

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

Annual Report and Financial Statements

For the year ending 31st December 2010

A Company Limited by Guarantee

Registered in England and Wales No: 5011634



THE RAILWAY DEVELOPMENT SOCIETY LIMITED

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Seventh Annual General Meeting of The Railway Development Society Limited will be held at Bignor Church and Community Centre, North Road, Brighton, East Sussex BN1 1YD at 11 15am on Saturday 7th May 2011

AGENDA

10.00-11.15 Registration (Tea/Coffee available from 10 00)

11.15 Morning Session

- 1 Chairman's Welcome
 - 2 Apologies for Absence
 - 3 Guest Speakers
- Followed by questions

12.30 – 13.30 L U N C H

13.30 Afternoon Session

- 1 Welcome
- 2 To read and approve the Minutes of the Sixth Annual General Meeting of the Railway Development Society Ltd held on Saturday 8th May 2010
- 3 Matters Arising from the Minutes
- 4 President's Address
- 5 Chairman's Report
- 6 To receive the Annual Report and Financial Statements for the period ended 31st December 2010
- 7 Reporting Accountant's Report.
- 8 Appointment of Reporting Accountant.
- 9 Results of postal ballot for Directors and to note that the Chairman, Michael Crowhurst, and directors Jerry Alderson, Philip Bisatt and Andrew MacFarlane are elected unopposed
- 10 Appointment of President and Vice-Presidents
- 11 Motions – to consider motions on RDS policy, strategy and organisation

By Order of the Board

L BUTLER, Company Secretary, 24 Chedworth Place, Tattingstone, SUFFOLK IP9 2ND
1st December 2010

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2010

Directors	M G Crowhurst (Chairman) J C Alderson (Vice Chairman and Financial Director) D S Berman (from 08 05.10) P N K Bissatt R Blake C S Elliff T J Garrod H T Jones (to 08 05 10) A D MacFarlane I F S McDonald C C Zilahi
Secretary	L Butler
Company number	5011634
Registered office	24 Chedworth Place Tattingstone SUFFOLK IP9 2ND
Reporting Accountant	A F Sheward FCCA

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

The directors present their report and financial statements for the period ended 31 December 2010

Review of activities

The principal activity of the company continued to be that of a campaigning organisation for the protection and development of Railway transport in the United Kingdom

The Board of Directors met 4 times in 2010. Subjects discussed were many and varied but centred around the 'core' matters of campaigning, marketing, fundraising, membership, publicity, policy, finance, conferences and meetings, business plan, branch matters and committee matters

Where appropriate, matters were delegated for further consideration and action to the Specialist Committees

Results for the Year

The Directors are pleased to report a surplus after tax on the Profit and Loss Account of £53,428 compared to a surplus of £26,085 in 2009. The net assets of the Company rose by £53,899 primarily as a result of this surplus.

Income from subscriptions, donations and campaigning rose from £60,458 to £90,025. This is primarily due to the receipt of legacy income of £40,007. Campaigning expenditure has increased from £20,578 to £23,678.

Operating and administration expenses have increased from £22,260 to £25,708. The main change from 2009 is an increase in promotion and marketing costs from £1,042 to £3,234. This was because the Company used some copies of Britain's Growing Railway to promote Railfuture to the transport industry. The launch of this book during the year is also responsible for an increase in sales of publications from £585 in 2009 to £5,119.

Due to the continuing low interest rates on offer returns from money held on deposit have continued to be poor. During the year the Company took advantage of an offer from our bankers and placed £50,000 in a 1 year fixed term deposit. It is due to this deposit that income from bank interest has increased from £171 in 2009 to £410 in 2010.

A legacy received by the Company during the year included 3,900 shares in Tesco plc. As dividend payments on these shares exceeds any return the Company could expect from selling them and placing the receipts in a bank account the Company decided to keep the shares. Dividend income was £599.

The operating surplus for the period was £40,639 compared with a surplus of £17,620 in 2009.

