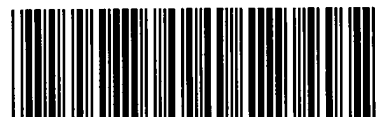


CHARITY REGISTRATION No: 1139588

COMPANY REGISTRATION NO: 06952089

**ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015**

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ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

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YEAR ENDED 31 MARCH 2015

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ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

YEAR ENDED 31 MARCH 2015

The Trustees, who are also directors for the purposes of company law, present their report and the consolidated Financial Statements of the Trust and its subsidiary undertakings for the year ended 31 March 2015.

Registered charity name	Royal Scot Locomotive and General Trust
Charity registration number	1139588
Company registration number	06952089
Principal office	Craven House 16 Northumberland Avenue London WC2N 5AP

The Trustees

The Trustees who served the Trust during the year were as follows:

Mr J J Hosking
Mr D J C Dunstone
Mr P N Greenwood
Mr D L Randles
Mr R Drury
Mr P Adds
Mr G R Greenhous

Auditors

Arnold Hill & Co LLP
Chartered Accountants & Statutory Auditor
Craven House
16 Northumberland Avenue
London
WC2N 5AP

ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

TRUSTEES' REPORT (*continued*)

YEAR ENDED 31 MARCH 2015

The Trustees submit their report and the Financial Statements for the year ended 31 March 2015. The Financial Statements have been prepared in accordance with statutory regulations, the Trust's governing document, and Statement of Recommended Practice – Accounting and Reporting by Charities (March 2005) ('SORP'), Accounting Standards and the Charities Act 2011.

The principal activity of the Trust during the year was the restoration and operation of assets belonging to it.

THE TRUSTEES

The Trustees who served the Trust during the year were as follows:

Mr J J Hosking
Mr D J C Dunstone
Mr P N Greenwood
Mr D L Randles
Mr R Drury
Mr P Adds
Mr G R Greenhous

In addition, the Trust had the following Director, who was not a Trustee:

Mr R Corser (Resigned 24 November 2014)

AUDITOR

Arnold Hill & Co LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Background

The Royal Scot Locomotive and General Trust is a charity established and governed by Memorandum and Articles of Association dated 3 July 2009 as amended by Special Resolution dated 7 November 2009. It was registered with the Charity Commission on 30 December 2010.

Risk Management

The Trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

OBJECTIVES AND PERFORMANCE

Objectives

To advance the education of the public by the acquisition, restoration, preservation, exhibition or operation of LMS Steam Locomotive 6100 ("The Royal Scot") and other steam locomotives, rolling stock, equipment and artefacts, relics, documents and records of historic interest as the Trustees may from time to time decide.

Public Benefit

Only one of the Trust's locomotives was in steam during the year, which appeared at the West Somerset Railway Spring Gala in March 2015. Members of the public were able to view the engine at close range and to travel in trains behind her. It is the Trustees' intention to make each locomotive so available whenever possible to bring them to as wide an audience as possible. When permissible footplate experience will be given.

ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

TRUSTEES' REPORT (*continued*)

YEAR ENDED 31 MARCH 2015

OBJECTIVES AND PERFORMANCE (*continued*)

The Trustees also give talks and lectures on a range of railway related subjects, as well as assisting in the teaching of the public during footplate experience courses on how to drive and fire a steam locomotive.

The Trust's website, www.royalscot.org, and its sister website, www.iconofsteam.com, have been redesigned in order to provide much detailed information on the history and operation of each of the locomotives. Since then, these have been viewed by an increasing number of people.

Investments

The Trust received donations of portfolios of shares during both the current and previous year. The investments are held within the unrestricted fund, in line with the wishes of the donor. The investments may be used to provide income to further the Trust's objectives or, if the Trustees consider it appropriate, may be sold.

FINANCIAL REVIEW

Activity during the year

Since establishment, the Trust has acquired several iconic steam locomotives representing the finest examples of British steam locomotive design. The trading subsidiaries, whose results are contained within the Group Financial Statements, operate the locomotives described below.

- LMS 'Royal Scot' Class No.6100 'Royal Scot'.
- GWR 'King' Class No. 6024 'King Edward I'.
- BR Class 7P No. 70000 'Britannia'.

The Trust also owns LNER Peppercorn A2 Class No 60532 "Blue Peter" as well as two examples of SR 4-6-2 Merchant Navy Class.

Only 70000 Britannia was in operation during the year. All other locomotives were under restoration.

