

REGISTERED COMPANY NUMBER: 00956100 (England and Wales)
REGISTERED CHARITY NUMBER: 259626

**Report of the Trustees and
Unaudited Financial Statements For The Year Ended
31 December 2014
for
The Bahamas Locomotive Society Limited**

Lloyd Piggott Limited
Chartered Accountants
Wellington House
39/41 Piccadilly
Manchester
M1 1LQ

The Bahamas Locomotive Society Limited

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For The Year Ended 31 December 2014**

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The Bahamas Locomotive Society Limited

Report of the Trustees For The Year Ended 31 December 2014

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00956100 (England and Wales)

Registered Charity number

259626

Registered office

The Shippen
8 The Old Hall Courtyard
Heath
Wakefield
West Yorkshire
WF1 5ST

Trustees

S C Allsop
G C Bowler
Dr B S Bryant
F P Galvin
D J Guest - appointed 1.9.14
M Harper - resigned 16.3.15
J R Hillier
M J Holmes - resigned 1.12.14
G Howard
S J Peach
P W Skellon
K A Whitmore
J M Winderbank

Company Secretary

K A Whitmore

Independent examiner

Lloyd Piggott Limited
Chartered Accountants
Wellington House
39/41 Piccadilly
Manchester
M1 1LQ

Solicitors

Molesworths Bright - Clegg
Octagon House
25-27 Yorkshire Street
Rochdale
OL16 1RH

The Bahamas Locomotive Society Limited

Report of the Trustees For The Year Ended 31 December 2014

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Royal Bank of Scotland
1 Heaton Moor Road
Heaton Chapel
Stockport
SK4 4LW

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal & Administrative

The Bahamas Locomotive Society Limited is a company limited by guarantee, first registered in England as No 956100 on 12 June 1969 and is governed by its Memorandum and Articles of Association. The Company has also been registered as a Charity for Educational Purposes as No 259626 since 10 August 1970.

A Committee of Management currently consisting of eleven Directors/Trustees holds monthly meetings to manage the activities of the Society. Details of the Directors/Trustees are included in the company information given on page one of the financial statements.

A wholly owned subsidiary company, Bahamas Loco Trading Limited, was formed in 1991 with a working capital of £5,000. This Company is responsible for all trading activities such as locomotive hire, books and souvenir sales. Profits are transferred to the Society in return for free use of the Society's locomotives etc. The Society is a voluntary organisation, no members receive any remuneration and no paid staff were employed during the year. Fortunately, the Society is well supported by its friends and members and uses volunteer labour wherever possible.

In 1973 the National Trust ("NT") placed its locomotive no. 1054 in the long-term custody of the Society. The engine's latest refurbishment was completed in 2012 with the aid of a grant from the Heritage Lottery Fund ("HLF"). The NT holds a donation from a Society member, originally of £20,000, reserved for future major overhauls of the locomotive.

Liquid assets are held in current and deposit accounts with the Charities Official Investment Fund and various high street banks.

The Society's base is known as "Ingrow Loco - Museum and Workshop" on the Keighley and Worth Valley Railway (K & WVR) in West Yorkshire where an ex Midland Railway goods warehouse has been converted into a workshop and museum with financial assistance from the HLF.

The Bahamas Locomotive Society Limited

Report of the Trustees For The Year Ended 31 December 2014

STRUCTURE, GOVERNANCE AND MANAGEMENT

Financial Risk Strategy

The Committee of Management regularly reviews the main areas of financial risk. These may be summarised as follows:

- a) Insufficient funds to continue operations and complete projects.
- b) Unauthorised transactions.
- c) Failure to safeguard our assets.
- d) Failure to adhere to legislation or restrictions in whatever field.
- e) Liabilities are not identified and provision made for them.

These risks are met as follows:

The Committee meets regularly to oversee the Society's activities. Major expenditure has to be approved and various Committee members (Directors) have specific roles and duties. The Committee ensures that current projects have sufficient funds available on a regular basis from a variety of sources e.g. subscriptions, donations, gift aid, shop and museum income and grants. At present the Company has no borrowings. Our assets are housed securely at Ingrow other than Bahamas which is now securely stored at Tyseley. Items stored outside are secured and protected from the weather. A modern security system is in place and various insurance policies including public liability are in force. The Committee keeps up to date with legislation and regulations by contact with people in the preservation sphere, membership of various associations and by taking advice from recognised experts.

OBJECTIVES AND ACTIVITIES

Objective and Policy

The objective of the Society is to encourage and promote public interest in the preservation of steam and other railway locomotives and rolling stock together with railway machinery and equipment.

