

WyvernRail plc

Annual Report

and

Financial Statements

For

The Year Ended

31st October 2014

Company Registration Number 02754846

BEEVER AND STRUTHERS

Chartered Accountants & Statutory Auditor

St. George's House

215 - 219 Chester Road

Manchester

M15 4JE

WyvernRail plc
Financial Statements
Year Ended 31 October 2014

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WyvernRail plc
Chairman's Statement
Year Ended 31 October 2014

The Board of Directors

J R Snell
N Ferguson - Lee
M S Miller
G R Kenning
M Evans
K Hall
M K Thomas

Company Secretary

N Ferguson - Lee

Registered Office

Wirksworth Station
Coldwell Street
Wirksworth
Derbyshire
DE4 4FB

Auditor

Beever and Struthers
Chartered Accountants
& Statutory Auditor
St. George's House
215 - 219 Chester Road
Manchester
M15 4JE

Bankers

National Westminster Bank Plc
Matlock Dale Road
19 Dale Road
Matlock
Derbyshire
DE4 3YA

WyvernRail plc
Chairman's Statement
Year Ended 31 October 2014

I have pleasure in presenting the Company's Annual Report for the financial year ended 31 October 2014.

For those wishing to travel on the Railway on AGM day, we again have pleasure in including within this report an additional shareholders' ticket valid for the day.

The accounts in this report show a decrease in overall turnover of 8% compared to the previous year, falling from £257,798 to £236,561. Whilst this is regrettable, the comparison is with a year when we hosted visits from two main line steam locos. Our experience then was that we are not yet in a position to sustain steam operation without jeopardising our core services for the remainder of the season; that absence of suitable steam maintenance facilities remains. Comparison with the previous all-diesel year, 2012, shows a 23% increase.

Last year I commented on how the effects of depreciation were turning an overall positive cash flow into a year-end accounting loss. This year as we approach the final third of our lease the effect is even more marked arising from our on-going capital programme; moreover the stated loss of £30,750 includes £51,468 of leasehold property depreciation.

Hopefully this year will be the last where the depreciation dominates our bottom line as on 17 February 2015 we lodged our application for a new Transport and Works Act Order for the Railway. This Order, if approved, will grant us the power to purchase the freehold of the Railway from Network Rail; our current Light Railway Order permits only leasing of the Railway because of the then policy of Railtrack. This results in a higher depreciation charge as the value of the building is written down over the term of the lease. The consideration will be £1 since we have already paid the purchase price of £238,400 within the lease. When that step has been achieved we shall be able to completely review our financial structure and one of those measures will be consideration of changing the year-end date to 31st January so that the accounts are made up during the period when the Railway is taking its January maintenance break.

Other key features in the accounts are rises in net contributions from on-track contracts and services and catering. Whilst direct passenger income fell by £48,148, there was a reduction of £14,856 in overall train costs despite a longer operating season and the catering income also contains an element of passenger income where the product comprised Amazon "travel and tea" promotions – Inland Revenue rules require us to allocate the whole of this income to catering.

There was a £8,000 increase in shareholders' funds and £38,570 of share capital was subscribed towards capital projects that amounted to £69,454. This expenditure enabled completion of Shottle platform and its new independent access, together with major progress on Shottle loop and signalling. Other capital works included track and other alterations at Wirksworth to facilitate the next stage of undercover vehicle maintenance facilities and track improvements to permit expansion of the on-track contracts and services business.

The shareholding entries in the accounts reflect the decision taken at the August EGM to authorise the Directors to accept the return of shares as gifts from the estates of deceased shareholders; so far 134,550 shares have been returned to the Company following this resolution.

WyvernRail plc

Chairman's Statement *(continued)*

Year Ended 31 October 2014

This year marks a watershed for the Company with the well-earned retirement of Martin Miller as our General Manager at the end of April. Martin took on the role of general Manager as a volunteer almost as soon as site clearance work started in late 2000. By 2006 the demands and business had grown to the point that a full-time role was required and Martin has been at the helm ever since; this period saw the Railway grow from a half-mile operation from Wirksworth to Gorseley Bank to the nine mile system linking Wirksworth to the national network at Duffield that we know today. We were indeed fortunate that the right man was in the right place at the right time.

