

GREAT WESTERN SOCIETY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2016

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GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

CONTENTS

	Page
Chairman's statement	1 - 5
Directors' report	6 - 13
Reference and administrative details of the charity, its trustees and advisers	14 - 15
Independent auditors' report	16 - 17
Consolidated statement of financial activities	18
Consolidated balance sheet	19
Company balance sheet	20
Consolidated cash flow statement	21
Notes to the financial statements	22 - 38

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2016

The chairman presents his statement for the period.

Once again 2015 has been a busy year for the Great Western Society and Didcot Railway Centre. The Board has worked very hard and well together with a focus on future policy whilst at the same time ensuring we are compliant with legal requirements. A major step has been taken to improve our green policy with the introduction of solar panels on the carriage shed roof. We continue to enhance the collection in physical terms and evolve to take account of changing circumstances

Current Developments

Visitor numbers were slightly down on 2014 but higher than 2012 and 2013 and came from all across the UK, including Northern Ireland, Scotland and Wales, although the highest concentrations were found around London and the South East, including the area around Didcot Railway Centre (DRC).

We continue to try out new ideas and in 2015 the Father's Day Steaming gave fathers the chance to drive a steam engine. A new attraction, the Transport Rally organised in conjunction with the Thames Valley and Great Western Omnibus Trust, was added in the 2015 calendar which proved to be a success which we hope will become an annual event bringing as new audience to the Centre.

The May Galas continue to be successful and both the Steam and Diesel Galas attracted more visitors than the previous year. We are now running diesel days in the shoulder season as we appreciate that visitors also like to enjoy a train ride as part of their visit at these times. The Day Out With Thomas events continue to be successful and both the March and October weekends were busier than the previous year. Numbers attending the December events, however, were slightly down on the previous year, mainly due to having to substitute one weekend into a two weekday event due to the way Christmas fell in 2015. Both the shop and catering had an excellent year's trading contributing some £50,000 in profit.

Over the years the Education Team have built up a good reputation and continue to look at ways to increase the numbers. During the year they hosted forty two schools from as far afield as Northampton and Salisbury with over 1750 children contributing around £12000 to the Society's revenue. We have developed and run a series of Little Engineers' Workshops for pre schoolchildren. After publicising the event on Facebook we were approached by a railway museum in New Zealand asking if we would be prepared to share materials and learning with them and we were happy to help. We have also developed an Interpretation Blueprint for Didcot Railway Centre to guide our developing interpretation strategy. We continue to improve our signage with new information boards for the King wheels, the Atmospheric Pipe and the Signalling display.

Cinema feature films and television programmes have been hosted at DRC which is now seen as an ideal location for industrial and railway scenarios, but more importantly a recognised location for railway historical accuracy.

DRC is a member of a number of local commercial, tourist and museum bodies. During the year we held a series of community events to publicise the Railway Centre amongst local councils, the local community and the Didcot Chamber of Commerce as well as the staff and management from Great Western Railway. DRC is also a regular participant at the Didcot Street Fair, Didcot Summer Fayre and Volunteer Forum and continues to play its part in the local and tourist communities. A number of business volunteer days for local companies to offer volunteering opportunities to their staff have been held and DRC has worked with charities to offer 'wishes of a lifetime' for sick children and their families.

DRC is partnering Chiltern Open Air Museum and Tring Museum in the Arts Council England Flourish Project, which is looking at the long term sustainability of museums. The project aims to learn from other sectors and develop innovative ideas for fund raising, events and volunteering. Flourish has provided access to resources to survey volunteers and improve our fund raising.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2016

Collections

2015 saw substantial progress in migrating the archive collection into the Conservation Store within the Charles Gordon Stuart Annexe (CGSA) but by its nature it is a vast undertaking and will certainly take a year or so more to complete. Perhaps it was to be expected that on top of that task, the long awaited creation of the new Annexe has prompted generous members and others to donate yet more previously unknown materials which has added to the volume of material involved and the quality of the collection. Without doubt the new facility has impressed even those in the museum profession especially as it has been wholly achieved through the drive and initiative of our enthusiast volunteer bodies.

As was always intended the new Annexe has at last allowed the Trust to commence long overdue works in the Museum Display room to upgrade display opportunities and steward facilities. Winter 2015 saw the bricking up of the three windows previously covered by security roller shutters. This provided a complete wall opposite the steward's desk upon which the splendid art nouveau cast iron letters GREAT WESTERN RAILWAY, that adorned the road entrance to Acton station, could be mounted. Further changes are in the planning stage for future years.

In the meantime, the Great Western Trust was invited to participate in On Track, an exhibition about Reading's Railways at the Museum of Reading, including helping with the historical research and loaning objects for the exhibition.

Other site changes

During the autumn we reviewed our major site projects for the future. All the projects we have planned for some years are still very relevant to the long term future of the Centre. These include extended accommodation for our carriage and wagon collection, a third bay on the Locomotive Works for engine display, major improvements to the site entrance and an exhibition hall to offer improved meeting and catering facilities. Primarily of course, the hall will allow us to provide a much enhanced display to tell the story of the old Great Western Railway (and indeed the Great Western Society) more fully before people tour the Centre and the many features of the site. It will raise the quality of our overall offering to visitors on the days when our trains are not running. Work on all these projects progresses, as does that on the restoration of the Coal Stage, Engine Shed and Lifting Shop but would be much speedier with committed help from more Society members.

