

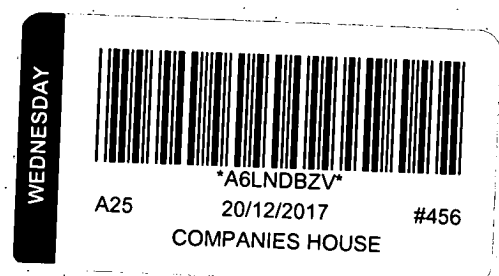
# **Rail North Limited**

## **Report and Financial Statements**

**Year Ended**

**31 March 2017**

**Company Number 9229441**



**Rail North Limited**  
**(A company limited by guarantee)**  
**Company Registration Number: 9229441**

**Contents**

Company Information	1
Directors' Report	2-3
Independent Auditor's Report	4-5
Income and Expenditure Statement	6
Statement of Financial Position	7
Notes to the Financial Statements	8-13

**Rail North Limited**  
**(A company limited by guarantee)**  
**Company Registration Number: 9229441**

**Company Information**

**Directors**

Judith Vivienne Blake  
David Thomas Brown  
Brian Michael Clarke  
William Gene Dixon  
Julie Dore  
Andrew Henryk Fender  
Nicholas Iain Forbes  
Roselyn Christine Jones  
Sir Richard Charles Leese  
Keith Anthony Little  
Don Mackenzie  
Christopher William Metcalfe  
Liam John Robinson  
Keith Ivor Wakefield  
Alan Robert Waltham  
Christopher Akers-Belcher  
Dean Collins  
John Fillis  
Neil Crowther Foster  
Elizabeth Marie Redfern

**Company Secretary** David Hoggarth

**Company Registration Num** 09229441

**Registered Office**

Ground Floor  
West Gate  
Leeds  
West Yorkshire  
LS1 2RP

**Bankers**

Lloyds Bank PLC  
116 Wellington Street  
Leeds  
LS1 4LT

**Independent Auditor**

Mazars LLP  
Mazars House  
Gelderd Road  
Gildersome  
Leeds  
LS27 7JN

**Rail North Limited**  
**(A company limited by guarantee)**  
**Company Registration Number: 9229441**

**Directors' Report**

Year ended 31 March 2017

**1. Statement of Directors' Responsibilities**

The Directors are responsible for preparing the director's report and the financial statements for each financial year which present a true and fair view of Rail North's financial position and performance for that period.

In preparing the financial statements, the Directors are required to:-

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- keep proper financial records which are up to date; and
- ensure that the financial management and accounting control systems are adequate and effective.

**2. Principal Activities**

Rail North Limited was incorporated from 1 April 2016, for the purposes of, among others things, promoting and improving rail services in the Rail North Area; arranging for the carriage of passengers by railway between locations in Great Britain; managing the performance of the relevant Franchisee's obligations under the Franchise Agreements; and supporting the delivery of the long term rail strategy of the Members.

**3. Financial Results**

The financial results of the company are detailed in the accounts on pages 6 to 13 of this report.

**4. Rail North Ltd Board Members during the year**

		Appointed on
Judith Vivienne Blake	Director	15 December 2016
David Thomas Brown	Director	18 March 2015
Brian Michael Clarke	Director	15 December 2016
William Gene Dixon	Director	11 March 2015
Julie Dore	Director	10 November 2014
Andrew Henryk Fender	Director	25 February 2016
Nicholas Iain Forbes	Director	09 January 2015
Roselyn Christine Jones	Director	15 December 2016
Sir Richard Charles Leese	Director	22 September 2014
Keith Anthony Little	Director	15 December 2016
Don Mackenzie	Director	15 December 2016
Christopher William Metcalfe	Director	12 December 2014
Liam John Robinson	Chair	22 September 2014
Keith Ivor Wakefield	Director	24 August 2015
Alan Robert Waltham	Director	15 December 2016
Christopher Akers-Belcher	Director	15 December 2016
Dean Collins	Director	01 May 2015
John Fillis	Director	12 February 2015
Neil Crowther Foster	Director	15 December 2016
Elizabeth Marie Redfern	Director	12 March 2015

## 6. Audit Requirement

For the year ending 31st March 2017, Rail North Limited was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

The members have required the company to obtain an audit of its accounts for the year in accordance with section 476.

The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

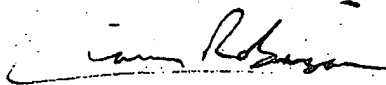
All the Directors as at the date of this report have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company auditor is aware of that information. The Directors are not aware of any relevant audit information of which the company's auditor is unaware.

The financial statements are prepared in accordance with the provision of FRS102 Section 1A small entities.

