ABBREVIATED STATUTORY ACCOUNTS FOR THE YEAR ENDED 31ST OCTOBER 1996

Company Number: 3040336 (England and Wales)



ACCOUNTANTS' REPORT ON THE UNAUDITED ACCOUNTS TO THE MEMBERS OF LLANGOLLEN RAILWAY SOCIETY LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31st October 1996 set out on pages 2 to 6 and you consider that the company is exempt from an audit and a report under section 249A(2) of the Companies Act 1985. In accordance with your instructions we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

MORRIS, COOK & CO

CHARTERED ACCOUNTANTS
BRYN ESTYN, EAST STREET,

LLANGOLLEN, DENBIGHSHIRE

Date 21/2/97

ABBREVIATED BALANCE SHEET AS AT 31ST OCTOBER 1996

	Year to		Four Months to		
	Notes	31st (October 1996	31st C	October 1995
FIXED ASSETS			•		
Tangible assets	2		79,204		28,734
Investments	3		140,461		140,461
			219,665		169,195
CURRENT ASSETS					
Debtors	4	225		2,239	
Cash at bank and in hand		26,390		9,164	
		26,615		11,403	
CREDITORS: Amounts falling due					
within one year	5	6,152		863	
NET CURRENT ASSETS			20,463		10,540
					10,510
TOTAL ASSETS LESS			•		
CURRENT LIABILITIES			£240,128		£179,735
			======		
CAPITAL AND RESERVES	_		***		
Capital Reserve	6		206,449		173,834
Profit and loss account			33,679		5,901
SHAREHOLDERS' FUNDS - All equit	ty		£240,128		£179,735

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985. No member or members holding in the aggregate at least 10% of the issued share capital of the company or of any class thereof have issued a notice requiring an audit. The committee acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing accounts which give a true and fair view of the state of affairs of the company as at 31st October 1996 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the Accounts so far as applicable to the company.

In preparing these accounts the Trustees have taken advantage of special exemptions applicable to small companies under Schedule 8 Part 1 of the Companies Act 1985, and have done so on the grounds that, in their opinion, the company qualifies as a small company and is entitled to make use of the special exemptions.

The accounts were approved by the Trustees on 212197 and signed on its behalf.

E Green-Hughes, Honorary Secretary

The notes on pages 3 to 5 form part of these financial statements.

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31ST OCTOBER 1996

1. <u>ACCOUNTING POLICIES</u>

1.1 Basis of preparation of accounts

The financial statements are prepared under the historical cost convention and include the results of the company's operations which are described in the Report of the Chairman and Financial Director and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of trade discounts.

Subscription income is on a receipts basis and does not conform to SSAP2. The Trustees do not expect any of these amounts to be refunded.

1.3 <u>Tangible fixed assets and depreciation</u>

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over the expected useful lives on the following basis:

Rolling Stock 5% straight line basis

Fixtures and Fittings 15% reducing balance basis

The Company has departed from the requirements of SSAP12 with respect to the Vintage Locomotive which is considered by the Trustees to be stated at its true value and has therefore not been depreciated.

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31ST OCTOBER 1996 (continued)

2. TANGIBLE FIXED ASSETS

	Rolling Stock	Vintage Locomotive	Fixtures & Fittings	<u>Total</u>
COST At 1st November 1995 Additions Revaluation Addition At 31st October 1996	29,511 875 	20,949 26,714 47,663	4,060 	29,511 25,884 26,714 82,109
DEPRECIATION At 1st November 1995 Charge for year At 31st October 1996	777 1,519 2,296	- - - -	609 609	777 2,128 2,905
NET BOOK VALUE				
At 31st October 1996	28,090	47,663	3,451	79,204
At 31st October 1995	28,734		-	28,734
				•

Revaluation

The Vintage Locomotive was revalued by J A Rees of Severn Valley Railway plc on 22nd October 1996 at £60,000 when completely restored. The Trustees estimate that the additional cost of restoration is £12,337.

3. <u>INVESTMENTS</u>

	<u> 1996</u>	<u> 1995</u>
Llangollen Railway plc (a)	140,421	140,421
Gwilli Railway Co	<u>40</u>	40
	140,461	140,461

(a) This relates to an unquoted company, registered in England and Wales.

4. <u>DEBTORS</u>

	<u>1996</u>	<u>1995</u>
Trade debtors	225	2,239
	225	2,239

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31ST OCTOBER 1996 (continued)

Year to Fe 31st October 1996 3

Four Months to 31st October 1995

5. <u>CREDITORS</u>: Amounts falling due

within one year

Accruals

6,152 6,152 863 863

6. SHARE CAPITAL

The Trust is limited by guarantee up to a maximum of £1 per member.

7. <u>CONTINGENT LIABILITIES</u>

There is a contingent liability of £4,381 to Customs and Excise, this arose from underpaid VAT by the Llangollen Railway Society Limited. The Trustees do not expect this money to be repaid.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES AT 31ST OCTOBER 1996

Profit for the financial year	33,679
Unrealised surplus on revaluation of Locomotive	26,714 £60,393

Note of the Historical Cost Profit and Loss for the year ended 31st October 1996.

Profit on Ordinary Activities before taxation £33,679

Difference between a Historical cost depreciation charge and the actual depreciation charged on the revalued amount

NIL

Historical cost profit on ordinary activities before taxation £33,679

Historical cost profit for the year retained after taxation £33,679

There was no affect on the previous period profit as the Asset was purchased during the year to 31st October 1996.