In our plans we have to take account of changes to the railway in the Didcot area. Didcot Parkway station will be expanded in the medium term and our entrance in particular needs to be designed in an integrated way. We are working with Network Rail and train operator (First Group) Great Western Railway to achieve this. We have been consulted directly over aspects of the forthcoming electrification that will affect our site. To our mutual satisfaction removal of the burgeoning trees along our Avoiding Line fence has now been completed by Network Rail as part of the route clearance work for electrification. On the town side of the site, Network Rail plans are in hand for construction of an EMU depot and we are working with them to secure mutual benefits, particularly improvements to our utility services.

The train catenary around the Chester Curve has necessitated the placing underground of our 11kV power supply. Our wires, supplying the Centre since the seventies, were finally taken down across the railway in April 2016 and an underground supply will follow later, power in the interim being provided by Scottish and Southern Energy diesel generators. Perversely, in response to a previous AGM resolution, we had commissioned a solar panel array on the Carriage Shed roof at the turn of the year, the feed in tariff for surplus power being attractive. Much work was done by members to research the best scheme and implement it. However, we have had to temporarily suspend this whilst we are running on generators.

The Controlling the Trains Building (CTTB) has been the highlight site building project over the last year. Careful attention has been paid to GWR style construction and use of salvaged doors, windows and special bricks, mainly courtesy of Network Rail and Oxfordshire County Council. The roof was completed two days before the 1960s Swindon signal control panel, saved in working order by the Swindon Panel Society, was placed safely

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2016

inside in early April. The SPS is a thriving new group to find a home at Didcot and members have contributed already both to work on the building and other aspects of running the Centre.

The CTTB will tell the story of railway signaling and how it has kept the travelling public safe for over 175 years. DRC is almost uniquely placed to be able to do this, having the Thames Valley Signalling Centre just across the tracks. This new exhibition will broaden and enhance visitors' experience and will particularly help in bad weather and on non-running days. The Swindon Panel is now being wired up to a computer simulator to take up its new life as an interactive visitor exhibit. Further exhibits will join it, including the 1930s Bristol East diagram and items from earlier periods.

One special site feature that has fulfilled its purpose this year stands in the garden near the Road Motor Garage from Wantage Road. It is the Great Western Society Memorials Board erected a couple of years ago in memory of members and friends. One hundred names of members who have passed away, who have made notable contributions to the GWS or are to be remembered by their GWS friends, were added last autumn. We hope that these may prompt recollections of others who deserve a place and we plan to add names every year ready for a simple act of remembrance each November.

We relaunched the Didcot Development Fund in the New Year to continue building up a regular monthly income allowing a variety of new site works to progress. These include numerous small works of preservation, enhancement and improvement of services. We spend the Fund steadily on materials for volunteers, specialist contractor skills and as seed corn for new projects such as planning application fees. It is also vital funding for the unexpected such as heritage building or track materials from Network Rail which need to be pursued when available even if put into store at the Centre for some years.

Locomotives, Carriages and Wagons

During the year 4144 joined the operational fleet and together with 3650, the Steam Railmotor, Diesel Railcar 22 and BR (WR) diesel hydraulic No. D9516 were the mainstay for the season. 6023 did not see service during 2015 whilst a number of broken springs were replaced and alterations made to the blast pipe.

Work has continued on a number of long term restorations. The majority of the mechanical restoration on 7202 is now complete and the focus has been on the boiler where amongst others things a new front tube plate has been manufactured whilst a considerable amount of the firebox plate work is also being renewed. The boiler work required on 1363 is quite similar; during the year 1363 was re-wheeled.

The motion on 4079 was re-fitted leading to the boiler being placed back in the frames so that all the fittings can be piped up prior to a test steaming. The tender has now been lined out and varnished and is ready to run.

The restoration of the boiler for the Saint was completed during the autumn and it duly passed its cold exam by the Insurance Inspector. With no problems experienced, the boiler has been placed aside to await an out of frames steam test prior to refitting the smokebox and placing it in the locomotive frames. A new ash pan has been made and a set of new superheater elements are ready to fit. Other work on the locomotive has included fitting a new wooden cab floor, and the sheet metal splash guards between the bogie wheels and the slide bars have been fabricated.

On the tender the main effort has been spent completing the Churchward 3500 gallon rebuild with a completely new tank body and Churchward short fenders. Operational brake gear is now fitted together with an operational water scoop and new tool boxes.

Good progress has been made with the County 1014. Following the grinding of the horn guides and refurbishment of the axle boxes at Tyseley Locomotive Works, the locomotive frames were received back at Didcot during the summer and preparations made to wheel the locomotive. At the same time preparations were made to wheel the new tender frame – both of which have now been accomplished. Work on the rebuilding of the firebox continued and design work undertaken for the new barrel.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2016

The main frames of 4709 have now been assembled, aligned and riveted together and married to the donor extension frames. Following the manufacture of our own horn grinding machine during the year work is now progressing grinding the horn guides. The axle for the new wheelset has been delivered and partial assembly undertaken.

The restoration and rebuild of our Thomas locomotive is nearing completion. As already mentioned the Thomas events are a very important part of our annual income and having our own locomotive will both ensure availability and save on the movement costs in and out of Didcot Railway Centre which are considerable. There is also the possibility of being able to hire Thomas out to other railways thereby providing another income stream.

Turning to the Carriage & Wagon Department, Autocoach 190 was repainted during the year and the interior refreshed including repainting of the ceilings and re-varnishing the internal woodwork.

New lino flooring was installed in Collett Brake Composite 7371 by contractors during the summer and the scumbling to the corridors and vestibule is complete. The two lavatories have been cleaned and painted and one has been cosmetically restored.

Elsewhere, work has recommenced on the Collett Passenger Brake Van 1184 whilst the panels in 9113 Prince of Wales are now being French polished in house.

