

Company Number: 01208456

## GWILI RAILWAY COMPANY LIMITED



ACCOUNTS TO 31 DECEMBER 2011

SATURDAY



\*A1HHT4Y3\*

A43

15/09/2012

#2

COMPANIES HOUSE

**GWILI RAILWAY COMPANY LIMITED**

**OPERATING ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2011**

		<b><u>2011</u></b>	<b><u>2010</u></b>
<b><u>INCOME</u></b>			
Passenger Fares, Events & Christmas Special (Net)		102,771	63,540
'Thomas' Events			
Income	37,144		63,866
Expenditure	27,207		63,655
		9,937	211
Catering Income	37,141		28,191
Catering Expenditure	23,723		16,611
		13,418	11,580
Shop			
Income	29,169		29,850
Expenditure	20,320		18,745
		8,849	11,105
Percy Hire		0	2,700
Grants			
Welsh ssembly	4,525		0
National Hentage	1,512		0
		141,012	89,136
<b><u>EXPENDITURE</u></b>			
Coal, Water, Oil, Gas, Electricity, etc	50,601		41,239
Tickets, Stationery and Printing, etc	3,025		3,486
Repairs and Renewals, including Track Maintenance	862		10,627
Expenditure			
Carmarthen North Extension	249		30,635
Donations Received	0		0
	249		30,635
Excess brought forward	0		2,432
		249	28,203
Stock Movement, Hire and Haulage	26,790		4,650
Medicals	1,235		990
		82,762	89,195
<b>OPERATING SURPLUS/(LOSS)</b>		<b>£ 58,250</b>	<b>£ ( 59)</b>

**GWILI RAILWAY COMPANY LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED**  
**31ST DECEMBER 2011**

	<b><u>2011</u></b>	<b><u>2010</u></b>
<b><u>REVENUE</u></b>		
Operating (Loss) Surplus	58,250	( 59)
Deposit Account Interest	11	131
Rent Wayleave and Fishing Rights	395	391
Donations/Drivers/Training	6,538	5 483
Sundry	41	0
Filming (Net)	50	834
	<u>7,035</u>	<u>6,839</u>
	65,285	6 780
<b><u>EXPENDITURE</u></b>		
Wages, P A Y E & N I C (Less Grant)	61,554	15,138
Rates, Refuse and Recycling	1,777	2,217
Insurance	22,111	19,911
Advertisements/Website	11 597	5,670
Subscriptions Membership Fees, Donations and Gifts/Social Evening	715	343
Meeting/Room Hire	171	55
Postage, Telephone and Petty Expenses	4,028	2,524
Accountancy Fee	875	850
Solicitors/Professional Fees	0	4,700
Bank Charges and Interest	1 969	2,601
Credit Card Charges	2 010	2,000
Loan Interest	1,630	1,876
Cleaning, Toiletries First Aid and Sundries	1,815	1,221
	<u>110,252</u>	<u>59,106</u>
<b>Profit/(Loss) for the Year</b>	<b>( 44,967)</b>	<b>( 52,326)</b>
<b>Capital Gain Disposal of Land</b>	<b>0</b>	<b>49,480</b>
<b>Accumulated (Losses) brought forward</b>	<b>(197,766)</b>	<b>(194,920)</b>
<b>Accumulated Profits/(Losses) c/fwd</b>	<b><u>£ (242,733)</u></b>	<b><u>£ (197,766)</u></b>

