

125 GROUP LIMITED
(A company limited by guarantee)
Annual Report and Financial Statements
for the Year Ended 31st December 2017

125 GROUP LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name	125 Group Limited
Charity Registration Number	1167120
Company Registration Number	07611121
Registered Office	125 Group Limited 21 Elmwood Close Woodley Reading Berkshire RG5 3AL
Principle Operating Base	Great Central Railway (Nottingham) Limited Mere Way Ruddington Nottinghamshire NG11 6JS
Trustees	G.S. Heelas B.A. Wood B.L. Webber S. Maclean S.J. Vaughan A.J. Shaw J.M. Zabernik
Company Secretary	G.S. Heelas
Finance Director	G.S. Heelas

125 GROUP LIMITED

TRUSTEES REPORT

DIRECTORS'/TRUSTEES' REPORT

The trustees who are also the directors of the charity for the purposes of the Companies Act submit their annual report and the accounts of the company for the year ended 31st December 2017. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005 in preparing the annual report and financial statements of the charity.

DIRECTORS'/TRUSTEES' RESPONSIBILITIES FOR PREPARING THE FINANCIAL STATEMENTS

The trustees (who are also directors of 125 Group Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' have had due regard to guidance published by the Charity Commission on public benefit. They believe the activities and achievements discussed in this report clearly show how the charity brings benefit to the public.

TRUSTEES/DIRECTORS

The members of the Board, who are the directors of the company under Company law and also the trustees of the charity under Charity law, during the year were as follows:

- G.S. Heelas
- B.A. Wood
- B.L. Webber
- S. Maclean
- S.J. Vaughan
- A.J. Shaw
- J.M. Zabernik

All Trustees/Directors offer their services on a voluntary basis and no funds are held as custodian trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is a charitable company limited by guarantee and it was incorporated on 20th April 2011. The company was established under a Memorandum and Articles of Association. Note that the company changed its name in 2016 from High Speed Diesel Train Limited to 125 Group Limited.

The company is limited by guarantee and does not have a share capital. No director, therefore, holds any shares in the company.

APPOINTMENT, INDUCTION AND TRAINING OF THE COUNCIL OF MANAGEMENT

New trustees are elected only at the Annual General Meeting.

New Trustees are inducted at their first Board Meeting when the operation of the Charity is explained to them. They are also given copies of the minutes of previous meetings and relevant Charity Commission publications. New Trustees are familiar with the annual accounts as they are required to be members of the Charity when they are appointed and whilst they serve on the Board.

OBJECTIVES AND ACTIVITIES

To advance the education of the public through the preservation, operation and exhibition of locomotives and rolling stock of historic and scientific importance in particular the InterCity 125 or High Speed Train by providing working exhibits of said locomotives and related rolling stock.

PUBLIC BENEFIT

The Charity aims to advance the education of the public through the preservation, operation and exhibition of diesel locomotives and rolling stock of historic and scientific importance, in particular but not exclusively, the InterCity 125 or High Speed Train. We also aim to provide working exhibits of locomotives and related rolling stock for study by and for the education of the public by maintaining them in main line working order. We aim to promote interest in the preservation of diesel locomotives and associated equipment that is of historic and scientific value.

The Charity will organise and participate in displays, exhibitions, tours and events designed to educate the public and stimulate interest in railways and their importance to the economic and cultural development of Great Britain. We will co-operate with museums and other authorities in order to provide exhibits and archive material to the public. We will preserve, restore, maintain and operate locomotives, carriages, wagons, buildings and machinery for the benefit of current and future generations. We will provide material, including a Company magazine, books, papers, articles, talks, website and leaflets containing historical and educational material.

The Charity is actively involved in the restoration and continuing maintenance of the unique prototype HST power car which has been under our custodianship for several years from the National Railway Museum at York. This vehicle had been a static exhibit at the museum for some 27 years but we have transformed it into a working vehicle to show the younger generation the genesis of the High Speed Train that they can look at and also travel behind. In addition, we have acquired and restored three passenger vehicles to operate with the prototype power car to allow the public to experience operation of the train.

The Charity aims in the future to preserve an Inter City 125 or High Speed Train and are working closely with the National Railway Museum at York as well as the Railway Heritage Designation Advisory Board to ensure

at least one example of this great train is saved so that future generations can see and experience the original "journey shrinker".