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

No: 5011634

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

Statement of Directors' Responsibilities

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the Company for that period. In preparing those financial statements, the Directors are required to

- Select suitable accounting policies and then 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, and
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are satisfied that appropriate controls and checks are in place to achieve these objectives.

Directors' Interest

The Company is limited by guarantee. No shares have been issued.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Reporting Accountant

The Members have resolved that the financial statements be subject to scrutiny by an Reporting Accountant and his report is included on page 5.

On behalf of the board



Lloyd Butler
Company Secretary

Dated 5th March 2011

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

REPORTING ACCOUNTANT'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

Accountant's Report to the Members on the Unaudited Accounts of The Railway Development Society Ltd

I report on the accounts for the year ended 31 December 2010 set out on pages 6 to 13

As described on page 4, the Company's Directors are responsible for the preparation of the accounts, and they consider that the Company is exempt from an audit. It is my responsibility to carry out procedures to enable me to report my opinion.

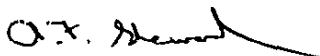
My work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so my procedures consisted of comparing the accounts with the accounting records kept by the Company, and making such limited enquiries of the officers of the Company as I considered necessary for the purposes of this report. These procedures provide only the assurance expressed in my opinion.

In my opinion

- (a) the accounts are in agreement with the accounting records kept by the Company under section 386 of the Companies Act 2006,
- (b) having regard only to, and on the basis of, the information contained in those accounting records
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 396 of the Act, and
 - (ii) the Company satisfied the conditions for exemption from an audit of the accounts for the period specified in section 477(2) of the Act

and did not, at any time within that year, fall within any of the categories of companies not entitled to exemption specified in section 478

A F Sheward FCCA
Reporting Accountant



5th March 2011

6 Grange Way
Willington
Bedford
MK44 3QW

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2010

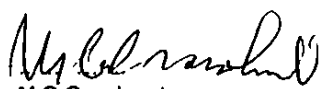
	Notes	2010		2009	
		£	£	£	£
Fixed assets					
Tangible fixed assets	6		100		150
Investments	7		18,807		2,232
Current assets					
Stocks		1,261		423	
Debtors	8	2,160		1,389	
Cash at bank and in hand		<u>193,992</u>		<u>157,115</u>	
		197,413		158,927	
Creditors : Due within one year					
Creditors	9	<u>(5,372)</u>		<u>(4,575)</u>	
Net current assets			192,041		154,352
Total assets less current liabilities			<u>210,948</u>		<u>156,734</u>
Creditors : Due after more than one year	10		(5,643)		(5,328)
Net assets			<u><u>205,305</u></u>		<u><u>151,406</u></u>
CAPITAL AND RESERVES					
General fund	11		181,892		127,316
Fighting fund	12		<u>23,413</u>		<u>24,090</u>
Total reserves			<u><u>205,305</u></u>		<u><u>151,406</u></u>

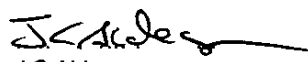
In preparing these financial statements

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 477 of the Companies Act 2006,
- (b) No notice has been deposited under Section 476 of the Companies Act 2006, and
- (c) The directors acknowledge their responsibilities for
 - (i) ensuring that the company keeps accounting records which comply with section 386 of the Companies Act 2006, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the financial period end and of its profit or loss for the financial period in accordance with the requirements of Sections 394 and 395, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the Board on 05 March 2011


M G Crowhurst
Director


J C Alderson
Director

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 £	2009 £
Income from subscriptions, donations and campaigning		90,025	60,458
Campaigning expenditure		(23,678)	(20,578)
Gross surplus		66,347	39,880
Operating and administrative expenses		(25,708)	(22,260)
Operating surplus		40,639	17,620
Other operating income	3	12,043	8,140
Other interest receivable and similar income	4	1,182	440
Surplus on Ordinary Activities before taxation		53,864	26,200
Tax on surplus on ordinary activities	5	(436)	(115)
Surplus on Ordinary Activities after taxation	11	53,428	26,085

