

Company registration number: 03873466

Charity registration number: 1115058

HMRC charity number: 061000068832

The Western Locomotive Association Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 September 2021

The Western Locomotive Association Limited

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The Western Locomotive Association Limited

Reference and Administrative Details

Chairman	R S Smith
Trustees	R S Smith D Shelmerdine D Payne I Clayton P Finch
Secretary	I Clayton
Senior Management Team	M Targett, Treasurer
Principal Office	Severn Valley Railway Bridgnorth Shropshire WV16 5DT
Registered Office	5 Prospect Place Millennium Way Pride Park Derby DE24 8HG The charity is incorporated in England and Wales.
Company Registration Number	03873466
Charity Registration Number	1115058
HMRC charity number	061000068832
Bankers	Barclays Bank PLC Leicester LE87 2BB
Independent Examiner	Ashgates Corporate Services Limited 5 Prospect Place Millennium Way Pride Park Derby DE24 8HG

The Western Locomotive Association Limited

Trustees' Annual Report (including Directors Report)

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 September 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	R S Smith
	D Shelmerdine
	D Payne
	I Clayton (appointed 6 November 2021)
	P Finch (appointed 6 November 2021)

After the year D Shelmerdine resigned as chairman and R S Smith was appointed.

Objectives and activities

Objects and aims

The principal activities and charitable objectives of the association is the preservation, maintenance and operation of its two locomotives, D1062 Western Courier and D1013 Western Ranger, so far as reasonably practical in a condition authentic to their operation by British Rail to advance the education of the public in the history of Class 52 Diesel Hydraulic locomotives.

Public benefit

The Charity's work focusses on the preservation, maintenance and operation of Class 52 Diesel Hydraulic locomotives to advance the education of the history of such locomotives to the public.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The Western Locomotive Association Limited

Trustees' Annual Report (including Directors Report)

Achievements and performance

Following the easing of Covid restrictions, The Western Locomotive Association Ltd (WLA) managed to strengthen its position during the year with a significant increase in Donations and Subscriptions and Trading activities compared to the previous year. Expenditure has been carefully managed, resulting in a positive movement in funds.

During the year, the Board was strengthened with the co-opted appointments of Ian Clayton (Secretary) and Paul Finch (Publicity) as Directors, who were both formally endorsed at the AGM held in November 2021. The Board continues to work in conjunction with the Management Committee.

The WLA successfully operated D1062 Western Courier at the Severn Valley Railway's Autumn Diesel Gala Event and was also used on a Driver Footplate Experience Course, several Ghost Trains and Pioneer Services, which secured some useful revenue earning income.

A key decision during the year, was to set up a Bogie Appeal for the overhaul of bogies for D1013 Western Ranger. This will include an eventual application to the National Heritage Lottery Fund (NHLF) which is likely to be made in 2022. A separate web site was set up and initial funding has been achieved, which will help to support the proposed application.

Another achievement for the WLA was to help with environmental sustainability where the WLA has developed a "grove" with Trees for Life, in order to off-set its carbon footprint. Being a "first" in diesel preservation, this generated much publicity and interest. The target to plant 62 trees per year, was easily achieved within the first year and continues to surpass our targets and expectations.

The WLA developed a three-year Business Plan in 2021 which has set out four main Company Objectives relating to increasing membership, completing D1062's planned maintenance, submitting the NHLF application and completing D1013's overhaul.

The WLA is grateful to the continued valuable support from its Membership, Working and Committee Members and thanks Darren Shelmerdine for his role as Chairman, who stood down at the AGM. Darren Shelmerdine continues on the Board as a Director and on the Management Committee, as Engineering Co-ordinator.

Financial review

The total incoming resources for the year were £49k - £23k more than 2020. However, £10k of this was restricted to the overhaul of the D1013's bogies. Maintenance and overhaul spend decreased this year to £18k compared to the 2020 amount of £23k (restated). In addition to the £18k, £3k was spent on D1013's bogie overhaul. Cash reserves remain substantial at £105k as at 30 September 2021, with a further £4k owed by SVR.

The trustees and AGM have reviewed the financial statements and the variances on the previous year, accepted them and consider the results to be satisfactory.

Policy on reserves

The Association aims to hold financial reserves of at least £10,000 at all times. As at 30 September 2021 the Association held free reserves of £216,630 plus a fair value reserve of £43,041. The trustees are reviewing how to use these funds but given the current economic position this is also being taken into consideration as part of this review.

The Western Locomotive Association Limited
Trustees' Annual Report (including Directors Report)

Structure, governance and management

Nature of governing document

The Association is a charitable company limited by guarantee, incorporated on 9 November 1999 and registered as a charity on 4 July 2006. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association.

