

Registered number 899248  
Charity Number 272616

## **GREAT WESTERN SOCIETY LIMITED**



### **COUNCIL MEMBERS REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JANUARY 2008**

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**GREAT WESTERN SOCIETY LIMITED**  
**(A company limited by guarantee)**

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**LEGAL AND ADMINISTRATIVE INFORMATION  
FOR THE YEAR ENDED 31 JANUARY 2008**

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**Council Members**

A R Croucher, Chairman  
J B O'Hagan, Deputy Chairman  
M C F Bodsworth, Treasurer  
*R J Horwood*  
D B Howells MBE  
D J Hurd  
M A Middleton  
J E B Minchin  
*R Stannett (resigned 08/09/2007)*  
C F D Whetmath  
*J E Baker (resigned 11/09/2007)*

**Company registered number**

899248

**Charity registered number**

272616

**Registered office**

Didcot Railway Centre, Didcot, Oxfordshire, OX11 7NJ

**Company secretary**

F Cooper

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**CHAIRMAN'S STATEMENT**  
**FOR THE YEAR ENDED 31 JANUARY 2008**

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The chairman presents his statement for the year

In common with many visitor attractions in the UK, we saw a decline in the number of visitors by around 7% at Didcot in 2007. This is reflected in the total income from entrance fees. The 2007 season did not get off to a particularly good start when the March 'Day Out with Thomas' weekend was marred by heavy rain, however the sun shone for the main event of the year, the 40 75 Anniversary at the May Bank Holiday. We welcomed an interesting variety of visiting engines, including a return visit of No 3440 'City of Truro', though sadly Southern Railway No 850 'Lord Nelson' was a last minute casualty. Many old friends and GWS activists came along to reminisce about the previous forty years, aided by the launch of 'The Didcot Story' written by Michael Baker and John Villers. During the summer 'Fire Fly' continued to be popular with visitors.

The departure in the autumn of Jeanette Howse to join Tourism South East presented extra challenges to the remaining team at Didcot, particularly in organising the Thomas Santa Specials. These continued to be well supported though there were fewer schools attending the Friday events.

The slight fall in subscription income results from a change made by the Customs & Revenue to the period in which Gift Aid claims are made, previously claims covered the tax year but in 2007 this was changed to the accounting year with the result that the income is up to 31st January rather than 5th April. Expenditure continues to be carefully controlled.

During the year, the Society was successful in obtaining a grant from the Heritage Lottery Fund of £768,500 to restore the former steam railmotor coach No 93 and accompanying Auto Trailer No 92. A contract has been let with the Llangollen Railway to undertake the restoration in their workshops and both coaches left Didcot for Llangollen in September. The Society will be Project Managing the overall restoration and has been responsible for acquiring the many fixtures and fittings required. The large increase in the voluntary income in the accounts reflects the initial spending on this project.

The Heritage Lottery Fund application called for a description of the ways in which the restored steam railmotor would be presented to the public to encourage wide interest and involvement. This was included and a variety of interpretation is being provided to explain the history of steam railmotors, the part they played in a changing world, the ways in which they were operated as well as their engineering and technology. With its engine incorporated in the carriage, it is the forerunner of modern railway travel and self propelled vehicles. A record of the restoration work and the skills required will form an important part of the explanation of the project. Education programmes are being prepared for visiting schools and colleges.

During the year good progress continued to be made on the construction of the power bogie for the steam railmotor. The boiler and fittings were delivered to Tyseley Locomotive Works from Israel Newton & Sons of Bradford and united with the underframe in readiness for transfer to Didcot for public display during the 2008 opening season. A number of items of motion were made during the year whilst work was also carried out at Tyseley fettling up the rolling chassis itself.

At Didcot the restoration of No 5322 moved quietly towards its completion and it ran again under its own power over the last weekend in January in anticipation of a return to traffic during 2008. The next locomotive to enter shops for restoration will be No 1363 and work is due to begin during August 2008.

In October No 3650 also moved under its own steam for the first time in nearly forty years during a trial move. This has been a long restoration and No 3650 is another locomotive which should return to traffic for the first time in preservation during 2008.

During the year the operational fleet consisted of Nos 5051, 4144, 3822, 3738, 1338, 1340 and Bonnie Prince Charlie which all performed satisfactorily. Locomotive No 3738 returned to steam at Easter and it was nice to have a pannier back in use for the 40 75 event. Both Nos 4144 and 5051 reached the end of their ten year boiler certificate and were withdrawn from service in the autumn, this was most disappointing for all concerned.

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**CHAIRMAN'S STATEMENT**  
**FOR THE YEAR ENDED 31 JANUARY 2008**

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Before No 5051 was withdrawn from traffic it made a number of mainline outings which also included a visit to the West Somerset Railway for their Spring Gala. At the end of February Earl Bathurst paid a return visit to Swansea to overnight on Landore depot prior to working a St David's Day special from Swansea to Paddington on 1st March. At the end of the month it joined No 6024 King Edward I for a double headed rail tour from Bristol to Penzance in readiness to work back the following Easter weekend with the first leg of the steam hauled 'Great Britain Ltd' from Penzance to Wick.

In the Locomotive Works, progress continues to be made on what is turning out to be a very heavy overhaul for No 4079 Pendennis Castle. The team have been working away replacing the white metal bearings of the inside motion eccentric straps, the outside coupling rods and all crossheads and the machining of these items. This work is being carried out in house in order to keep costs down and to give individuals a chance to acquire new skills and increase hobby satisfaction. Other members of the team have been making the boiler crinoline and frame work for the cladding sheets, they have also made a new cab floor and new feed water trays for inside the boiler. Work is progressing slowly on the boiler and we will soon be ready for a formal Vehicle Acceptance Body examination - the next step towards future main line running. Other members of the team have been painting and rubbing down their work in order to make No 4079 a shining example once returned to operation.

No 7202 also moves forward slowly and the restoration team are looking to complete this locomotive so that it can run with No 3822 for a period before that locomotive's boiler ticket runs out. Work has continued on the driver's side tank which has now been completely rebuilt and involved hundreds of holes to be drilled and then filled by hot rivets. Additionally numerous pieces of cladding and pipe work have been repaired or fabricated. Extensive replacement of the coupling rod white metal bearings has also kept the team busy.

During the year the boiler overhaul for No 6023 King Edward II started with the removal of the steel stays, a slight problem has been encountered with stress cracks between certain copper stays on the back head. Other locomotives at Didcot have had similar problems and the remedial action required is well understood and documented. With the boiler out of the frames work has been concentrated on fettling the engine up ready for its first steaming and in particular the lubrication system. A number of modifications have been made in order that it can run within the main line loading gauge, in particular to the safety valve, cab roof and steam fountain and a scaled down chimney has also been cast. Work has progressed during the year in readiness to fit the Train Protection Warning System (TPWS) and On Train Monitoring Recorder (OTMR) equipment.

