	(1,217,285)	7,610,427	(7,889,296)	-	(1,496,154)
Minority interest	856,880	-	-	-	856,880
	<u>(2,602,015)</u>	<u>8,703,027</u>	<u>(8,172,402)</u>	<u>(313,781)</u>	<u>(2,385,171)</u>
<i>Total Unrestricted funds</i>	<u>16,658,543</u>	<u>8,703,027</u>	<u>(8,816,358)</u>	<u>463,871</u>	<u>17,009,083</u>

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26. Statement of funds (continued)

	Balance at 1 March 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 28 February 2025 £
<i>Endowment funds</i>					
Locomotive 3672 - Dame Vera Lynn	27,771	-	(1,111)	-	26,660
Locomotive 30926 - Repton	31,131	-	(1,305)	-	29,826
	<u>58,902</u>	<u>-</u>	<u>(2,416)</u>	<u>-</u>	<u>56,486</u>
<i>Restricted funds</i>					
Restricted Fund - Other	187,962	304,636	(41,165)	(186,600)	264,833
Mutual Improvement Classroom	-	576,250	-	(225,095)	351,155
Bridge & Wheels Appeal - Loco 80135	180,733	3,818	-	(66,931)	117,620
Loco 3672 Dame Vera Lynn Appeal	100,567	36,578	-	-	137,145
The Foundation	87,600	58,505	-	(80,092)	66,013
Yorkshire's Magnificent Journey - Capital	247,252	-	-	-	247,252
Yorkshire's Magnificent Journey - Revenue	-	119,235	(214,082)	94,847	-
	<u>804,114</u>	<u>1,099,022</u>	<u>(255,247)</u>	<u>(463,871)</u>	<u>1,184,018</u>
<i>Total of funds</i>	<u>17,521,559</u>	<u>9,802,049</u>	<u>(9,074,021)</u>	<u>-</u>	<u>18,249,587</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

Descriptions of funds

Designated funds

Designated funds represent the group's unrestricted tangible and intangible fixed assets, to enable greater visibility of the charity's free reserves position.

Endowment funds

The endowment funds represent two steam locomotives donated to the Trust. As a condition of the gift the locomotives have to be used solely for the conduct of activities which promote the Trust's charitable and educational purposes. In addition, should the Trust cease to be a charity it must immediately transfer the locomotives to another registered charity whose purpose include educating the public regarding historical railroads. Depreciation of £2,416 (2025: £2,416) has been charged on these assets in the year.

Restricted funds

Restricted funds hold donations and other income received for specific purposes. The balance represents amounts which had not been allocated or consumed at the year end. Funds received and expenses on capital assets are written off over the life of the asset, the balance representing that part of the funding which refers to the remaining book life of the asset concerned. Where such sums are received against expenditure written off in the SOFA when incurred, the income is similarly treated.

Restricted funds information

The Mutual Improvement Classroom fund represents monies received towards the construction of this new building.

Bridge and Wheels appeal

The Bridge aspect of this appeal with regards to Bridge 30 was completed in May 2010. The Wheels element of the appeal, is to fund the overhaul of locomotive 80135, one of the stalwarts of NYMR.

The Station Hotel fund represents funds received for the purchase of the Station Hotel.

Loco 75029 - Green Night fund is monies received towards the restoration of the locomotive.

Loco 3672 Dame Vera Lynn appeal is monies received towards the restoration of the locomotive.

The Foundation appeal is restricted generally to infrastructure work or specific appeals for named subjects.

Yorkshire's Magnificent Journey Capital fund represents grants which have been received in relation to capital projects.

Yorkshire's Magnificent Journey Revenue fund represents monies received in relation to running and operating the specific project.

Other restricted funds include amounts received in relation to Class 4 Locomotives, a fencing appeal and other donations received in relation to small scale projects.

NOTES TO THE FINANCIAL STATEMENTS
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Transfers

As permitted by the Statement of Recommended Practice (SORP) the Trustees can elect to transfer restricted capital funds to one heading within designated funds once the terms of the restriction have been satisfied. In most cases this is where the asset has been purchased.

Where restricted capital funds have ongoing restrictions over them, the associated projects are yet to be completed or the appeals are still open for further income the funds have not been transferred. Further explanation of some of these larger projects is given below.

The same policy has been applied to designated funds whereby balances, on funds for which the purpose of the designation has been met, have been transferred to one separate assets purchased fund.

Total transfers have been made from restricted funds to designated funds of £708,424 which represents capital projects which have finished in the year and the restriction regarding the grant funding has therefore been satisfied. Details of these transfers are included in the restricted funds analysis on page 57.

Further transfers from restricted funds to unrestricted funds, totalling £32,962, relate to projects that have now been completed. The remaining surplus funds have therefore been deemed suitable for reallocation to unrestricted funds.

A transfer has been made from unrestricted to designated representing the movement in unrestricted capital additions in the year and amounted to £199,809.

27. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2026 £	Restricted funds 2026 £	Unrestricted funds 2026 £	Total funds 2026 £
Tangible fixed assets	54,070	-	19,645,081	19,699,151
Intangible fixed assets	-	-	24,011	24,011
Current assets	-	889,368	1,915,800	2,805,168
Creditors due within one year	-	-	(2,786,378)	(2,786,378)
Creditors due in more than one year	-	-	(1,038,186)	(1,038,186)
Provisions for liabilities and charges	-	-	(262,305)	(262,305)
Total	54,070	889,368	17,498,023	18,441,461

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27. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Endowment funds 2025 £	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	56,486	247,252	19,367,575	19,671,313
Intangible fixed assets	-	-	26,679	26,679
Current assets	-	936,766	986,671	1,923,437
Creditors due within one year	-	-	(2,033,710)	(2,033,710)
Creditors due in more than one year	-	-	(1,071,728)	(1,071,728)
Provisions for liabilities and charges	-	-	(266,404)	(266,404)
Total	56,486	1,184,018	17,009,083	18,249,587

28. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2026 £	Group 2025 £
Net income for the year (as per Statement of Financial Activities)	191,874	728,028
Adjustments for:		
Depreciation charges	633,143	646,372
Amortisation charges	2,668	-
Bank interest and rent receivable	(13,046)	(9,064)
(Profit)/loss on the sale of fixed assets	(5,550)	-
Decrease/(increase) in stocks	21,849	(78,926)
(Increase)/decrease in debtors	(199,762)	147,465
Increase/(decrease) in creditors	(158,819)	(161,439)
(Decrease)/increase in deferred maintenance provision (note 24)	(4,099)	40,264
Interest paid	63,568	80,179
Net cash provided by operating activities	531,826	1,392,879

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29. Analysis of cash and cash equivalents

	Group 2026 £	Group 2025 £
Cash in hand	1,727,204	1,023,386
Overdraft facility repayable on demand	(997,672)	(189,200)
Total cash and cash equivalents	729,532	834,186

30. Analysis of changes in net debt

	At 1 March 2025 £	Cash flows £	Other non- cash changes £	At 28 February 2026 £
Cash at bank and in hand	1,023,386	703,818	-	1,727,204
Bank overdrafts repayable on demand	(189,200)	(808,472)	-	(997,672)
Debt due within 1 year	(304,585)	96,736	92,618	(115,231)
Debt due after 1 year	(1,071,728)	33,542	-	(1,038,186)
	(542,127)	25,624	92,618	(423,885)

During the year, the Group received donations in kind which have been applied towards the settlement of loan obligations. These transactions did not involve cash flows and are therefore excluded from the statement of cash flows.

The total value of loan obligations extinguished through non-cash donations in the year amounted to £92,618. These have been recognised as donation income within the Statement of Financial Activities, with a corresponding reduction in loan liabilities.

31. Contingent liabilities

As part of operating as a heritage railway, the group operates a number of locomotives and carriages on the railway which are owned by third parties. Through their usage, there is a risk that these assets may become damaged to such an extent that significant repairs are required in order to return the asset to operational use. However, an accurate assessment of the costs and extent of work required is not achievable until the repairs are undertaken.

The Trustees are not aware of any circumstances whereby significant repairs are being undertaken and the extent of work is measurable at the balance sheet date. As a result of this, no provision has been included for this work on the locomotives and carriages owned by third parties other than those already included within the deferred maintenance provision detailed in note 24.

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NOTES TO THE FINANCIAL STATEMENTS
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32. Contingent assets

At the year end the group had been notified of 9 residual legacies (2025: 7) which could not be measured reliably but are likely to be material in aggregate. These have not been included in the financial statements.

33. Capital commitments

	Group 2026 £	Group 2025 £	Company 2026 £	Company 2025 £
<i>Contracted for but not provided in these financial statements</i>				
Acquisition of tangible fixed assets	97,354	261,800	97,354	261,800

34. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable by the charitable company to the fund and amounted to £79,376 (2025: £85,506). Contributions totalling £16,602 (2025: £8,987) were payable to the fund at the balance sheet date and are included in creditors.

35. Operating lease commitments

At 28 February 2026 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2026 £	Group 2025 £	Company 2026 £	Company 2025 £
Not later than 1 year	68,824	54,644	58,224	46,807
Later than 1 year and not later than 5 years	243,230	207,546	202,680	176,198
Later than 5 years	2,420,137	1,994,651	2,420,137	1,990,532
	2,732,191	2,256,841	2,681,041	2,213,537

NOTES TO THE FINANCIAL STATEMENTS
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36. Related party transactions

During the year staff costs relating to the Trust totalling £nil (2025: £37,231) were processed through the payroll and paid by NYMR Plc, the subsidiary, on behalf of the Trust. During the year, the Trust also awarded NYMR Plc a grant totalling £500,000 (2025: £nil). The grant was provided to support the ongoing operation and running of the heritage railway and is not subject to performance conditions or repayment. As at 28 February 2026, the Trust was owed £189,718 by the Plc (2025: £690,053 the Trust owed the Plc).

A Trustee, Mr A Scott and his wife previously made an interest free loan to North Yorkshire Moors Railway Trust totalling £300,000. Amounts owed to Mr A Scott and his wife at the year end totalled £nil (2025: £92,618). In addition to this, subsequent donations have been made during the year by Mr A Scott and his wife totalling £92,618 (2025: £108,452) which have been offset against the outstanding loan balance.

£17,804 was paid for the hire of locomotives to the North Eastern Locomotive Preservation Group, of which Mr A Scott is President (2025: £39,130). No balances were outstanding at either year end.

£500 was paid to the Esk Valley Railway Development company, of which Mr J Swift is a Director (2025: £500). No balances were outstanding at either year end.

Mr G Mumford is a director of NYMR Plc. During the year, expenditure incurred by NYMR Plc totalling £10,315 (2025: £6,968) was paid to The Heritage Railway Association, a company in which Mr G Mumford is also a director. No balances were outstanding at either year end.

Mr G Mumford is a director of NYMR Plc. During the year, expenditure in relation to professional services including but not limited to Mr Mumford's service as Finance Director, accounting advice and support, and software licensing and provision, was incurred by NYMR Plc totalling £89,454 (2025: £85,252) and was paid to Insight Associates Limited, a company and professional practice in which Mr G Mumford is also a director. No balances were outstanding at either year end.