The policy is

- a) to acquire and restore suitable railway locomotives and rolling stock, etc. and display them to the public either as static or preferably working exhibits and
- b) to operate a museum and educational facility which displays and conserves the collection of smaller artefacts and explains to future generations the important part the railway industry has played in the industrial, social and economic development of this country.

ACHIEVEMENT AND PERFORMANCE

The Museum opened regularly during the year and we received 6,943 visitors (2013: 5,789). This is a welcome increase and is despite the 134 days of opening being only a small increase compared to 2013. Thanks again are due to the dedicated team who operate the Museum and shop. Visitors to the Museum are able to see most of our collection of railway artefacts and viewing of workshop activity is possible.

During the year we have drawn down amounts from the Heritage Lottery Fund grant awarded in 2013. This has supported the work dedicated towards restoring our 1924 riding van and this vehicle will re-enter service as the Learning Coach, located at Ingrow station, during 2015. In addition, we engaged the services of an Audience Development Co-ordinator from 1 April 2014. This role is a joint initiative with partner organisations and intended to increase interest in and visits to see our activities. Work also continues on 45596 Bahamas at Tyseley.

Members are able to keep up to date with the Society's activities by way of the Journal, published three or four times per year, and the Society's website. Members are also encouraged to become involved in our activities and acquire the traditional skills associated with railway engineering and operation.

The Bahamas Locomotive Society Limited

Report of the Trustees For The Year Ended 31 December 2014

ACHIEVEMENT AND PERFORMANCE

The Museum continues to operate within the Museum Accreditation status given by the Arts Council. This recognizes our continued high standard in museum activities.

The Society's own fund for the restoration of 45596 "Bahamas" and the 1924 van decreased by £37,000 in 2014 and stood at £151,000 as at 31st December 2014. This is as a result of Project expenditure exceeding donations and cash contributions from the HLF in the period. Thanks are due to members for their continuing donations.

Coal Tank no. 1054 and 'Nunlow' were in frequent operation on the Keighley and Worth Valley Railway and at other preserved railways during the year and remain in demand.

FINANCIAL REVIEW

Reserves

Note 10 to the financial statements shows the various funds of the Society and summarises the year's movements on each fund. Unrestricted funds amounted to £121,498 but after taking account of amounts invested in fixed assets, less restricted funds relating to fixed assets, and designated funds, the free reserves are £72,374, which equates to approximately 32 months' expenditure, which the trustees feel is adequate.

FUTURE PLANS

Both Coal Tank no. 1054 and Nunlow have a busy itinerary planned for 2015. It is anticipated that no. 1054 will visit two preserved railways as well as operating on its home line during the year. The work to restore Bahamas and the 1924 van will continue as will fundraising under the "Steam's Last Blast Appeal" banner, to provide resources for on-going care. Supported by funding from the Heritage Lottery Fund, the Company's subsidiary, Bahamas Loco Trading, took over the employment of the Audience Development Co-ordinator from April 2015. Two Duty Officers have also been appointed to run the shop and museum from April 2015.

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

Approved by order of the board of trustees on and signed on its behalf by:

.....
K A Whitmore - Trustee

**Independent Examiner's Report to the Trustees of
The Bahamas Locomotive Society Limited**

I report on the accounts for the year ended 31 December 2014 set out on pages seven to fourteen.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors 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 (the 2011 Act)) and that an independent examination is required.

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 the 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 seeking 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 statements below.

Independent examiner's statement

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

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Independent Examiner's Report to the Trustees of
The Bahamas Locomotive Society Limited**

Susan Redmond
Lloyd Piggott Limited
Chartered Accountants
Wellington House
39/41 Piccadilly
Manchester
M1 1LQ

Date:

The Bahamas Locomotive Society Limited

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For The Year Ended 31 December 2014**

		Unrestricted fund	Restricted funds	Total	2014 funds	Total	2013 funds
	Notes	£	£		£		£
INCOMING RESOURCES							
Incoming resources from generated funds							
Voluntary income		3,257	17,820		21,077		29,998
Activities for generating funds	2	37,281	-		37,281		27,411
Investment income	3	66	256		322		3,517
Incoming resources from charitable activities							
Charitable activities		<u>-</u>	<u>117,421</u>		<u>117,421</u>		<u>22,823</u>
Total incoming resources		40,604	135,497		176,101		83,749
 RESOURCES EXPENDED							
Costs of generating funds							
Fundraising & publicity		882	-		882		4,049
Charitable activities							
Charitable activities		24,512	132,453		156,965		70,109
Governance costs		<u>1,650</u>	<u>-</u>		<u>1,650</u>		<u>2,070</u>
Total resources expended		<u>27,044</u>	<u>132,453</u>		<u>159,497</u>		<u>76,228</u>
NET INCOMING RESOURCES		13,560	3,044		16,604		7,521
 RECONCILIATION OF FUNDS							
Total funds brought forward		<u>107,938</u>	<u>229,209</u>		<u>337,147</u>		<u>329,626</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>121,498</u></u>	<u><u>232,253</u></u>		<u><u>353,751</u></u>		<u><u>337,147</u></u>

