

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

Annual Report and Financial Statements

For the year ending 31st December 2016

A Company Limited by Guarantee

Registered in England and Wales No: 5011634

THE RAILWAY DEVELOPMENT SOCIETY LIMITED
No 5011634
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THE RAILWAY DEVELOPMENT SOCIETY LIMITED

No 5011634

COMPANY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2016

Directors

J C Alderson (Financial Director)
R Blake
I Brown CBE FCILT
A Cosgrove (Vice Chair)
T J Garrod (to 10.09.16)
C Hyomes
C Page (Chairman)
S H Palmer
W Thorne

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
No 5011634
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

The Directors present their report and financial statements for the period ended 31 December 2016.

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 2016. 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 group matters.

Where appropriate, matters were delegated for further consideration and action to the Specialist Groups. During the year the Board devolved most administrative matters to its Finance & IT and Governance groups to allow the Board to devote more time to the future direction of the Company.

Results for the Year

The Directors report a loss after tax on the Profit and Loss Account of £3,710 compared to a profit of £12,244 in 2015. The net assets of the Company decreased by £1,448 primarily as a result of this loss.

Income from subscriptions, donations and campaigning reduced from £57,843 to £46,102 due to a reduction of £9,189 in legacy income. There has been a modest fall in subscriptions and donations of £1,725. This is mainly due to some members choosing to take advantage of the £3 reduction offer to full fee paying members. Campaigning expenditure has risen from £30,639 to £33,416 mainly due to an increase in activity at branch level.

Operating and administration expenses have increased from £24,009 to £26,982

The operating loss for the period was £14,296 compared with a profit of £3,195 in 2015.

Due to the continuing low interest rates on offer returns from money held on deposit have continued to be poor. The Company continues to take advantage of higher fixed term interest rates with £111,144 in fixed term deposits ranging from 12 to 24 months.

The directors aim to use members' money wisely. Management Information is used to understand where costs are being spent, and effort is made to find ways to control costs. The following costs were incurred at national level (excluding branch activity) in 2016.

Travel (incl. directors)	£3,932	(2015 £3,993)
Meeting room hire	£1,288	(2015 £1,824)
Attending External Conferences	£600	(2015 £466)

Directors were paid the following out of pocket expenses (while they were a director):

Travel	£1,987	(2015 £1,598)
Internet & Printing Allowance	£126	(2015 £171)
Other claims (incl. overnight stays)	£0	(2015 £138)

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

No 5011634

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

All directors are required, as a condition of holding office, to disclose a fully itemised list of their expenses while they are directors. These can be viewed, along with a personal statement, at www.railfuture.org/expenses.

Allison Cosgrove	£909.95	
Chris Hyomes	£249.50	
Chris Page	£131.05	
Ian Brown	£0.00	
Jerry Alderson	£140.00	
Stewart Palmer	£0.00	
Roger Blake	£0.00	
Trevor Garrod	£247.26 *	
Wendy Thorne	£434.95	
	<hr/>	
	£2,112.71	(2015 £1,907)

* = held office for part of year

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 a Reporting Accountant and his report is included on page 4.

On behalf of the board.

.....
Lloyd Butler
Company Secretary

Dated: 25th February 2017

THE RAILWAY DEVELOPMENT SOCIETY LIMITED
No 5011634
ACCOUNTANTS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

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

I report on the accounts for the year ended 31 December 2016 set out on pages 5 to 11.