The Charity has established ties with the original designer of the high speed train profile, Sir Kenneth Grange, who is our both our Hon President, and a keen advocate with the general public at major events.

The Charity has established close links with a transport museum and operational private railway based near the original manufacturing point of the High Speed Train. This allows ongoing visitation and operation of the restored train for the general public.

The Charity intends to "tour" the train to other parts of the UK so that a wider audience may benefit from seeing and understanding the historical significance and worth of the prototype High Speed Train.

ACHIEVEMENTS AND PERFORMANCE

2017 has been another high profile year for the charity building on the success of 2016 which celebrated the 40th Anniversary of the introduction of the InterCity 125.

This year we have physically been operating our rolling stock at our home base of the Great Central Railway Nottingham in Ruddington but have spent a lot of our time working in partnerships with Train Operating Companies (TOCs) and other charitable organisation such as ourselves. To name a few:

- We were very involved with organising and providing man power for the "Bound for Craigie Tour", organised by The Branch Line Society and run by Virgin Trains East Coast to raise money for the Railway Children Charity. The trip was a full day marathon from London to Edinburgh and back visiting many rare railway lines along the way.
- We were delighted to invite our Honorary President Sir Kenneth Grange along to the GWR organised Charity Charter to Minehead. Sir Kenneth was able to chat with many of the attendees on the railtour and also sign sales items to help raise funds for the charity.
- The Pickering Paxman was organised again by The Branch Line Society and our old friends at East Midlands Trains with a trip from Derby to Pickering on the North Yorkshire Moors Railway. A superb event which raised lots of money for the Railway Children Charity and raised our public profile again.
- The final tour of the year was The Grand Farewell organised by The Branch Line Society and Grand Central Trains to commemorate the end of InterCity 125 use on their services. We were honoured to receive the taking from the raffle held on board this special service which traversed many of the rarer train lines in the north of England.

We did however visit one location during the year away from our home, which was Old Oak Common Open Day in West London. GWR invited us to the event as the HST has been linked with the depot since its introduction, both as a prototype in 1973 and the very first production vehicles in 1976. The depot was celebrating its 111 year history as a precursor to its eventual closure over the next few years; the depot is to become a station for the new HS2 link to the north. We had a sales stand at the event to raise more group funds and also met many familiar faces, both members of the group and professional railwaymen.

Also during 2017 we managed to secure 3 more Mk3 coaches so we now have a fleet of six vehicles. These were purchased from Direct Rail Services (DRS) as they were surplus to requirements. All 3 need substantial work doing to them and by the close of the year one was in traffic whilst another was being worked on with a view to Spring 2018 running.

We have also made several presentations throughout the UK to railway interest groups, informing them of the history of the InterCity 125 and also the history of our charity. We continue to be invited to such venues and will continue to do so to ensure the history of the InterCity 125 is kept alive.

RESERVES POLICY

The Charity's reserves policy is to attempt to ensure that there are sufficient funds available to meet the anticipated expenditure requirements for a minimum period of 12 months.

Further the Charity operates a "Preservation Reserve" fund which is separately ring fenced from day to day operations with the long term goal of preserving a production InterCity 125 (High Speed Train).

FINANCIAL REVIEW

The reserves policy of the Board is to maximise income so as to provide reserves for the further development and refurbishment of the site and to enable major repairs to be carried out. Closing reserves of £47387 are sufficient for this purpose.

The Board have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate exposure to the major risks.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the small companies' regime under the Companies Act 2006. Approved by the Board on 11th March 2018 and signed on its behalf by:



G.S. Heelas



B.A. Wood

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF 125 GROUP LIMITED

I report the accounts of the company for the year ended 31 December 2017, which are set out on pages 8 to 14.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The 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 needed.

Having satisfied myself that the charity is not subject to audit under 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
- to state whether particular matters have come to my attention

Basis of independent examiner's report

My examination was carried out in accordance with 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 next statement.

