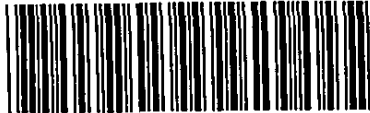


CHINNOR & PRINCES RISBOROUGH RAILWAY ASSOCIATION LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2011

FI SATURDAY



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COMPANY NO: 2644128

CHINNOR & PRINCES RISBOROUGH RAILWAY ASSOCIATION LIMITED

Directors	R E Ellisdon (Resigned 1/11/2011) R J Fagg J W Flynn R G Pyper (Resigned on 1/6/2011) C A Kinchin Smith R S Fraser A M Bunyard J Carter S J Jacklin (Appointed on 1/6/2011)
Secretary	R J Fagg
Company Registration Number	2644128
Registered Office	The Station Station Approach Station Road Chinnor Oxon OX39 4ER
Accountant	SVP Associates Limited Chartered Certified Accountants First Floor 2 Victoria Road Harpenden Hertfordshire AL5 4EA

CHINNOR & PRINCES RISBOROUGH RAILWAY ASSOCIATION LIMITED

Report of the Trustees for the year ended 31 December 2011

The trustees, who are also directors of the charity for the purposes of the Companies Act, present their annual report and the financial statements for the year ending 31 December 2011

Object of the charity, principal activities and organization of our work

The charity's objects are to preserve, restore and operate to enable the public to experience, ride on and learn about steam and other locomotives and railway rolling stock, equipment, machinery and historical relics all with particular reference to the former Great Western Railway; and to collect, collate and make available for educational and public reference information concerning the history, equipment and operation of the former Great Western Railway

The charity's principal activities are currently the preservation of part of the former Great Western Railway's Princes Risborough to Watlington branch line from Princes Risborough to Chinnor, the preservation and restoration of locomotives, rolling stock and other items of equipment for use on and in connection with that section of the branch line and the raising of funds with which to meet the expenses incurred in these activities

The charity is organised so that the trustees meet regularly to manage its affairs. Certain directors have responsibilities for overseeing aspects of the charity's business

Trading activities associated with the charity's objectives are undertaken by the Chinnor and Princes Risborough Railway Company Limited, wholly owned subsidiary of the charity.

Developments, activities and achievements this year

During the year the Association continued to provide a variety of opportunities for the young and not so young to experience heritage rail travel on our former Great Western Railway branch line. We continued with our family themed events to encourage a wide age range of people to participate and enjoy the railway. "Teddy Bear Days" attract the younger age group, and "Senior Citizen Days" attract those who may have experienced travel behind a steam locomotive in the past. The Senior Citizen Days continued to attract large numbers, with just under 2,000 senior citizen passengers travelling on the Railway. A visit to the railway provides, sometimes normally housebound seniors, some nostalgia and memories of things from their past and the opportunity to socialise with others.

We continued our collaboration with the Chiltern Conservation Board, running of a number of "Wildlife on the Move" trains. Using the diesel single car unit, each service has a guide from the Chilterns Conservation Board who explains the flora and fauna along the line during the journey. The passenger numbers for these events continue to build slowly.

CHINNOR & PRINCES RISBOROUGH RAILWAY ASSOCIATION LIMITED

Report of the Trustees for the year ended 31 December 2011

Our "Murder Mystery" and "Fish and Chip Quiz" trains continued to be well supported and these events were sometimes sold out well in advance. The investment in 2010 in the conversion of a former lamp hut into a dish wash area and the purchase of a commercial dishwasher proved to be sound. The time required for volunteers to clean large quantities of crockery and cutlery has been reduced substantially, an important consideration for those volunteers who undertake this task sometimes late on a Saturday evening after one of the evening event trains.