As described on page 3, 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

25th February 2017

6 Grange Way
Willington
Bedford
MK44 3QW

THE RAILWAY DEVELOPMENT SOCIETY LIMITED
No 5011634
BALANCE SHEET
AS AT 31 DECEMBER 2016

	Notes	2016		2015	
		£	£	£	£
Fixed assets					
Tangible fixed assets	6		620		911
Investments	7		9,978		7,716
Current assets					
Stocks		1,199		1,290	
Debtors	8	2,591		2,682	
Cash at bank and in hand		275,490		280,240	
		<u>279,280</u>		<u>284,212</u>	
Creditors : Due within one year					
Creditors	9	<u>(5,478)</u>		<u>(6,011)</u>	
Net current assets			273,802		278,201
Total assets less current liabilities			<u>283,400</u>		<u>286,828</u>
Creditors : Due after more than one year					
	10		(2,739)		(3,719)
Net assets			<u><u>281,661</u></u>		<u><u>283,109</u></u>
CAPITAL AND RESERVES					
General fund	11		176,191		179,964
Fighting fund	12		105,470		103,145
Total reserves			<u><u>281,661</u></u>		<u><u>283,109</u></u>

In preparing these financial statements:

For the year ending 31st December 2016 the company 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 company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006,

the directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 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.

These financial statements which include the notes on pages 7-10 were approved by the Board on 25th February 2017

.....
C Page
Director

.....
J C Alderson
Director

THE RAILWAY DEVELOPMENT SOCIETY LIMITED
No 5011634
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
Income from subscriptions, donations and campaigning		46,102	57,843
Campaigning expenditure		(33,416)	(30,639)
Gross profit		<u>12,686</u>	<u>27,204</u>
Operating and administrative expenses		(26,982)	(24,009)
Operating profit/ (loss)		<u>(14,296)</u>	<u>3,195</u>
Other operating income	3	7,442	7,099
Other interest receivable and similar income	4	4,072	2,568
Profit/ (Loss) before tax		<u>(2,782)</u>	<u>12,862</u>
Taxation	5	(928)	(618)
Profit/ (Loss) after taxation being profit/ (loss) for the financial year	11	<u><u>(3,710)</u></u>	<u><u>12,244</u></u>

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

No 5011634

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention in accordance with the accounting policies set out below. These financial statements have been prepared in accordance with FRS 102, section 1A Financial Reporting Standard for Small Entities and the Companies Act 2006.

1.2 Cash flow statement and statement of other comprehensive income

The accounts do not include a cash flow statement or a statement of recognised gains and losses because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under FRS 102, section 1A Financial Reporting Standard for Small Entities.

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 on a straight line basis at 20% per annum.

The carrying amount of fixed assets is reviewed annually to determine whether any impairment loss has been incurred and what adjustment is required

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 legacies, certain fund raising events and appeals are allocated to the Fighting Fund unless the donor has specified otherwise. 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 profit/ (loss)

	2016	2015
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	<u>344</u>	<u>333</u>

THE RAILWAY DEVELOPMENT SOCIETY LIMITED

No 5011634

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

3	Other operating income	2016	2015
		£	£
	Sale of goods	1,213	1,332
	Monthly lottery	2,787	2,680
	Annual draw	2,921	2,905
	Advertising in publications	123	135
	Sundries	398	47
		<u>7,442</u>	<u>7,099</u>
4	Interest receivable and similar income	2016	2015
		£	£
	Publishers royalties	2,232	1,284
	Bank interest	1,840	1,284
		<u>4,072</u>	<u>2,568</u>
5	Taxation	2016	2015
		£	£
	Provision for UK current year taxation	928	618
		<u>928</u>	<u>618</u>
6	Tangible fixed assets		Total
			£
	Cost		
	At 31 December 2015		1,915
	Additions		53
	Disposals		-
	At 31 December 2016		<u>1,968</u>
	Depreciation		
	At 31 December 2015		1,004
	On disposals		-
	Charge for the year		344
	At 31 December 2016		<u>1,348</u>
	Net book value		
	At 31 December 2016		<u>620</u>
	At 31 December 2015		<u>911</u>

THE RAILWAY DEVELOPMENT SOCIETY LIMITED
No 5011634
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