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 of the Companies Act 2006 and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 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

Signed:



Name:

Andrew Murray

Relevant professional body:

Association of Accounting Technicians

Address:

7 The Hawthorns, Meadow Road
Hadleigh, Essex SS7 2DP

125 GROUP LIMITED

ACCOUNTS

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2017

Incoming Resources	Unrestricted Funds £'s	Restricted Funds £'s	Total Funds £'s	Prior Year Funds £'s
Income and endowments from:				
Donations and legacies (Note 2)	45225	0	45225	40693
Charitable activities (Note 3)	13563	0	13563	16869
Other trading activities (Note 4)	1125	0	1125	22842
Investments (Note 5)	202	0	202	
Total	60115	0	60115	80404
Resources expended				
Expenditure on:				
Raising funds (Note 6)	61	0	61	53
Charitable activities (Note 7)	9841	0	9841	12080
Other (Note 8)	50275	0	50275	21940
Total	60178	0	60178	34073
Net income/(expenditure) before investment gains/(losses)	-63	0	-63	46331
Net gains/(losses) on investments	0	0	0	0
Net income/(expenditure)	-63	0	-63	46331
Extraordinary items	0	0	0	0
Transfers between funds	0	0	0	0
Other recognised gains/(losses)				
Gains and losses on revaluation of fixed assets for the charity's own use	0	0	0	0
Other gains/(losses)	0	0	0	0
Net movement in funds	-63	0	-63	46331
Reconciliation of funds:				
Total funds brought forward	47450	0	47450	1119
Total funds carried forward	47387	0	47387	47450

125 GROUP LIMITED

ACCOUNTS

BALANCE SHEET AS AT 31 DECEMBER 2017

	Unrestricted Funds £'s	Restricted Funds £'s	Total Funds £'s	Prior Year Funds £'s
Fixed assets				
Tangible assets (Note 9)	9977	0	9977	5420
Total fixed assets	9977	0	9977	5420
Current assets				
Stocks (Note 10)	3771	0	3771	4037
Debtors (Note 11)	380	0	380	372
Investments	0	0	0	0
Cash at bank and in hand (Note 12)	35913	0	35913	45866
VAT account	566	0	566	0
Total current assets	40630	0	40630	50276
Creditors: amounts falling due within one year (Note 13)	3220	0	3220	8246
Net current assets / (liabilities)	37410	0	37410	42030
Total assets less current liabilities	47387	0	47387	47450
Creditors: amounts falling due after one year	0	0	0	0
Total net assets or liabilities	47387	0	47387	47450
Funds of charity				
Unrestricted funds	47387	0	47387	47450
Total Funds	47387	0	47387	47450

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

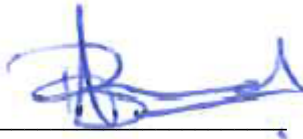
For the financial year ended 31st December 2017 the company was entitled to exemption from audit under section 477 Companies Act 2006 and no notice has been deposited under section 476.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006, so far as applicable to the company.

Approved by the Board on 11th March 2018 and signed on its behalf by:



G.S. Heelas



B.A. Wood

1. Accounting Policies.

i. Basis of accounting.

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Micro Entities (effective April 2008).

ii. Fund accounting policy.

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

Restricted funds represent grants received towards the repair and improvement of the equipment owned by the charity.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

iii. Incoming resources

Legacies are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income derived from events is recognised as earned (that is, as the related goods or services as provided).

iv. Depreciation

No depreciation is provided on the Engines or Cooler Groups. This policy is not in accordance with the provisions of Financial Reporting Standards and the Companies Act 2006, that fixed assets with a finite life be depreciated. However, by applying an impairment test to these assets, the scrap value of these assets is shown to be significantly higher than the value paid. Furthermore, it is the opinion of the directors that it is the company's purpose to restore, preserve and keep these assets in good repair for the future.

125 GROUP LIMITED**NOTES TO THE UNAUDITED ACCOUNTS – 31 DECEMBER 2017****2. Donations and Legacies**

	Unrestricted Funds £'s	Restricted Funds £'s	Total Funds £'s	Prior Year Funds £'s
Donations and legacies				
Donations, legacies and subscriptions	45225	-	45225	40693
Grants				
Grants receivable	-	-	-	-
Total	45225	0	45225	40693

3. Charitable Activities

	Unrestricted Funds £'s	Restricted Funds £'s	Total Funds £'s	Prior Year Funds £'s
Sales	13563	0	13563	16869
Total	13563	0	13563	16869