Fortunately we shall not be losing Martin's extensive experience because he has agreed to continue as a Director with the role of developing the on-track contracts and services business alongside Eric Boulton.

Martin's style as GM was unique and the Board has decided to fill his wide-ranging role by a series of new appointments: Mike Evans will take the position of Managing Director, supported by Anton Shone as Catering, Stations and Events Manager, Leigh Gratton as Commercial Manager and Mick Thomas as Infrastructure Manager. To ensure a smooth handover the two organisations have been working in parallel since the end of January.

Catering has been a growth area over the past year, particularly as a result of on-line web promotions but it has been based in static vehicles. This year we will be developing catering on the move, with a dining train for afternoon teas on Tuesdays in the summer season full line timetable and a number of Friday evening dining trains to Shottle, scheduled for steam haulage.

Last year I highlighted the drive to develop facilities for 2-train operation by installing a loop and second platform at Shottle. Good progress has been made and thanks to the generosity of one of our shareholders the finance has been made available for the materials for the second platform. Construction will be underway later in the year so that it is in position for 2016. Further funding will be needed to complete the signalling and create a second independent access from the Belper-Ashbourne road to the new platform.

Meanwhile at Wirksworth we have taken a 5-year licence on the disused tannery building alongside platform 1. This will provide a replacement for our life expired ex-portacabin booking office with twice the existing floor area and permit relocation of the mess room away from the public area and a further tidying-up of our public entrance.

We are conscious that the present passenger facilities at Duffield constitute a lost business opportunity, both in terms of all-weather comfort for customers awaiting our trains and the absence of light catering and retail sales facilities. In co-operation with EVRA we are seeking funding for a station building to meet this need. A suitable timber building design from a local supplier has been identified and the cost, including installation, will amount to £27,000.

WyvernRail plc
Chairman's Statement
Year Ended 31 October 2014

Freehold ownership of the Railway downstream of the Transport and Works Act Approval gives greater security for all our capital spending because we shall no longer face the uncertainty of the terms of future lease renewal. If Shareholders support matches that of 2014 it should be possible to achieve the new building for Duffield, completion of the Shottle loop project and further advance on developing an adequate rolling stock maintenance facility. It is vital for the long term health of the Railway that we continue to improve what we have to offer our visitors and provide adequate facilities to keep our trains in good order.

The share issue remains open, it permits existing shareholders to subscribe any amount from £25 upwards and the EIS tax relief scheme is still available to taxpayers for subscriptions of over £500.

I look forward to meeting as many of you as possible at the AGM, please come and see the remarkable progress that continues to be made.

John Snell
Chairman

WyvernRail plc
Strategic Report
Year Ended 31 October 2014

Principal Activities

The principal activity of the company during the year under review was that of operating a light railway.

Business Review

There has been further growth in the Company's fixed assets within the security of a formal lease of the railway. Overall turnover decreased 6% compared to 2012-13. The net loss for the year was £30,570, including depreciation charges.

During the year a further £39,875 of share capital was raised, primarily to fund the expansion of facilities for the Railway's visitors.

The decision was taken at the August EGM to authorise the Directors to accept the return of shares as gifts from the estates of deceased shareholders; so far 134,550 shares have been returned to the Company following this resolution.

Financial Risk Management Objectives and Policies

The company holds or issues financial instruments in order to achieve three main objectives, being:

- (a) to finance its operations;
- (b) to manage its exposure to interest risks arising from its operations and from its sources of finance; and
- (c) for trading purposes.

In addition, various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the company's operations.

Transactions in financial instruments result in the company assuming or transferring to another party one or more of the financial risks described below.

Interest rate risk

The company has managed its interest rate risk by borrowing at a fixed rate.

Credit risk

The company monitors credit risk closely and considers that its current policies of credit checks meet its objectives of managing exposure to credit risk.