For the Saint Project, this has been a year of consolidation. The loan has been repaid and the new reversing lever mechanism has been manufactured together with new front cylinder covers. A start has been made on acquiring the remaining fittings required for No 2999.

During the year a new team has been generated for the County Project and solid progress is now being made on No 1014 County of Glamorgan. The main workstream is concentrating on re-wheeling in 2009 and the associated manufacture or overhaul of suspension and brake components, the six new driving wheels have already been cast by William Cook in Sheffield and an order placed for the three new axles. New footplating, cab sides and splashers have been manufactured ready for fitting. The donor 8F boiler arrived at Didcot in January.

From the operational coaching stock, Nos 190, 231, 2202, 7372 and 1289 were run throughout the year and No 814 performed on the TPO running days. During the 40 75 event Nos 1941 and 3755 also ran. The super saloons (Nos 9112 and 9118) have been used for special functions and for Fathers' Day and Mothering Sunday luncheons. The Carrage Shed restoration bay was used as a display area for model railway layouts during the 40 75 event. Visitors were also able to look inside Special saloon car No 9002 and even listen to its radio! The new woodworking machines are now fully operational and members of the C&W Dept have been professionally retrained to use the new machines.

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**FOR THE YEAR ENDED 31 JANUARY 2008**

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On the restoration side the installation of the new galvanised steel cladding to No 9113 is almost complete apart from one of the corridor ends. Once the panels have finally been screwed into position they will be primed and filled. A number of the external fittings are being cleaned and repainted. An appeal was launched during the 40 75 event for the reupholstering of the loose chairs plus those in the other two saloons which led to over half being sponsored. A textile mill has been found that will weave an exact replica of the original pattern.

During the year No 7371's new panels have been painted to build up layers prior to the final coat. This will not be completed until the seats to the compartments have been reupholstered, as these have to be removed through the windows. The existing 'birds foot' BR upholstery in the third class needs replacing as it is very worn. This will be replaced with a GWR 'seashell' pattern that is appropriate for the period the coach was built.

Whilst stripping the external tongue and groove cladding to Riding Van No 47 it was found that the bottom stringers and the iron chassis have rotted/corroded. This was probably as a result of the wagon being stationed at the Long Rock depot in Penzance thus being exposed to the sea air and for the last forty years to Didcot's damp air. The affected areas of the chassis are being cleaned/treated with a rust inhibitor and new timber is being introduced to the rotted areas of the stringers together with new brackets.

The restoration of the 4 wheeler No 416 is virtually complete for its private owner. The finishing coats of paint have been applied. The new seats are now being upholstered using the same moquette that is to be used in the steam railmotor and auto trailer No 92.

Nos 1184 and 933 are long term restorations which continue.

Work on the restoration of the covered Broad Gauge coach continued and is now nearing completion meaning visitors on rainy days will be a little less exposed when they travel on the Broad Gauge.

On the civil engineering side of site development the year has been dominated by a busy programme of minor improvements and maintenance. Paths north of the Carriage Shed have been brought back to a smooth standard after the upheaval of cable trenching the year before, large rainwater soakaways at the Transfer Shed and on the west side of the Carriage Shed have been completed and further shrub and tree management has been done, including more planting work.

The Broad Gauge railway has been kept in good working order by the replacement of three sections of baulk along with ballasting, bolt and packing tightening and greasing work. Minor maintenance of the Broad Gauge setting of fences, gates and features has also been important. The arrival of an electric supply near the Broad Gauge sleeper hut was a novel event after twenty-seven years of pioneering initiative and survival and will no doubt spark much progress on the whole outdoor museum development project across the north end of the Didcot site.

One long-dormant component of this, the re-erection of the station building from Heyford, is progressing with much treatment of wood-wormed parts as well as with a start on design work for its reconstruction. Running south and east, more power cabling has been installed from the Carriage Shed switch room to the Radstock Signal Box and to Didcot Halt, along with the reinstatement of the paths following past practice to maintain two immaculately maintained parts of the site.

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Works to Great Westernise the nondescript area between the Locomotive Works and the Turntable, by the layout of some accurate GWR pattern corrugated iron storage huts and an arrangement of GWR fencing and gates, has proceeded well, with the construction of the brick base for the Long Hut and its erection in hand. A number of these works have been made possible by the supporters of the Didcot Development Fund which is an important source of funding for many smaller areas of site development.

At the site entrance GWR fencing has also been added, to enhance the ticket office setting. Signs have been replaced or upgraded to present a good initial impression to visitors of the GWR atmosphere we strive to maintain, pending the major entrance improvements we wish to see.

The site development programme made a significant step forward with the agreement of the Centre Sidings Framework, which sets out the planned buildings and trackwork in the Centre Sidings area.

The Framework includes extensions to both the Branch Line and the Broad Gauge that may also provide a train service to/from the Centre's entrance when required, a Visitor Entrance Building and ramp at the entrance, an Exhibition Hall Complex for exhibitions, functions and meetings, incorporating space for the GWT collection, the Steam Rail Motor Shed, the Charles Gordon Stuart Annex (Relics Display extension) and a future further addition to the Relics Display complex to house a new Brunel Room, a Diesel Railcar Shed, and potential for the incorporation of various small historic structures, including the Wantage Road Bus Garage, the Weighbridge from Martock and the Radley Footbridge.

The Centre Sidings Framework is complemented by the planned larger developments in the rest of the Centre (Broad Gauge Engine House and Carriage House, the Heyford Station Building, the Carriage Shed extensions and the restoration of the Engine Shed and Coal Stage).

Planning permission has been gained for the Charles Gordon Stuart Annex and the Steam Rail Motor Shed and work has continued on planning the major development projects and the establishment of a formal programme management structure.

During the year we reviewed our website under the direction of Robert Heron and the new version went live in January 2008. The first stage was to restructure the site to make it easier for visitors to find details of open days and special events. There are also many background improvements, such as making sure that the site meets accessibility guidelines and loads quickly and there are links into most of the Didcot Projects. The next stage will be to review and improve information for members.

In addition to the work for the steam railmotor, the Society has an increasing commitment to developing the interpretation generally at Didcot Railway Centre and the Education Team is becoming more involved in these projects.

The growing interest from schools in World War II studies has encouraged the starting of a project to restore one of the air raid shelters at Didcot Railway Centre to its original design and to include an experience of an air raid. It is being developed in partnership with the schools in Didcot. WREN, the waste recycling group, has made a grant of £20,000 towards the cost of the work and the restoration is expected to be complete by summer 2008.