Following dismantling of the original frames of the Dean 4-wheel composite 290 it was decided to use new timber for most of the reconstruction. The new framework has been installed to one of the sides and both ends.

The interior of Dean Full Brake 933 has received final coats of paint and the ironmongery installed. New droplights have been made and will be shortly installed. The repainting of Syphon G 2796 is also complete whilst the Hawksworth Brake Third 2232 has been cosmetically restored and will be used as a Departmental vehicle which was its final use on the main railway.

The running fleet during the year has included 2202, 7372, 1289, 416, 231 and 92. A demonstration goods train is occasionally run using a variety of wagons.

The care and conservation of our static fleet continues to improve. The repaint of 6106 is nearly complete and the conservation and repainting of Shannon has commenced with approval of the National Railway Museum of our Conservation Management Plan.

Concerns for the Future

One of our concerns for the future security of the GWS and Didcot Railway Centre is the need for younger volunteers to continue the fifty-five years of preservation. To this end we have relaunched our Young Volunteers group which meets on a monthly basis and it is hoped will help give us a stream of new young active volunteers.

Operational safety is always under review by our Operations Committee. The Health and Safety Committee met five times during the year. Steve Grimbleby was appointed Health and Safety Manager. Steve had been looking after the first aid issues at Didcot for some time previously.

Additionally, we have had to review operations in view of the forthcoming GWR electrification in addition to an agreed working with the Swindon and Cricklade Railway where our Operational trainers will be tested by them and vice versa.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2016

Personnel

During the year under review, the following Directors held office:

Richard Croucher	Chairman
John O'Hagan	Deputy Chairman
Mike Bodsworth	Treasurer - resigned 19 September 2015 Co-opted as a Director and Finance Manager 19 September 2015
Charles Thompson	Co-opted as a Director - 4 July 2015 Appointed Treasurer - 19 September 2015
Frank Cooper	Secretary
Richard Antliff	Civil Engineering Manager
Bob Fry	Locomotive Manager - died 18 June 2015
Roger Horwood	Carriage & Wagon Manager
Peter Rance	Chairman Great Western Trust
Ann Middleton	Policy & Procedures Manager
Adrian Knowles	Editor, Great Western Echo – appointed 4 July 2015
David Bradshaw	Non-Executive Director

Roger Orchard continued to attend Board meetings in his capacity as Didcot Railway Centre Manager and has subsequently been co-opted to the Board, as has Richard Varley who had been attending in the capacity as Assistant Secretary in anticipation of taking over from Frank Cooper who is stepping down as Company Secretary at the forthcoming AGM.

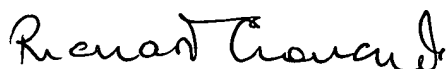
Kevin Dare took up the role of Locomotive Manager on January 1st having covered for Bob Fry during his illness and subsequent death earlier in the year. Richard Pope undertook the role of Minutes Secretary.

Betty Baldry and Alan Chandler continue to deal very efficiently with membership. Alan took on responsibility for Gift Aid claims on membership subscriptions during the year. 64% of members have a current Gift Aid declaration. A greater proportion of our members now fall into the over 60 age bracket (52% compared with 34% in 2003), meaning that subscription income was falling. We were also falling behind on income in real terms due to inflation. Therefore, it was necessary to undertake a major review of the subscription rates for implementation for those expiring from 31 January 2016.

Clive Eltham and Angela Dean have worked hard to transform the Shop from a paid to a voluntary operation and the shop has had a very successful year. The Catering side of our operation also continues to be successful under the management of Ellen Hare.

Richard Jermyn continues in his role as Operations Manager and Ann Middleton looks after the commercial side in a voluntary capacity whilst Helen Prior oversees the work of the Education Department. Alex Beasley and Ed Meeks are employed on Locomotive Maintenance whilst Mark Werrell is employed in the Carriage & Wagon Department.

All have continued to give essential and valuable support throughout the year and we thank them for their assistance in various ways. As usual, we would like to thank the membership and all our volunteers, as well as the paid staff at Didcot, for the continuing support they provide. Without this dedication the Great Western Society and Didcot Railway Centre would not succeed.



Name A R Croucher
 Chairman

Date 21/7/16.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2016

The Directors submit their annual report together with the audited financial statements of Great Western Society Limited (the company and the group) for the year ended 31 January 2016. The Directors confirm that the Annual report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Since the company and the group qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

a. Policies and Objectives

The Society has the following aims and objects (as amended by changes made to the Memorandum and Articles of Association on 19 September 2015):

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 (GWR) and its successors since nationalisation on 1 January 1948 i.e. the Western Region of British Railways (BR), both for historical and educational purposes.

2) To make available reference to the history, equipment and operation of the former Great Western Railway and its successors.

The principal activity of the Society during the year under review was that of promoting the Great Western Railway and its successors 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 monitor and increase the funding available from entrance fees, appeals, grant making bodies and its 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. 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. Public Benefit

The Trustees have had regard to the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)' and supplementary guidance on advancing education and fee charging.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JANUARY 2016

The Society, through the Didcot Railway Centre, provides a heritage experience where you can trace the development of railways from its earliest days through the evolution and development of the former Great Western Railway and its successors. The Railway Centre is open to the public and is also available for educational purposes and supports the national curriculum. An opportunity is also provided for anybody to volunteer to become involved in all aspects of operating a Heritage Railway Centre. This ranges from practical work on preservation and restoration to management and administration, and training is provided to enable volunteers to enhance their skills.

e. 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 Board 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.