Recruitment and appointment of trustees

The Directors of the company are also trustees for the purposes of charity law and under the company's articles are known as Members of the Council. The governing board consists of a Board of Trustees who are appointed at the Annual General Meeting and retire by rotation every three years. Retiring members are eligible for re-election.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 13 May 2022 and signed on its behalf by:

R S Smith
Chairman and Trustee

P Finch
Trustee

The Western Locomotive Association Limited

Independent Examiner's Report to the trustees of The Western Locomotive Association Limited ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 September 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of The Western Locomotive Association Limited are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of The Western Locomotive Association Limited as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Gavin Robert Booth
Ashgates Corporate Services Limited

5 Prospect Place
Millennium Way
Pride Park
Derby
DE24 8HG

13 May 2022

The Western Locomotive Association Limited

Statement of Financial Activities for the Year Ended 30 September 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Unrestricted funds £	Restricted £	Total 2021 £	(As restated) Total 2020 £
	Note				
Income and Endowments from:					
Donations and subscriptions	3	17,909	-	17,909	14,124
Charitable activities	4	6,636	10,175	16,811	1,425
Trading activities	5	14,075	-	14,075	10,810
Total Income		38,620	10,175	48,795	26,359
Expenditure on:					
Raising funds		(8,986)	-	(8,986)	(3,110)
Charitable activities	6	(17,937)	(3,422)	(21,359)	(23,374)
Other expenditure	7	(2,100)	-	(2,100)	(1,048)
Total Expenditure		(29,023)	(3,422)	(32,445)	(27,532)
Net income/(expenditure)		9,597	6,753	16,350	(1,173)
Net movement in funds		9,597	6,753	16,350	(1,173)
Reconciliation of funds					
Total funds brought forward		207,033	-	207,033	208,206
Total funds carried forward	17	216,630	6,753	223,383	207,033

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 17.

The notes on pages 9 to 16 form an integral part of these financial statements.

The Western Locomotive Association Limited

**(Registration number: 03873466)
Balance Sheet as at 30 September 2021**

	Note	2021 £	(As restated) 2020 £
Fixed assets			
Tangible assets	11	2,248	2,243
Heritage assets	12	65,000	65,000
Investments	13	11,000	11,000
		<u>78,248</u>	<u>78,243</u>
Current assets			
Stocks	14	82,996	41,823
Debtors	15	6,755	17,373
Cash at bank and in hand		105,169	113,885
		194,920	173,081
Creditors: Amounts falling due within one year	16	<u>(6,744)</u>	<u>(1,250)</u>
Net current assets		<u>188,176</u>	<u>171,831</u>
Net assets		<u>266,424</u>	<u>250,074</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	17	<u>6,753</u>	<u>-</u>
Unrestricted income funds			
Unrestricted funds	17	216,630	207,033
Fair value reserve	18	43,041	43,041
Total unrestricted funds		<u>259,671</u>	<u>250,074</u>

The notes on pages 9 to 16 form an integral part of these financial statements.

The Western Locomotive Association Limited

(Registration number: 03873466)
Balance Sheet as at 30 September 2021

For the financial year ending 30 September 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 6 to 16 were approved by the trustees, and authorised for issue on 13 May 2022 and signed on their behalf by:

R S Smith
Chairman and Trustee

P Finch
Trustee

The notes on pages 9 to 16 form an integral part of these financial statements.

The Western Locomotive Association Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

1 Charity status

The charity is private company limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The principal place of business is:
Severn Valley Railway
Bridgnorth
Shropshire
WV16 5DT

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Basis of preparation

The Western Locomotive Association 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 notes.

The financial statements are presented in Sterling (£) and rounded to the nearest £1.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

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

The Western Locomotive Association Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Tangible fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The Western Locomotive Association Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction, over their estimated useful lives as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	10% reducing balance

Heritage assets

The locomotives are considered to be heritage assets by the trustees. 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. All tools, components and equipment are written off at the time of purchase.

Fixed asset investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Stock

Stock comprises of engineering components, fund raising merchandise for re-sale and locomotive models. Stocks are valued at the lower of cost or net realisable value.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

3 Income from donations and legacies

	Unrestricted funds		
	General	Total	Total
	£	2021	2020
		£	£
Donations and legacies;			
Membership subscriptions	9,045	9,045	6,613
Strategic donations and appeals	1,262	1,262	1,067
General donations	7,602	7,602	6,444
	<u>17,909</u>	<u>17,909</u>	<u>14,124</u>

The Western Locomotive Association Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