The discussions with Network Rail over the lease of additional track into Princes Risborough Station, the Princes Risborough South Sidings and site of the "Watlington Bay Platform" continued. The formal consultation undertaken by the Office of Rail Regulation with the Train Operating Companies and the Freight Operating Companies was concluded. Network Rail On 12th April 2011 Network Rail received formal approval for the land disposal by lease to the Association, and to a continuing operating connection to the national rail network. By the year-end, the plan for the lease area had been drawn up, subject to some possible final revisions brought about as a result of the Chiltern Railways 'Evergreen 3' project. Draft Heads of Terms of the lease agreement were lodged with the Association's legal advisers for detailed discussion with Network Rail's legal team. At the year-end our discussions with Network Rail were being expanded to include representation from NR's Operations team and Chiltern Railways as we work towards a final agreement and operating arrangements.

Towards the end of the year during the course of the discussions a new issue to be addressed was a requirement imposed by Network Rail that there should be 24-hour access for their tamping machines to the sidings that will be leased to the Association. The development of an operational process to accommodate this requirement will be the subject of a lot of re-planning work by the Association early in 2012.

By the end of the year a start had been made on identifying ways to raise the necessary funds to see the Princes Risborough Project through to completion. The Association has in its 'restricted' Princes Risborough almost funds to see the start of the project. However the final costs cannot yet be assessed until the costs for engineering arrangements for the national network connection have been resolved, and the Association is in a position to fully assess and cost of the work required to restore the former Watlington Branch track and rebuild the platform at Princes Risborough.

Having successfully concluded our negotiations with Taylor Wimpey, who are constructing 178 homes, a care home and offices on the former cement works we saw rapid construction activity continuing adjacent to the Railway with many homes now being occupied. New high fencing has been built between the Railway and the housing and the very much enlarged and enhanced car park was opened. The legal sale and transfer of the additional car park land, the current sidings and additional land to the southwest of the Railway by Taylor Wimpey as part of our Agreement with them had not been concluded by the end of the year.

CHINNOR & PRINCES RISBOROUGH RAILWAY ASSOCIATION LIMITED

Report of the Trustees for the year ended 31 December 2011

Following the signing of the Agreement with Taylor Wimpey in 2010, during the year a dedicated team undertook detailed planning for the erection of a storage and maintenance shed to the south west of the existing railway yard. A formal Planning Application was submitted to South Oxfordshire District Council and planning permission granted. By the year end some £90,000 had been raised for the 'shed project' and detailed plans prepared for the construction of the first stage of the shed. At the year-end it was not possible to schedule work to start on the shed as the Railway was still awaiting the sale and transfer of the necessary land from Taylor Wimpey as part of the Agreement with them.

The Association continued its annual "Open Day" event when the whole site was open to all visitors at no charge. Volunteers explained the history and workings of the railway and the Association, to visitors and short trips behind the steam locomotive and in the diesel 'Bubble Car' unit were provided. The event proves useful in introducing anyone who chooses to visit to a heritage railway, its preservation and operation and each year produces a number of new members for the Association.

We continued our educational outreach programme to local and sometimes not-so-local communities giving talks about the railway and the Association and its history from its inception in 1869 through to the present day.

During the year the Association worked to further develop its policy towards the management of young volunteers. The Association has in the past had young people of 16 or 17 working as volunteers - a number of whom have gone on to become career railwaymen. In 2011 we addressed working with even younger volunteers, revising the 'Young Persons and Vulnerable Adults Policy'. Our aspiration is over the next few years to develop a 'young peoples group' who can learn new skills, have their learning monitored and recorded to hopefully gain transferable skills.

Within this framework we are also developing our ability to adapt some methods of working in order to provide volunteering opportunities for those in the community who have disabilities that require our special attention to their needs.

It is appropriate to end this part of the Report with thanks to the managers and all other volunteers who put in so much hard work, and without whom the Association could not function.