Company Director

Date :

25/9/17.



LIAM ROBINSON

## **Independent auditor's report to the members of Rail North Limited**

We have audited the financial statements of Rail North Limited for the year ended 31 March 2017 which comprise the Income and Expenditure Statement and Statement of Financial Position and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matters prescribed by the Companies Act 2006**

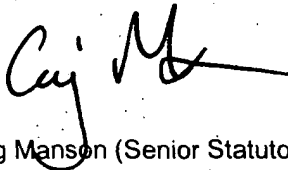
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report. We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



Craig Manson (Senior Statutory Auditor) for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Mazars House

Gelderd Road

Leeds

LS27 7JN

10 October 2017

**Rail North Limited**  
**(A company limited by guarantee)**  
**Company Registration Number: 9229441**

**Income and Expenditure Statement for the year ended 31 March 2017**

	<u>Notes</u>	<u>2017</u> <u>£</u>	<u>2016</u> <u>£</u>
Turnover		570,053	-
Cost of Sales		<u>(12,500)</u>	<u>-</u>
Gross Surplus		557,553	-
Administrative Expenses		(1,093,076)	-
Other operating Income	4	624,091	-
Operating Surplus(Deficit)		<u>88,568</u>	<u>-</u>
Interest Receivable		-	-
Interest Payable and similar charges		-	-
Surplus/(Deficit) on ordinary activities before tax		<u>88,568</u>	<u>-</u>
Tax on surplus on ordinary activities	8	-	-
Surplus (Deficit) for the Financial Year		<u><u>88,568</u></u>	<u><u>-</u></u>



**Rail North Limited**  
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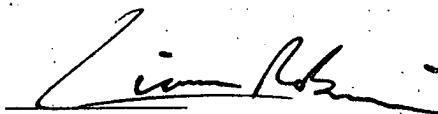
**Statement of Financial Position**  
**At 31 March 2017**

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
		£	£
<b>Fixed Assets</b>			
Intangible assets		-	-
Tangible assets		-	-
<b>Current assets</b>			
Debtors	6	810,039	-
Cash at Bank and in hand		70,546	-
		880,585	-
<b>Current Liabilities</b>			
Creditors: Amounts Falling Due Within One Year	7	(792,017)	-
		(792,017)	-
<b>Net current assets</b>		88,568	-
<b>Total assets less current liabilities</b>		88,568	-
Other Provisions		-	-
<b>Net assets</b>		88,568	-
		=====	=====
<b>Capital and Reserves</b>			
Surplus (Deficit) for the Financial Year		88,568	-
		88,568	-
		=====	=====

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small company's regime and in accordance with the provision of FRS102 Section 1A - Small entities.

The financial statements were approved and authorised for issue by the Board on

Signed on behalf of the board of directors

  
 Director  
 LIAM ROBINSON

Date: 14/9/17.

The notes on page 8 to 13 form part of these financial statements.

**Rail North Limited**  
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**Notes to the Financial Statements**

**1. General Information**

Rail North Limited is a limited company by guarantee incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities is disclosed in the directors' report.

**2. Accounting Policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company accounting policies.

The following principal accounting policies have been applied:

**2.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**2.3 Fixed assets and Depreciation**

The company has not acquired any fixed assets during the year therefore no depreciation policy is required.

**2.4 Debtors**

Short term debtors are measured at transaction price, less any impairment. The company does not have any long term debtors during the year.

**2.5 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**Rail North Limited**  
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**Notes to the Financial Statements**

**For the Year Ended 31 March 2017**

**2. Accounting Policies (continued)**

**2.6 Financial instruments**

The company only enters into basic financial transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors. There were no loans from banks and other third parties, loans to related parties and investment as such.

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

**2.7 Creditors**

Short term creditors are measured at the transaction price. The company does not have any long term creditors during the year.

**2.8 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the statement of income and retained earnings at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the statement of income and retained earnings in the same year as the related expenditure.

**2.9 Interest income**

Interest income is recognised in the Income statement using the effective interest method. The company did not receive any interest during the year.

**2.10 Provisions for liabilities**

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

Provisions are charged as an expense to the statement of income and retained earnings in the year that the company becomes aware of the obligation, and are measured at the best estimate at the statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the statement of financial position. The company did not have any such provision during the year.

**2.11 Taxation**

Application has been made to HMRC that the company should not be liable for corporation tax on the basis that the company activities do not involve trading for the purpose of making a profit. This application has only recently been made and has yet to be determined by HMRC. Should HMRC conclude otherwise a tax liability of £17,714 would arise.

