

9F LOCOMOTIVE CHARITABLE TRUST COMPANY

(A COMPANY LIMITED BY GUARANTEE)

REGISTERED NUMBER - 2633605

REGISTERED CHARITY NUMBER - 1006841

ENGLAND AND WALES

MEMBERS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 JULY 2016



WYATT, MORRIS, GOLLAND LTD.,

CHARTERED ACCOUNTANTS,

PARK HOUSE,

200 DRAKE STREET,

ROCHDALE,

LANCASHIRE.

OL16 1PJ

REPORT OF THE COUNCIL MEMBERS OF 9F LOCOMOTIVE CHARITABLE TRUST COMPANY
(A COMPANY LIMITED BY GUARANTEE)

The council members present their annual report together with the accounts of the trust for the year ended 31 July 2016.

Charity number: 1006841

Company Number: 2633605

Registered office: 22 Offerton Drive,
Offerton,
STOCKPORT,
Cheshire.
SK2 5QZ

Directors and trustees:

The directors of the charitable company are its trustees for the purposes of charity law and throughout this report are referred to as the council members.

Council members:

The council members who served during the year are as follows:-

P. N. Brown
D. M. McNab
R. F. Vasey

Independent Examiner:

Patricia Richards F.C.A. D.Ch.A.
Wyatt, Morris, Golland Ltd.,
Chartered Accountants,
Park House,
200 Drake Street,
ROCHDALE,
Lancashire.
OL16 1PJ

Bankers:

Royal Bank of Scotland PLC.,
Stockport Great Underbank Branch,
27 Great Underbank,
STOCKPORT,
Cheshire.
SK1 1LN

REPORT OF THE COUNCIL MEMBERS OF 9F LOCOMOTIVE CHARITABLE TRUST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
(Continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal entity

The company is governed by its memorandum and articles of association. The members' liability in respect of the guarantee, as set out in the memorandum and articles of association, is limited to £1 per guarantor. There are 3 members.

Organisation

Management is performed by members of the council.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finance of the Trust, and are satisfied that systems are in place to mitigate their exposure to major risks.

OBJECTS AND ACTIVITIES

The principal objective of the company is that of the advancement of the education of the public in the history of steam locomotives, in particular the restoration and preservation for the benefit of the public of Steam Locomotives.

In order to pursue its objectives, the charity has purchased an engine which it intends to restore.

In shaping the objectives for the year and planning activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The Locomotive is currently available for inspection by appointment.

ACHIEVEMENTS AND PERFORMANCE

The trust has continued to concentrate its resources on the contract overhaul of its 'Peckett' 0-4-0 Saddle Tank Locomotive No. 2111, built in Bristol in 1949. The engine had been stored, out of service since 1996, requiring a comprehensive mechanical and boiler overhaul, and major upgrades to its braking and lubrication systems. The work began in the spring of 2012 at the West Shed site of the Princess Royal Class Locomotive Trust, near Ripley, Derbyshire.

In May 2016 Tyseley Locomotive Works advised that all of the subcontracted boiler work for which they were responsible, had been completed. Following a successful hydraulic test, a fire had been lit on the grate, and the extensively repaired boiler was gradually brought up to its maximum pressure in the presence of the Insurance Company's boiler inspector. We understand that the whole of the statutory testing procedure was satisfactorily completed without the need for remedial work of any kind, a testament to the quality of the workmanship. Early the following month, the boiler was delivered back to West Shed, and placed directly onto the locomotive's frames. In the meantime the mechanical repairs and renewals had also progressed. By the end of the period under review, the following element of work had been substantially completed:-

- Design and fabrication of the lubricator drive mechanism, and delivery pipework.
- Valve gear and pistons refurbished and reassembled to the cylinders.
- Brake rigging repaired and reassembled.
- Platework repairs to the saddle tank, cab and coal bunker.
- Springs repaired and re-fitted.
- Pattern produced, and a quantity of new firebars cast.
- New boiler pressure gauge obtained.
- Driver's brake valve rebuilt

In addition to the above, work was well under way on the design and fitting of the new, automatic braking system, with its associated pipework, necessary for the working of passenger trains. The re-assembly of the smokebox and its internals, with new angle ring and some new steel platework had also commenced.

In February 2016 a further sum was drawn down from the Trust's interest-bearing Business Bond to provide for the Peckett's ongoing overhaul. The balance was reinvested for a further 12 months. No further donations to deserving causes within the heritage railway sector have been made during the period under review.

REPORT OF THE COUNCIL MEMBERS OF 9F LOCOMOTIVE CHARITABLE TRUST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
(Continued)

Financial review

The surplus for the year has been added to reserves brought forward.