CHINNOR & PRINCES RISBOROUGH RAILWAY ASSOCIATION LIMITED

Report of the Trustees for the year ended 31 December 2011

Future developments

The key elements of the Associations five-year plan remain unchanged including the extension into Princes Risborough Station, continuing development of the Chinnor site, the development of a museum and visitor centre and an extension of the railway to Aston Rowant so as to create a broader heritage experience for current and future generations

The negotiations with Taylor Wimpey have been concluded but the sale and transfer of land remains to be concluded. Discussions will continue with Network Rail, as noted above, and whilst we are cautiously optimistic that 2011 would see some significant progress there is still work to be done to achieve this goal

As we said in last year's Report given that the Association relies on an all-volunteer workforce which is able to commit varying levels of time and effort to the Association, the Strategic Plan envisages that a significant part of the work required to achieve the extension in to Princes Risborough, once a lease is secured, is likely to need to be undertaken by external contractors. It is still planned to set up a small group charged with obtaining the necessary project funds from a range of sources.

Transactions and financial position

The Statement of Financial Activities shows a net surplus for the year of £1,622 (2010 - £51,784) and our reserves standing at £599,966 (2010 - £598,344) in total at the end of the year

Tangible fixed assets for use by the charity

Details of movements in fixed assets are set out in note 7 to the accounts.

Reserves

To the extent that the Association does not utilise the income it receives to cover routine administrative expenses and the costs of ongoing maintenance of the track, infrastructure, locomotives, rolling stock, etc used in furtherance of its activities, its policy is to retain in reserve all residual income to provide the resources with which to meet future expenditure that may be expected not to be covered by income received at the time

Such expenditure includes

- a. non-routine refurbishment of locomotives, rolling stock, etc,
- b. projects identified by the Association as contributing to the extension and improvement of its facilities
- c. unforeseen large expenses

Directors and trustees

All directors of the company listed on page 1 are also trustees of the charity and there are no other trustees. The Board has the power to appoint additional trustees as it considers fit to do so

CHINNOR & PRINCES RISBOROUGH RAILWAY ASSOCIATION LIMITED

Report of the Trustees for the year ended 31 December 2011

Risk management

As mentioned under the 'Objects of the charity', the principal activity of the Association and its subsidiary, the Chinnor & Princes Risborough Railway Company, is the operation of a railway line. To do this, it is subject to supervision by the Office of the Rail Regulator (ORR) to ensure compliance with the Railways and Other Guided Transport Systems Regulations 2006 to minimise the risk of accidents. The Association also has extensive insurance cover in place for which periodic inspections are made by the insurers.

Trustees' responsibilities in relation to the financial statements

The trustees are required by company law to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity and of its financial position at the end of that year. In preparing those financial statements the trustees are required to

- a) select suitable accounting policies and apply them consistently,
- b) make judgements and estimates that are reasonable and prudent,
- c) state whether the policies adopted are in accordance with the Companies Act 2006 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements,
- d) prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in operation.

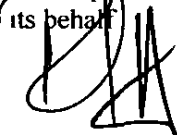
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets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

Accountant

A resolution proposing reappointment of SVP Associates Limited as accountant of the charity will be put to the Annual General Meeting.

Approval

This report was approved by the board of directors and trustees on 31 May 2012 and signed on its behalf



R J Fagg
Chairman

CHINNOR & PRINCES RISBOROUGH RAILWAY ASSOCIATION LIMITED

**Accountant's Report to the Board of Directors on the Unaudited Financial Statements of
Chinnor & Princes Risborough Railway Association Limited**

In accordance with the engagement letter and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the financial statements of the company which comprise the Income and Expenditure Account and Balance Sheet and the related notes from the accounting records and information and explanations you have given to us

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Chartered Association of Certified Accountants and have complied with the ethical guidance laid down by the Association relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet your duty to ensure that the company has kept proper accounting records and to prepare financial statements for the year ended 31 December 2011 that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

SVP Associates Limited
Chartered Certified Accountants
First Floor
2 Victoria Road
Harpenden
Hertfordshire
AL5 4EA