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010	2009
		£	£
Surplus for Year Transferred to General Fund	11	53,428	26,085
Unrealised Gain on Revaluation of Investments	7	471	-
Total Recognised Gains Relating to the Year		<u>53,899</u>	<u>26,085</u>

Note of Historical Costs, Profits and Losses FOR THE YEAR ENDED 31 DECEMBER 2010

	£	£
Reported Surplus on Ordinary Activities	53,428	26,085
Realisation of Investment Gains Relating to Previous Years	-	-
Historical Surplus on Ordinary Activities	<u>53,428</u>	<u>26,085</u>

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard for Smaller Entities (effective April 2008)

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Office equipment	20% straight line
------------------	-------------------

1.4 Investments

Listed investments are stated at market value. Unlisted investments are stated at market value, where a market exists, otherwise at cost less any provision for impairment

1.5 Stocks

Stock is valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items

1.6 Donations and Subscriptions

Donations and annual subscriptions are credited to income and expenditure account in the year of receipt except in cases where subscriptions for more than one year are paid as a lump sum, where the payment for the second and any subsequent years is treated as deferred. Life subscriptions are credited to income and expenditure over the estimated lives of the members

1.7 Fighting Fund

The proceeds of certain fund raising events and appeals are allocated to the Fighting Fund. The Fund can only be expended in support of promoting the railway, campaigns for building new lines and stations, reopening closed lines and stations and preserving closed lines for future use and in support of campaigns against major reductions in services or railway closures, as agreed by the Board

2 Operating surplus

	2010	2009
	£	£
Operating profit is stated after charging		
loss on disposal of tangible assets	-	-
Depreciation of tangible assets	<u>50</u>	<u>50</u>

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

3	Other operating income	2010	2009
		£	£
	Sale of goods	5,119	585
	Monthly lottery	2,365	2,758
	Annual draw	3,453	3,682
	Advertising in publications	90	-
	AGM	288	308
	Sundries	458	811
		<u>12,043</u>	<u>8,140</u>
4	Interest receivable and similar income	2010	2009
		£	£
	Publishers royalties	164	268
	Gain on disposal of investment (see note 7)	8	1
	Dividends from shares	599	-
	Bank and building society interest	410	171
		<u>1,182</u>	<u>440</u>
5	Taxation	2010	2009
		£	£
	Provision for UK current year taxation	436	115
		<u>436</u>	<u>115</u>
6	Tangible fixed assets		Total
			£
	Cost		
	At 31 December 2009		250
	Additions		-
	Disposals		-
	At 31 December 2010		<u>250</u>
	Depreciation		
	At 31 December 2009		100
	On disposals		-
	Charge for the year		50
	At 31 December 2010		<u>150</u>
	Net book value		
	At 31 December 2010		<u>100</u>
	At 31 December 2009		<u>150</u>
7	Fixed asset investments		
		Listed investments	Unlisted investments
		£	£
	Cost		
	At 31 December 2009	-	2,232
	Acquisitions	16,104	-
	Disposals	-	-
	Revaluation	471	-
	At 31 December 2010	<u>16,575</u>	<u>2,232</u>
		Market value	Directors' valuation
		£	£
	At 31 December 2010	<u>16,104</u>	<u>2,232</u>
	At 31 December 2009	-	2,232

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

	2010	2009
	£	£
Listed shares at valuation		
3900 Tesco ordinary shares	16,575	-
	<u>16,575</u>	<u>-</u>

	2010	2009
	£	£
Unlisted shares at cost		
Mid Norfolk Railway Preservation Trust Bearer Bond	100	100
2 Railfuture Limited ordinary shares	2	2
2 Wensleydale Railway Company £15 track units	30	30
38 Wensleydale Railway Company ordinary shares	1,900	1,900
£200 CKP Railways loan stock	200	200
	<u>2,232</u>	<u>2,232</u>

The Company's holdings of Eurotunnel and Railtrack shares were shown as disposals in earlier years as it was assumed that all payments in respect of these shares had been received. However, during 2010, a fractional entitlement of £3.94 was received in respect of the former Eurotunnel shares and final liquidation payment of £4.14 in respect of the former Railtrack shares.