ACHIEVEMENTS AND PERFORMANCE

a. Review of Activities

An overview of the main achievements during the reporting period is set out in the Chairman's Statement.

Charitable Activities

Visitor numbers overall decreased by 4% (prior year increased by 9%) compared to the previous year and income increased by 3% against a projected decrease of 4%. Visitor income from Days out with Thomas improved significantly (17%) on the good income seen in 2014/15 against a projected slight decrease.

Other prominent attractions were enhanced steam days where three locomotives were in operation, diesel heritage days, family event days and the Science and Learning Centre. The visitor income from these activities showed a decrease of 9% against a projected decrease of 7%.

Membership numbers decreased by 9% during the year but income remained broadly static, however all subscription rates were reviewed towards the end of the year and an increase of nearly 40% is anticipated for 2016/17.

The total of voluntary income for restoration and preservation fell during the year to £214,278 (2014/15 £384,217) but 2014/15 benefitted from major appeals and from legacy income of £99,106 as compared with no legacy income in the year. There were though also fewer major appeals this year.

Expenditure overall for restoration and preservation continued to be controlled to stay within income and showed a decrease of 22% on the previous year enabling the anticipated preservation and restoration programme to continue during the year.

In terms of overall enjoyment and value for money visitor surveys in the year showed increases throughout most of the year.

The charity's subsidiary company Great Western Retail Sales Limited made a gift aided contribution to the charity of £91,933 (2015 £89,756).

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JANUARY 2016

Capital Expenditure

The Trustees commissioned a solar panel array on the Carriage Shed roof at the turn of the year, the feed in tariff for surplus power being attractive. Much work was done by members to research the best scheme and implement it. However, we have had to temporarily suspend this whilst we are running on generators due to work by Network Rail to electrify the GWR main line.

b. Fundraising Activities/Income Generation

There were specific fund raising activities for the Carriage Shed extension and loco 4709. There was also general fund raising by the Society' regional groups. The overall total raised this year was slightly less than in the previous year.

c. Factors Relevant to Achieve 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. Going Concern

After making appropriate enquiries, the trustees, as noted in a. above have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. Reserves Policy

Reserves are needed to bridge the gap between income received and the spending needed to maintain and run the Didcot Railway Centre as well as unplanned for expenditure. The directors consider that reserves, apart from funds designated for specific purposes or otherwise committed, are required at a level equating to between three and six 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, GWS Board also acknowledges 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.

The balance on the unrestricted funds at 31 January 2016 was £1,171,848, of which £919,672 was represented by fixed assets, £116,130 has been set aside for specific purposes and £14,470 was held by regional groups which leaves free reserves of £121,576. This compares with actual three to six months expenditure of approximately £300,000. The Trustees consider that given the funds set aside for specific purposes which could be released back to free reserves, the charity has sufficient funds to continue operating in the foreseeable future although they will be looking to increase the free reserves over the coming years.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JANUARY 2016

c. Principal Funding

The principal 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 operation of the Railway Centre whilst funding from donations, legacies, grants and appeals has supported restoration, conservation and development.

The group balance sheet shows total funds of £1,568,979 (2015 - £1,644,526). Included in the total funds is an amount of £397,131 (2015 - £377,268) 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 21 to the accounts together with an analysis of movements in the year.

One fund, Locomotive 4709 remains in deficit £39,854 (2015 - £37,425). This is a major rebuilding project, for which major fundraising is still in progress and it is anticipated that the project will be fully funded through to completion.

Funds totalling £116,130 (2015 - £357,430) have been designated, or set aside, by the GWS Board for restoration, conservation and development purposes. An analysis of the movements in the funds is set out in note 21 to the accounts.

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 charitable company was formed in 1961, incorporated in 1967 and is governed by a Memorandum and Articles of Association.

b. Method of Appointment or Election of Directors

The management of the company and the group is the responsibility of the Directors who are elected and co-opted under the terms of the Articles of Association.

The Directors constitute Trustees of the charitable company for the purpose of charity legislation.

The GWS Board comprises 3 honorary officers, Chairman, Deputy Chairman, Treasurer and up to a maximum of 15 other members. Following co-option to the GWS Board, both officers and other members have to stand for election at the next Annual General Meeting. Thereafter the officers are re-elected by the GWS Board on an annual basis at the meeting immediately following each Annual General Meeting. One third of the GWS Board, 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, MCF Bodsworth retired from his role of Treasurer and was co-opted as a Director and Finance Manager during the year; D Bradshaw retires by rotation; RW Orchard and RJ Varley were appointed as Directors after the year end. All offer themselves for re-election or election.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JANUARY 2016

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 GWS Board. 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; but 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.

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 members of the GWS Board.

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 members of the GWS Board.

Great Western Preservations Limited

This is a registered charity (No: 1122630) and a private company limited by guarantee with no share capital. It is managed by a board of Directors, which meets twice a year. All the Directors are members of the Society with a representation coming from the GWS Board. 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 of 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 GWS Board has representatives from 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 plus the Museum Mentor formally meet on an annual basis under the chairmanship of the GWS Chairman. In addition, other meetings may be held during the year concerning specific topics. All are (and have to be) members of the Great Western Society.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JANUARY 2016

d. Pay Policy

The directors consider that the board of directors and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give of their time freely and no director received any remuneration in the year. Details of director's expenses and related party transactions are disclosed in note 26 to the accounts.

The pay of all staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity and its activities, the directors benchmark against pay levels locally.

e. Risk Management

The GWS Board has a risk management strategy which comprises an annual review of the principal risks and uncertainties that the charity and its subsidiaries face and the establishment of policies, systems and procedures to mitigate those risks as far as is practicable.