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The number of educational visits made by schools, colleges and adult education groups continued to grow during 2007 and in November we took another step towards 'lifelong learning' with the introduction of a programme offering work experience placements to students from our partner schools. Three of the Society's locomotive restoration groups – the King 6023, 4079 Pendennis Castle, the County Project - and the Carriage & Wagon department are taking students onto their projects. Four students from St. Birinus School in Didcot and three from Reading School gained engineering work experience during the last three months of the year.

In January, the Society's first Careers Day was held for students in Oxfordshire interested in knowing more about working in railway engineering. Run in conjunction with Network Rail, twenty-eight students from local schools came to the Railway Centre to hear about apprenticeships and employment with the railway companies. It is our aim to develop these events and to run two railway Careers Days each year.

Didcot Railway Centre is due to apply for museum accreditation in 2008 and this will bring new requirements as visitors' expectations continue to increase. The accreditation standard gives greater emphasis to the needs and interests of those who use museums. Accredited museums must adhere to published minimum standards in how they care for and document their collections, how they are governed and managed and on the information and services they offer to their users.

We continued to develop our plans and policies and approved the Forward Plan, Children & Vulnerable Person policy, the Discipline & Grievance procedure, the Locomotive Restoration policy, a revised Access policy and a detailed Conservation Statement.

The year under review has been one of change, for some time the Council had been looking at the organisation structure and what will need to be done to position the Society for the future. During the summer as a first step, Mike Bodsworth, our Treasurer, was appointed to the temporary volunteer position of Railway Centre Director in anticipation of creating a new position of Railway Centre Manager to take overall control of the day to day running of Didcot Railway Centre, which was then advertised at the year end. Subsequently, Mick Dean, our General Manager told us that he had obtained the position of General Manager of the Swanage Railway and as already mentioned Jeanette Howse, our Marketing Executive, left to join Tourism South East. We thank them for their service, which jointly amounts to almost half a century, and wish them well in their new roles, their presence will obviously be missed.

As a further temporary measure, David Hurd and Graham Drew are assisting the Railway Centre Director pending the appointment of the new Railway Centre Manager.

At last year's AGM, Roy Stannett stood down as a Director and subsequently retired as Shop Manager at the end of the Financial Year after over twenty years, during which time he and his team have made a major contribution to the finances of the Society and Didcot Railway Centre. We would like to thank Roy and his team, in particular Brian Clark and Ken Taylor, for their loyal support and effort over the years and wish them a long and happy retirement. As the year drew to a close, a re-organisation of the Shop and sales activities began, led by Jeanette Howse in a voluntary capacity.



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**CHAIRMAN'S STATEMENT**  
**FOR THE YEAR ENDED 31 JANUARY 2008**

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During the year under review, the following Council Members held office

Richard Croucher	Chairman
John O'Hagan	Deputy Chairman
Jim Baker	Secretary (resigned 11th September 2007)
Mike Bodsworth	Treasurer
Charles Whetmath	Publicity Manager
David Hurd	Locomotive Manager
Roger Horwood	Carriage & Wagon Manager
Roy Stannett	Sales Manager (retired 8th September 2007)
John Minchin	Operations Director
Ann Middleton	Access Officer
Dennis B Howells MBE	Council Member

Following the AGM Jim Baker stood down as Secretary and that role has been taken over again by Frank Cooper who was our previous Secretary, except that at his request this will be a non Council position

Richard Antliff (Civil Engineering Manager), Charles Roberts (Membership Secretary) and Kyle Bosworth (Volunteer Co-ordinator) also occupied positions off Council, whilst Les Summers undertook the role of Minutes Secretary and Roger Whittle played a major role in organising various events at Didcot. All have continued to give essential and valuable support throughout the year and we thank them for their assistance in various ways.

Finally I would like to thank the Membership for their continuing support especially those who have helped in whatever capacity, as well as our paid staff who are present during the week, and my fellow Directors for all their efforts on behalf of the Great Western Society

Name    A R Croucher  
            Chairman



Date      19 July 2008.

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**COUNCIL MEMBERS' REPORT**  
**FOR THE YEAR ENDED 31 JANUARY 2008**

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The Council Members, who are also Trustees and Directors of the charitable company for the purposes of the Companies Act, submit their annual report and the audited financial statements of Great Western Society Limited (the Company and the Group) for the year ended 31 January 2008. The Council Members confirm that the annual report and financial statements of the Company and the Group comply with current statutory requirements, the requirements of the Company and the Group's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**Structure, governance and management**

**a. Constitution**

Great Western Society Limited is a registered charity (Charity Registration No 272616) and also a company limited by guarantee. The Society was formed in 1961, incorporated in 1967 and is governed by a Memorandum and Articles of Association.

**b. Method of Appointment or Election of Council Members**

The management of the Company and the Group is the responsibility of the Council Members who are elected and co-opted under the terms of the Articles of Association.

The Council Members constitute Directors of the charitable company for the purpose of the Companies Act 1985 and Trustees of the charitable company for the purpose of charity legislation.

The Council comprises 3 honorary officers, Chairman, Deputy Chairman, Treasurer and up to a maximum of 15 other members.

Following co-option to the Council, both officers and other members have to stand for election at the next Annual General Meeting. Thereafter the officers are re-elected by the Council on an annual basis at the meeting immediately following each Annual General Meeting. One third of the Council Members, excluding the officers and co-opted members, who have been longest in office since their election have to retire and offer themselves for re-election at each Annual General Meeting.

In accordance with the articles of association, D B Howells MBE retires by rotation and being eligible offers himself for re-election.

**c. Organisational Structure and Decision Making**

**Great Western Society Limited**

Within the group structure Great Western Society Limited (the Society) sits at the top of the hierarchy, it is managed and controlled by the Council of Trustees, who meet monthly. Didcot Railway Centre is operated by Great Western Society Limited, which receives the majority of the group's income and meets all expenditure. The Centre is run mainly on a voluntary basis, a small number of permanent staff are employed to undertake the day-to-day running.

Great Western Society Limited is responsible for the Didcot Railway Centre site and buildings. It also owns some items of rolling stock and artefacts, although the majority of the former are vested in and owned by Great Western Preservations Limited, whilst the Society's collection of small relics and artefacts are held by the Great Western Trust.

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**COUNCIL MEMBERS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JANUARY 2008**

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**Great Western Retail Sales Limited and Didcot Railway Centre Limited**

As a subsidiary of Didcot Railway Centre Limited (a dormant company, Registered Company Number 2570530) Great Western Retail Sales Limited now undertakes all the Society's trading activities. This includes shop sales, catering, locomotive hiring, etc. All its taxable profits are gift aided to the Society on an annual basis. All Directors are members of the Society and all but one are also members of the Council of Great Western Society Limited.

**Great Western Restaurants Limited**

The company is dormant and is a subsidiary of Didcot Railway Centre Limited. All Directors are Members of the Society and all but one are also Members of the Council of Great Western Society Limited.