**GWILI RAILWAY COMPANY LIMITED**

**BALANCE SHEET AS AT 31ST DECEMBER 2011**

	<b><u>2011</u></b>	<b><u>2010</u></b>
<b><u>FIXED ASSETS</u></b>		
(See Note)		
Land and Buildings	139,523	139,523
Pit	7,417	7,417
Track and Road Signs	83,274	84,107
Locomotives and Rolling Stock	56,622	69,882
Tools and Plant	29,382	29,382
M P D Workshop	879	879
Mini Railway	12,000	12,000
Office/Catering Equipment	5,562	1,664
	<u>334,659</u>	<u>344,854</u>
<b>Less:</b>		
Grants/Donations Received b/fwd	35,504	35,504
	<u>35,504</u>	<u>35,504</u>
	299,155	309,350
<b><u>CURRENT ASSETS</u></b>		
Sundry Debtors/Prepayments	0	7,590
V A T Current Account	4,589	7,665
Catering Coal, Stationery & Shop Stock	8,982	6,900
Deposit Account	5,853	47,322
Petty Cash	50	50
	<u>19,474</u>	<u>69,527</u>
<b><u>Less CURRENT LIABILITIES</u></b>		
<b>(Due for Payment within 12 Months)</b>		
Current Account	8,700	35,064
Business Loan	7,628	7,628
Carmarthen North Extension	15,000	15,000
Sundry Creditors	16,180	5,289
	<u>47,508</u>	<u>62,981</u>
<b>Net CURRENT ASSETS/(LIABILITIES)</b>	<b>( 28,034)</b>	<b>6,546</b>
<b><u>DEFERRED LIABILITIES:</u></b>		
Share Deposits	110	30
Business Loans	29,937	35,935
Interest Free Loans	11,500	9,500
Carmarthen North Extension	0	15,000
Carmarthen Voluntary Services	4,000	0
Other Deposits, etc	11,293	11,293
	<u>( 56,840)</u>	<u>( 71,758)</u>
<b>NET ASSETS</b>	<b>£ 214,281</b>	<b>£ 244,138</b>
<b>Represented By:</b>		
<b><u>SHARE CAPITAL</u></b>		
<b><u>Issued and Fully Paid</u></b>		
32,219 'A' Shares of £10 Each	322,190	307,080
202 'B' Shares of £ 5 Each	1,010	1,010
	<u>323,200</u>	<u>308,090</u>
<b><u>REVENUE RESERVES:</u></b>		
Profit and Loss Account (DR)	(242,733)	(197,766)
Capital Revaluation Reserve	133,814	133,814
	<u>£ 214,281</u>	<u>£ 244,138</u>

Continued

## BALANCE SHEET CONTINUED

For the year ending 31<sup>st</sup> December 2011 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

Director's responsibilities,

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- 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

Signed

A handwritten signature in black ink, appearing to be 'M Bowen', with a long horizontal flourish extending to the right.

MATHEW BOWEN  
DIRECTOR/COMPANY SECRETARY

14/9/12.

**REPORT OF THE ACCOUNTANTS TO THE DIRECTORS**

of

**GWILI RAILWAY COMPANY LIMITED**

As described on the Balance Sheet you are responsible for the preparation of the financial statements for the year ended 31st December, 2011, as set out and you acknowledge that the company is exempt from an audit

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us



**Summers Accountancy & Book-Keeping Services,  
70 New Road,  
Skewen,  
Neath SA10 6HA.**

Date .... 28th March 2012 . . . .

## **Chairman's Report 2012 (for the year 2011)**

2011 was a year that saw many changes on the Gwili Railway. At the end of 2010 the Board made the decision to adopt an ambitious programme of special events and increase the number of running days. The calendar for the year contained over 200 days of operation as opposed to 111 in 2010. This programme was run with our complement of volunteers together with several new full time members of staff, including two permanent posts in the MPD department. Standby steam and diesel locomotives were hired in the form of "Jennifer" from the Llangollen Railway and 14901 from Peak Rail. New events were introduced such as the Festival of Food and Craft and the Transport Weekend, as well as the usual events such as Day Out With Thomas (DOWT) and Santas.

Of course the best laid plans always suffer the unexpected, and the failure of Haulwen a matter of weeks into the new season was a major blow. Repairs to Olwen's boiler (the loco had failed pre Christmas 2010) were also proving to be more expensive than first anticipated. The result was that the two locos that were hired as "standby" engines were then pressed into action as the main locos. The use of these locos considerably increased our costs during the year and of course meant that we were unable to run steam services on every advertised day, causing inevitable customer disappointment.

A further unexpected item was receipt of a rather large bill from one of our trade suppliers. A commitment has been made to clear this debt by mid 2012. Although the DOWT event at Easter was a reasonable success, passenger figures in the early part of the season were below projection, and a decision was made to trial a new event "Peppa Pig" in July. The lead time for the event only allowed for a few weeks of advertising and we budgeted for 1000 passengers per day to break even. The actual figures for this event were 2180, which were not quite what we had hoped for. In order to aid our cash flow, it was decided to sell the Company's steam locomotive "Welsh Guardsman". Fortunately Felinfoel Brewery stepped in to not only purchase the engine, but also offered to finance the repair and bring "Welsh Guardsman" back to the railway on a 10 year operating agreement. This offer was taken up and the locomotive is presently at Llangollen for the major repairs required to return it to traffic. It is anticipated to return during 2012.