The Trust has invested at its principal engineering base in Southall to provide excellent facilities to maintain its assets in the best running order.

The present financial year includes a full year's trading of London and North Western Railway Heritage Company Limited, a restoration and maintenance business, which worked on both the assets of the Trust and independent third party assets.

The Trust operates with seven Trustees on its Board with a wide range of skills and experience to strengthen its governance and strategic decision making.

The Trust has furthered its public exposure by the use of a website, regular reporting within the Railway Press and Media as well as through a journal magazine.

The Trust has worked with other similar charities to strengthen dialogue between them so that training and knowledge can be more easily shared.

ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

TRUSTEES' REPORT (*continued*)

YEAR ENDED 31 MARCH 2015

FINANCIAL REVIEW (*continued*)

Finance

The income for the Trust for the year ended 31 March 2015 was £7,748,032 (2014: £3,345,927). Charitable activities for the year are set out in note 3 to the accounts.

Profits for the year in the subsidiary companies totalled £55,600 (2014: losses incurred of £109,237), and through donations and investing activities the net assets of the Trust rose from £10,901,276 to £19,993,713 during the year.

Reserves Policy

The Trustees aim to maintain free reserves at a level which equates to approximately 12 months' worth of capital and charitable expenditure. The Trustees consider that this level will ensure that there are sufficient funds available to cover support and governance costs. At the year end the unrestricted fund stood at £18,094,941 (2014: £9,002,504) of which £8,231,350 represents long term assets and the balance is expected to be sufficient for the capital expenditure and operating costs for the coming twelve months.

RESPONSIBILITIES OF THE TRUSTEES

Law applicable to charities in England and Wales requires the Trustees to prepare Financial Statements for each financial year. Under that law the Trustees have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice, United Kingdom Accounting Standards and applicable law. The Financial Statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that year.

In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the Financial Statements comply with the Charities Act 2011. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Signed by order of the Trustees



Mr J J Hosking
Trustee

Date: 14 December 2015

ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

YEAR ENDED 31 MARCH 2015

We have audited the Group Financial Statements of the Royal Scot Locomotive and General Trust for the year ended 31 March 2015 on pages 7 to 16 which have been prepared under the historical cost convention and the accounting policies set out on pages 10 and 11.

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).

Our audit work has been undertaken so that we might state to the Trustees 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 charity and the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees 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 Charities Act 2011 and report in accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on the Financial Statements in accordance with relevant legal and regulatory requirements 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 parent charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the Financial Statements. In addition, we read all the financial and non-financial information in the Report of the Trustees 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 parent charity's affairs as at 31 March 2015 and of the Group's incoming resources and application of resources 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 Charities Act 2011.

ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

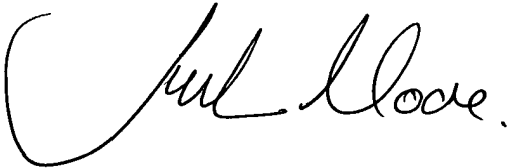
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST (*continued*)

YEAR ENDED 31 MARCH 2015

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the Financial Statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity Financial Statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Justin Moore BSc ACA (Senior Statutory Auditor)

For and on behalf of

Arnold Hill & Co LLP

Chartered Accountants & Statutory Auditors

Craven House

16 Northumberland Avenue

London

WC2N 5AP

Date: 14 December 2015

ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

GROUP STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2015

	Note	2015 Unrestricted Fund £	2015 Restricted Fund £	2015 Total £	2014 Total £
INCOMING RESOURCES					
Donations		7,655,003	-	7,655,003	3,319,135
Investment income		39,081	-	39,081	26,792
Commercial trading operations	6	1,672,539	-	1,672,539	155,590
TOTAL INCOMING RESOURCES		9,366,623	-	9,366,623	3,501,517
RESOURCES EXPENDED					
Costs of generating funds		(20,272)	-	(20,272)	(838)
Charitable activities	3	(1,820,722)	-	(1,820,722)	(574,149)
Governance costs		(11,190)	-	(11,190)	(13,187)
TOTAL RESOURCES EXPENDED		(1,852,184)	-	(1,852,184)	(588,174)
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		7,514,439	-	7,514,439	2,913,343
OTHER RECOGNISED GAINS AND LOSSES					
Gains on investment assets		1,633,596	-	1,633,596	551,752
NET MOVEMENT IN FUNDS	2	9,148,035	-	9,148,035	3,465,095
RECONCILIATION OF FUNDS					
Total funds brought forward		8,639,591	1,898,772	10,538,363	7,073,268
TOTAL FUNDS CARRIED FORWARD		17,787,626	1,898,772	19,686,398	10,538,363

The statement of financial activities incorporates the income and expenditure account.

