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GO-OP Co-operative Ltd

**ANNUAL REPORT
January - December 2015**

Contents	Page
GO-OP Co-operative Board report	3
Board members during 2015	4
Board attendance	5
Social accounts	6
Summary Financial Statements	

GO-OP CO-OPERATIVE BOARD REPORT

As we began 2015, our task seemed clear: Network Rail were able and willing to put their support behind our proposals, as long as we could demonstrate that the capacity existed on the network. With that support, we could at least prove our standing in one crucial respect. As our members know, the process did not meet our expectations. A combination of industrial action, policy changes and personnel changes imposed delays and compromised the quality of the feedback we received. Frustratingly, these very delays meant that new timetables were coming through which we had to adapt our thinking to.

Finally, in September, we concluded that we had no realistic way of securing Network Rail support within a reasonable timeframe. While we have continued to consult with them, and take account of their view of capacity, we decided to proceed with an application to the ORR directly based on the evidence we have that our timetable does not cause disruption to any other scheduled services and adds value to the rail network.

In support of that, we launched a competition for a fresh exercise in demand forecasting, and we were most impressed with the submission from the Railway Consultancy. By the end of the year, they had begun work on a complete update of our revenue projections using the most recent ticket sales data and meeting the standards set by the ORR. This has now begun to deliver some very interesting results, and has prompted a radical reworking of the intended route: instead of Westbury - Birmingham Moor Street, we have now changed origin and terminus stations so that it runs Taunton - Nuneaton. This longer route requires four rather than three diagrams, and so rolling stock - already an issue that had seemed irresolvable throughout the early part of the year - now becomes critical.

Fortunately, in December a highly significant announcement was made regarding the Northern franchise. Its award would lead to a major investment in new diesel rolling stock - the first such order for many years. These units would, moreover, be identical in specification to our requirements: 100mph capable, and in 2 or 3 car formations. We could now ride on the coattails of this order, our modest requirements made much more cost effective by the huge scale of the Northern franchise.

This still left an outstanding problem. Delivery of these new units would not take place until 2019. How could we begin a new operation before then? We have developed a plan for a transitional service, operating between Taunton and Swindon only, using the 'D-train' being manufactured (or remanufactured, as they are based on old London Underground trains) by Vivarail. While these are relatively slow vehicles, this section of the route is suitable for their use and they will enable us to build up traffic on the western section (where the need for service enhancement is most pressing) prior to the introduction of a full service from 2019. As we approached the end of the year, it became clear that these opportunities would come to nothing if we did not put our finances on to a stronger footing. We consulted with our members: should we acknowledge that the project had run its course, and write off the investment we had made? Or should we make every effort to take our proposal to the ORR and at least give it the chance of success? We were humbled by the solidarity and determination displayed by our members, and we gratefully accepted the further investment that would enable us to turn these developments into a comprehensive business case. We will overcome the systemic inertia and the practical challenges to make a serious and detailed case for a major enhancement to the rail network that is financed, owned and controlled by the people who use it.

GO-OP BOARD MEMBERS 2015

Jean Nunn-Price Chair
 Alex Lawrie Operations Director
 Barbara Rainford Director
 Jeff Turner Director
 Chris Phillimore Director
 Sandra Aldworth* Finance Worker
 Kate Whittle Secretary

GO-OP Board meeting attendance record January - December 2015

	AL	JNP	BR	JT	AS	CP	SA	KW
Jan	x	x	x				x	x
Feb	x	x					x	x
Mar	x	x	x		x		x	x
Apr	x	x	x		x	x	x	x
May	x	x	x				x	x
Jun	x	x			x		x	x
Jul	x	x			x	x	x	x
Jul	x	x		x		x	x	x
Sep	x	x	x					x
Oct	x	x	x	x		x		x
Nov	x	x	x				x	x
Nov	x	x	x				x	x
Dec	x	x	x	x				x