**Great Western Preservations Limited**

This is a registered charity (No. 275817) and a private company with share capital. It is regarded as an associate undertaking of the Society. It is managed by a board of Directors, which meets twice a year. All the Directors are Members of the Society with a strong representation coming from the Council of Great Western Society Limited.

The majority of the group's collection of locomotives, carriages and wagons is vested in the name of the Great Western Preservations Limited.

**Great Western Trust**

The Trust is a registered charity (No. 289008) and is managed by a board of Trustees, which meets four times a year. All are Members of the Society. Great Western Society Limited has the sole power to appoint Trustees.

All the Group's collection of "Small Relics" (including small artefacts, drawings, prints, photographs, name and number plates, etc) is vested in the Trust.

**Management Co-ordination**

The Council of Great Western Society Limited has annual joint meetings with the directors of Great Western Preservations Limited and the Trustees of Great Western Trust.

For the purpose of museum registration, Great Western Society Limited, Great Western Preservations Limited and Great Western Trust have approved the establishment of Great Western Society - Didcot Railway Centre Museum Management Board, this body meets twice a year. The management board consists of two members from the boards of Great Western Society Limited and Great Western Preservations Limited and two Trustees from Great Western Trust, plus the service of a curatorial adviser. All are (and have to be) members of the Great Western Society.

**d. Related Party Relationships**

The Great Western Trust, a separate Registered Charity (Charity Registration Number 289008), has continued its appeal to fund the building and development of a new purpose-built specialist library. The library will be built and owned by the Society and, when opened, its services will be available to members of the Society, and the public. The fund now amounts to £148,928 and is included in Great Western Trust's accounts (2007 - £139,721).

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**COUNCIL MEMBERS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JANUARY 2008**

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**e. Risk Management**

The Council Members have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems are in place to mitigate our exposure to the major risks

**Objectives and Activities**

**a. Policies and Objectives**

The Society has the following aims and objects

1) To preserve, restore and operate as a permanent public exhibition and museum, steam and other railway locomotives, rolling stock and equipment with particular reference to the former Great Western Railway, both for historical and educational purposes

2) To make available for public reference the history, equipment and operation of the former Great Western Railway

The principal activity of the Society during the year under review was that of promoting the Great Western Railway in all its fields by ensuring the organisation's agreed policies for achieving its objectives were pursued

**b. Strategies for Achieving Objectives**

The Society will endeavour to increase the funding available from entrance fees, appeals, grant making bodies and it's retailing activities. It will also continue to control expenditure to ensure that activities are conducted in the most cost effective manner and endeavour to increase the number of volunteers and enhance their skills

**c. Activities for Achieving Objectives**

The provision of new attractions with particular emphasis on providing more family friendly exhibits and activities focused on education and interpretation to attract more visitors. The promotion of new restoration projects which will be of a wide interest to enhance the museum collection and encourage the involvement of younger people

**d. Volunteers**

Apart from a small paid staff element all the society management, operational, restoration and conservation activities are undertaken by volunteers. It is estimated the volunteer input into various Society activities during the year was in excess of 80,000 hours. The Council wishes to express its sincere thanks to all those members who have supported the Society at Didcot Railway Centre and within the Group during the year

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**COUNCIL MEMBERS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JANUARY 2008**

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**Achievements and performance**

**a. Review of Activities**

Visitor numbers decreased by 9% compared to the previous year which resulted in a decrease in income of 7%. An increase in income by 3% was projected. The reduction in visitor numbers was due mainly to the poor weather in 2007. The prominent attractions were the 4075 Celebrations, Firefly and the Broad Gauge railway, and the Science Learning and Railways centre. Thomas the Tank Engine events continued to be well supported although income was down 19% compared to the previous year, again due mainly to poor weather particularly for the March Event.

Membership numbers decreased by 3% compared to the previous year which resulted in a decrease in membership income of 4%. A 10% increase in membership income was projected to account for increased subscription rates but this was not achieved.

In June the Society was the recipient of a grant from the Heritage Lottery Fund of £768,500 towards the restoration of the original coach for the Steam Railmotor No 93 and associated auto trailer. The total of voluntary income for restoration and preservation projects increased by 50% compared to the previous year due in part to the commencement of work and spending for the Steam Railmotor coach restoration.

Income overall increased by 7% compared to the previous year and this was broadly in line with projections.

Expenditure overall continued to be controlled to stay within income and showed an increase of 4% when compared to the previous year. The anticipated preservation and restoration programme was achieved.

**b. Fundraising Activities/Income Generation**

There were specific fund raising activities for the restoration of Loco 2999, the Steam Railmotor, the Super Saloons and general fund raising by the Society's regional groups. The total raised was similar to the previous year.

**c. Factors Relevant to Achieving Objectives**

The Railway Centre is an outside working museum and is very dependent on admissions which can vary considerably with adverse weather. Restoration projects rely almost entirely on voluntary contributions which can vary depending on the particular interests and priorities of the contributors.

**Financial review**

**a. Reserves Policy**

The Council Members believe it is prudent to retain free reserves (i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed) at a level equating to between nine and twelve months expenditure so as to ensure the day-to-day activities of the Society may continue without disruption. This is particularly important given the seasonal nature of a significant proportion of the Society's income.

However, the Council Members also acknowledge that the Society's activities need to be constantly developed if it is to continue to attract visitors and members. Consequently, on receipt of legacies the members believe, wherever possible, such monies should be set aside and designated for future projects. Due consideration is given to how this money should be utilised in the future so as to achieve the Society's charitable objectives and provide the maximum benefit to the Society, its members and those visiting the Didcot Railway Centre.

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**COUNCIL MEMBERS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JANUARY 2008**

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**b. Principal Funding**

The principle funding is from donations, legacies, grants, appeals, entrance fees, membership subscriptions and charity trading profit. In general, funding from entrance fees, membership subscriptions and the charity trading profit has supported the preservation and operation of the Railway Centre whilst funding from *donations, legacies, grants and appeals has supported the restoration projects*

The group balance sheet shows total funds of £565,159 (2007 - £524,954)

Included in the total funds is an amount of £308,760 (2007 - £260,736) which is restricted. These monies have been either raised for, and their use restricted to specific purposes, or they comprise donations subject to donor imposed conditions. Full details of these restricted funds can be found in note 20 to the accounts together with an analysis of movements in the year.

Funds totalling £58,385 (2007 - £68,103) have been designated, or set aside, by the council Members for specific purposes. These purposes and an analysis of movements on the funds are set out in note 19 to the accounts.