Financial sustainability is the major risk for both the charity and its trading subsidiary. Attention is also focussed on non-financial risks such as health and safety of volunteers as well as protecting visitors against accident whilst visiting the Didcot Railway Centre and food hygiene. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place and regular awareness training for staff and volunteers working in operational areas.

PLANS FOR THE FUTURE

a. Future Developments

It is intended to continue the development of the Centre by:

- extending the rail network together with a number of associated replica historic buildings and exhibits
- building a purpose designed exhibition centre
- building a visitor centre providing improved access for visitors, a grant application for this remains in process
- building a Broad Gauge Engine House and Carriage Shed to house the Broad Gauge collection at the north end of the site adjacent to the Transfer Shed
- developing education opportunities and interpretation, and
- building a purpose designed facility to show the history and operation of signalling up to the present time.

It is planned to continue with major fund raising initiatives and a number of restoration and preservation projects will also proceed in order to enhance the collection.

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.

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 GWS Board.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JANUARY 2016

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

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the company and the group's Equal opportunities policy, the company and the group 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 company and the group's offices.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

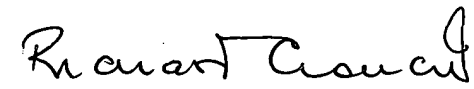
GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JANUARY 2016

AUDITOR

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 Directors on 2/7/16 and signed on their behalf by:



AR Croucher Chairman

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS

Directors

A R Croucher, Chairman
J B O'Hagan, Deputy Chairman
M C F Bodsworth
R J Horwood
M A Middleton
F Cooper
R W Fry(died 18 June 2015)
R J G Antliff
D Bradshaw
P A Rance
C M Thompson (appointed 4 July 2015)
A J Knowles (appointed 4 July 2015)
R Orchard (appointed 16 April 2016)
R Varley (appointed 16 April 2016)

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS

Company registered number

00899248

Charity registered number

272616

Registered office

Didcot Railway Centre, Didcot, Oxfordshire, OX11 7NJ

Company secretary

F Cooper

Senior management team

R J G Antliff, Civil Engineering Manager
Mrs M A Middleton, Commercial Manager
R Orchard, Didcot Railway Centre Manager
Mrs H Prior, Education Manager
K Dare, Locomotive Manager
R Jermyn, Operations Manager

Independent auditors

Wellers, Kineton House, 31 Horse Fair, Banbury, Oxon, OX16 0AE

Bankers

Newbury Building Society, 17 Bartholomew Street, Newbury, RG14 5LY

The Co-operative Bank, PO Box 250, Delf House, Southway, Skelmersdale, WN8 6WT

National Westminster Bank plc, 131 Crockhamwell Road, Woodley, Reading, RG5 3XZ

Lloyds Bank plc, Market Place, Didcot, OX11 7LQ

Solicitors

Bevirs, Market Hill House, Calne, Wiltshire, SN11 0EG

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

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

We have audited the financial statements of Great Western Society Limited for the year ended 31 January 2016 which comprise the group Statement of financial activities, the group and company Balance sheets, the group Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 151 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report to you in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 January 2016 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Group strategic report.



Simon John Hockley Smith (Senior statutory auditor)

for and on behalf of

Wellers

Accountants
Statutory Auditors

Kineton House
31 Horse Fair
Banbury
Oxon
OX16 0AE
Date:

Wellers are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including consolidated income and expenditure account)
FOR THE YEAR ENDED 31 JANUARY 2016

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	2	115,661	214,278	329,939	632,832
Other trading activities	3,4	252,433	33,261	285,694	328,751
Investments	5	1,516	302	1,818	3,436
Charitable activities	6	474,849	12,004	486,853	497,734
TOTAL INCOME AND ENDOWMENTS		844,459	259,845	1,104,304	1,462,753
EXPENDITURE ON:					
Raising funds	4,7	157,642	22,672	180,314	217,813
Charitable activities	8,11	783,524	216,013	999,537	1,015,741
TOTAL EXPENDITURE	12	941,166	238,685	1,179,851	1,233,554
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		(96,707)	21,160	(75,547)	229,199
Transfers between Funds	21	1,297	(1,297)	-	-
NET INCOME / (EXPENDITURE)		(95,410)	19,863	(75,547)	229,199
NET MOVEMENT IN FUNDS		(95,410)	19,863	(75,547)	229,199
RECONCILIATION OF FUNDS:					
Total funds at 1 February 2015		1,267,258	377,268	1,644,526	1,415,327
TOTAL FUNDS AT 31 JANUARY 2016		1,171,848	397,131	1,568,979	1,644,526

All activities relate to continuing operations.

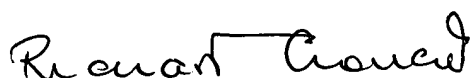
The notes on pages 22 to 38 form part of these financial statements.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 00899248

CONSOLIDATED BALANCE SHEET
AS AT 31 JANUARY 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	16		919,672		794,429
CURRENT ASSETS					
Stocks	17	23,139		31,291	
Debtors	18	39,341		255,366	
Investments	19	630,050		608,763	
Cash at bank and in hand		85,525		92,652	
		<u>778,055</u>		<u>988,072</u>	
CREDITORS: amounts falling due within one year	20	(128,748)		(137,975)	
NET CURRENT ASSETS			649,307		850,097
NET ASSETS			<u>1,568,979</u>		<u>1,644,526</u>
CHARITY FUNDS					
Restricted funds	21		397,131		377,268
Unrestricted funds	21		1,171,848		1,267,258
TOTAL FUNDS			<u>1,568,979</u>		<u>1,644,526</u>