Directors who stood down during the year: Andy Spring

Directors elected during the year: Jeff Turner

*Sandra Aldworth resigned as a Director in January, but stayed in post as Finance Worker

GO-OP Co-operative Social Accounts 2015

GO-OP's objects are to carry on any industry, business or trade in accordance with co-operative principles in order to achieve this mission: *"to reduce the social and environmental impacts of travel by providing mutually owned, high quality and inclusive public transport services that encourage people to choose more sustainable options"* and these aims:

- building membership within our stakeholder groups, and ensuring that our membership fully reflects the diversity of those groups and of the wider community
- consulting with, empowering and serving our membership
- creating common wealth, building an indivisible reserve and providing a return on investment no more than is necessary to attract and retain the capital GO-OP requires
- maintaining GO-OP's autonomy and independence and empowering members and other stakeholders at the most local level possible
- educating our members and the public in the principles of co-operation
- supporting the development and growth of the co-operative movement
- evaluating GO-OP's impact on the community and the environment in which it operates, and developing policies that reduce harmful and increase beneficial impacts

In the course of 2015, only limited trading took place. As a result, these are brief accounts, noting some of the decisions that have been taken in line with our values and principles:

Reduce social impacts of travel	<i>No data is available, as trading has not yet fully commenced.</i>	Commonwealth and fair application of profits	<i>No data is available, as trading has not yet fully commenced.</i>
Reduce environmental impacts of travel	<i>No data is available, as trading has not yet fully commenced.</i>	Autonomy and independence	<i>No data is available, as trading has not yet commenced. However, the need to preserve our independence has played a part in our strategy for approaching potential partners.</i>
Quality and inclusivity of services	<i>No data is available, as trading has not yet fully commenced.</i>	Educating members and the public in the principles of co-operation	<i>Our profile has continued to be raised during 2015. Our website promotes International Co-operative Principles</i>
Sustainable choices	<i>No data is available, as trading has not yet fully commenced.</i>	Supporting the development and growth of the co-operative movement	<i>We are members of Co-ops UK and Co-ops SW. We encourage co-ops to tender for contracts, and in 2015 we did £5,577 business with Somerset Co-op Services and £150 with Atomised Co-op</i>
Building a diverse membership	<i>Membership recruitment is ongoing, however Open Membership offer is only available to prospective service users, limiting our current ability to recruit new members.</i>	Sustainable development	<i>No data is available, as trading has not yet fully commenced</i>
Empowering the membership	<i>No data is available, once we start trading we will be looking for innovative ways to engage and involve our membership.</i>		

Financial Statements

for the Year Ended 31 December 2015

for

**Go-op Co-operative
Limited**

Reg. No. MS30678R

Go-op Co-operative Limited

**Contents of the Financial Statements
for the Year Ended 31 December 2015**

	Page
Directors' Report	3
External Examiner's Report	4
Balance Sheet	5
Notes to the Financial Statements	6
Profit and Loss Account	7
Detailed Profit and Loss Account	8

Go-op Co-operative Limited

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2015**

The directors have pleasure in submitting their annual report, with the unaudited financial statements of the Society, for the year ended 31st December 2015.

Principal Activity

The principal activity of the Society is that of rail and other transport operation.

Review of Business and Future Development

The results for the period are shown in the attached financial statements. The directors consider the state of affairs to be satisfactory in this start up period.

Directors Responsibilities

In compliance with legal requirements the directors have prepared financial statements for the year ended 31st December 2015 which give a true and fair view of the state of affairs of the Society as at the end of the year and of the loss for the period ended on that date.

The financial statements have been prepared in accordance with the applicable accounting standards.

The directors report that the business is a going concern.

The directors have adopted suitable accounting policies which have been consistently applied in the preparation of the financial statements for the year ended 31st December 2015 and these have been supported by reasonable and prudent judgments and estimates.

The directors are responsible for the maintenance of adequate accounting records for safeguarding the assets of the Society and for preventing and detecting fraud and other irregularities.