Reserves policy

Following the disposal a few years since of the main locomotive held by the charity there are still substantial unrestricted reserves at the year end. It is the trustees' intention to restore another locomotive and to make grants to other deserving causes in the steam heritage sector where the outcome will meet the Trust's objectives.

Investment policy

The council members have considered the most appropriate policy for investing funds and have found that a building society or bank deposit account together with some short-term investment bonds meets their requirements.

COUNCIL MEMBERS' RESPONSIBILITIES

Under company law the council members have the same legal responsibilities as company directors and the title is interchangeable.

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those accounts the directors are required to select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts; and prepare the accounts on a going concern basis unless it is inappropriate to presume that the company will continue in business.

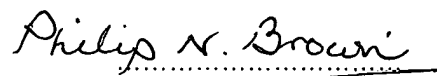
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ACCOUNTANTS

Wyatt, Morris, Golland Ltd., Chartered Accountants, have intimated their willingness to continue in office as accountants to the company.

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

Signed on behalf of the
council members


P. N. Brown
Secretary

Approved by the council members:

9th February 2017.

Registered office:-

22 Offerton Drive,
Offerton,
STOCKPORT,
Cheshire.
SK2 5QZ

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF 9F LOCOMOTIVE CHARITABLE TRUST COMPANY

I report on the accounts of the company for the year ended 31 July 2016, which are set out on pages 4 to 8.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

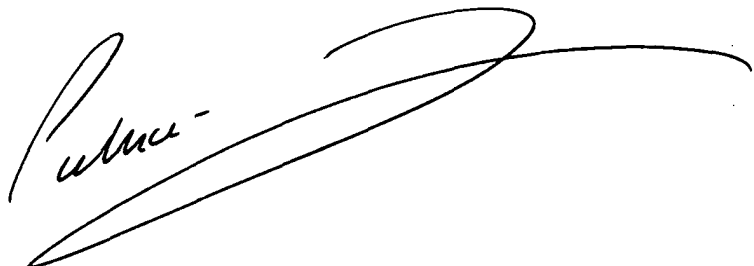
INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that, in any material respect, the requirements:
 - (a) to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - (b) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met, or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Patricia Richards F.C.A. D.Ch.A.
Independent Examiner
Wyatt Morris Golland Ltd.
Chartered Accountant
Park House
200 Drake Street
Rochdale
Lancashire
OL16 1PJ

9 February 2017



9F LOCOMOTIVE CHARITABLE TRUST COMPANY

(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE)

FOR THE YEAR ENDED 31 JULY 2016

	<u>Notes</u>	<u>Unrestricted funds</u>	<u>Total funds 2016</u>	<u>Total funds 2015</u>
		<u>£</u>	<u>£</u>	<u>£</u>
<u>Incoming resources:-</u>				
Incoming resources from generated funds:				
Voluntary income:				
Donations	2	180	180	-
Interest received		1,995	1,995	2,255
		<u> </u>	<u> </u>	<u> </u>
<u>Total incoming resources</u>		2,175	2,175	2,255
		<u> </u>	<u> </u>	<u> </u>
<u>Resources expended</u>				
Charitable activities:				
General restoration costs		486	486	1,524
Grants and donations	3	-	-	410
Sundry		40	40	12
Travelling		560	560	1,698
Support costs		775	775	612
		<u> </u>	<u> </u>	<u> </u>
<u>Total resources expended</u>		1,861	1,861	4,256
		<u> </u>	<u> </u>	<u> </u>
Net incoming / (outgoing) resources for the year		314	314	(2,001)
Balances brought forward as at 1 August 2015		324,221	324,221	326,222
		<u> </u>	<u> </u>	<u> </u>
Balances carried forward as at 31 July 2016		324,535	324,535	324,221
		<u>=====</u>	<u>=====</u>	<u>=====</u>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities and are unrestricted.

9F LOCOMOTIVE CHARITABLE TRUST COMPANY

(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET AS AT 31 JULY 2016

	<u>Notes</u>	<u>£</u>	<u>2016</u> <u>£</u>	<u>£</u>	<u>2015</u> <u>£</u>
<u>FIXED ASSETS</u>					
Tangible assets	4		134,840		65,226
Investments	5		100		100
			<hr/>		<hr/>
			134,940		65,326
<u>CURRENT ASSETS</u>					
Debtors	6	-		1,306	
Cash at bank and in hand		208,304		259,600	
		<hr/>		<hr/>	
		208,304		260,906	
<u>CREDITORS</u> - Amounts falling due within one year	7	(18,709)		(2,011)	
		<hr/>		<hr/>	
<u>NET CURRENT ASSETS</u>			189,595		258,895
			<hr/>		<hr/>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			324,535		324,221
			=====		=====
<u>RESERVES</u>					
<u>General reserve</u>	8		324,535		324,221
			=====		=====

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 386 of the Companies Act 2006.
and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 396 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Signed on behalf of the council of members

Philip N. Brown Council member - P. N. Brown

R. F. Vasey Council member - R. F. Vasey

Approved by the council members: 9th February 2017.