CHINNOR AND PRINCES RISBOROUGH RAILWAY ASSOCIATION LIMITED

Statement of Financial Activities for the year ended 31 December 2011

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds 2011	Total Funds 2010
INCOME AND EXPENDITURE					
Income Resources					
Management Fees	29,558	-	-	29,558	24,108
Membership	17,060	-	-	17,060	12,618
Fund Raising	-	18,297	1,746	20,043	110,657
Other	1,051	-	-	1,051	3,363
Donations	3,547	13,814	4,933	22,294	18,553
Bank Interest	-	1,562	-	1,562	1,152
	<u>51,216</u>	<u>33,673</u>	<u>6,679</u>	<u>91,568</u>	<u>170,451</u>
Resources Expended					
Direct Charitable Expenditure	49,491	-	-	49,491	50,569
Fund Raising	-	-	560	560	1,234
Project Costs	-	11,154	1,637	12,791	39,828
Management – Administration	27,104	-	-	27,104	27,036
Total Expenditure	<u>76,595</u>	<u>11,154</u>	<u>2,197</u>	<u>89,946</u>	<u>118,667</u>
Net Movement in Funds	(25,379)	22,519	4,482	1,622	51,784
Transfer between the funds	12,419	(13,433)	1,014	-	-
Balance brought forward 1 January 2011	252,868	144,247	201,229	598,344	546,560
Balance carried forward 31 December 2011	<u>239,908</u>	<u>153,333</u>	<u>206,725</u>	<u>599,966</u>	<u>598,344</u>

The notes on pages 11 to 15 form part of these financial statements.

CHINNOR & PRINCES RISBOROUGH RAILWAY ASSOCIATION LIMITED

Balance Sheet as at 31 December 2011

	Notes	2011		2010	
		£	£	£	£
Fixed Assets					
Tangible Assets	7	235,413		243,728	
Investments	8	3		3	
		<u> </u>	235,416	<u> </u>	243,731
Current assets					
Stock		1,000		1,000	
Cash at bank and in hand		297,088		319,832	
Debtors and prepayments	9	72,037		39,357	
		<u> </u>	370,125	<u> </u>	360,189
			<u>605,541</u>		<u>603,920</u>
Creditors: amounts falling due within one year	10		4,375		4,376
Total assets less current liabilities			<u>601,166</u>		<u>599,544</u>
Creditors: amounts falling due after more than one year	11		1,200		1,200
			<u>599,966</u>		<u>598,344</u>
Represented by:					
Restricted Funds	13		205,197		201,229
Designated Funds	14		164,606		144,247
Unrestricted Funds			230,163		252,868
			<u>599,966</u>		<u>598,344</u>

Balance sheet (cont)

CHINNOR & PRINCES RISBOROUGH RAILWAY ASSOCIATION LIMITED

Balance Sheet as at 31 December 2011 (cont..)

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of s.477(1) of the Companies Act 2006. Members have not required the company, under s 476 of the Companies Act 2006, to obtain an audit for the year ended 31 December 2011. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records, which comply with s 386 of the Companies Act 2006, and for preparing accounts which give a true and fair view of the state of affairs of the company as at 31 December 2011 and of its surplus for the year then ended, in accordance with the requirements of s 396, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The financial statements, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 were approved by the board on 31 May 2012 and signed on its behalf

A handwritten signature in black ink, appearing to be 'R J Fagg', written over a horizontal line.

R J Fagg
Director

The notes on pages 11 to 15 form part of these financial statements

CHINNOR & PRINCES RISBOROUGH RAILWAY ASSOCIATION LIMITED

Notes to the financial statements **for the year ended 31 December 2011**

1. Accounting Policies

a) Basis of preparation of accounts

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities issued in March 2005 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

b) Incoming resources

Voluntary income and donations are included in incoming resources when they are receivable, except when the donors specify that they must be used in future accounting periods or donors conditions have not been fulfilled, then the income is deferred. The income from fundraising ventures is shown gross, with the associated costs included in fundraising costs.

c) Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis.