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

The notes on pages 10 to 16 form part of these Financial Statements.

ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES - TRUST

YEAR ENDED 31 MARCH 2015

	Note	2015 Unrestricted Fund £	2015 Restricted Fund	2015 Total	2014 Total £
INCOMING RESOURCES					
Donations		7,709,003	-	7,709,003	3,319,135
Investment income		39,029	-	39,029	26,792
TOTAL INCOMING RESOURCES		7,748,032	-	7,748,032	3,345,927
RESOURCES EXPENDED					
Costs of generating funds		(20,272)	-	(20,272)	(838)
Charitable activities	3	(257,729)	-	(257,729)	(309,327)
Governance costs		(11,190)	-	(11,190)	(13,187)
TOTAL RESOURCES EXPENDED		(289,191)	-	(289,191)	(323,352)
NET INCOMING RESOURCES BEFORE TRANSFERS		7,458,841	-	7,458,841	3,022,575
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES		7,458,841	-	7,458,841	3,022,575
OTHER RECOGNISED GAINS AND LOSSES					
Gains on investment assets		1,633,596	-	1,633,596	551,752
NET MOVEMENT IN FUNDS	2	9,092,437	-	9,092,437	3,574,327
RECONCILIATION OF FUNDS					
Total funds brought forward		9,002,504	1,898,772	10,901,276	7,326,949
TOTAL FUNDS CARRIED FORWARD		18,094,941	1,898,772	19,993,713	10,901,276

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

All of the above amounts relate to continuing activities

The notes on pages 10 to 16 form part of these Financial Statements.


ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

BALANCE SHEET

31 MARCH 2015

	Note	Group 31 Mar 15 £	Trust 31 Mar 15 £	Group 31 Mar 14 £	Trust 31 Mar 14
FIXED ASSETS					
Tangible assets	7	6,904,900	6,723,433	5,239,537	5,185,480
Investments	8	10,171,378	11,679,296	4,308,021	5,815,939
Goodwill		1,490,874	-	1,490,874	-
		<u>18,567,152</u>	<u>18,402,729</u>	<u>11,038,432</u>	<u>11,001,419</u>
CURRENT ASSETS					
Stock		20,793	-	137,332	-
Debtors	9	1,906,392	2,261,514	707,040	728,322
Cash in hand		1,305,934	954,361	901,892	899,054
		<u>3,233,119</u>	<u>3,215,875</u>	<u>1,746,264</u>	<u>1,627,376</u>
CREDITORS: Amounts falling due within one year	10	<u>(2,113,873)</u>	<u>(1,624,891)</u>	<u>(2,246,333)</u>	<u>(1,727,519)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>1,119,246</u>	<u>1,590,984</u>	<u>(500,069)</u>	<u>(100,143)</u>
NET ASSETS		<u>19,686,398</u>	<u>19,993,713</u>	<u>10,538,363</u>	<u>10,901,276</u>
FUNDS					
Restricted fund	13	1,898,772	1,898,772	1,898,772	1,898,772
Unrestricted fund	12	17,787,626	18,094,941	8,639,591	9,002,504
TOTAL FUNDS		<u>19,686,398</u>	<u>19,993,713</u>	<u>10,538,363</u>	<u>10,901,276</u>

These Financial Statements were approved and signed by the Trustees on 14 December 2015.



Mr J J Hosking
Trustee

The notes on pages 10 to 16 form part of these Financial Statements.

ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (*continued*)

YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES

Basis of accounting

The Financial Statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005), the Charities (Accounts and reports) Regulations 2008 and the Charities Act 2011 except for the deviations noted below.

Basis of preparation

The consolidated Financial Statements incorporate the Financial Statements of the company and all Group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Purchases are accounted for under the acquisition accounting method. The results of companies acquired are included in the profit and loss account from the date that they are acquired.

Cash Flow Statement

The Trustees have taken advantage of the exemption in FRS1 from including a cash flow statement in the Financial Statements on the grounds that the Group is small.

Incoming resources

Gross income represents the income derived from the carrying on of the Trust's activities, comprising of donations, investment income and income from commercial trading operations.

Resources expended

Resources expended comprise expenditure on charitable activities and on the administration of the charity. All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Commercial trading operations costs are costs directly attributable to the trading activities of the subsidiaries of the Group.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

Investments - Unquoted

Unquoted investments are stated at cost less provision for diminution in value.