Liquidity risk

The company monitors its cash flow closely on a day-to-day basis.

WyvernRail plc
Strategic Report *(continued)*
Year Ended 31 October 2014

Signed by order of the directors

N Ferguson - Lee
Company Secretary

Approved by the directors on 16 March 2015

WyvernRail plc
Directors' Report
Year Ended 31 October 2014

The directors present their report and the financial statements of the company for the year ended 31 October 2014.

Results and Dividends

The loss for the year amounted to £30,570. The directors have not recommended a dividend.

Directors

The directors who served the company during the year were as follows:

J R Snell
N Ferguson - Lee
M S Miller
G R Kenning
M Evans
K Hall
M K Thomas

Policy on the Payment of Creditors

In respect of its suppliers, it is the company's policy to abide to the terms of payment with all of its suppliers. The amount of trade creditors shown at the balance sheet date represents 109 days (2012: 117 days) of average daily purchases for the company.

Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

WyvernRail plc

Directors' Report *(continued)*

Year Ended 31 October 2014

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office:
Wirksworth Station
Coldwell Street
Wirksworth
Derbyshire
DE4 4FB

Signed by order of the directors

N Ferguson - Lee
Company Secretary

Approved by the directors on 16 March 2015

WyvernRail plc
Independent Auditor's Report to the Shareholders of
WyvernRail plc
Year Ended 31 October 2014

We have audited the financial statements of WyvernRail plc for the year ended 31 October 2014 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet, Cash Flow Statement and the related notes. 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).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's 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 company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 9 to 10, the directors are responsible for the preparation of the Annual Report, financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report 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.

WyvernRail plc

Independent Auditor's Report to the Shareholders of WyvernRail plc *(continued)*

Year Ended 31 October 2014

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2014 and of its loss 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 Companies Act 2006.

Opinion on Other Matter Prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on Which We are Required to Report by Exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

St. George's House
215 - 219 Chester Road
Manchester
M15 4JE

IAIN ROUND (Senior Statutory
Auditor)
For and on behalf of
BEEVER AND STRUTHERS
Chartered Accountants
& Statutory Auditor

16 March 2015

WyvernRail plc
Profit and Loss Account
Year Ended 31 October 2014

	Note	2014 £	2013 £
Turnover	2	236,561	257,798
Cost of sales		<u>100,518</u>	<u>97,803</u>
Gross profit		136,043	159,995
Administrative expenses		174,869	185,767
Other operating income	3	<u>(8,250)</u>	<u>(14,651)</u>
Operating loss	4	(30,576)	(11,121)
Interest receivable		6	7
Loss on ordinary activities before taxation		<u>(30,570)</u>	<u>(11,114)</u>
Tax on loss on ordinary activities		—	—
Loss for the financial year		<u><u>(30,570)</u></u>	<u><u>(11,114)</u></u>

All of the activities of the company are classed as continuing.

The notes on pages 17 to 26 form part of these financial statements.

WyvernRail plc

Statement of Total Recognised Gains and Losses

Year Ended 31 October 2014

	2014 £	2013 £
Loss for the financial year attributable to the shareholders	(30,570)	(11,114)
Total recognised gains and losses relating to the year	<u>(30,570)</u>	<u>(11,114)</u>
Prior year adjustment	—	(4,405)
Total gains and losses recognised since the last annual report	<u>(30,570)</u>	<u>(15,519)</u>

Note of Historical Cost Profits and Losses

	2014 £	2013 £
Reported loss on ordinary activities before taxation	(30,570)	(11,114)
Difference between a historical cost depreciation charge and the actual charge calculated on the revalued amount	<u>(5,000)</u>	5,000
Historical cost loss on ordinary activities before taxation	<u>(35,570)</u>	<u>(6,114)</u>
Historical cost loss for the year after taxation	<u>(35,570)</u>	<u>(6,114)</u>

The notes on pages 17 to 26 form part of these financial statements.