Expenditure which is directly attributable to specific activities has been included in these cost categories. Where costs are attributable to more than one activity, they have been apportioned across the cost categories on a basis consistent with the use of these resources.

d) Tangible fixed assets

Individual fixed assets costing £100 or more are capitalised at cost.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Plant and Machinery	20% straight line basis
Buildings	2% straight line basis

e) Investments

Investments are stated at cost.

f) Fund raising costs

Fundraising expenditure comprises costs incurred in inducing people and organisations to contribute financially to the charity's work. This includes the cost of advertising for donations and staging of special fundraising events.

g) Expenditure on management and administration of the charity

Administration expenditure includes overheads and depreciation.

CHINNOR & PRINCES RISBOROUGH RAILWAY ASSOCIATION LIMITED

Notes to the financial statements **for the year ended 31 December 2011**

1. Accounting Policies

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Investments are stated at cost.

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g) Expenditure on management and administration of the charity

Administration expenditure includes overheads and depreciation.

CHINNOR & PRINCES RISBOROUGH RAILWAY ASSOCIATION LIMITED

Notes to the financial statements **for the year ended 31 December 2011 (cont.)**

7. Tangible assets

	Land and Buildings	Plant	Total
Cost			
At 1 January 2011	234,697	181,339	416,036
At 31 December 2011	<u>234,697</u>	<u>181,339</u>	<u>416,036</u>
Depreciation			
At 1 January 2011	8,100	164,208	172,308
Charge for the year	900	7,415	8,315
At 31 December 2011	<u>9,000</u>	<u>171,623</u>	<u>180,623</u>
Net book values			
At 31 December 2011	<u>225,697</u>	<u>9,716</u>	<u>235,413</u>
At 31 December 2010	<u>226,597</u>	<u>17,131</u>	<u>243,728</u>

The subsidiary company Chinnor & Princes Risborough Railway Company Limited contributed £29,558 (2010 - £24,108) by way of management charges paid for the use of the Association's assets

	2011 £	2010 £
8. Investments		
Shares in Subsidiary Company	3	3
	<u>3</u>	<u>3</u>
	<u>—</u>	<u>—</u>

CHINNOR & PRINCES RISBOROUGH RAILWAY ASSOCIATION LIMITED

Notes to the financial statements
for the year ended 31 December 2011 (cont.)

	2011	2010
	£	£
9. Debtors		
Trade debtors	67,793	34,546
VAT	4,244	4,811
	<u>72,037</u>	<u>39,357</u>

10. Creditors: amounts falling due within one year

Loans from Members	1,200	1,200
Accruals	1,399	1,400
Other creditors	1,776	1,776
	<u>4,375</u>	<u>4,376</u>

11. Creditors: amounts falling due after more than one year

Loans from Members	<u>1,200</u>	<u>1,200</u>
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12. Funds of the charity

Restricted Funds

These are funds donated to the charity for specific projects.

Designated Funds

These are funds set aside from general funds by the Trustees for specific projects

CHINNOR & PRINCES RISBOROUGH RAILWAY ASSOCIATION LIMITED

Notes to the financial statements
for the year ended 31 December 2011 (cont.)

13. Restricted Funds

	Princes Risborough Project	Signal Box	Total
Brought forward	195,257	5,972	201,229
Net income/(expenditure)	4,234	248	4,482
Transfer from Unrestricted funds	-	1,014	1,014
Carried forward	<u>199,491</u>	<u>7,234</u>	<u>206,725</u>

14. Designated Funds

	Shed Fund	Engine Maintenance Funds	Princes Risborough Project	Total
Brought forward	86,770	13,433	44,044	144,247
Net income/(expenditure)	2,160	-	20,359	22,519
Transfer to Unrestricted funds	-	(13,433)	-	(13,433)
Carried forward	<u>88,930</u>	<u>-</u>	<u>64,403</u>	<u>153,333</u>