4. Other Trading Activities

	Unrestricted Funds £'s	Restricted Funds £'s	Total Funds £'s	Prior Year Funds £'s
Appearance Fees	1125	0	1125	7917
Acquisition of Valenta Diesels Limited	0	0	0	14926
Total	1125	0	1125	22843

5. Income from Investments

	Unrestricted Funds £'s	Restricted Funds £'s	Total Funds £'s	Prior Year Funds £'s
Interest Income	202	0	202	0
Total	202	0	202	0

6. Raising Funds

	Unrestricted Funds £'s	Restricted Funds £'s	Total Funds £'s	Prior Year Funds £'s
Website	61	0	61	53
Total	61	0	61	53

125 GROUP LIMITED**NOTES TO THE UNAUDITED ACCOUNTS – 31 DECEMBER 2017****7. Charitable Activities**

	Unrestricted Funds £'s	Restricted Funds £'s	Total Funds £'s	Prior Year Funds £'s
Magazine Postage	1171	0	1171	305
Magazine Production	1610	0	1610	879
Sales Shipping	1296	0	1296	350
Miscellaneous	217	0	217	76
Stock	5157	0	5157	10469
Merchant Fees	391	0	391	0
Total	9841	0	9841	12079

8. Other Expenditure

	Unrestricted Funds £'s	Restricted Funds £'s	Total Funds £'s	Prior Year Funds £'s
Insurance	1218	0	1218	820
Engineering	34875	0	34875	18927
Haulage	8489	0	8489	0
Companies House Charges	13	0	13	43
Travel	152	0	152	239
Accommodation	4781	0	4781	1905
Fees	351	0	351	0
Adjustment	0	0	0	7
Depreciation	396	0	396	0
Total	50275	0	50275	21941

125 GROUP LIMITED
NOTES TO THE UNAUDITED ACCOUNTS – 31 DECEMBER 2017
9. Tangible Fixed Assets

Cost or valuations:	Freehold land and buildings	Other land and buildings	Plant machinery and motor vehicles	Fixtures, fittings and equipment	Total
	£	£	£	£	£
At the start of the year	0	0	3440	1980	5420
Additions	0	0	3000	1953	4953
Disposals	0	0	0	0	0
At the end of the year	0	0	6440	3933	10373

Depreciation or impairments:	Freehold land and buildings	Other land and buildings	Plant machinery and motor vehicles	Fixtures, fittings and equipment	Total
Basis	S/L	S/L	N/A	20%	
Rate	20%	20%	0%	S/L	
	£	£	£	£	£
At the start of the year	0	0	0	0	0
Charge for the year	0	0	0	396	396
On disposals	0	0	0	0	0
At the end of the year	0	0	0	396	396

Net book value:	Freehold land and buildings	Other land and buildings	Plant machinery and motor vehicles	Fixtures, fittings and equipment	Total
	£	£	£	£	£
Net book value at the beginning of the year	0	0	3440	1980	5420
Net book value at the end of the year	0	0	6440	3537	9977

125 GROUP LIMITED

NOTES TO THE UNAUDITED ACCOUNTS – 31 DECEMBER 2017

10. Stocks

	Stock		Donated Goods		Work in progress
	For distribution £'s	For re-sale £'s	For distribution £'s	For re-sale £'s	
Charitable activities					
Opening	0	4037	0	0	0
Added in period	0	4890	0	0	0
Expensed in period	0	5157	0	0	0
Impaired	0	0	0	0	0
Closing	0	3771	0	0	0
Total this year	0	3771	0	0	0
Total previous year	0	4037	0	0	0

11. Debtors

	Unrestricted Funds £'s	Restricted Funds £'s	Total Funds £'s	Prior Year Funds £'s
Prepayments and accrued income	380	0	380	372
Total	380	0	380	372

12. Cash at bank and in hand

	This Year £'s	Last Year £'s
Short term cash investments (less than 3 months maturity date)	0	0
Short term deposits	25437	22323
Cash at bank and in hand	10476	23543
Total	35913	45866

13. Creditors: amounts falling due within one year

	Amounts falling due within one year	
	This Year £'s	Last Year £'s
Analysis of Creditors		
Accruals and deferred income	3220	8246
Total	3220	8246