

THE WESTERN LOCOMOTIVE ASSOCIATION LIMITED

(Company Limited by guarantee and not having a share capital)

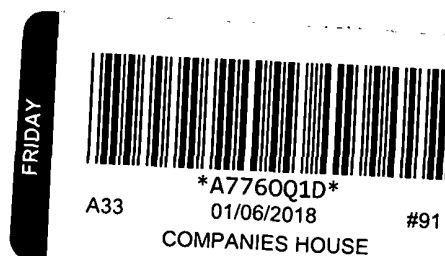
ANNUAL REPORT OF THE TRUSTEES AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 September 2017

Charity No : 1115058

Company Number : 03873466



THE WESTERN LOCOMOTIVE ASSOCIATION LIMITED
REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2017

The trustees, who are directors for the purposes of company law, present their annual report and financial statements of the charitable company for the year ended 30 September 2017.

Reference and administration details

Charity Name	Western Locomotive Association Limited (WLA)
Charity Number	1115058
Company Number	03873466
Registered Office	5 Prospect Place Millennium Way Pride Park Derby DE24 8HG
Operational Address	Severn Valley Railway plc Bridgnorth Shropshire
Chairman	D Shelmerdine
Trustees	R S Smith D Shelmerdine (appointed 26 January 2017) D Payne (appointed 26 January 2017)
Company Secretary	H J Coates
Treasurer	A Wetton
Independent Examiner	Ashgates Corporate Services Limited 5 Prospect Place Millennium Way Pride Park Derby DE24 8HG
Bankers	Barclays Bank plc Leicester LE87 2BB
Governing Document	The Association is a charitable company limited by guarantee, incorporated on 9 November, 1999 and registered as a charity on 4 July 2006. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association.

THE WESTERN LOCOMOTIVE ASSOCIATION LIMITED
REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2017

Statement of Compliance

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Recruitment and Appointment of the Council

The Directors of the company are also trustees for the purposes of charity law and under the company's articles are known as Members of the Council. The governing body consists of a Board of Trustees who are appointed at the Annual General Meeting and retire by rotation every three years. Retiring members are eligible for re-election.

Risk Review

The trustees have conducted a review as to the major risks to which the charity is exposed and have established processes and actions to mitigate and minimise these risks.

The trustees consider that insurance cover (under the umbrella of Severn Valley Railway plc policies), and reserves are adequate to ensure the continued operation in the event of the occurrence of any unexpected incident.

Charitable Activities and Objectives

The principle activities and charitable objectives of the association is the preservation, maintenance and operation of its two locomotives, D1062 Western Courier and D1013 Western Ranger, so far as reasonably practical in a condition authentic to their operation by British Rail to advance the education of the public in the history of Class 52 Diesel Hydraulic locomotives.

Public Benefit

The Charity's work focusses on the preservation, maintenance and operation of Class 52 Diesel Hydraulic locomotives to advance the education of the history of such locomotives to the public.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and Performance During the Year

D1013 Western Ranger

The work on the Ranger continued in 2017 with most of the terminating of the wiring complete and more mechanical parts being fitted. Much of the original steel pipework for the braking system has also been replaced. An internal repaint is also progressing well and the formica in the cabs is also being fitted.

The Ranger has been out of traffic for eight years now and there's still much to do including the cooler groups to build up, engine work on both units, brake system tests and all valves to overhaul, new batteries, bogie assessment and a repaint, many of these items will incur costs.

THE WESTERN LOCOMOTIVE ASSOCIATION LIMITED
REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2017

D1062 Western Courier

Over last winter a program of winter maintenance was set for the Courier with the main job being the clanging of a cylinder liner on the "B" Engine. The way that this was carried out was a first in Western Preservation, and required specialist tooling. Following the 2016 AGM vote the opportunity arose for a repaint to BR Blue to be carried out. Both of these projects were carried out in the shed at Kidderminster. During the running season the Courier was also fitted with a new set of batteries and a new electronic AVR.

The Courier's first appearance repainted was during the Severn Valley Railway Annual Diesel Gala, where the loco was a major draw and attraction. The May Diesel Gala event was the most successful and profitable event on the SVR in 2017. The running season was all plain sailing. We finished the year having operated 1472 miles in passenger service. Total operating revenue from the SVR was £11,746.

Financial Review

The net incoming resources for the year amounted to £10,409 which is a vast improvement on the net expenditure of resource in the prior year of £4,755. In the prior year there was significant expenditure on new transmission shafts from GKN for approximately £16k, which has not been incurred again this year. The trustees and AGM have reviewed the financial statements and the variances on the previous year, accepted them and consider the results to be satisfactory.

