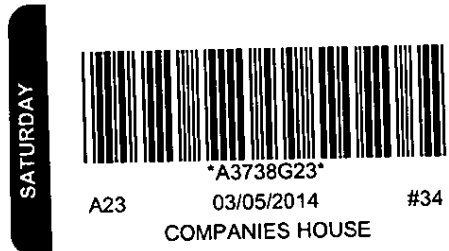


REGISTERED COMPANY NUMBER: 03157171 (England and Wales)
REGISTERED CHARITY NUMBER: 1094938

Report of the Trustees and
Financial Statements for the Year Ended 31 December 2013
for

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society



Dunn & Ellis Statutory Auditors
St David's Building
Lombard Street
Porthmadog
Gwynedd
LL49 9AP

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Contents of the Financial Statements
for the Year Ended 31 December 2013

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Detailed Statement of Financial Activities	20 to 21

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society (Registered number: 03157171)

Report of the Trustees
for the Year Ended 31 December 2013

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2013. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

The board continue to work earnestly in providing broad based support for the re-building of the narrow gauge railway from Caernarfon to Porthmadog, this being the principle objective of the society.

The society continues to support work and acquisition of assets to understand the historical context of the original railway operation and its relation and relevance to its environment and community.

The society provides a wide range of opportunities for volunteers, encouraging their involvement, providing training and development and a forum for a sharing of skills and experience. Activities are designed to engage with volunteers across the age spectrum. Various social events are held, fostering a sense of companionship and offering the opportunity to learn about other railways.

The activities of the society are funded from the financial contributions of the membership. The use of funds raised contributes to the ability of the railway's operating company to develop at a faster rate and provide wider services without incurring financial liabilities.

The society also arranges activities that provide opportunities for the local community and local business to participate and benefit.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
03157171 (England and Wales)

Registered Charity number
1094938

Registered office
24 Coed Madog Road
Talysarn
Caernarfon
Gwynedd
LL54 6HR

Trustees	
Mr T C I McKenzie	Deputy Chairman
Mr E Jones	
Mr D H Thomas	Chairman
Mr N S McMaster	
Mr P Randall	
Mr D E Firth	
Mr A Tomlinson	

Company Secretary
Mr A J Wilkinson

Senior Statutory Auditor
Mr I L Williams

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society (Registered number: 03157171)

Report of the Trustees
for the Year Ended 31 December 2013

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Dunn & Ellis Statutory Auditors
St David's Building
Lombard Street
Porthmadog
Gwynedd
LL49 9AP

Bankers

Barclays Bank plc
Gwynedd & Ynys Mon Group
Caernarfon
Gwynedd

Other bankers

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Mailing
Kent
ME19 4JQ

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, the memorandum & articles of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Board meetings, recruitment and appointments

5 meetings were held in the year. These were attended on occasions by society officials and directors and management of Ffestiniog Railway Company and its associates.

No new trustees were recruited or appointed in the year ended 2013

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society (Registered number: 03157171)

Report of the Trustees
for the Year Ended 31 December 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The organisational structure of the society is as under, together with a breakdown of the day-to-day responsibilities of the trustees and other members / volunteers of the society

Dafydd Thomas

Chairman - appointed for 12 months

Liaison with Ffestiniog Railway Trust, Ffestiniog Railway Company, Ffestiniog Railway Society, WHR Construction Co their chairmen & officers

Represent Society in Welsh Highland Railways Association

Archives (Archivist: Gareth H Williams)

The Snowdon Ranger (Editor: Dave Kent)

Volunteers (non-operational): (Volunteer Co-ordinator: Tony Baker)

Charles McKenzie

Deputy Chairman - appointed for 12 months

Statutory obligations of registered charity - liaison with Charity Commission

Finance director

Gift Aid claims

K1 (Project Engineer: John Startin)

Society Business Plan

Membership. Membership Committee Chairman

(Membership & renewals secretary: Rob Merrick)

Elwyn Jones

The Snowdon Ranger advertising

Volunteer accommodation list

Rail Ale Festival - organising Committee Chairman

Press and local relations

Neil McMaster

Area Groups (liaison with the Groups' chairmen)

Adopt a station

Expenditure regulator NG15 Project

Platform benches

Adopt a station scheme

Peter Randall

NG15 project

Website (Website administrators: David Tidy & Laurence Armstrong)

David Firth

Events committee chairman

Deputises for chairman at Management Meetings when required

Alun Tomlinson

Volunteers (operational) (Volunteer Co-ordinator: Tony Baker)