WyvernRail plc

Balance Sheet

31 October 2014

	Note	2014		2013	
		£	£	£	£
Fixed assets					
Intangible assets	7		35,000		40,000
Tangible assets	8		841,431		825,732
			<u>876,431</u>		<u>865,732</u>
Current assets					
Stocks	9	6,170		6,170	
Debtors	10	19,650		20,970	
Cash at bank and in hand		204		11,211	
		<u>26,024</u>		<u>38,351</u>	
Creditors: Amounts Falling due Within One Year	11	<u>47,537</u>		<u>63,017</u>	
Net current liabilities			<u>(21,513)</u>		<u>(24,666)</u>
Total assets less current liabilities			<u>854,918</u>		<u>841,066</u>
Creditors: Amounts Falling due after More than One Year	12		<u>228,705</u>		<u>222,853</u>
			<u>626,213</u>		<u>618,213</u>
Capital and reserves					
Called-up equity share capital	15		603,260		699,240
Revaluation reserve	16		35,000		40,000
Other reserves	17		134,550		–
Profit and loss account	18		(146,597)		(121,027)
Shareholders' funds	19		<u>626,213</u>		<u>618,213</u>

These accounts were approved by the directors and authorised for issue on 16 March 2015, and are signed on their behalf by:

J R Snell
Director

Company Registration Number: 02754846

The notes on pages 17 to 26 form part of these financial statements.

WyvernRail plc

Cash Flow Statement

Year Ended 31 October 2014

		2014		2013	
	Note	£	£	£	£
Net cash inflow from operating activities	20		14,019		15,309
Returns on investments and servicing of finance	20		6		7
Capital expenditure and financial investment	20		(69,454)		(67,636)
Cash outflow before financing			(55,429)		(52,320)
Financing	20		44,422		42,867
Decrease in cash	20		(11,007)		(9,453)

WyvernRail plc

Notes to the Financial Statements

Year Ended 31 October 2014

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 accounting standards.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year for services provided, exclusive of Value Added Tax.

Intangible Fixed Assets

Amortisation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Light Railway Order - over 20 years

Fixed Assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Leasehold Property - over 30 years
Plant & Machinery - 25% on cost
Rolling Stock - 10% on cost

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

WyvernRail plc

Notes to the Financial Statements

Year Ended 31 October 2014

1. Accounting Policies *(continued)*

Trade and Other Debtors

Trade and other debtors are recognised and carried forward at invoice amounts less provisions for any doubtful debts. Bad debts are written off when identified.

Cash and Cash Equivalents

Cash and cash equivalents are included in the balance sheet at cost. Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.

Interest-Bearing Loans and Borrowings

All loans and borrowings are recognised initially at cost, which is the fair value of the consideration received, net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the effective interest method. Gains or losses are recognised in the profit and loss account when liabilities are derecognised or impaired, as well as through the amortisation process.

Deferred Government Grants

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

2. Turnover

The turnover and loss before tax are attributable to the one principal activity of the company. An analysis of turnover is given below:

	2014	2013
	£	£
United Kingdom	<u>236,561</u>	<u>257,798</u>

3. Other Operating Income

	2014	2013
	£	£
Donations	5,014	6,515
Other operating income	3,236	8,136
	<u>8,250</u>	<u>14,651</u>

WyvernRail plc
Notes to the Financial Statements
Year Ended 31 October 2014

4. Operating Loss

Operating loss is stated after charging/(crediting):

	2014	2013
	£	£
Amortisation of government grants re fixed assets	(14,148)	(14,148)
Amortisation of intangible assets	5,000	5,000
Depreciation of owned fixed assets	53,968	47,665
Profit on disposal of fixed assets	(213)	(85)
Auditor's remuneration	<u>4200</u>	<u>4,000</u>
	2014	2013
	£	£
Auditor's remuneration - audit of the financial statements	<u>4200</u>	<u>4,000</u>

5. Particulars of Employees

The average number of staff employed by the company during the financial year amounted to:

	2014	2013
	No	No
Number of administrative staff	<u>6</u>	<u>6</u>

The aggregate payroll costs of the above were:

	2014	2013
	£	£
Wages and salaries	55,467	57,362
Social security costs	2,334	1,144
	<u>57,801</u>	<u>58,506</u>

6. Directors' Remuneration

The directors' aggregate remuneration in respect of qualifying services were:

	2014	2013
	£	£
Aggregate remuneration	<u>28,628</u>	<u>28,453</u>

WyvernRail plc

Notes to the Financial Statements

Year Ended 31 October 2014

7. Intangible Fixed Assets

	Light Railway Order £
Cost	
At 1 November 2013 and 31 October 2014	<u>100,000</u>
Amortisation	
At 1 November 2013	60,000
Charge for the year	5,000
At 31 October 2014	<u>65,000</u>
Net book value	
At 31 October 2014	<u>35,000</u>
At 31 October 2013	<u>40,000</u>

The company has a light railway order which has been valued independently on 21 April 2001 at £100,000 by 1a Enterprises Limited, 51 Oakerthorpe Road, Bolehill, Wirksworth, Derbyshire, DE4 4GD.

The asset had no original cost and therefore no amortisation would have been originally charged.

8. Tangible Fixed Assets

	Leasehold Property £	Plant & Machinery £	Rolling Stock £	Total £
Cost or valuation				
At 1 November 2013	1,048,456	36,473	30,103	1,115,032
Additions	69,667	–	–	69,667
At 31 October 2014	<u>1,118,123</u>	<u>36,473</u>	<u>30,103</u>	<u>1,184,699</u>
Depreciation				
At 1 November 2013	227,124	36,473	25,703	289,300
Charge for the year	51,468	–	2,500	53,968
At 31 October 2014	<u>278,592</u>	<u>36,473</u>	<u>28,203</u>	<u>343,268</u>
Net book value				
At 31 October 2014	<u>839,531</u>	–	<u>1,900</u>	<u>841,431</u>
At 31 October 2013	<u>821,332</u>	–	<u>4,400</u>	<u>825,732</u>

WyvernRail plc
Notes to the Financial Statements
Year Ended 31 October 2014

9. Stocks

	2014	2013
	£	£
Stock	<u>6,170</u>	<u>6,170</u>

10. Debtors

	2014	2013
	£	£
Trade debtors	15,977	17,525
Other debtors	57	57
Prepayments and accrued income	3,616	3,388
	<u>19,650</u>	<u>20,970</u>

11. Creditors: Amounts Falling due Within One Year

	2014		2013	
	£	£	£	£
Trade creditors		19,969		36,362
Other creditors including taxation and social security:				
Other taxation and social security	3,464		3,176	
Other creditors	3,906		1,636	
Deferred government grants	14,148		14,148	
		<u>21,518</u>		18,960
Accruals and deferred income		6,050		7,695
		<u>47,537</u>		<u>63,017</u>

12. Creditors: Amounts Falling due after More than One Year

	2014	2013
	£	£
Other creditors:		
Other creditors	173,899	188,047
Members' loan	54,806	34,806
	<u>228,705</u>	<u>222,853</u>

WyvernRail plc

Notes to the Financial Statements

Year Ended 31 October 2014

12. Creditors: Amounts Falling due after More than One Year *(continued)*

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date:

	2014	2013
	£	£
Other creditors including taxation and social security	<u>124,804</u>	<u>138,660</u>

13. Transactions With the Directors

During the year the company purchased goods from M Evans trading as Railcar Enterprises totalling £25,614 (2013: £15,628). At the balance sheet date the company owed Railcar Enterprises £3,052 (2013: £1,667) which is included within trade creditors.

14. Related Party Transactions

The charity, EVRA, works with the company in its objectives of enhancing the visitors' enjoyment of the Ecclesbourne Valley Railway. It has obtained grants which have been used for this objective since 2001 of £166,400.

During the year the company sold goods and services to EVRA totalling £4,550 (2013: £6,105) and purchased goods totalling £nil(2013: £7,172). At the balance sheet date the company owed EVRA £1,155 (2013:£1,332 Due from EVRA) which is included within trade debtors.