7 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Valuation			
At 31 December 2015	5,811	1,905	7,716
Aquisitions		-	-
Disposals		-	-
Revaluation	2,262	-	2,262
At 31 December 2016	<u>8,073</u>	<u>1,905</u>	<u>9,978</u>
Cost			
	£	£	£
At 31 December 2016	<u>16,104</u>	<u>2,104</u>	<u>18,208</u>
At 31 December 2015	<u>16,104</u>	<u>2,104</u>	<u>18,208</u>
		2016	2015
Listed shares at valuation		£	£
3900 Tesco ordinary shares		8,073	5,811
		<u>8,073</u>	<u>5,811</u>
		2016	2015
Unlisted shares at cost less impairment		£	£
2 Railfuture Limited ordinary shares		2	2
2 Railwatch Limited ordinary shares		2	2
38 Wensleydale Railway Company ordinary shares		1,900	1,900
£200 CKP Railways loan stock		1	1
		<u>1,905</u>	<u>1,905</u>
8 Debtors		2016	2015
		£	£
Accrued interest		750	841
Prepayments		1,841	1,841
		<u>2,591</u>	<u>2,682</u>
9 Creditors: amounts falling due within one year		2016	2015
		£	£
Trade creditors		1,045	1,765
Taxation		903	592
Deferred income		3,530	3,654
		<u>5,478</u>	<u>6,011</u>
10 Creditors: amounts falling due after more than one year		2016	2015
		£	£
Deferred income		2,739	3,719
		<u>2,739</u>	<u>3,719</u>

THE RAILWAY DEVELOPMENT SOCIETY LIMITED
No 5011634
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

11 General fund	2016	2015
	£	£
Opening general fund at 01 January 2016	179,964	182,750
Surplus / (deficit) for the financial year after taxation	(3,710)	12,244
Unrealised Surplus/ (deficit) on Valuation of Investments	2,262	(1,760)
Transfers from / (to) fighting fund	(2,325)	(13,270)
Closing general fund at 31 December 2016	<u>176,191</u>	<u>179,964</u>
12 Fighting fund	2016	2015
	£	£
Opening fighting fund at 01 January 2016	103,145	89,875
Transfers from / (to) general fund	2,325	13,270
Closing fighting fund at 31 December 2016	<u>105,470</u>	<u>103,145</u>

During 2016 a grant of £500 was paid and grants to a total of £10,700 were accepted but not yet paid from the Fighting Fund. (2015 nil was paid)

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.

14 Directors' and Officers' Liability Insurance

Throughout 2016 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.

16 Employees

The average number of persons employed by the company during the year was nil. (2015-nil)

THE RAILWAY DEVELOPMENT SOCIETY LIMITED
No 5011634
DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016		2015	
	£	£	£	£
Income from subscriptions, donations and campaigning				
Annual subscriptions		32,156		33,060
Donations - ordinary		8,194		9,015
Legacies		1,311		10,500
Conferences		4,270		5,090
Railwatch		171		178
		<u>46,102</u>		<u>57,843</u>
Less campaigning expenditure				
Railwatch	14,578		14,277	
Branch campaigning	4,687		3,174	
Branch newsletters	6,332		5,587	
Grants paid	500		-	
Group expenses	3,293		3,555	
Conferences	4,026		4,046	
		<u>(33,416)</u>		<u>(30,639)</u>
Gross profit/ (loss)		<u>12,686</u>		<u>27,204</u>
Less Operating and administrative expenses				
Opening sales stock	1,290		1,611	
Purchases	797		624	
		<u>2,087</u>		<u>2,235</u>
Less closing stock	(1,199)		(1,290)	
Net cost of sales	888		945	
Monthly lottery	1,325		1,359	
Annual draw	1,269		1,269	
AGM	2,482		1,911	
General administration	12,838		8,621	
Promotion and marketing costs (excluding sales)	4,317		6,400	
Insurances	1,949		2,227	
Bank charges	616		616	
Sundries	954		328	
		<u>26,638</u>		<u>23,676</u>
Depreciation	344		333	
		<u>(26,982)</u>		<u>(24,009)</u>
Operating profit/ (loss) for the period		<u><u>(14,296)</u></u>		<u><u>3,195</u></u>