Youth Training & Youth Volunteers

Officers

Alastair Wilkinson

Company Secretary

Annual return

Administration from registered office

Data Protection

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society (Registered number: 03157171)

Report of the Trustees
for the Year Ended 31 December 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT
Organisational structure

Ian King
Treasurer
Finance, accounts, tax returns & liaison with auditors

Rob Merrick
Membership Secretary: renewals and new members
Membership database - Steve Harris

Dave Kent
Editor: The Snowdon Ranger magazine

Tony Baker
Volunteer Co-ordinator

Gareth Haulfryn Williams
Archivist

Wider network

No one person or body related to the society (by this we refer to the wider FR Co, WHR, and FR Trust etc) has the entitlement to appoint any of the charity's trustees. Recruitment and Appointments are the sole responsibility of Rheilffordd Cymdeithas Eryri

The society's relationships with its related parties does not directly impact the operating policies adopted by it as no related party can impose a policy decision or change upon it. The society's role is to support the railway and it does this mainly by contributing financially to duly considered requests for funds from related parties to the furtherance of those activities and objectives

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Report of the Trustees
for the Year Ended 31 December 2013

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charitable company is established for the following purposes for the advancement of the education of the public:-

To encourage and to promote public interest in the Caernarfon to Porthmadog Railway (including the former Welsh Highland Railway) ("the Railway") generally and in its history, restoration, operation, railway locomotives and rolling stock, machinery and equipment of historical and general interest relating thereto.

And in furtherance of the above-mentioned objects, but not otherwise, -

(a) To support and promote the activities of the Railway by providing practical and financial support in all aspects of the construction, maintenance and operation of the Railway including the acquisition and holding of shares, debentures and other securities therein,

(b) To purchase, hire, take on loan or otherwise acquire railway engines, rolling stock and railway equipment generally and to undertake or assist in the maintenance, repair, renovation, restoration and operation of any such vehicles and equipment, and to promote and encourage the retention, preservation and operation of any such vehicles and equipment as aforesaid and to provide facilities for the public to observe such vehicles and equipment and to assist in their preservation and operation where feasible,

(c) To purchase, lease or otherwise acquire real or personal property for any estate or interest or any rights, privileges or easements in respect of any property or rights whatsoever,

(d) To construct, maintain, work and manage railways, permanent way, overhead lines, cables, power supplies, railway infrastructure, signal equipment, signals, markings, associated road furniture and ancillary equipment, to establish and maintain workshops and plant and to erect, alter and maintain any buildings, bridges and other structures,

(e) To work in conjunction with, or join or affiliate to other institutions, societies and bodies in any part of the world whose aims are not inconsistent with the objects of the Company,

(f) To promote and further the study of and research into the Welsh Highland and associated railways, railway engines and rolling stock, undertakings and other forms of transport and the historical, scientific, social and other aspects thereof, and to catalogue, collect, collate, publish and sell material and information of service or interest to the public in general calculated to promote the objects of the Company

(g) To take any gift of property, whether or not subject to any special trust, for one or more of the objects of the Company,

(h) To receive money on deposit or loan or by grant, donation, or subscription, or to take steps by personal or written appeals, public meetings or otherwise to procure contributions to the funds of the Company,

(i) To print and publish any newspapers, periodicals, books or leaflets and to operate car parks, book stalls, sales kiosks and refreshment rooms for the use and convenience of persons visiting any such vehicles and equipment as aforesaid and to sell or merchant any goods,

(j) To purchase, lease or otherwise acquire, build, equip, maintain and manage hostels, hotels or railway sleeping carriages to provide accommodation for persons engaged in the preservation of such vehicles and equipment or in promoting any of the objects of the Company and to provide facilities incidental to such accommodation,

(k) To hold or arrange or join in holding or arranging exhibitions, shows, displays, competitions or other functions or events for the purposes of the Company,

(l) To effect and keep up any insurance against any risk, loss or liability to which the Company may be subject,

(m) To invest the monies of the Company not immediately required for its purposes in or at interest upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided,

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society (Registered number: 03157171)

Report of the Trustees
for the Year Ended 31 December 2013

OBJECTIVES AND ACTIVITIES

Objectives and aims

(n) To borrow and raise money and accept money on deposit and to secure or discharge any debt or obligation of or binding on the Company in any manner and in particular (without prejudice to the generality of the foregoing) by mortgages of or charges upon all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company by the creation and issue of securities.