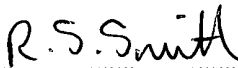
Reserves Policy

The Association aims to hold financial reserves that cover one year's operating expenditure. As at 30 September 2017 the Association held free reserves of £100,337 plus a fair value reserve of £43,041. The trustees consider the current level of reserves to cover one year's operating expenditure.

Small Companies Provision Statement

This report has 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.

The annual report was approved by the trustees of the charity and signed on its behalf by:


.....
R S Smith
Director and Trustee


.....
D Shelmerdine
Director and Trustee

Date : 6th May 2018

**INDEPENDENT EXAMINER'S REPORT TO THE
TRUSTEES OF THE WESTERN LOCOMOTIVE ASSOCIATION LIMITED**

I report to the charity trustees on my examination of the accounts of the company for the year ended 30 September 2017 which are set out on pages 5 to 10.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

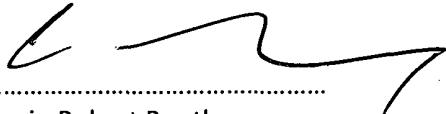
Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....
Gavin Robert Booth
For and on behalf of Ashgates Corporate Services Limited
5 Prospect Place
Millennium Way
Pride Park, Derby
DE24 8HG

Date : 6-5-2018

THE WESTERN LOCOMOTIVE ASSOCIATION LIMITED
STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

		Un-restricted funds	
		2017	2016
		12 months	12 months
		£	£
INCOMING RESOURCES			
Income from donations and subscriptions			
Membership subscriptions		6,302	6,664
General donations		5,406	4,488
Strategic donations and appeals		6,550	7,751
	Sub-total	18,258	18,903
Income from charitable activities			
SVR driver experience days		4,400	6,400
SVR operating income		7,346	6,967
WLA events and gala weekends		-	2,837
Charities trust gift aid		4,205	2,153
	Sub-total	15,951	18,357
Income from trading activities			
Merchandise sales		3,328	5,103
Locomotive model sales		11,249	-
Raffle receipts		1,042	-
	Sub-total	15,619	5,103
	Total incoming resources	49,828	42,363
RESOURCES EXPENDED			
Trading and fundraising			
Locomotive model costs		(8,852)	683
Merchandise stock/costs		(2,389)	(1,518)
Raffle prizes/costs		(400)	(433)
	Sub-total	(11,641)	(1,268)
Charitable activities			
Locomotive expenditure; restoration and maintenance		(25,397)	(40,359)
Events and gala weekends		-	(1,901)
Magazine and website		266	(1,849)
Other expenses		(240)	(241)
	Sub-total	(25,371)	(44,350)
Governance costs			
Accountancy fees		(1,340)	(1,100)
Travel and meetings		(1,067)	(400)
	Sub-total	(2,407)	(1,500)
	Total resources expended	(39,419)	(47,118)
Net incoming/(outgoing) resources		10,409	(4,755)
Fund balances brought forward at 1 October 2016		132,969	137,724
Fund balances carried forward at 30 September 2017		143,378	132,969

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2017 and 2016 is shown in note 10.

The notes on pages 7 to 10 form part of these financial statements.

THE WESTERN LOCOMOTIVE ASSOCIATION LIMITED
(Company Registration Number: 03873466)
BALANCE SHEET AS AT 30 SEPTEMBER 2017

	Note	Year Ended 30/09/2017		Year Ended 30/09/2016	
		£	£	£	£
Fixed assets					
Heritage assets	6		65,000		65,000
Current assets					
Stocks	7	25,685		23,228	
Debtors	8	18,088		15,802	
Cash at bank		38,032		53,192	
		<u>81,805</u>		<u>92,221</u>	
Creditors					
Amounts falling due within one year	9	<u>3,427</u>		<u>24,252</u>	
Net current assets			<u>78,378</u>		<u>67,969</u>
Total Assets less current liabilities			143,378		132,969
Amounts falling due after one year			-		-
Net assets			<u>143,378</u>		<u>132,969</u>
Financed by:					
Reserves					
Unrestricted funds	10		<u>143,378</u>		<u>132,969</u>


For the financial year ending 30 April 2017 the Charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

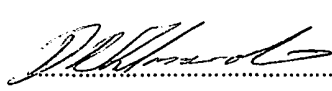
Directors' responsibilities:

- The members have not required the Charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 5 to 10 were approved by the trustees, and authorised for issue on 6th May 2018 and signed on its behalf by:


 R S Smith
 Director and Trustee


 D Shelmerdine
 Director and Trustee

THE WESTERN LOCOMOTIVE ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

1 Charity status

The Charity is a company limited by guarantee, incorporated in England and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the Charity in the event of liquidation.