Following the early part of the season, passenger figures made a steady improvement in August, September and October. The figures were aided by the return of Haulwen following a re-tube. We finished the season with strong Santas, aided considerably by the milder weather and the final passenger total for the year is confirmed at 27,875.

This figure is statistically the best year for passengers since the Gwili Railway opened for business in 1978-beating our previous best of 24,658 in 2001. The significance of this cannot be understated and from the Board we offer a sincere "well done" and thank you to everyone who made this possible. Out of the days, we lost 4 due to locomotive failures but managed to run on all other advertised dates. In 2012 we have reduced the number of operating days, based on the experiences of 2011, to give us a bit more "breathing space" but the general pattern is the same with intensive operations during the core months of June-September.

In 2011 many projects were completed including the new level crossing gates at Bronwydd – (the recipient of a national award), installation of a new turnout at Llwyfan Cerrig to reconnect bridge siding, repaint of the TSO into "Felinfoel Green" as part of our Dining Train, repaint of one of the DMU trailers, repair of the crane

after many years out of use, repair of Llwyfan south points, re-profiling of the 03 tyres, repaint of Llwyfan Cerrig station building, creation of a new disabled area in the BSK (guard's coach), a re-tube of Haulwen, a new website and corporate image, and purchase of the road-railer, to name a few

In terms of personnel, we ended the year with our first ever General Manager, Rob James. The other full time posts are Head of MPD (Mike Morris) Engineering Assistant and Workshop Manager (Tony Hancock), MPD Apprentice (Mark Llewellyn) and of course our Business Administrator (Jeremy John). On the Board we saw a change in Financial Director as Iain McCall stood down and Keith Doble stepped into the post. Richard Keen and John Hobden were also elected to the board, the latter subsequently resigning in October.

The Board believe in the new mode of operations and the 2011 accounts will show a significant increase in turnover from 2010. This is crucial in moving the railway forward. To aid this process, a 5 year Plan has been drawn up to identify priorities. The Carmarthen North Extension has taken second place to the operating issues in 2011 but plans are firmly in place to recommence work during 2012 which should see the head of steel reach the site of our ultimate destination by the end of the year. This is one of the tasks ideally suited to the training programmes for young persons via the "Greenlight" programme, whose members have done sterling work in many mundane jobs.

The transition from being a part time to full time railway has not been an easy one, but the Board feels it has been a necessary and important change. There are so many issues that are paramount to the efficient running of the railway, healthy finances, abiding by our Safety Management System and developing our product to name a few. It is clear that these changes are being noticed in the outside world too. For 2012, we have secured a regular weekly booking from a major Bus Tour operator. This type of business is essential for continuing growth in hard economic times.

There is a great deal of work that needs to be completed starting now and in the years to come. We have an excellent product that has to be developed in order to give our customers a much improved experience. We have to increase the number of volunteers so that we can operate the railway, maintaining and possibly increasing the number of days we operate and thus increase our turnover. We have to provide better facilities for both volunteers and paid staff. We also have to provide suitable covered storage for our locomotives and rolling stock complete with maintenance facilities suited to the 21<sup>st</sup> century. In order to expand we must extend to Carmarthen North at the same time taking steps to protect our line between Danycoed and Llanpumsaint. This is an area that has been neglected in the past.

Let no one be in doubt that these are exciting times for the Gwili Railway. Many projects are at an early stage of development. Some may succeed and others fail. We are changing the mindset of all involved in the railway and in the community. We can make things happen if we really try. Finally, on behalf of the Board I would like to thank everyone for their involvement in 2011 and look forward to seeing you and working with you in 2012. The railway's future depends on you, our supporters, and your involvement in the railway. We are a small team and we have to work together as a team to move the Gwili Railway forward.

Peter Nicholas ~ CHAIRMAN/DIRECTOR,  
March 2012