(o) To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments,

(p) Subject to such consents as may be required by law to sell, let, lend, mortgage, dispose of or turn to account all or any of the property or assets of the company with a view to the furtherance of its objects,

(q) To establish and support or to aid (by way of gift, loan or otherwise) in the establishment and support of any associations or institutions and to subscribe or guarantee money for purposes calculated to further the objects of the Company,

(r) To apply for and take all necessary steps to obtain statutory or other powers or privileges required or deemed to be expedient for the furtherance of the objects and work of the Company and to defray the costs and expenses involved,

(s) To do all such other lawful things as will further the attainment of the above objects or any of them.

Significant activities

The Society is the official supporters' body for the project to rebuild, maintain, and operate the Welsh Highland Railway, a narrow gauge line across the mountains of North Wales that closed in the 1930s. The project is led by the Ffestiniog Railway WHRS members are playing a leading part in the rebuilding and operation of the Railway.

The most significant proportion of the Society's work involves sponsoring projects around the railway. These range for the more obvious things such as the restoration of the locomotives as is the case with the restoration of NG15 No134 together with upkeep and maintenance on the K1, the world's first Garratt locomotive, through to the less glamorous tasks such as the construction of station signs and other furniture

Volunteers

The society continued to make a significant volunteer contribution across all aspects of the railway, through regular weekday and weekend working groups or directly with the company's departments.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The society donated £226,569 to the FR Co in 2013 (£84,780 in 2012) as part of its objective to to promote and support the WHR and these included donations towards the following projects

K1

The group continues to provide practical and financial support for the operation of this historical prototype locomotive.

NG15

Work has proceeded on this locomotive through regular working parties. The society continues to supplement the group's fund raising activities and have allocated part of a legacy to increase the rate of progress.

Report of the Trustees
for the Year Ended 31 December 2013

ACHIEVEMENT AND PERFORMANCE

Fundraising activities

The main fundraising activity for the society are the subscriptions received from its members together with donations and bequests being received for the specific projects being supported by the society

The Rail Ale Festival is also an excellent event that allows the society to showcase its activities while also raising funds for its ongoing projects. The 2013 festival was the most successful festival to date, with further improvements are planned for 2014

These main activities are supplemented by limited trading through the sale of memorabilia etc and by advertising revenues

FINANCIAL REVIEW

Reserves policy

The society's policy is to maintain an adequate reserve that will allow it to carry on its day-to-day charitable activities, while at the same time having enough held back to cope with unexpected events such as a large request for urgent support from the railway or a sudden but sustained fall in income that would last for a year or two

Principal funding sources

The society's total fund balance at the end of 2013 was £376,748 (2012 - £466,842), the decrease caused by a threefold increase in donations being made by the society in the year

As in previous years, the majority of the society's income came from the continued support of its much-valued members. Indeed the membership increased slightly to 2521 at the end of 2013 as compared with 2,468 at the end of 2012 and as expected therefore there was a small increase in the total amount of funds received from members in 2013 when compared to 2012

During the year, a bequest totalling just over £47,000 at initial valuation, was left to the society by Mr Roger Codling with the first tranche received in January 2014. A further £12,500 was also received from the Maber estate. The estate's solicitor initially valued the bequest at £254,000 in 2012, of which there is approximately £66,500 still due to the society

In addition, six area groups functioned providing practical and financial contribution to the railway and offering a social forum for members

FUTURE DEVELOPMENTS

The CRhE will be continuing its work in supporting the development of the railways and will be proud to be a sponsor for a variety of exciting new projects as well as continuing to support the railway's long term aims and projects

In an attempt to ensure that our objectives are successful, the 2012 business plan and management structure document was drawn up and issued in issue 79 of the Snowdon Ranger for all our members to see and has since been updated for 2013 and its main aims were to

- 1 increase our membership to 3,000 by the 31st December 2015,
- 2 improve regular non-operational volunteers for a variety of maintenance and improvement to the Railway facilities,
- 3 strive to arrange the availability of accommodation for objective 2 volunteers by the end of 2015,
- 4 complete the restoration of NG15 No 134 by the end of 2015,
- 5 continue funding agreed Company projects,
- 6 encourage participation of young people in the Society's projects,
- 7 encourage the involvement of the local community and businesses in the Railway

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society (Registered number: 03157171)

Report of the Trustees
for the Year Ended 31 December 2013

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Cymdeithas Rheilffordd Eryri also known as Welsh Highland Railway Society for the purposes of company law) are responsible for preparing the Report of the Trustees 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 that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

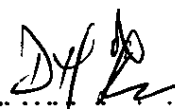
In addition to the above, the trustees confirm that they have complied with their duties as set out in Section 17(5) of the 2011 Charities Act to have due regard to the public benefit guidance published by the Charity Commission.