Investments - Quoted

Investments are stated at market value as at the balance sheet date. Gains and losses on this basis are recorded in the statement of financial activities. Gains and losses on disposal are calculated inclusive of related transaction fees and are recorded in the statement of financial activities.

Depreciation – Engines

An impairment review is conducted each year. Should any impairments or movement in impairment arise from this review, this will be charged to the statement of financial activities for the period in which it occurs. The Trustees consider the assets to appreciate in value and therefore that this accounting policy results in the Financial Statements giving them a true and fair view.

Depreciation – Boilers

Boilers are included at their historical cost, and are depreciated over their useful economic life as follows:

Boiler for Locomotive 70000 'Britannia' – over 6 years.

ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES *(Continued)*

Goodwill

Goodwill is reviewed annually for impairment and is written off over a ten year period with no charge in the year of acquisition.

2. NET MOVEMENT IN FUNDS

Net movement in funds is stated after charging:

	Group 2015 £	Trust 2015 £	Group 2014 £	Trust 2014 £
Auditor's remuneration				
- as auditor	7,000	5,000	5,000	5,000
- for other services	13,320	5,357	16,398	7,085
Depreciation	84,885	66,667	67,609	66,666
	<u>105,205</u>	<u>77,024</u>	<u>89,007</u>	<u>78,751</u>

3. CHARITABLE ACTIVITIES

	Group 2015 £	Trust 2015 £	Group 2014 £	Trust 2014 £
Direct charitable expenditure	7,945	257,257	303,329	303,329
Support costs	472	472	5,998	5,998
Commercial trading operations	1,812,305	-	264,823	-
	<u>1,820,722</u>	<u>257,729</u>	<u>574,150</u>	<u>309,327</u>

4. PARTICULARS OF EMPLOYEES

Following the acquisition of London and North Western Railway Heritage Company Limited in the prior year the Group now has 35 employees. Costs are also paid to affiliated entities in relation to staff costs. The aggregate staff cost charge of the Group and the Trust is as set out below:

	Group 2015 £	Trust 2015 £	Group 2014 £	Trust 2014 £
Wages and salaries	403,893	65,335	118,225	45,959
	<u>403,893</u>	<u>65,335</u>	<u>118,225</u>	<u>45,959</u>

These costs are included within the Statement of Financial Activities under the heading 'Resources expended: Charitable activities'.

5. TAXATION

No provision is made for corporation taxation in relation to the Trust's affairs by virtue of the Trust's charitable status. Corporation taxation is provided in relation to the subsidiary companies' profit on ordinary activities.

ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2015

6. COMMERCIAL TRADING OPERATIONS OF SUBSIDIARY UNDERTAKINGS

The Trust has trading subsidiaries as detailed in note 8 to the Financial Statements.

A summary of the most recent results of the trading subsidiaries is shown below for the year ended 31 March 2015.

PROFIT AND LOSS ACCOUNT

	Locomotive 6100 Ltd	Locomotive 6024 Ltd	Locomotive 70000 Ltd	London and North Western Railway Heritage Company Limited
	2015 £	2015 £	2015 £	2015 £
TURNOVER		-	11,414	1,910,439
Cost of sales	(3,409)	(3,200)	(49,179)	(1,135,276)
GROSS (LOSS) PROFIT	<u>(3,409)</u>	<u>(3,200)</u>	<u>(37,765)</u>	<u>775,163</u>
Administrative expenses	(9,602)	(25,276)	(86,079)	(554,005)
Other operating income	-	-	-	-
OPERATING (LOSS)/PROFIT	<u>(13,011)</u>	<u>(28,476)</u>	<u>(123,844)</u>	<u>221,158</u>
Interest receivable	-	-	-	52
Interest payable				(279)
LOSS BEFORE TAXATION	<u>(13,011)</u>	<u>(28,476)</u>	<u>(123,844)</u>	<u>220,931</u>
Tax on profit on ordinary activities	-	-	-	-
(LOSS)/PROFIT AFTER TAXATION	<u>(13,011)</u>	<u>(28,476)</u>	<u>(123,844)</u>	<u>220,931</u>
BALANCE SHEET				
	£	£	£	£
Total Assets	43,327	3,306	3,007	918,329
Total Liabilities	(85,137)	(154,915)	(331,197)	(686,991)
Reserves	<u>(41,810)</u>	<u>151,609</u>	<u>(328,190)</u>	<u>231,338</u>

ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2015

7. TANGIBLE FIXED ASSETS - GROUP

	Office Equipment £	Plant and Machinery £	Total £
COST			
At 1 April 2014	1,091	5,578,657	5,579,748
Additions	-	1,750,248	1,750,248
At 31 March 2015	1,091	7,328,905	7,329,996
DEPRECIATION			
At 1 April 2014	460	339,751	340,211
Charge for year	185	84,700	84,885
At 31 March 2015	645	424,451	425,096
NET BOOK VALUE			
At 31 March 2015	446	6,904,454	6,904,900
At 31 March 2014	631	5,238,906	5,239,537

8. INVESTMENTS

	Group 2015 £	Trust 2015 £	Group 2014 £	Trust 2014 £
Quoted investments – At market value				
At 1 April 2014	4,308,021	4,308,021	2,748,019	2,748,019
Additions at cost	7,233,257	7,233,257	2,535,823	2,535,823
Disposals	(3,013,040)	(3,013,040)	(1,567,496)	(1,567,496)
Net gains on revaluations in the period	1,643,140	1,643,140	591,675	591,675
At 31 March 2015	10,171,378	10,171,378	4,308,021	4,308,021
Unquoted investments				
At 1 April 2014	-	1,507,918	-	3
Additions at cost	-	-	-	1,507,915
At 31 March 2015	-	1,507,918	-	1,507,918

The unquoted investments are in subsidiary undertakings, stated at cost.

ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (*continued*)

YEAR ENDED 31 MARCH 2015

The following were investments of the Trust at 31 March 2015. The investments in subsidiary companies are held so as to provide profits which can be used in furtherance of the Trust's objectives.

Subsidiary undertakings	Interest in ordinary share capital	Country of incorporation	Principal activity
Locomotive 70000 Limited	100%	England & Wales	Operating a locomotive
Locomotive 6100 Limited	100%	England & Wales	Operating a locomotive
Locomotive 6024 Limited	100%	England & Wales	Operating a locomotive
London & North Western Railway Heritage Company Limited	100%	England & Wales	Steam locomotive maintenance, restoration and ancillary engineering services

9. DEBTORS

	Group 2015 £	Trust 2015 £	Group 2014 £	Trust 2014 £
Trade debtors	341,590	-	294,403	-
Other debtors	1,564,802	2,261,514	412,637	728,322
	<u>1,906,392</u>	<u>2,261,514</u>	<u>707,040</u>	<u>728,322</u>

10. CREDITORS: Amounts falling due within one year

	Group 2014 £	Trust 2014 £	Group 2014 £	Trust 2014 £
Trade creditors	242,590	74,524	196,876	74,746
Taxation and social security	71,300	-	40,812	-
Other creditors	550,466	315,455	726,828	418,484
Accruals	25,507	11,011	30,500	10,388
Director's current account	1,223,901	1,223,901	1,223,901	1,223,901
Bank overdraft	109	-	27,416	-
	<u>2,113,873</u>	<u>1,624,891</u>	<u>2,246,333</u>	<u>1,727,519</u>

11. CONTINGENT LIABILITY

During the prior year the Trust acquired the entire issued share capital of London and North Western Railway Heritage Company Limited. In addition to the consideration paid to the vendor, the trust agreed that it would make a donation to the Waterman Railway Heritage Trust on an annual basis for five years following the acquisition of the company. The donations would be paid in annual instalments of the lower of 20% of the profit of London and North Western Railway Heritage Company Limited or £40,000. No provision has been made in these accounts for those future donations.

ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2015

12. UNRESTRICTED FUND

	Group 2015 £	Trust 2015 £	Group 2014 £	Trust 2014 £
At 1 April 2014	8,639,591	9,002,504	7,049,496	7,303,177
Net movement in funds for the year (excluding transfers)	<u>9,148,035</u>	<u>9,092,437</u>	<u>1,590,095</u>	<u>1,699,327</u>
At 31 March 2015	<u>17,787,626</u>	<u>18,094,941</u>	<u>8,639,591</u>	<u>9,002,504</u>

13. RESTRICTED FUND

	Group 2015 £	Trust 2015 £	Group 2014 £	Trust 2014 £
At 1 April 2014	1,898,772	1,898,772	23,772	23,772
Net movement in funds for the year (excluding transfers)	<u>-</u>	<u>-</u>	<u>1,875,000</u>	<u>1,875,000</u>
At 31 March 2015	<u>1,898,772</u>	<u>1,898,772</u>	<u>1,898,772</u>	<u>1,898,772</u>

14. CAPITAL COMMITMENTS

As at 31 March 2015, the Trust had capital commitments as follows:

	<u>2015</u> £	<u>2014</u> £
Contracted for but not provided for in the Financial Statements	<u>-</u>	<u>39,794</u>
	<u>-</u>	<u>39,794</u>

15. RELATED PARTY TRANSACTIONS

During the year, Mr P Greenwood was reimbursed expenses of £1,987 (2014: £nil). No other Trustee or persons connected with them were reimbursed expenses. No Trustee or any persons connected with them received any remuneration during the year.