General funds in the Group at 31 January 2008 total £198,014 (2007 - £196,113)

Free reserves amounted to £40,627 (2007 - £24,730)

**Plans for the future**

**a. Future Developments**

The main plans for the future are to acquire the freehold of the Railway Centre site and develop the Railway Centre by extending its rail network in the Centre sidings area together with a number of associated replica historic buildings and exhibits. It is also intended to extend the existing Small Relics museum, build a purpose designed exhibition centre and a visitor centre providing improved access for visitors. A number of restoration and preservation projects will also proceed in order to enhance the collection. It is planned to embark on a major initiative to raise funds and install an appropriate management structure for the foregoing. It is anticipated that more grant funding will become available once the Railway Centre site has been purchased.

**Members' liability**

In the event of the Society being wound up, Members and those within one year of ceasing to be members, are required to contribute an amount not exceeding £1 per person.

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**GREAT WESTERN SOCIETY LIMITED**  
**(A company limited by guarantee)**

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**COUNCIL MEMBERS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JANUARY 2008**

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**Employee Involvement and Employment of the Disabled**

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The company carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Council Members.

The company has implemented a number of detailed policies in relation to all aspects of personnel matters including

- 1) equal opportunities policy
- 2) volunteers' policy
- 3) health and safety policy

In accordance with the charitable company's equal opportunities policy, the charitable company has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the charitable company's offices.

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**GREAT WESTERN SOCIETY LIMITED**  
**(A company limited by guarantee)**

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**COUNCIL MEMBERS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JANUARY 2008**

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**STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES**

The Council Members are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations

Company and charity law requires the Council Members to prepare financial statements for each financial year. Under that law the Council Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and the Group and of the surplus or deficit of the Group for that period. In preparing these financial statements, the Council Members are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in operation

The Council Members are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**PROVISION OF INFORMATION TO AUDITORS**

So far as each of the Council Members is aware at the time the report is approved

- there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the Council Members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

No Council Member received any remuneration for services as a member of the Council

No payments were made in the year to Council Members to reimburse travelling or entertainment expenses

No Council Member had any beneficial interest in any contract with the Charitable company during the year

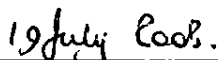
**AUDITORS**

A resolution proposing that Wellers be re-appointed as auditors of the company will be put to the Annual General Meeting

This report was approved by the Council Members on 08/07/08 and signed on its behalf, by



Chairman





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**GREAT WESTERN SOCIETY LIMITED**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GREAT WESTERN SOCIETY LIMITED**

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We have audited the financial statements of Great Western Society Limited for the year ended 31 January 2008 set out on pages 17 to 35. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.*

**RESPECTIVE RESPONSIBILITIES OF COUNCIL MEMBERS AND AUDITORS**

The responsibilities of the Council Members (who also act as company directors of Great Western Society Limited for the purposes of company law) for preparing the Council Members' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Council Members' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the Council Members' annual report is consistent with the financial statements.

In addition we report to you if, in our opinion, the group has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Council Members' remuneration and transactions with the group is not disclosed.

We read the Council Members' annual report and consider the implications for our report if we become aware of any apparent misstatements within it.

**BASIS OF AUDIT OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Council Members in the preparation of the financial statements and of whether the accounting policies are appropriate to the charitable group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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**GREAT WESTERN SOCIETY LIMITED**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GREAT WESTERN SOCIETY LIMITED**

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**OPINION**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charitable group's and the parent company's affairs as at 31 January 2008 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Council Members' annual report is consistent with the financial statements



**WELLERS**  
Accountants  
Registered Auditors  
8 King Edward Street  
Oxford  
OX1 4HL

08/07/08

**GREAT WESTERN SOCIETY LIMITED**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
(incorporating income and expenditure account)  
**FOR THE YEAR ENDED 31 JANUARY 2008**

	Note	Restricted Funds 2008 £	Unrestricted Funds 2008 £	Total Funds 2008 £	Total Funds 2007 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds					
Voluntary income	2	261,518	37,303	298,821	198,993
Activities for generating funds	3,4	65,181	275,108	340,289	351,635
Investment income	5	12,715	3,554	16,269	12,178
Incoming resources from charitable activities	6	4,434	357,326	361,760	386,595
<b>TOTAL INCOMING RESOURCES</b>		<b>343,848</b>	<b>673,291</b>	<b>1,017,139</b>	<b>949,401</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds					
Costs of generating voluntary income	7	10,596	39,942	60,538	51,200
Fundraising expenses and other costs	4	-	211,183	211,183	214,711
Charitable activities	8	281,614	309,893	591,507	541,683
Governance costs	8,10	3,614	120,090	123,704	128,459
<b>TOTAL RESOURCES EXPENDED</b>	10	<b>295,824</b>	<b>681,108</b>	<b>976,932</b>	<b>936,053</b>
<b>MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME/(EXPENDITURE) FOR THE YEAR</b>		<b>48,024</b>	<b>(7,817)</b>	<b>40,207</b>	<b>13,348</b>
Total funds at 1 February 2007		260,736	264,218	524,954	511,606
<b>TOTAL FUNDS AT 31 JANUARY 2008</b>		<b>308,760</b>	<b>256,401</b>	<b>565,161</b>	<b>524,954</b>

The Statement of Financial Activities includes all gains and losses recognised in the year

The notes on pages 21 to 35 form part of these financial statements

**GREAT WESTERN SOCIETY LIMITED**  
(A company limited by guarantee)

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 JANUARY 2008**

	Note	£	2008 £	£	2007 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	13		<b>157,390</b>		171,386
Investments in associates	14		<b>40</b>		40
			<b>157,430</b>		171,426
<b>CURRENT ASSETS</b>					
Stocks	15	<b>40,430</b>		44,953	
Debtors	16	<b>27,009</b>		26,233	
Investments	17	<b>387,568</b>		360,707	
Cash at bank and in hand		<b>65,010</b>		65,045	
			<b>520,017</b>	496,938	
<b>CREDITORS:</b> amounts falling due within one year	18	<b>(112,286)</b>		<b>(143,410)</b>	
<b>NET CURRENT ASSETS</b>			<b>407,731</b>		353,528
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>565,161</b>		524,954
<b>CHARITY FUNDS</b>					
Restricted funds	19		<b>308,760</b>		260,736
Unrestricted funds	19		<b>256,401</b>		264,218
			<b>565,161</b>		524,954

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

The financial statements were approved by the Council Members on 08/07/08 and signed on their behalf, by