The registered office and principle place of business can be found on page one of these financial statements.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The Western Locomotive Association Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in Sterling (£) and rounded to the nearest £1.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Incoming resources

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

THE WESTERN LOCOMOTIVE ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received.

Resources expended

Expenditure is accounted for on an accruals basis and has been aggregated under headings that aggregate all costs relating to the category. Where costs cannot be directly attributed to category, they have been allocated on a consistent basis.

Heritage assets - locomotives

The locomotives are considered to be heritage assets by the trustees. An impairment review is conducted each year. Should any impairments or movement in impairment arise from this review, this will be charged to the statement of financial activities for the period in which it occurs. The Trustees consider the assets to appreciate in value and therefore that this accounting policy results in the Financial Statements giving them a true and fair view. All tools, components and equipment are written off at the time of purchase.

Stock

Stock comprises of engineering components, fund raising merchandise for re-sale and locomotive models. Stocks are valued at the lower of cost or net realisable value.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Grants

Grants received in respect of costs to be incurred which are of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. All the association's funds are unrestricted.

3 Net income

	2017	2016
	£	£
This is stated after charging the following:		
Independent examination fees	1,280	1,050
Other services provided	60	50

4 Trustee remunerations, benefits and expenses

There were no trustee remuneration or benefits for the year ended 30 September 2017.

There were no trustee expenses reimbursed for the year ended 30 September 2017.

THE WESTERN LOCOMOTIVE ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

5 Staff numbers and costs

The Association did not employ anybody during the year ended 30 September 2017 nor for the year ended 30-September 2016.

6 Heritage assets

	Locomotives £	Total £
Valuation		
At 1 October 2016	65,000	65,000
Transfer	-	-
Additions	-	-
Disposals	-	-
At 30 September 2017	65,000	65,000
Impairment		
At 1 October 2016	-	-
Transfer	-	-
Additions	-	-
Disposals	-	-
At 30 September 2017	-	-
Net book value		
At 30 September 2017	65,000	65,000
At 1 October 2016	65,000	65,000

Locomotives with a historical cost of £21,959 were revalued by the trustees in 2004.
The associated change in valuation is included within brought forward reserves in note 10.

Summary of transactions relating to heritage assets

	30-Sept-13 £	30-Sept-14 £	30-Sept-15 £	30-Sept-16 £	30-Sept-17 £
Valuation brought forward	65,000	65,000	65,000	65,000	65,000
Impairment brought forward	-	-	-	-	-

7 Stocks

	2017 £	2016 £
Fundraising merchandise for re-sale	250	250
Engineering components	22,978	22,978
Locomotive models	2,457	-
	25,685	23,228

The cost of stocks recognised as an expense in the year amounted to £6,395 (2016 – (£683)).

THE WESTERN LOCOMOTIVE ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

8 Debtors

	2017	2016
	£	£
Other debtors	18,088	15,802

9 Creditors falling due within 1 year

	2017	2016
	£	£
Deferred income	-	3,522
Accruals	3,427	20,730
	3,427	24,252

Deferred income is in relation to the sale of models of the charity's Locomotives which have been commissioned by the Charity but were not completed at the balance sheet date.

10 Movement in funds

	As at 01-Oct-2016	Transfers	Net movement	As at 30-Sep-2017
	£	£	£	£
Unrestricted funds				
General fund	89,928	-	10,409	100,337
Revaluation reserve	43,041	(43,041)	-	-
Fair value reserve	-	43,041	-	43,041
Total funds	132,969	-	10,409	143,378

11 Commitments

The Association had no capital or leasing commitments as at 30 September 2017 nor in the year ended 30 September 2016.

12 Related party transactions

There were no material related party transactions during the year ended 30 September 2017 nor in the year ended 30 September 2016.

13 Transition to FRS 102

The financial statements are the company's first financial statements that comply with FRS 102. The date of transition to FRS 102 was 1 October 2015.

The transition to FRS 102 has resulted in the reclassification of revaluation reserves to fair value reserves as indicated in note 10 above. There were no other changes between the amounts prepared previously under UK GAAP and those presented in compliance with FRS 102 within these financial statements.