15. Share Capital

Authorised share capital:

	2014	2013
	£	£
3,000,000 Ordinary shares of £1 each shares of £1 each	<u>3,000,000</u>	<u>3,000,000</u>

Allotted and called up:

	2014		2013	
	No	£	No	£
Ordinary shares of £1 each shares (2013 - 699,240) fully paid of £1 each	<u>603,260</u>	<u>603,260</u>	<u>699,240</u>	<u>699,240</u>

During the year 38,570 (2013 - 57,015) ordinary £1 shares were issued at par.

WyvernRail plc
Notes to the Financial Statements
Year Ended 31 October 2014

16. Revaluation Reserve

	2014	2013
	£	£
Balance brought forward	40,000	45,000
Transfer to the Profit and Loss Account on realisation	(5,000)	(5,000)
Balance carried forward	<u>35,000</u>	<u>40,000</u>

17. Other Reserves

	2014	2013
	£	£
Purchase of own shares	<u>134,550</u>	–

18. Profit and Loss Account

	2014	2013
	£	£
Balance brought forward as previously reported	(121,027)	(110,508)
Prior year adjustment	–	(4,405)
Balance brought forward restated	(121,027)	(114,913)
Loss for the financial year	(30,570)	(11,114)
Transfer from revaluation reserve	5,000	5,000
Balance carried forward	<u>(146,597)</u>	<u>(121,027)</u>

WyvernRail plc

Notes to the Financial Statements

Year Ended 31 October 2014

19. Reconciliation of Movements in Shareholders' Funds

	2014		2013	
	£	£	£	£
Loss for the financial year		(30,570)		(11,114)
New ordinary share capital subscribed		38,570		57,015
Purchase of own ordinary shares	(134,550)		–	
Discount on purchase of own ordinary shares	134,550		–	
		–		–
Transfer from revaluation reserve		5,000		5,000
Transfer to profit and loss account		(5,000)		(5,000)
Net addition to shareholders' funds		8,000		45,901
Opening shareholders' funds		618,213		576,717
Prior year adjustment		–		(4,405)
Closing shareholders' funds		<u>626,213</u>		<u>618,213</u>

20. Notes to the Cash Flow Statement

Reconciliation of Operating Loss to Net Cash Inflow from Operating Activities

	2014	2013
	£	£
Operating loss	(30,576)	(11,121)
Amortisation	5,000	5,000
Depreciation	53,968	47,665
Profit on disposal of fixed assets	(213)	(85)
Decrease/(increase) in debtors	1,320	(6,227)
Decrease in creditors	(15,480)	(19,923)
Net cash inflow from operating activities	<u>14,019</u>	<u>15,309</u>

Returns on Investments and Servicing of Finance

	2014	2013
	£	£
Interest received	<u>6</u>	<u>7</u>
Net cash inflow from returns on investments and servicing of finance	<u>6</u>	<u>7</u>

WyvernRail plc
Notes to the Financial Statements
Year Ended 31 October 2014

20. Notes to the Cash Flow Statement *(continued)*

Capital Expenditure

	2014	2013
	£	£
Payments to acquire tangible fixed assets	(69,667)	(67,721)
Receipts from sale of fixed assets	213	85
Net cash outflow from capital expenditure	<u>(69,454)</u>	<u>(67,636)</u>

Financing

	2014	2013
	£	£
Issue of equity share capital	38,570	57,015
Purchase of own equity shares	(134,550)	–
Discount on purchase of own equity shares	134,550	–
Net inflow/(outflow) from other long-term creditors	5,852	(14,148)
Net cash inflow from financing	<u>44,422</u>	<u>42,867</u>

Reconciliation of Net Cash Flow to Movement in Net Debt

	2014		2013	
	£	£	£	£
Decrease in cash in the period	(11,007)		(9,453)	
Net cash (inflow) from/outflow from other long-term creditors	<u>(5,852)</u>		<u>14,148</u>	
		<u>(16,859)</u>		<u>4,695</u>
Change in net debt		<u>(16,859)</u>		<u>4,695</u>
Net debt at 1 November 2013		<u>(225,790)</u>		<u>(230,485)</u>
Net debt at 31 October 2014		<u>(242,649)</u>		<u>(225,790)</u>