AUDITORS

The auditors, Dunn & Ellis Statutory Auditors, will be proposed for re-appointment at the forthcoming Annual General Meeting

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD :


.....

Mr D H Thomas - Trustee

Date: .. 12/04/14 ..

Report of the Independent Auditors to the Members of
Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society (Registered number: 03157171)

We have audited the financial statements of Cymdeithas Rheilffordd Eryri also known as Welsh Highland Railway Society for the year ended 31 December 2013 on pages eleven to nineteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, 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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page eight, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the 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 charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees 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.

Opinion on financial statements

In our opinion the financial statements.

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2013 and of its incoming resources and application of resources, including its income and expenditure, 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements

Report of the Independent Auditors to the Members of
Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society (Registered number: 03157171)

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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees



Mr I Ll. Williams (Statutory Auditor)
for and on behalf of Dunn & Ellis Statutory Auditors
St David's Building
Lombard Street
Porthmadog
Gwynedd
LL49 9AP

Date: 16/4/14

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2013

		Unrestricted fund	Restricted funds	31.12.13 Total funds	31 12.12 Total funds as restated
	Notes	£	£	£	£
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	150,127	13,530	163,657	411,676
Activities for generating funds	3	1,687	-	1,687	5,273
Investment income	4	700	508	1,208	1,290
Total incoming resources		152,514	14,038	166,552	418,239
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income	5	26,527	-	26,527	33,290
Fundraising trading: cost of goods sold and other costs	6	316	-	316	4,563
Charitable activities	7				
Donations to the Ffestiniog Railway Company		188,248	39,346	227,594	85,544
Governance costs	8	2,209	-	2,209	1,942
Total resources expended		217,300	39,346	256,646	125,339
NET INCOME/(EXPENDITURE) FOR THE YEAR					
		(64,786)	(25,308)	(90,094)	292,900
RECONCILIATION OF FUNDS					
As previously reported		250,351	137,469	387,820	173,942
Prior year adjustment	11	79,022	-	79,022	-
As Restated		329,373	137,469	466,842	173,942
TOTAL FUNDS CARRIED FORWARD		264,587	112,161	376,748	466,842

The notes form part of these financial statements

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society (Registered number: 03157171)

Balance Sheet
At 31 December 2013

		Unrestricted fund	Restricted funds	31.12.13 Total funds	31 12 12 Total funds as restated
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	12	475	-	475	475
CURRENT ASSETS					
Debtors	13	132,854	2,194	135,048	120,967
Investments	14	126	-	126	126
Cash at bank		143,977	122,453	266,430	352,401
		<u>276,957</u>	<u>124,647</u>	<u>401,604</u>	<u>473,494</u>
CREDITORS					
Amounts falling due within one year	15	(12,845)	(12,486)	(25,331)	(7,127)
NET CURRENT ASSETS		<u>264,112</u>	<u>112,161</u>	<u>376,273</u>	<u>466,367</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>264,587</u>	<u>112,161</u>	<u>376,748</u>	<u>466,842</u>
NET ASSETS		<u><u>264,587</u></u>	<u><u>112,161</u></u>	<u><u>376,748</u></u>	<u><u>466,842</u></u>
FUNDS	16				
Unrestricted funds					
General fund				264,587	329,373
Restricted funds.					
Phase IV				278	1,293
Heritage projects				1,168	3,653
NG15				93,326	118,588
K1				17,389	13,935
				<u>112,161</u>	<u>137,469</u>
TOTAL FUNDS				<u><u>376,748</u></u>	<u><u>466,842</u></u>

The notes form part of these financial statements

Cymdeithas Rheilffordd Eryri

also known as

Welsh Highland Railway Society (Registered number: 03157171)

Balance Sheet - continued

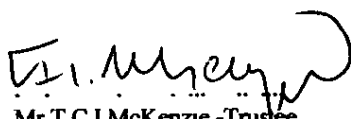
At 31 December 2013

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

The financial statements were approved by the Board of Trustees on 12th April 2014 and were signed on its behalf by