During 2010, as part of a legacy to the Company, we received 3900 Tesco shares which were valued on receipt at £16,104.08.

8 Debtors	2010	2009
	£	£
Trade debtors	1,007	-
Accrued interest	340	-
Prepayments	813	1,389
	<u>2,160</u>	<u>1,389</u>

9 Creditors: amounts falling due within one year	2010	2009
	£	£
Trade creditors	2,503	1,593
Taxation and social security	417	99
Deferred income	2,259	2,262
Other creditors	193	621
	<u>5,372</u>	<u>4,575</u>

10 Creditors: amounts falling due after more than one year	2010	2009
	£	£
Deferred income	5,643	5,328
	<u>5,328</u>	<u>5,328</u>

11 General fund	2010	2009
	£	£
Surplus / (deficit) for the financial year after taxation	53,428	26,085
Unrealised surplus on Valuation of Investments	471	-
Transfers from / (to) fighting fund	677	(2,122)
	<u>54,576</u>	<u>23,963</u>
Opening general fund at 01 January 2010	127,316	103,353
	<u>181,892</u>	<u>127,316</u>
Closing general fund at 31 December 2010		

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

12	Fighting fund	2010	2009
		£	£
	Transfers from / (to) general fund	(677)	2,122
		<u>(677)</u>	<u>2,122</u>
	Opening fighting fund at 01 January 2010	24,090	21,968
	Closing fighting fund at 31 December 2010	<u>23,413</u>	<u>24,090</u>

13 Financial transactions between Directors and the Company

Directors receive no payments from the Company except for out of pocket expenses incurred whilst carrying out their duties as a Director. During 2009 Billing Specialists Limited, a company owned by J C Alderson, was paid £230 for work carried out on behalf of Railfuture East Anglia branch.

14 Directors' and Officers' Liability Insurance

Throughout 2010 the Company maintained an insurance policy indemnifying the Directors and Officers against loss attaching to legal liabilities arising in the course of their duties.

15 Liability of members

Under the provisions of the Company's Memorandum and Articles of Association, members are liable to a contribution not exceeding £1 each in the event of the winding up of the company.

Members are as defined in paragraph 3-13 of the Company's Articles of Association.

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010

	2010		2009	
	£	£	£	£
Income from subscriptions, donations and campaigning				
Annual subscriptions	35,968		36,906	
Donations - ordinary	10,066		7,399	
Legacies	40,007		12,946	
Conferences	3,735		2,861	
Railwatch	249		346	
	<u>90,025</u>		<u>60,458</u>	
Less campaigning expenditure				
Railwatch	11,730		12,724	
Branch campaigning	2,208		2,315	
Committee expenses	4,930		3,090	
Conferences	<u>4,810</u>		<u>2,449</u>	
	(23,678)		(20,578)	
Gross surplus	<u>66,347</u>		<u>39,880</u>	
Less Operating and administrative expenses				
Opening sales stock	423		547	
Purchases	<u>3,138</u>		<u>247</u>	
	3,561		794	
Less closing stock	<u>(1,261)</u>		<u>(423)</u>	
Net cost of sales	2,300		371	
Monthly lottery	1,400		1,464	
Annual draw	1,227		1,268	
AGM	2,673		3,517	
General administration	9,122		9,011	
Promotion and marketing costs (excluding sales)	3,234		1,042	
Insurances	1,188		1,172	
Branch newsletters	3,171		2,855	
Grants paid	500		300	
Web site costs	233		110	
Bank charges	194		250	
Sundries	<u>416</u>		<u>850</u>	
	25,658		22,210	
Depreciation	50		50	
	(25,708)		(22,260)	
Operating surplus for the period	<u><u>40,639</u></u>		<u><u>17,620</u></u>	