The financial statements were approved by the Directors on July 2nd 2016 and signed on their behalf, by:



AR Croucher Chairman

The notes on pages 22 to 38 form part of these financial statements.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 00899248

COMPANY BALANCE SHEET
AS AT 31 JANUARY 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	16		905,326		786,520
CURRENT ASSETS					
Stocks	17	7,371		5,901	
Debtors	18	70,462		291,696	
Investments	19	630,050		608,763	
Cash at bank and in hand		60,620		60,383	
		<u>768,503</u>		<u>966,743</u>	
CREDITORS: amounts falling due within one year	20	<u>(104,851)</u>		<u>(108,737)</u>	
NET CURRENT ASSETS			<u>663,652</u>		<u>858,006</u>
NET ASSETS			<u><u>1,568,978</u></u>		<u><u>1,644,526</u></u>
CHARITY FUNDS					
Restricted funds	21		397,131		377,270
Unrestricted funds	21		1,171,847		1,267,256
TOTAL FUNDS			<u><u>1,568,978</u></u>		<u><u>1,644,526</u></u>

The financial statements were approved by the Directors on July 2nd 2016 and signed on their behalf, by:



AR Croucher Chairman

The notes on pages 22 to 38 form part of these financial statements.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2016**

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	23	<u>162,811</u>	<u>3,035</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,818	3,436
Purchase of property, plant and equipment		(150,469)	(159,744)
(Increase)/Decrease in short term investments		(21,287)	106,340
Net cash used in investing activities		<u>(169,938)</u>	<u>(49,968)</u>
Change in cash and cash equivalents in the year	24	(7,127)	(46,933)
Cash and cash equivalents brought forward		<u>92,652</u>	<u>139,585</u>
Cash and cash equivalents carried forward	24	<u><u>85,525</u></u>	<u><u>92,652</u></u>

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006

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

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 408 of the Companies Act 2006.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Directors have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

1.3 Company status

The company is a company limited by guarantee. The members of the company are the Directors named on page 14. 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.

1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors 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 Directors 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 or which have been raised by the company for particular purposes. The costs 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.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.5 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and a note is included in the Directors' report for more information about their contributions.

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

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.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.7 Basis of consolidation

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

The company has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and expenditure account.

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:

L/Term Leasehold Property	-	2% straight line over the life of the asset
Site buildings, turntable and electrical installations	-	12% over the life of the lease
Fixtures, fittings and equipment	-	12% 15% to 33.3% - straight line
Office equipment	-	20% to 100% - reducing balance

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.10 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

1.12 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

1. ACCOUNTING POLICIES (continued)

1.14 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.15 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	25,795	216,278	242,073	329,255
Legacies	89,866	(2,000)	87,866	303,042
Grants	-	-	-	535
	<u>115,661</u>	<u>214,278</u>	<u>329,939</u>	<u>632,832</u>

In 2015, of the total income from donations and legacies, £ 248,615 was to unrestricted funds and £ 384,217 was to restricted funds

3. FUNDRAISING INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Raffles	-	19,711	19,711	19,157
Other income	3,867	13,550	17,417	36,367
	<u>3,867</u>	<u>33,261</u>	<u>37,128</u>	<u>55,524</u>

In 2015, of the total fundraising income, £ 1,925 was to unrestricted funds and £ 53,599 was to restricted funds.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

4. CHARITABLE TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Charity trading income				
Charity trading income	248,566	-	248,566	273,227
Charity trading expenses				
Charity trading expenses	119,796	-	119,796	135,789
Charity trading expenses - wages	34,329	-	34,329	47,490
Charity trading expenses - NI	1,075	-	1,075	-
Charity trading expenses - pension	57	-	57	-
Charity trading expenses - depreciation	1,424	-	1,424	273
	156,681	-	156,681	183,552
Net income from charitable trading activities	91,885	-	91,885	89,675

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Interest receivable	1,468	302	1,770	3,355
GWRS Interest receivable	48	-	48	81
	1,516	302	1,818	3,436

In 2015, of the total investment income, £ 3,169 was to unrestricted funds and £ 267 was to restricted funds.

6. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Entrance fees	389,232	12,004	401,236	392,524
Subscriptions and enrolment fees	85,617	-	85,617	105,210
	474,849	12,004	486,853	497,734

In 2015, of the total income from charitable activities, £ 487,711 was to unrestricted funds and £ 10,023 was to restricted funds.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

7. COST OF GENERATING INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Advertising and marketing	961	22,672	23,633	34,261

In 2015, of the total voluntary income, £ 212 was to unrestricted funds and £ 34,049 was to restricted funds.

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Promotion of the GWR and Western Region of BR	373,814	-	373,814	396,539
Restoration and preservation of locomotives and depot	393,930	216,013	609,943	604,922
	767,744	216,013	983,757	1,001,461

In 2015, of the total expenditure, £ 722,999 was expenditure from unrestricted funds and £ 278,461 was expenditure from restricted funds.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

9. DIRECT COSTS

	Promotion of the GWR and Western Region of BR £	Restoration and preservation of locomotives and depot £	Total 2016 £	Total 2015 £
Echo costs	25,148	-	25,148	23,815
Event staging costs	195,447	-	195,447	216,227
Repairs and maintenance of locomotives, rolling stock, buildings and tracks	-	361,128	361,128	392,922
Rent, rates and water	-	20,828	20,828	18,970
Insurance	-	60,925	60,925	52,282
Coal and oil	-	34,101	34,101	34,725
Electricity	-	24,290	24,290	17,886
Site cleaning and security	-	8,503	8,503	6,806
Wages and salaries	-	65,106	65,106	50,322
National insurance	-	2,598	2,598	1,777
Pension cost	-	111	111	-
Depreciation	-	19,042	19,042	16,094
	220,595	596,632	817,227	831,826