**Rail North Limited**  
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**Notes to the Financial Statements**

**For the Year Ended 31 March 2017**

**2.12 Going Concern**

These financial statement have been prepared on a going concern basis. The company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they adopt the going concern basis of accounting in preparing the annual financial statements.

**3. Cash Flow Statement**

Preparation of cash flow statement is exempted under the small companies regime.

**4. Other operational income**

	2017	2016
	£	£
DfT Grant	378,009	-
Rail devolution opening equity	246,082	-
	<u>624,091</u>	<u>-</u>

**5. Staff**

Staff working for Rail North Ltd during the year were not directly employed by the company. Staff costs including social security and pension contribution were fully recharged from their employer WYCA.

Directors receive no remuneration for their services

	2017	2016
	£	£
Staff Costs amounted to:		
Wages and Salaries	421,656	-
Social Security Costs	49,729	-
Other Pension Costs	56,665	-
	<u>528,050</u>	<u>-</u>

The average monthly number of staff during the year was:

	<u>Number</u>	<u>Number</u>
Administration	<u>7</u>	<u>-</u>

**6. Debtors**

	2017	2016
	£	£
Trade Debtors	809,760	-
Other	279	-
	<u>810,039</u>	<u>-</u>

**Rail North Limited**  
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**Notes to the Financial Statements**

**For the Year Ended 31 March 2017**

<b>7. Creditors</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade Creditors	541,489	-
Other taxation and Social security	39,603	-
Other Creditors	210,925	-
	<u>792,017</u>	<u>-</u>
	=====	=====

**8. Taxation**

Rail North Ltd is not liable to corporation tax on operating surplus

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Corporation Tax @ 20%	<u>-</u>	<u>-</u>
	=====	=====

Application has been made to HMRC that the company should not be liable for corporation tax on the basis that the company activities do not involve trading for the purpose of making a profit. This application has only recently been made and has yet to be determined by HMRC. Should HMRC conclude otherwise a tax liability of £17,714 would arise.

**9. Company status**

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1.00 towards the assets of the company in the event of liquidation.

**Rail North Limited**  
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**Notes to the Financial Statements**

**For the Year Ended 31 March 2017**

**10. Related Party Disclosures**

Rail North Ltd is required to disclose transactions with related parties. Related parties are bodies or individuals that have the potential to control or influence the Company or to be controlled or influenced by the Company.

Rail North Ltd can be construed to be a related party of its 25 members.

The contribution received from its 25 members for 2016/17 were:

	£
West Yorkshire Combined Authority	184,372
Transport for Greater Manchester	185,244
Sheffield City Region Combined Authority	53,342
Liverpool City Region Combined Authority	52,652
Nexus/North East Combined Authority	52,870
City of York Council	1,963
Lancashire County Council	2,000
Staffordshire County Council	36
Nottinghamshire County Council	109
North Lincolnshire Council	145
North East Lincolnshire Council	218
Stoke-on-Trent City Council	291
Warrington Borough Council	436
Cumbria County Council	1,454
North Yorkshire County Council	1,163
Tees Valley Combined Authority	1,200
Blackburn and Darwen Borough Council	218
Lincolnshire County Council	255
East Riding of Yorkshire Council	327
Cheshire West and Chester Council	400
Hull City Council	473
Derbyshire County Council	509
Blackpool Borough Council	545
Cheshire East Council	764
Nottingham City Council	545
<b>Total</b>	<b>541,533</b>

The year end creditors with its members were:

West Yorkshire Combined Authority	420,795
Transport for Greater Manchester	120,694
<b>Total</b>	<b>541,489</b>

**Rail North Limited**  
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**Notes to the Financial Statements**

**For the Year Ended 31 March 2017**

**10. Related Party Disclosures (continued)**

The year end debtors with its members were:

Cheshire West and Chester Council	480
City of York Council	2,356
Cumbria County Council	1,745
Derbyshire County Council	611
Hartlepool Borough Council	(131)
Hull City Council	567
Lancashire County Council	2,400
Lincolnshire County Council	305
Liverpool City Region Combined Authority	63,182
North Lincolnshire Council	175
Nottinghamshire County Council	131
Sheffield City Region Combined Authority	64,011
Staffordshire County Council	44
Tees Valley Combined Authority	1,440
Transport for Greater Manchester	222,293
Warrington Borough Council	524
West Yorkshire Combined Authority	421,628
<b>Total</b>	<b>781,760</b>

**11: Contingent assets and liabilities**

As at 31 March 2017, there was no contingent assets and liabilities.

**12. Events After the Balance Sheet Date**

There have been no adjustments to the financial statements for events after the balance sheet date.

**13. External Audit**

An amount of £5,500 was payable to the external auditor for the audit of the financial statements and no other fees have been paid.