4 Income from charitable activities

	Unrestricted funds		Total 2021 £	Total 2020 £
	General £	Restricted £		
Charitable activities;				
SVR operating income	3,490	-	3,490	1,425
SVR driver experience days	800	-	800	-
D1013 bogie overhaul donations	-	10,175	10,175	-
Charities trust gift aid	2,346	-	2,346	-
	<u>6,636</u>	<u>10,175</u>	<u>16,811</u>	<u>1,425</u>

5 Income from other trading activities

	Unrestricted funds		Total 2021 £	Total 2020 £
	General £			
Trading Income;				
Merchandise sales	8,060		8,060	5,990
Raffle receipts	6,015		6,015	4,820
	<u>14,075</u>		<u>14,075</u>	<u>10,810</u>

6 Expenditure on charitable activities

	Unrestricted funds		Total 2021 £	(As restated) Total 2020 £
	General £	Restricted £		
Charitable activities;				
Locomotive expenditure; restoration and maintenance	13,392	-	13,392	23,160
Magazine and website	4,031	-	4,031	36
Other expenses	514	-	514	178
D1013 bogie overhaul costs	-	3,422	3,422	-
	<u>17,937</u>	<u>3,422</u>	<u>21,359</u>	<u>23,374</u>

The Western Locomotive Association Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

7 Other expenditure

	Unrestricted funds		
	General £	Total 2021 £	Total 2020 £
Governance costs;			
Independent Examiner's remuneration	1,313	1,313	993
Other resources expended	537	537	55
Depreciation	250	250	-
	<u>2,100</u>	<u>2,100</u>	<u>1,048</u>

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

9 Staff costs

The Association did not employ anybody during the year ended 30 September 2021 nor for the year ended 30 September 2020.

10 Independent examiner's remuneration

	2021 £	2020 £
Examination of the financial statements	<u>1,313</u>	<u>993</u>

The Western Locomotive Association Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

11 Tangible fixed assets

	Fixtures and fittings £	Total £
Cost		
At 1 October 2020	2,243	2,243
Additions	255	255
At 30 September 2021	2,498	2,498
Depreciation		
Charge for the year	250	250
At 30 September 2021	250	250
Net book value		
At 30 September 2021	2,248	2,248
At 30 September 2020	2,243	2,243

12 Heritage assets

	Locomotives £	Total £
Cost		
At 1 October 2020	65,000	65,000
At 30 September 2021	65,000	65,000
Depreciation		
At 30 September 2021	-	-
Net book value		
At 30 September 2021	65,000	65,000

Revaluation

The fair values of the company's Locomotives were revalued in 2004 by an independent valuer, and have subsequently been assessed annually by the Trustees. Had this class of asset been measured on a historical cost basis, their carrying amount would have been £21,959 (2020 - £21,959).

The Western Locomotive Association Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

13 Fixed asset investments

	2021 £	2020 £
Other investments	<u>11,000</u>	<u>11,000</u>

Other investments

	Unlisted investments £	Total £
Cost or Valuation		
At 1 October 2020	<u>11,000</u>	<u>11,000</u>
At 30 September 2021	<u>11,000</u>	<u>11,000</u>
Net book value		
At 30 September 2021	<u>11,000</u>	<u>11,000</u>
At 30 September 2020	<u>11,000</u>	<u>11,000</u>

14 Stock

	2021 £	(As restated) 2020 £
Stocks	<u>82,996</u>	<u>41,823</u>

15 Debtors

	2021 £	2020 £
VAT recoverable	493	7,606
Other debtors	<u>6,262</u>	<u>9,767</u>
	<u>6,755</u>	<u>17,373</u>

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	4,850	-
Accruals	<u>1,894</u>	<u>1,250</u>
	<u>6,744</u>	<u>1,250</u>

The Western Locomotive Association Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

17 Funds

	Balance at 1 October 2020 £	Incoming resources £	Resources expended £	Balance at 30 September 2021 £
Unrestricted				
General	<u>207,033</u>	<u>38,620</u>	<u>(29,023)</u>	<u>216,630</u>
Total unrestricted	<u>207,033</u>	<u>38,620</u>	<u>(29,023)</u>	<u>216,630</u>
Restricted	<u>-</u>	<u>10,175</u>	<u>(3,422)</u>	<u>6,753</u>
Total funds	<u>207,033</u>	<u>48,795</u>	<u>(32,445)</u>	<u>223,383</u>

	Balance at 1 October 2019 £	Incoming resources £	(As restated) Resources expended £	(As restated) Balance at 30 September 2020 £
Unrestricted				
General	<u>208,206</u>	<u>26,359</u>	<u>(27,532)</u>	<u>207,033</u>

18 Reserves

	Fair value reserve £	Total £
At 1 October 2020 and 30 September 2021	<u>43,041</u>	<u>43,041</u>