



# SRC BOARD BRIEFING

March 2017

At a Board Meeting on Saturday 4th March 2017 the following items were discussed and action decided upon. The SRC Board considers that information on these items should be shared with Shareholders, Volunteers, Employees and SRA Members.

## **Finance & Related Matters**

The Board have had to engage an independent Chartered Accountant (CA) to independently scrutinise the 2014 and 2015 Accounts in order to resolve matters as EY (formerly Ernst & Young), both Inverness and Glasgow Offices, evidently could not. The CA has now completed his work and this has been presented to the Finance Director and SRC Board and accepted.

Bob Anderson, Finance Director, advised the Board that with minimal notice, on the 14<sup>th</sup> February, abbreviated unaudited accounts had been submitted to Companies House. A letter had been received from Companies House the previous day advising that should the 2015 Annual Accounts not be submitted within the week, then action would be taken against the Company, and heavy fines levied against the Directors and the Company "struck off".

In order to protect the Directors and its Employees, Bob immediately instructed Gareth Jones to prepare and submit the 2015 Accounts (unaudited), thereby preventing the Board Members from a Criminal record, personal financial penalty, reputational damage and "the consequences".

Ironically, the next day, in its news Website, the BBC announced that EY was reorganising its business operations with the consequence that the Audit Business would no longer be provisioned from its Inverness Office (see news article <http://www.bbc.co.uk/news/uk-scotland-highlands-islands-38979840> for details).

The Board has asked EY for an explanation as to why they had failed to meet their obligations, putting *your* Company and its Board in this invidious position. A reply has been received however it is inaccurate and, in the Boards opinion, does not reflect the timeline of events as recorded. Indeed a farce if it were not so serious.

## **AGM (Reconvened)**

The reconvened 2016 AGM shall take place at the Cairngorm Hotel on Saturday the 15<sup>th</sup> April at 12 noon. Paperwork is in the process of being collated for distribution to Shareholders. A full Financial report will be available.

## **Catering**

After almost a year of waiting, the Liquidators for Prep Catering released and transferred the Assets of the aforementioned Company to the Strathspey Railway for an agreed amount. After considerable effort by many to sort through, wash crockery, cutlery, glassware and much more, the train was stocked and an Environmental Health Inspection arranged. Dave Inglis completed his Electrical Inspection of the Catering Set

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and preparations for the incoming season are now almost completed with Chef & Staff interviewed, being trained and preparing for the forthcoming season.

### **External Matters**

Work continues on the details related to the Grid connection previously reported. BAM Nuttall appointed by Network Rail (NR) to deliver planned Improvements at Aviemore Station, are now on site and will be seen in or around our premises whilst work gets underway, tree felling and brush-cutting being the most obvious so far.

Mike Tough, Colin Stirling & Andrew Fairley are scheduled to meet on site to discuss the proposals to install 4th Generation Mobile Radio masts at suggested locations at Aviemore and Boat of Garten. We have to take care to agree to a mutually convenient solution that does not impact on the potential of the railway to earn revenue from filming and television productions in the future where a period setting is important.

### **Marketing & Website**

The 2017 Timetable leaflet has been produced and now available. Plans are in place to produce the necessary material promoting the new in-house Catering Service. Graham Sutherland is continuing his work on interactive mapping, Geographic Information System (GIS) and integration into a number of micro-sites. Colin Stirling, Andy Mackinnon and Graham met after the Board to progress current, as yet unseen, work.

### **Staff Reports**

Colin Vaughan attended to discuss ideas and strategies principally for locomotives and related Shed Projects. The recent work on Ivatt No 46512 was appreciated and all were glad that the locomotive was back running and likewise the progress on Caledonian No 828 with notable work by Nathan Lightowler and Calum Titley.

It was agreed that the environment around the Shed was in need of a joint effort to tidy and improve storage and Colin agreed to help with driving this forward. Given time and some assistance, it should be possible to improve the appearance and storage space around the sheds. Further on-site meetings would be arranged to progress the work and identify where help might be required. The washroom and "facilities" will be addressed thereafter. The conversation led on to a brief discussion on the embryonic plans for a Running Shed, something that had been talked about in previous years, though much would depend on the Company's profitability and efforts to reduce its cost base.

The Board agreed that in order to obtain a mechanical assessment of the DMU, it should be inspected in the incoming week by the Shed Engineering people, who could come to a quick assessment and where possible effect repair to the crushed pipe or give opinion on anything un-toward if found. The DMU people were welcome to participate.

Georgie McNair attended to discuss plan of work during a pre-planned extended period of absence. Weedkilling, point lubrication programme, other minor track-works, mobile plant training and selection of future operators were discussed and the Board would look to identify suitable candidates to be put forward for these roles. Georgie advised that the Canal Barge would be ready quite soon and would be heading to the Canals of England for its maiden voyage. The Board wished him well in this venture. Ship ahoy !

*By order of the Board  
Strathspey Railway Company  
9th March 2017*