Richard Croncut

19 July 2008.

The notes on pages 21 to 35 form part of these financial statements

**GREAT WESTERN SOCIETY LIMITED**  
(A company limited by guarantee)

**COMPANY BALANCE SHEET**  
**AS AT 31 JANUARY 2008**

	Note	£	2008 £	£	2007 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	13		150,916		162,754
Fixed asset investments	14		40		40
			<u>150,956</u>		<u>162,794</u>
<b>CURRENT ASSETS</b>					
Stocks	15	5,235		6,696	
Debtors	16	63,189		64,697	
Investments	17	387,568		360,707	
Cash at bank and in hand		40,425		43,643	
		<u>496,417</u>		<u>475,743</u>	
<b>CREDITORS:</b> amounts falling due within one year	18	(82,213)		(113,580)	
<b>NET CURRENT ASSETS</b>			<u>414,204</u>		<u>362,163</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>565,160</u>		<u>524,957</u>
<b>CHARITY FUNDS</b>					
Restricted Funds	19		308,760		260,736
Unrestricted funds	19		256,400		264,221
			<u>565,160</u>		<u>524,957</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

The financial statements were approved by the Council Members on 08/07/08 and signed on their behalf, by

Richard Cranch

19 July 2008.

The notes on pages 21 to 35 form part of these financial statements

**GREAT WESTERN SOCIETY LIMITED**  
(A company limited by guarantee)

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JANUARY 2008**

	Note	2008 £	2007 £
Net cash flow from operating activities	21	10,557	29,312
Returns on investments and servicing of finance	22	16,269	12,178
Capital expenditure and financial investment	22	(26,861)	(74,791)
<b>DECREASE IN CASH IN THE YEAR</b>		<u>(35)</u>	<u>(33,301)</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT  
FOR THE YEAR ENDED 31 JANUARY 2008**

	2008 £	2007 £
Decrease in cash in the year	<u>(35)</u>	<u>(33,301)</u>
<b>MOVEMENT IN NET DEBT IN THE YEAR</b>	<u>(35)</u>	<u>(33,301)</u>
Net funds at 1 February 2007	65,045	98,346
<b>NET FUNDS AT 31 JANUARY 2008</b>	<u>65,010</u>	<u>65,045</u>

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**GREAT WESTERN SOCIETY LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2008**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 1985.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 230 of the Companies Act 1985 and paragraph 304 of the SORP.

**1.2 Company status**

The company is a company limited by guarantee. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**1.3 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Council Members in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Council Members for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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**GREAT WESTERN SOCIETY LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2008**

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**1. ACCOUNTING POLICIES (continued)**

**1.4 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the company being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the company where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**1.5 Resources expended**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

**1.6 Basis of consolidation**

The financial statements consolidate the accounts of Great Western Society Limited and all of its subsidiary undertakings ('subsidiaries').

**1.7 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.



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**GREAT WESTERN SOCIETY LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2008**

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**1. ACCOUNTING POLICIES (continued)**

**1.8 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	- over the life of the lease
Fixtures & fittings	- 15% to 33.3% - straight line
Office equipment	- 25% to 100% - reducing balance

**1.9 Investments**

Investments are stated at market value at the balance sheet date. The Statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in associates are stated at the amount of the company's share of net assets. The Consolidated statement of financial activities includes the company's share of the associated companies' profits after taxation using the equity accounting basis.

**1.10 Operating leases**

Rentals under operating leases are charged on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

**1.11 Pensions**

Contributions made to employee's personal pension plans are debited to the statement of financial activities when payable.

**2. VOLUNTARY INCOME**

	<b>Restricted Funds 2008 £</b>	<b>Unrestricted Funds 2008 £</b>	<b>Total Funds 2008 £</b>	<b>Total Funds 2007 £</b>
Donations	178,962	9,453	188,415	180,143
Legacies	-	27,850	27,850	9,919
Grants	82,556	-	82,556	8,931
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	<b>261,518</b>	<b>37,303</b>	<b>298,821</b>	<b>198,993</b>

**GREAT WESTERN SOCIETY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2008**

**3. FUNDRAISING INCOME**

	<b>Restricted Funds 2008 £</b>	<b>Unrestricted Funds 2008 £</b>	<b>Total Funds 2008 £</b>	<b>Total Funds 2007 £</b>
Appeal income	39,107	-	39,107	44,588
Steaming fees	6,482	-	6,482	2,501
Raffles	12,962	-	12,962	15,540
Other income	6,630	7,133	13,763	10,147
	<u>65,181</u>	<u>7,133</u>	<u>72,314</u>	<u>72,776</u>

**4. TRADING ACTIVITIES**

	<b>Restricted Funds 2008 £</b>	<b>Unrestricted Funds 2008 £</b>	<b>Total Funds 2008 £</b>	<b>Total Funds 2007 £</b>
<b>Charity trading income</b>				
Charity trading income	-	267,975	267,975	278,859
<b>Charity trading expenses</b>				
Charity trading expenses	-	159,004	159,004	163,307
Charity trading expenses - wages	-	52,179	52,179	51,404
	<u>-</u>	<u>211,183</u>	<u>211,183</u>	<u>214,711</u>
Net income from trading activities	<u>-</u>	<u>56,792</u>	<u>56,792</u>	<u>64,148</u>

**5. INVESTMENT INCOME**

	<b>Restricted Funds 2008 £</b>	<b>Unrestricted Funds 2008 £</b>	<b>Total Funds 2008 £</b>	<b>Total Funds 2007 £</b>
Interest receivable	12,715	2,956	15,671	11,539
Other investment income	-	598	598	639
	<u>12,715</u>	<u>3,554</u>	<u>16,269</u>	<u>12,178</u>

**GREAT WESTERN SOCIETY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2008**

**6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	<b>Restricted Funds 2008 £</b>	<b>Unrestricted Funds 2008 £</b>	<b>Total Funds 2008 £</b>	<b>Total Funds 2007 £</b>
Entrance fees	4,434	266,956	271,390	291,011
Subscriptions and enrolment fees	-	90,370	90,370	95,584
	<u>4,434</u>	<u>357,326</u>	<u>361,760</u>	<u>386,595</u>

**7. COSTS OF GENERATING VOLUNTARY INCOME**

	<b>Restricted Funds 2008 £</b>	<b>Unrestricted Funds 2008 £</b>	<b>Total Funds 2008 £</b>	<b>Total Funds 2007 £</b>
Advertising and marketing	10,596	27,831	38,427	38,976
Staff costs	-	12,111	12,111	12,224
	<u>10,596</u>	<u>39,942</u>	<u>50,538</u>	<u>51,200</u>

**8. EXPENDITURE BY CHARITABLE ACTIVITY**

**SUMMARY BY FUND TYPE**

	<b>Restricted Funds 2008 £</b>	<b>Unrestricted Funds 2008 £</b>	<b>Total Funds 2008 £</b>	<b>Total Funds 2007 £</b>
Promotion of the Great Western Railway	-	123,650	123,650	90,457
Restoration and preservation of locomotives and depot	281,614	186,243	467,857	451,226
	<u>281,614</u>	<u>309,893</u>	<u>591,507</u>	<u>541,683</u>