By Order of the Board

A Lawrie
Director

Date 28th April 2016

Go-op Co-operative Limited

Balance Sheet
31 December 2015

		2015		2014	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible Assets			-		-
CURRENT ASSETS:					
Debtors	2	902		637	
Cash at bank and in hand		<u>137,608</u>		<u>134,090</u>	
		138,510		134,727	
CREDITORS: Amounts falling due within one year	3	(15,200)		(1,825)	
NET CURRENT ASSETS:			<u>123,310</u>		<u>132,902</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			123,310		132,902
CREDITORS: Amounts falling due in more than one year	4		(115,000)		(132,100)
TOTAL ASSETS			<u>£ 8,310</u>		<u>£ 802</u>
CAPITAL AND RESERVES:					
Called up share capital	5		307,115		286,798
Profit and loss account			(298,805)		(285,996)
TOTAL SHAREHOLDERS' FUNDS			<u>£ 8,310</u>		<u>£ 802</u>

These accounts were approved by the board of directors on 28th April 2016 and were signed on its behalf by

C Phillimore

Director

Alex Lawrie

Director

Go-op Co-operative Limited

Notes to the Financial Statements for the Year Ended 31 December 2015

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared in accordance with applicable accounting standards.

Basis of Accounting

The financial statements are prepared under the historical cost convention.

Turnover

Turnover represents income from consultancy work net of value added tax.

2. DEBTORS	2015	2014
Trade Debtors	698	607
Unpaid Shares	-	30
Taxes	<u>204</u>	<u>-</u>
	<u>902</u>	<u>637</u>

3. CREDITORS – Amounts falling due within one year

Trade Creditors	3,440	445
Loan Stock	11,760	660
Other Creditors	-	118
Taxes and Social Security	<u>-</u>	<u>602</u>
	<u>15,200</u>	<u>1,825</u>

Loan stock has a repayment date of 31st December 2016.

4. CREDITORS - Amounts falling due in more than one year

Loan Stock	-	12,100
Bond Monies Held	<u>115,000</u>	<u>120,000</u>
	<u>115,000</u>	<u>132,100</u>

The loan stock has a repayment date of 31st December 2016.

5. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2015	2014
			£	£
307,115	£1 Ordinary Shares	£1	<u>307,115</u>	<u>286,798</u>

Go-op Co-operative Limited

Profit and Loss Account
for the year ended 31st December 2015

	<u>Notes</u>	<u>31.12.15</u>	<u>31.12.14</u>
TURNOVER – continuing operations	2	5,602	8,022
OPERATING COSTS – continuing operations			
Administrative Expenses		(14,647)	(19,247)
		_____	_____
OPERATING LOSS – continuing operations		(9,045)	(11,225)
Interest payable		5,680	25,545
Interest Received		1,916	3,630
		_____	_____
(LOSS) on Ordinary Activities before taxation		(12,809)	(33,140)
TAXATION		-	-
Loss for the financial year		(12,809)	(33,140)
		_____	_____
RETAINED LOSS/PROFIT for the financial year		(12,809)	(33,140)
RETAINED LOSS BROUGHT FORWARD		(285,996)	(252,856)
RETAINED LOSS CARRIED FORWARD		(298,805)	(285,996)
		_____	_____

There were no recognised gains or losses in either year other than those included in the Profit and Loss.

Go-op Co-operative Limited

Profit and Loss Account for the Year to 31st December 2015

	2015		2014
Income			
Consultancy Income	5,602		8,022
Bank Interest Received	1,916		3,630
	<hr/>		<hr/>
Total Income	7,518		11,652
Expenditure			
Consultants Fees	9,614	12,826	
Expenses	79	1,228	
Administration Expenses	893	643	
Administration Wages	4,061	4,550	
Interest	<u>5,680</u>	<u>25,545</u>	44,792
	<hr/>		<hr/>
Net Loss for the Period	£ (12,809)		£ (33,140)
	<hr/>		<hr/>

This page does not form part of the statutory accounts