10. SUPPORT COSTS

	Promotion of the GWR and Western Region of BR £	Restoration and preservation of locomotives and depot £	Total 2016 £	Total 2015 £
Bank charges and interest	3,134	-	3,134	3,112
Sundry expenses	5,700	8,551	14,251	23,926
Travel and subsistence	666	-	666	543
Postage and telephone	8,140	-	8,140	7,802
Stationery and office supplies	4,495	-	4,495	4,003
Staff expenses	918	-	918	623
Affiliation fees	1,235	-	1,235	810
Wages and salaries	122,637	-	122,637	120,646
National insurance	6,035	-	6,035	4,146
Pension cost	259	-	259	-
Depreciation	-	4,760	4,760	4,023
	153,219	13,311	166,530	169,634

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

11. GOVERNANCE COSTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Auditors remuneration	15,780	-	15,780	14,280

12. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2016 £	Depreciation 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on raising voluntary income	-	-	23,633	23,633	34,261
Expenditure on fundraising trading	35,461	1,424	119,796	156,681	183,552
Costs of generating funds	35,461	1,424	143,429	180,314	217,813
Promotion of the GWR and Western Region of BR	128,931	-	244,883	373,814	396,539
Restoration and preservation of locomotives and depot	67,815	23,802	518,326	609,943	604,922
Charitable activities	196,746	23,802	763,209	983,757	1,001,461
Expenditure on governance	-	-	15,780	15,780	14,280
	232,207	25,226	922,418	1,179,851	1,233,554

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

13. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2016 £	Support costs 2016 £	Total 2016 £	Total 2015 £
Promotion of the GWR and Western Region of BR	220,595	153,219	373,814	396,538
Restoration and preservation of locomotives and depot	596,632	13,311	609,943	604,922
Total	<u>817,227</u>	<u>166,530</u>	<u>983,757</u>	<u>1,001,460</u>

14. NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned by the charitable group	25,226	20,390
Auditors' remuneration	<u>15,780</u>	<u>14,280</u>

During the year, no Directors received any remuneration (2015 - £NIL).
During the year, no Directors received any benefits in kind (2015 - £NIL).

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

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

15. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	222,072	218,458
Social security costs	9,708	5,923
Other pension costs	427	-
	<hr/> 232,207 <hr/>	<hr/> 224,381 <hr/>

The average monthly number of employees was: 16 (2015: 16) and the average monthly number of employees during the year expressed as full time equivalents was as follows (including casual and part-time staff):

	2016	2015
	No.	No.
Restoration and preservation of locomotives, rolling stock and depot and promotion of the GWR and Wester Region of BR	4	4
Management and administration	4	4
Commercial trading	8	8
	<hr/> 16 <hr/>	<hr/> 16 <hr/>

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

The key management personnel of the Charitable company comprise the Directors, the Civil Engineering Manager, Commercial Manager, Didcot Railway Centre Manager, Education Manager, Locomotive Manager and Operations Manager. The total employment benefits of the key management personnel of the Company were £45,820 (2015: £47,957)

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

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

16. TANGIBLE FIXED ASSETS

Group	L/Term Leasehold Property £	Site buildings, turntable and electrical installation £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 February 2015	142,200	859,505	153,004	1,154,709
Additions	-	65,111	85,358	150,469
At 31 January 2016	142,200	924,616	238,362	1,305,178
Depreciation				
At 1 February 2015	8,528	282,528	69,224	360,280
Charge for the year	2,844	12,190	10,192	25,226
At 31 January 2016	11,372	294,718	79,416	385,506
Net book value				
At 31 January 2016	130,828	629,898	158,946	919,672
At 31 January 2015	133,672	576,977	83,780	794,429

Company	L/Term Leasehold Property £	Site buildings, turntable and electrical installation £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 February 2015	142,200	859,505	127,401	1,129,106
Additions	-	65,111	77,498	142,609
At 31 January 2016	142,200	924,616	204,899	1,271,715
Depreciation				
At 1 February 2015	8,528	282,528	51,530	342,586
Charge for the year	2,844	12,190	8,769	23,803
At 31 January 2016	11,372	294,718	60,299	366,389
Net book value				
At 31 January 2016	130,828	629,898	144,600	905,326
At 31 January 2015	133,672	576,977	75,871	786,520

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

17. STOCKS

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Goods for resale	14,055	22,679	-	-
Consumables	1,713	2,711	-	-
Sundry	7,371	5,901	7,371	5,901
	23,139	31,291	7,371	5,901

18. DEBTORS

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	2,072	565	45	565
Amounts owed by group undertakings	-	-	33,400	36,467
Other debtors	5,812	64,899	5,812	64,899
Prepayments and accrued income	31,457	189,902	31,205	189,765
	39,341	255,366	70,462	291,696

19. CURRENT ASSET INVESTMENTS

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Short term savings deposits	630,050	608,763	630,050	608,763

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

20. CREDITORS:
Amounts falling due within one year

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade creditors	34,901	38,836	32,289	32,097
Amounts owed to group undertakings	-	-	9	9
Other taxation and social security	5,910	11,313	(1,258)	1,251
Other creditors	33,838	42,861	33,838	42,861
Accruals and deferred income	54,099	44,965	39,973	32,519
	128,748	137,975	104,851	108,737

21. STATEMENT OF FUNDS

	Brought Forward	Incoming resources	Resources Expended	Transfers in/(out)	Carried Forward
	£	£	£	£	£
Designated funds					
Didcot Railway Centre Project Fund	357,430	101,341	(206,258)	(136,383)	116,130
Fixed asset fund	-	-	(25,226)	944,898	919,672
	357,430	101,341	(231,484)	808,515	1,035,802
General funds					
General Fund	909,828	743,118	(709,682)	(807,218)	136,046
Total Unrestricted funds	1,267,258	844,459	(941,166)	1,297	1,171,848

The Fixed Asset Fund was set aside as a designated fund to reflect that these assets are to be held by the Group permanently and are not available as part of the reserves to fund day to day operations.