WyvernRail plc
Notes to the Financial Statements
Year Ended 31 October 2014

20. Notes to the Cash Flow Statement *(continued)*

Analysis of Changes in Net Debt

	At 1 Nov 2013 £	Cash flows £	At 31 Oct 2014 £
Net cash:			
Cash in hand and at bank	<u>11,211</u>	<u>(11,007)</u>	<u>204</u>
Debt:			
Debt due within 1 year	(14,148)	–	(14,148)
Debt due after 1 year	<u>(222,853)</u>	<u>(5,852)</u>	<u>(228,705)</u>
	<u>(237,001)</u>	<u>(5,852)</u>	<u>(242,853)</u>
Net debt	<u><u>(225,790)</u></u>	<u><u>(16,859)</u></u>	<u><u>(242,649)</u></u>

21. Controlling Party

The company is not considered to be under the control of any one individual.

WyvernRail plc
Management Information
Year Ended 31 October 2014

The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on pages 11 to 12.

WyvernRail plc
Detailed Profit and Loss Account
Year Ended 31 October 2014

	2014		2013	
	£	£	£	£
Turnover				
On track contracts and services		24,935		15,632
Rents and utilities		10,221		11,254
Catering		73,995		55,354
Passenger services		127,410		175,558
		<u>236,561</u>		<u>257,798</u>
Cost of sales				
Opening stock and work-in-progress	6,170		6,170	
Shop purchases	3,702		5,043	
On track contracts and services	7,022		5,031	
Catering	26,330		18,683	
Passenger trains' operating costs	63,464		69,046	
	<u>106,688</u>		<u>103,973</u>	
Closing stock and work-in-progress	<u>(6,170)</u>		<u>(6,170)</u>	
		<u>100,518</u>		<u>97,803</u>
Gross profit		<u>136,043</u>		<u>159,995</u>
Overheads				
Administrative expenses		174,869		185,767
		<u>(38,826)</u>		<u>(25,772)</u>
Other operating income		<u>8,250</u>		<u>14,651</u>
Operating loss		<u>(30,576)</u>		<u>(11,121)</u>
Deposit account interest receivable		<u>6</u>		<u>7</u>
Loss on ordinary activities		<u><u>(30,570)</u></u>		<u><u>(11,114)</u></u>

WyvernRail plc

Notes to the Detailed Profit and Loss Account

Year Ended 31 October 2014

	2014		2013	
	£	£	£	£
Administrative expenses				
Personnel Costs				
Directors remuneration	14,314		9,375	
Wages and salaries	41,153		47,987	
Employers national insurance contributions	2,334		1,144	
		57,801		58,506
Establishment Expenses				
Rent	2,890		8,041	
Rates and water	2,439		2,053	
Light and heat	6,009		8,124	
Insurance	5,465		5,179	
Repairs and renewals	7,401		12,654	
Site expenses	9,910		10,878	
		34,114		46,929
General Expenses				
Fuel and oil	17,344		26,618	
Telephone	1,323		1,247	
Printing, stationery and postage	4,024		3,782	
Cost of servicing shareholders	3,479		1,392	
Sundry expenses	505		121	
Bookkeeping services	122		2,800	
Auditors remuneration	4,250		4,000	
Amortisation	5,000		5,000	
Depreciation of track renewals	51,468		44,502	
Depreciation of plant and machinery	–		663	
Depreciation of rolling stock	2,500		2,500	
Amortisation of government grants	(14,148)		(14,148)	
Loss/(Profit) on disposal of fixed assets	(213)		(85)	
		75,654		78,392
Financial Costs				
Bank charges		7,300		1,940
		174,869		185,767
Other operating income				
Sundry receipts		3,236		8,136
Donations		5,014		6,515
		8,250		14,651
Interest receivable				
Deposit account interest receivable		6		7