As at 31 March 2015, the Trust owed Locomotive 08780 Limited, a related undertaking, £3,000 (2014: £3,000) in respect of hire fees charged in a previous year.

During the year, the Trust paid expenses of £570 on behalf of Locomotive 60019 Limited, a related undertaking (2014: Locomotive 60019 Limited paid expenses of £2,637 on behalf of the Trust). As at 31 March 2015, the Trust owed Locomotive 60019 Limited £1,907 (2014: £2,477).

Also during the year, Locomotive 60019 Limited paid expenses of £nil (2014: £349) on behalf of Locomotive 70000 Limited. As at 31 March 2015, that company owed Locomotive 60019 Limited £802 (2014: £802).

Also during the year, Locomotive 34046 Limited, a related undertaking, received income of £nil (2014: £421) on behalf of Locomotive 70000 Limited. As at 31 March 2015, Locomotive 34046 Limited owed Locomotive 70000 £421 (2014: £421).

Also during the year, the Trust paid expenses on behalf of Locomotive 34046 Limited of £5,160 (2014: £nil). As at 31 March 2015, Locomotive 34046 Limited owed the Trust £5,160 (2014: £nil).

ROYAL SCOT LOCOMOTIVE AND GENERAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (*continued*)

YEAR ENDED 31 MARCH 2015

Also during the year, Locomotive 5029 Limited, a related undertaking, paid expenses of £273 (2014: £nil) on behalf of Locomotive 70000 Limited. As at 31 March 2015, that company owed Locomotive 5029 Limited £358 (2014: £84).

Also during the year, the Trust paid expenses on behalf of Locomotive 5029 Limited of £459, (2014: £2,735). As at 31 March 2015, Locomotive 5029 Limited owed the Trust £3,194 (2014: £2,735).

Also during the year, Locomotive Services Limited, a related undertaking, paid expenses on behalf of the Trust and its subsidiaries, as follows:

- On behalf of Royal Scot Locomotive and General Trust - £nil (2014: £215,415). The Trust paid expenses on behalf of Locomotive Services Limited of £158,760 (2014: £nil). As at 31 March 2015, the Trust owed Locomotive Services Limited £292,044 (2014: £381,521).
- On behalf of Locomotive 70000 Limited - £nil (2014: £702). Locomotive Services Limited also recharged expenses to that company of £76,620 (2014: £82). As at 31 March 2015, Locomotive 70000 Limited owed Locomotive Services Limited £18,119 (2014: £18,119).
- On behalf of Locomotive 6100 Limited - £nil (2014: £nil). Locomotive Services Limited also recharged expenses to that company of £5,810 (2014: £nil). As at 31 March 2015, Locomotive 6100 Limited owed Locomotive Services Limited £336 (2014: £336).
- On behalf of Locomotive 6024 Limited - £nil (2014: £nil). Locomotive Services Limited also recharged expenses to that company of £6,806 (2014: £nil). As at 31 March 2015, Locomotive 6024 Limited owed Locomotive Services Limited £5,276 (2014: £5,276).

During the year, London and North Western Railway Heritage Company Limited earned income totalling £618,244 from the following companies, all of which are related undertakings:

- Locomotive 34046 Limited
- Locomotive 5029 Limited
- Locomotive 60019 Limited
- Locomotive 92212 Limited
- Locomotive Services Limited
- Locomotive Storage Limited

The transactions were conducted on an arm's length basis and a total of £108,771 was outstanding in respect of these amounts at the balance sheet date.

Also in the year to 31 March 2015, London and North Western Railway Heritage Company Limited earned income of £2,366 for work performed on behalf of Mr J J Hosking, a related party. The transactions were conducted on an arm's length basis and the amount outstanding at the balance sheet date was £nil.

London and North Western Railway Heritage Company Limited also owed Mr J J Hosking £3,803 as at the year ended 31 March 2015 (2014: £nil).