The transfer into this fund is made up of the two following amounts:

Initial value of assets at 1 February 2015	£ 794,429
Additions during the year	£ 150,469

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

21. STATEMENT OF FUNDS (continued)

Restricted funds	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/(out) £	Carried Forward £
Heavy freight (3822/7202)	62,687	17,225	(17,598)	-	62,314
Locomotive 1338	10,891	8	-	-	10,899
Locomotive 1340	10,983	8	-	-	10,991
Locomotive 2999	6,940	23,866	(43,945)	-	(13,139)
Locomotive 3738	25,254	1,893	-	-	27,147
Locomotive 4079	17,122	7,465	(9,796)	-	14,791
Churchward Heritage (1363)	32,637	5,714	(2,770)	-	35,581
Locomotive 6023	(4,166)	5,496	(350)	-	980
Locomotive 38xx County	8,757	6	-	-	8,763
Steam Railmotor	(5,591)	4,634	(116)	-	(1,073)
Super Saloons	13,179	310	(7,588)	-	5,901
Carriage Shed Improvements	14,303	10	-	-	14,313
Carriage Shed Extension	-	13,732	(3,027)	-	10,705
Ramp Access	26,663	19	-	-	26,682
Educational Facilities	16,277	12,028	(9,598)	-	18,707
Didcot Development	46,998	30,378	(23,367)	(2,480)	51,529
Broad Gauge Engine House	19,796	610	-	750	21,156
Locomotive 1014	6,388	38,488	(42,696)	-	2,180
Bonnie Prince Charlie	2,753	2	-	-	2,755
Rail Car 22	2,364	176	(72)	-	2,468
Locomotive 1466	20,852	5,214	-	-	26,066
Locomotive 4144	(644)	-	(1,167)	1,811	-
Loco 4709	(37,426)	61,463	(63,891)	-	(39,854)
Victorian Carriage	29,830	9,761	(50)	-	39,541
Mainline Steam	26,179	4,060	(12,652)	-	17,587
Charles Gordon Stuart Annex	(9,777)	11,155	-	(1,378)	-
Dean Bogie Single	1,180	-	-	-	1,180
Small Loco	32,839	6,124	(2)	-	38,961
	<u>377,268</u>	<u>259,845</u>	<u>(238,685)</u>	<u>(1,297)</u>	<u>397,131</u>
Total of funds	<u>1,644,526</u>	<u>1,104,304</u>	<u>(1,179,851)</u>	<u>-</u>	<u>1,568,979</u>

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/(out) £	Carried Forward £
Designated funds	357,430	101,341	(231,484)	808,515	1,035,802
General funds	909,828	743,118	(709,682)	(807,218)	136,046
	<u>1,267,258</u>	<u>844,459</u>	<u>(941,166)</u>	<u>1,297</u>	<u>1,171,848</u>
Restricted funds	377,268	259,845	(238,685)	(1,297)	397,131
	<u>1,644,526</u>	<u>1,104,304</u>	<u>(1,179,851)</u>	<u>-</u>	<u>1,568,979</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	919,671	-	919,671	794,428
Current assets	379,768	398,289	778,057	988,072
Creditors due within one year	(127,591)	(1,158)	(128,749)	(137,974)
	<u>1,171,848</u>	<u>397,131</u>	<u>1,568,979</u>	<u>1,644,526</u>

23. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(75,547)	229,199
Adjustment for:		
Depreciation charges	25,226	20,390
Dividends, interest and rents from investments	(1,818)	(3,436)
Decrease in stocks	8,152	3,605
Decrease/(increase) in debtors	216,025	(212,036)
Decrease in creditors	(9,227)	(34,687)
Net cash provided by operating activities	<u>162,811</u>	<u>3,035</u>

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	85,525	92,652
Total	<u>85,525</u>	<u>92,652</u>

25. PENSION COMMITMENTS

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £417 (2015 - £0). Contributions totalling £249 (2015 - £0) were payable to the fund at the balance sheet date and are included in other creditors.

26. RELATED PARTY TRANSACTIONS

During the year, A R Croucher, a director of the charitable company, made interest free loans to the Company totalling £20,000. As at 31 January 2016, £20,000 remained outstanding and is included on Other Creditors. This is repayable by 30 September 2016.

During the year, the following trustees received reimbursement of expenditure made on behalf of GWS. These amounts were then donated back to the GWS.

	2016 £	2015 £
R Antliff	<u>2,419</u>	<u>2,077</u>

GWS has taken advantage of the exceptions under FRS8 which means the group does not require disclosure of transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.

GREAT WESTERN SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

27. 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 Western Restaurants Limited	100	Dormant

b. Principal associates

Company name	Percentage Shareholding	Description
Great Western Preservations Limited	0	Dormant Company limited by guarantee and registered charity

28. TAXATION

The Company 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.