**GREAT WESTERN SOCIETY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2008**

**8. EXPENDITURE BY CHARITABLE ACTIVITY (continued)**

**SUMMARY BY EXPENDITURE TYPE**

	Staff costs 2008 £	Depreciation 2008 £	Other costs 2008 £	Total 2008 £	Total 2007 £
Promotion of the Great Western Railway	-	-	123,650	123,650	90,457
Restoration and preservation of locomotives and depot	24,223	9,471	434,163	467,857	451,226
	<u>24,223</u>	<u>9,471</u>	<u>557,813</u>	<u>591,507</u>	<u>541,683</u>

**9. DIRECT COSTS**

	Promotion of the Great Western Railway £	Restoration & preservation of locomotives and depot £	Total 2008 £	Total 2007 £
Echo and Newsletter costs	23,980	-	23,980	24,018
Event staging costs	99,670	-	99,670	66,439
Repairs and maintenance of locomotives, rolling stock, buildings and tracks	-	326,851	326,851	311,836
Rent, rates and water	-	15,468	15,468	16,287
Insurance	-	34,259	34,259	32,993
Coal and oil	-	23,632	23,632	23,725
Electricity	-	27,510	27,510	28,181
Site cleaning and security	-	6,443	6,443	6,202
Wages and salaries	-	24,223	24,223	24,448
Depreciation	-	9,471	9,471	7,555
	<u>123,650</u>	<u>467,857</u>	<u>591,507</u>	<u>541,684</u>

**GREAT WESTERN SOCIETY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2008**

**10. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	Staff costs 2008 £	Depreciation 2008 £	Other costs 2008 £	Total 2008 £	Total 2007 £
Costs of generating voluntary income	12,111	-	38,427	50,538	51,200
Charity trading expenses	52,178	-	159,005	211,183	214,711
Promotion of the Great Western Railway	-	-	123,650	123,650	90,457
Restoration and preservation of locomotives and depot	24,223	9,471	434,163	467,857	451,226
Subtotal charitable activities	24,223	9,471	557,813	591,507	541,683
Governance	84,778	2,368	36,558	123,704	128,459
	173,290	11,839	791,803	976,932	936,053

**11. NET INCOME / (EXPENDITURE)**

This is stated after charging

	2008 £	2007 £
Depreciation of tangible fixed assets - owned by the charitable group	13,996	10,641
Auditors remuneration	4,374	11,717

During the year, no Council Member received any remuneration (2007 - £NIL)

During the year, no Council Member received any benefits in kind (2007 - £NIL)

During the year, no Council Member received any reimbursement of expenses (2007 - £NIL)

**GREAT WESTERN SOCIETY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2008**

**12. STAFF COSTS**

Staff costs were as follows

Wages and salaries	<u>173,292</u>	<u>173,641</u>
--------------------	----------------	----------------

The average monthly number of employees during the year was as follows

	No.	No
General funds - fund raising	1	1
Restoration and preservation of locomotives, rolling stock and depot and promotion of the Great Western Railway	3	3
Management and administration	5	5
Commercial trading	8	8
	<u>17</u>	<u>17</u>

No employee received remuneration amounting to more than £60,000 in either year

In addition to permanent employees, the Society relies on volunteers for help in both the restoration and preservation of locomotives, rolling stock and depot, and fund raising

**13. TANGIBLE FIXED ASSETS**

Group	Site buildings, turntable and electrical installation £	Furniture, fittings and equipment £	Total £
<b>Cost</b>			
At 1 February 2007 and 31 January 2008	<u>354,493</u>	<u>109,044</u>	<u>463,537</u>
<b>Depreciation</b>			
At 1 February 2007	200,162	91,989	292,151
Charge for the year	10,340	3,656	13,996
At 31 January 2008	<u>210,502</u>	<u>95,645</u>	<u>306,147</u>
<b>Net book value</b>			
At 31 January 2008	<u>143,991</u>	<u>13,399</u>	<u>157,390</u>
At 31 January 2007	<u>154,331</u>	<u>17,055</u>	<u>171,386</u>

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	Site buildings, turntable and electrical installation £	Furniture, fittings and equipment £	Total £
<b>Company</b>			
<b>Cost</b>			
At 1 February 2007 and 31 January 2008	354,493	79,645	434,138
<b>Depreciation</b>			
At 1 February 2007	200,162	71,222	271,384
Charge for the year	10,340	1,498	11,838
At 31 January 2008	210,502	72,720	283,222
<b>Net book value</b>			
At 31 January 2008	143,991	6,925	150,916
At 31 January 2007	154,331	8,423	162,754

**14. FIXED ASSET INVESTMENTS**

	Share in group under- takings £
<b>Group</b>	
<b>Market value</b>	
At 1 February 2007 and 31 January 2008	40
<b>Group investments at market value comprise:</b>	
	2008 £
Participating interests	40

All the fixed asset investments are held in the UK

	Shares in group undertakings £
<b>Company</b>	
<b>Market value</b>	
At 1 February 2007 and 31 January 2008	40

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**14. FIXED ASSET INVESTMENTS (continued)**

Company investments at market value comprise:

	2008 £	2007 £
Participating interests	40	40

All the fixed asset investments are held in the UK

**15. STOCKS**

	<u>Group</u>		<u>Company</u>	
	2008 £	2007 £	2008 £	2007 £
Goods for resale	33,079	36,215	-	-
Consumables	2,116	2,042	-	-
Sundry	5,235	6,696	5,235	6,696
	<u>40,430</u>	<u>44,953</u>	<u>5,235</u>	<u>6,696</u>

**16. DEBTORS**

	<u>Group</u>		<u>Company</u>	
	2008 £	2007 £	2008 £	2007 £
Trade debtors	6,455	6,207	5,643	4,957
Amounts owed by group undertakings	-	-	37,147	39,756
Other debtors	604	73	604	73
Prepayments and accrued income	19,950	19,953	19,795	19,911
	<u>27,009</u>	<u>26,233</u>	<u>63,189</u>	<u>64,697</u>

**17. CURRENT ASSET INVESTMENTS**

	<u>Group</u>		<u>Company</u>	
	2008 £	2007 £	2008 £	2007 £
Short term savings deposits	387,568	360,707	387,568	360,707



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**18. CREDITORS:**  
Amounts falling due within one year

	<b>Group</b>		<b>Company</b>	
	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	<b>58,711</b>	<b>53,719</b>	<b>48,491</b>	<b>44,601</b>
Amounts owed to group undertakings	-	-	9	-
Social security and other taxes	<b>7,194</b>	<b>7,646</b>	<b>2,859</b>	<b>2,453</b>
Other creditors	<b>1,172</b>	<b>38,646</b>	<b>1,172</b>	<b>38,646</b>
Accruals and deferred income	<b>45,209</b>	<b>43,399</b>	<b>29,682</b>	<b>27,880</b>
	<b>112,286</b>	<b>143,410</b>	<b>82,213</b>	<b>113,580</b>