The notes form part of these financial statements

The Bahamas Locomotive Society Limited

**Balance Sheet
At 31 December 2014**

		Unrestricted fund	Restricted funds	Total	2014 funds	Total	2013 funds
	Not es	£	£	£	£	£	£
FIXED ASSETS							
Tangible assets	6	44,124	45,023	89,147		96,264	
Investments	7	<u>5,000</u>	<u>-</u>	<u>5,000</u>		<u>5,000</u>	
		49,124	45,023	94,147		101,264	
CURRENT ASSETS							
Debtors	8	23,307	48,432	71,739		20,044	
Cash at bank		<u>58,481</u>	<u>138,798</u>	<u>197,279</u>		<u>234,783</u>	
		81,788	187,230	269,018		254,827	
CREDITORS							
Amounts falling due within one year	9	(9,414)	-	(9,414)		(18,944)	
		<u>72,374</u>	<u>187,230</u>	<u>259,604</u>		<u>235,883</u>	
NET CURRENT ASSETS							
		<u>121,498</u>	<u>232,253</u>	<u>353,751</u>		<u>337,147</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES							
		<u>121,498</u>	<u>232,253</u>	<u>353,751</u>		<u>337,147</u>	
NET ASSETS							
		<u>121,498</u>	<u>232,253</u>	<u>353,751</u>		<u>337,147</u>	
FUNDS							
Unrestricted funds	10			121,498		107,938	
Restricted funds				<u>232,253</u>		<u>229,209</u>	
TOTAL FUNDS							
				<u>353,751</u>		<u>337,147</u>	

The notes form part of these financial statements

The Bahamas Locomotive Society Limited

Balance Sheet - continued

At 31 December 2014

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2014.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2014 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
J M Winderbank -Trustee

The Bahamas Locomotive Society Limited

Notes to the Financial Statements For The Year Ended 31 December 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

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

Land and buildings	- Straight line over 25 years
Plant and machinery etc	- 10% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Grants

Capital Grants received are treated as deferred income and as such are released to the profit and loss account over the same period of asset depreciation. In accordance with the Statement of Recommended Practice, all heritage grants are treated as income when receivable.

The Bahamas Locomotive Society Limited

**Notes to the Financial Statements - continued
For The Year Ended 31 December 2014**

2. ACTIVITIES FOR GENERATING FUNDS

	2014	2013
	£	£
Fundraising events	191	5,940
Admissions	11,680	8,379
Other income	<u>25,410</u>	<u>13,092</u>
	<u>37,281</u>	<u>27,411</u>

3. INVESTMENT INCOME

	2014	2013
	£	£
Deposit account interest	<u>322</u>	<u>3,517</u>

4. NET INCOMING RESOURCES

Net resources are stated after charging:

	2014	2013
	£	£
Depreciation - owned assets	<u>9,417</u>	<u>9,239</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2014 nor for the year ended 31 December 2013.

Trustees' expenses

Necessary and reasonable expenses are paid in accordance with the Society's policy on the small number of occasions that a request for reimbursement is made by one of the Society's trustees.

The Bahamas Locomotive Society Limited

**Notes to the Financial Statements - continued
For The Year Ended 31 December 2014**

6. TANGIBLE FIXED ASSETS

	Building improvement s £	Fixtures & Equipment £	Totals £
COST			
At 1 January 2014	218,262	15,616	233,878
Additions	<u>-</u>	<u>2,300</u>	<u>2,300</u>
At 31 December 2014	<u>218,262</u>	<u>17,916</u>	<u>236,178</u>
DEPRECIATION			
At 1 January 2014	126,566	11,048	137,614
Charge for year	<u>8,730</u>	<u>687</u>	<u>9,417</u>
At 31 December 2014	<u>135,296</u>	<u>11,735</u>	<u>147,031</u>
NET BOOK VALUE			
At 31 December 2014	<u>82,966</u>	<u>6,181</u>	<u>89,147</u>
At 31 December 2013	<u>91,696</u>	<u>4,568</u>	<u>96,264</u>

7. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 January 2014 and 31 December 2014	<u>5,000</u>
NET BOOK VALUE	
At 31 December 2014	<u>5,000</u>
At 31 December 2013	<u>5,000</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

The Bahamas Locomotive Society Limited

**Notes to the Financial Statements - continued
For The Year Ended 31 December 2014**

7. FIXED ASSET INVESTMENTS - continued

Bahamas Loco Trading Limited
Country of incorporation: England & Wales
Nature of business: Charity support business

	%		
Class of share:	holding		
Ordinary	100		
		2014	2013
		£	£
Aggregate capital and reserves		<u>8,232</u>	<u>8,232</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		2014	2013
		£	£
Trade debtors		1,472	5,790
Other debtors		<u>70,267</u>	<u>14,254</u>
		<u>71,739</u>	<u>20,044</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		2014	2013
		£	£
VAT		845	-
Accrued expenses		2,756	12,301
Deferred government grants		<u>5,813</u>	<u>6,643</u>
		<u>9,414</u>	<u>18,944</u>

The Bahamas Locomotive Society Limited

**Notes to the Financial Statements - continued
For The Year Ended 31 December 2014**

10. MOVEMENT IN FUNDS

	At 1.1.14 £	Net movement in funds £	At 31.12.14 £
Unrestricted funds			
General fund	107,938	13,560	121,498
Restricted funds			
The Bahamas Appeal	186,700	5,844	192,544
Heritage Lottery Grant Fund: Museum	<u>42,509</u>	<u>(2,800)</u>	<u>39,709</u>
	229,209	3,044	232,253
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>337,147</u></u>	<u><u>16,604</u></u>	<u><u>353,751</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	40,604	(27,044)	13,560
Restricted funds			
The Bahamas Appeal	135,497	(129,653)	5,844
Heritage Lottery Grant Fund: Museum	<u>-</u>	<u>(2,800)</u>	<u>(2,800)</u>
	135,497	(132,453)	3,044
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>176,101</u></u>	<u><u>(159,497)</u></u>	<u><u>16,604</u></u>

The Heritage Grant Fund 'Museum', included within Restricted Funds, is the balance of the proceeds from the Heritage Lottery Fund Grant. The grant was provided to assist in the building of the society's museum. The fund is being written off in line with the life expectancy of the museum.

The Bahamas Appeal, also within Restricted Funds, is a specific fund for the restoration of the locomotive Bahamas and is written off as incurred.

11. RELATED PARTY DISCLOSURES

Bahamas Loco Trading Limited

Subsidiary

Management charges of £21,209 (2013 - £11,236). At the balance sheet date the amount due from Bahamas Loco Trading Limited was £17,276 (2013 - £5,114).

The Bahamas Locomotive Society Limited

**Detailed Statement of Financial Activities
For The Year Ended 31 December 2014**

	2014 £	2013 £
INCOMING RESOURCES		
Voluntary income		
Donations & gifts	17,444	25,997
Members subscriptions	<u>3,633</u>	<u>4,001</u>
	21,077	29,998
Activities for generating funds		
Fundraising events	191	5,940
Admissions	11,680	8,379
Other income	<u>25,410</u>	<u>13,092</u>
	37,281	27,411
Investment income		
Deposit account interest	322	3,517
Incoming resources from charitable activities		
Grants	<u>117,421</u>	<u>22,823</u>
Total incoming resources	176,101	83,749
RESOURCES EXPENDED		
Fundraising & publicity		
Fundraising & publicity	882	4,049
Charitable activities		
Rent & rates	213	218
Insurance	5,351	3,969
Light, heat & power	1,645	1,175
Repairs to buildings & equipment	4,454	10,216
Locomotive & rolling stock maintenance	131,849	41,050
Depreciation of building improvements	8,730	8,732
Depreciation of fixtures & equipment	<u>687</u>	<u>507</u>
	152,929	65,867
Governance costs		
Accountancy	1,650	1,650
Legal fees	<u>-</u>	<u>420</u>
	1,650	2,070
Support costs		

This page does not form part of the statutory financial statements

The Bahamas Locomotive Society Limited

**Detailed Statement of Financial Activities
For The Year Ended 31 December 2014**

	2014 £	2013 £
Management		
Telephone	177	248
Postage and stationery	2,685	3,384
Sundries	<u>814</u>	<u>346</u>
	3,676	3,978
Finance		
Bank charges	<u>360</u>	<u>264</u>
Total resources expended	159,497	76,228
	<hr/>	<hr/>
Net income	<u>16,604</u>	<u>7,521</u>

This page does not form part of the statutory financial statements