9F LOCOMOTIVE CHARITABLE TRUST COMPANY

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements of the charitable company have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective January 2015)', the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. The Financial Statements have been prepared under the historical costs convention.

Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'.

Income

Income is brought into the accounts on the accruals basis.

Expenditure

Expenditure is brought into the accounts when incurred on the accruals basis.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:-

Equipment - 10% on net book value

Locomotives - 10% on cost

Computers - 33⅓ on cost

However where the locomotives are still in the process of being restored no depreciation is provided.

Consolidation

The company is exempt by Section 383 of the Companies Act 2006 from the requirement to prepare group accounts.

Taxation

The company is a registered charity and is entitled to exemptions from tax to the extent that income received falls within Section 505 I.C.T.A. 1988 and Section 256 C.G.T.A. 1992 and is applied to charitable purposes only.

2. DONATIONS

Donations received during the year were comprised of:-

	<u>2016</u>	<u>2015</u>
	£	£
Sundry gifts	180	-
	<hr/>	<hr/>
	180	-
	=====	=====

9F LOCOMOTIVE CHARITABLE TRUST COMPANY

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2016

(continued)

3. GRANTS AND DONATIONS

Donations were paid to the following organisations:

	<u>2016</u>	<u>2015</u>
	£	£
Midland Railway Trust	-	410
	<hr/>	<hr/>
	-	410
	=====	=====

4. TANGIBLE FIXED ASSETS

	<u>Locomotives</u>	<u>Equipment</u>	<u>Computer</u>	<u>Total</u>
	£	£	£	£
<u>Cost</u>				
At 1 August 2015	61,622	6,698	420	68,740
Additions	70,100	-	-	70,100
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2016	131,722	6,698	420	138,840
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Depreciation</u>				
At 1 August 2015	-	3,234	280	3,514
Charge for the year	-	346	140	486
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2016	-	3,580	420	4,000
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Net book values</u>				
At 31 July 2016	131,722	3,118	-	134,840
	=====	=====	=====	=====
At 31 July 2015	61,622	3,464	140	65,226
	=====	=====	=====	=====

5. INVESTMENTS

The company holds the whole of the issued share capital of 9F Locomotive Company Limited, which is registered in England and Wales.

At the 31 July 2016 9F Locomotive Company Limited had shareholders funds of £8,995, and had made a loss for the year to that date of £40, therefore no donation was made to the trust (2015-£nil).

6. DEBTORS

	<u>2016</u>	<u>2015</u>
	£	£
Amount due from subsidiary	-	1,306

9F LOCOMOTIVE CHARITABLE TRUST COMPANY

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2016

(Continued)

7. CREDITORS - Amounts falling due within one year

	<u>2016</u>	<u>2015</u>
	<u>£</u>	<u>£</u>
Accruals	14,526	2,011
Amount due to subsidiary	4,183	-
	<u>18,709</u>	<u>2,011</u>
	=====	=====

8. RESERVES

All the company reserves are unrestricted.

	<u>2016</u>	<u>2015</u>
	<u>£</u>	<u>£</u>
Balance as at 1 August 2015	324,221	326,222
Net incoming / (outgoing) funds for the year	314	(2,001)
	<u>324,535</u>	<u>324,221</u>
	=====	=====

Represented by:

	<u>Fixed Assets</u>	<u>Investment</u>	<u>Free</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>Reserves</u>	<u>£</u>
Unrestricted reserves	134,840	100	189,595	324,535
	=====	=====	=====	=====

9. RELATED PARTY TRANSACTIONS

Transactions with the subsidiary company during the year are as follows:-

	<u>1 August</u>	<u>Net movement</u>	<u>31 July</u>
	<u>2015</u>	<u>in the year</u>	<u>2016</u>
	<u>£</u>	<u>£</u>	<u>£</u>
General inter-company account	1,306	(5,489)	(4,183)
	=====	=====	=====

Interest is payable by the subsidiary company to the holding company in respect of the amounts outstanding for over six months.

10. CONTINGENT LIABILITIES

There are no contingent liabilities of a material amount for which provision has not been made in the accounts.

11. COUNCIL REMUNERATION

No members of the council received any remuneration in the year.

Travel expenses of £560 were reimbursed to one of the trustees covering the period October 2014 to January 2016.