**19. STATEMENT OF FUNDS**

	<b>Brought Forward</b>	<b>Incoming resources</b>	<b>Resources Expended</b>	<b>Carried Forward</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Designated funds</b>				
Didcot Railway Centre Project Fund	<b>34,014</b>	<b>34,704</b>	<b>(43,938)</b>	<b>24,780</b>
Life Members' Fund	<b>34,089</b>	<b>3,250</b>	<b>(3,734)</b>	<b>33,605</b>
	<b>68,103</b>	<b>37,954</b>	<b>(47,672)</b>	<b>58,385</b>
<b>General funds</b>				
General Fund	<b>196,115</b>	<b>635,337</b>	<b>(633,436)</b>	<b>198,016</b>
<b>Total Unrestricted funds</b>	<b>264,218</b>	<b>673,291</b>	<b>(681,108)</b>	<b>256,401</b>

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**19. STATEMENT OF FUNDS (continued)**

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
<b>Restricted funds</b>				
Heavy freight (3822/7202)	23,879	10,185	(7,344)	26,720
Locomotive 1338	5,585	1,427	-	7,012
Locomotive 1340	5,543	1,608	-	7,151
Locomotive 2999	(37,319)	49,193	(9,576)	2,298
Locomotive 3738	598	3,703	-	4,301
Locomotive 4079	32,436	1,529	(26,688)	7,277
Churchward Hentage (5322/1363)	4,118	148	(3,957)	309
Locomotive 6023	39,528	24,232	(25,390)	38,370
Tender for Locomotive 5051	10,172	488	-	10,660
Steam Railmotor	19,260	162,773	(126,598)	55,435
Coach 416	2,105	-	(672)	1,433
Dean Break 933	5,189	231	(622)	4,798
Super Saloons	16,607	16,123	(38)	32,692
Carnage Jacks	18,674	897	-	19,571
Carnage Shed Improvements	13,279	8,660	-	21,939
Didcot Development	10,083	12,862	(13,630)	9,415
Access ramp	24,221	1,177	-	25,398
Education Facilities	1,461	5,068	(3,165)	3,364
Broad Gauge Engine House	11,460	1,906	-	13,366
Broad Gauge Coach	2,470	82	(1,976)	576
Locomotive 1014	43,363	39,130	(75,591)	6,902
BPC	1,636	871	-	2,507
Rail Car 22	3,772	148	-	3,920
Locomotive 3650	2,616	25	(677)	1,964
Firefly	-	1,382	-	1,382
	<u>260,736</u>	<u>343,848</u>	<u>(295,824)</u>	<u>308,760</u>
<b>Total of Funds</b>	<u><u>524,954</u></u>	<u><u>1,017,139</u></u>	<u><u>(976,932)</u></u>	<u><u>565,161</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**SUMMARY OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
Designated funds	68,103	37,954	(47,672)	58,385
General funds	196,115	635,337	(633,436)	198,016
	<u>264,218</u>	<u>673,291</u>	<u>(681,108)</u>	<u>256,401</u>
<i>Restricted funds</i>	<i>260,736</i>	<i>343,848</i>	<i>(295,824)</i>	<i>308,760</i>
	<u>524,954</u>	<u>1,017,139</u>	<u>(976,932)</u>	<u>565,161</u>

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Restricted Funds 2008 £	Unrestricted Funds 2008 £	Total Funds 2008 £	Total Funds 2007 £
Tangible fixed assets	-	157,390	157,390	171,386
Fixed asset investments	-	40	40	40
Current assets	308,779	211,239	520,018	496,938
Creditors due within one year	(19)	(112,268)	(112,287)	(143,410)
	<u>308,760</u>	<u>256,401</u>	<u>565,161</u>	<u>524,954</u>

**21. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2008 £	2007 £
Net incoming resources before revaluations	40,207	13,348
Returns on investments and servicing of finance	(16,269)	(12,178)
Depreciation of tangible fixed assets	13,996	-
Decrease/(increase) in stocks	4,522	(3,915)
Increase in debtors	(774)	(2,991)
(Decrease)/increase in creditors	(31,125)	35,048
<b>Net cash inflow from operations</b>	<u>10,557</u>	<u>29,312</u>

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**22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2008 £	2007 £
<b>Returns on investments and servicing of finance</b>		
Interest received	16,269	12,178
	<u>16,269</u>	<u>12,178</u>
	2008 £	2007 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	-	(5,034)
Increase in short term savings deposits	(26,861)	(69,757)
	<u>(26,861)</u>	<u>(74,791)</u>
<b>Net cash outflow capital expenditure</b>	<u>(26,861)</u>	<u>(74,791)</u>

**23. ANALYSIS OF CHANGES IN NET DEBT**

	1 February 2007 £	Cash flow £	Other non-cash changes £	31 January 2008 £
Cash at bank and in hand	65,045	(35)	-	65,010
<b>Net funds</b>	<u>65,045</u>	<u>(35)</u>	<u>-</u>	<u>65,010</u>

**24. OPERATING LEASE COMMITMENTS**

At 31 January 2008 the Group had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2008 £	2007 £
<b>Group</b>		
<b>Expiry date:</b>		
After more than 5 years	15,199	15,744

**25. PRINCIPAL SUBSIDIARIES AND ASSOCIATES**

**a. Principal subsidiaries**

Company name	Percentage Shareholding	Description
Great Western Retail Sales Limited	100	Retail
Didcot Railway Centre Limited	100	Dormant
Great Weestern Restaurants Limited	100	Dormant

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**NOTES TO THE FINANCIAL STATEMENTS  
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**25. PRINCIPAL SUBSIDIARIES AND ASSOCIATES (continued)**

**b. Principal associates**

<b>Company name</b>	<b>Percentage Shareholding</b>	<b>Description</b>
Great Western Preservations Limited	29	Dormant Company and registered charity

**26. CONNECTED ENTITY**

The Great Western Trust, a separate Registered Charity (Charity Registration Number 289008), has continued its appeal to fund the building and development of a new purpose-built specialist library. The library will be built and owned by the Society and, when opened, its services will be available to members of the Society, and the public. The fund now held amounts to £148,928 and is included in Great Western Trust's accounts (2007 - £139,721).

The principal aims and objectives of the Great Western Trust are to acquire and preserve smaller items and artefacts connected with the Great Western Railway.

**27. TAXATION**

The Society is a registered charity and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within various exemptions available to registered charities.

Subsidiary companies which do not have charitable status pay any taxable profits or surpluses to the Society each year by way of Gift Aid.