Mr D H Thomas -Trustee



Mr T C I McKenzie -Trustee

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2013

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Exemption from preparing a cash flow statement

Exemption has been taken from preparing a cash flow statement on the grounds that the charitable company qualifies as a small charitable company

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. This is in keeping with the requirements of the SORP 2005 which requires incoming resources to be recognised when

- a. it has entitlement,
- b. it is virtually certain the amounts will be received, and
- c. when the amount can be reliably measured.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

One of the charitable company's main aims as set out in the objectives and aims section of the trustees report is to "support and promote the activities of the Railway by providing practical and financial support in all aspects of the construction, maintenance and operation of the Railway"

It does this through the allocation of its incoming resources to specific projects currently being undertaken by the Railway and when the funds are required on a specified project, the charitable company makes a donation from the relevant fund to the Railway's project.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc	- 33% on cost
-------------------------	---------------

Taxation

The charity is exempt from corporation tax on its charitable activities

The charity is not registered for VAT and therefore all figures are where relevant inclusive of VAT

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or more commonly when funds are raised for particular restricted purposes such as a specific project.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

2. VOLUNTARY INCOME

	31.12.13	31.12.12
	£	as restated £
Gifts	-	-
Donations	54,006	262,656
Gift aid	17,376	26,625
Annual subscriptions	61,453	60,048
Life memberships	6,057	4,695
Miscellaneous receipts	438	24,030
Phase V subscriptions	390	2,470
Phase IV income	240	240
Heritage projects	380	-
NG15 income	7,984	13,216
K1 income	2,733	2,208
Carriage appeal	12,600	-
Well wagon (locomotive £9)	-	146
Loco shed	-	15,342
	<u>163,657</u>	<u>411,676</u>

Included within the 2013 donations amount of £54,006 is a £47,196 bequest from the estate of Mr Roger Codling.

This amount was bequeathed in late 2013 and recognised in the accounts in line with accounting policy. The first tranche of the money was not received until 2014 and thus it is also included as a debtor on the balance sheet.

Included within the 2012 donations total of £262,656 is a £254,022 bequest from the Maber estate, which was recognised in full in line with accounting policy.

£175,000 was actually received in 2012 with a further £12,500 received in 2013 with the remaining £66,522 being recognised as a debtor on the balance sheet.

3. ACTIVITIES FOR GENERATING FUNDS

	31.12.13	31.12.12
	£	as restated £
Sales	493	4,287
Advertising revenue	1,194	986
	<u>1,687</u>	<u>5,273</u>

4. INVESTMENT INCOME

	31.12.13	31.12.12
	£	as restated £
Deposit account interest	<u>1,208</u>	<u>1,290</u>

Cymdeithas Rheilffordd Eryri
also known as
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Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

5. COSTS OF GENERATING VOLUNTARY INCOME

	31.12.13	31.12.12
	£	as restated £
Postage and stationery	<u>26,527</u>	<u>33,290</u>

6. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	31.12.13	31.12.12
	£	as restated £
Purchases	<u>316</u>	<u>4,563</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Totals
	£	£
Donations to the Ffestuniog Railway Company	<u>227,594</u>	<u>227,594</u>

8. GOVERNANCE COSTS

	31.12.13	31.12.12
	£	as restated £
AGM expenses	451	672
Auditors' remuneration	1,200	825
Auditors' remuneration for non-audit work	558	445
	<u>2,209</u>	<u>1,942</u>

9. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	31.12.13	31.12.12
	£	as restated £
Auditors' remuneration	<u>1,200</u>	<u>825</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

No trustees' remuneration, other benefits or expenses were paid to the trustees during the years ended 31 December 2012 and 31 December 2013

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2013 nor for the year ended 31 December 2012

Cymdeithas Rheilffordd Eryri
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Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

11. PRIOR YEAR ADJUSTMENT

In 2012, the charity was notified that it was named as beneficiary in the Maber estate. The charity had been bequeathed a total of £254,021.81 and received £175,000 during 2012 and a further £12,500 in 2013

In order for the charity to comply with both the SORP 2005 and FRS21 (Events after the balance sheet date) the balance yet to be received as at 31 December 2012 should have been included as a debtor on the balance sheet and as a receipt on the SOFA.

This balance, totalling £79,021.81 has therefore triggered a prior year adjustment resulting in this amount being declared correctly on the restated 2012 comparative within these financial statements.

Because of this, the £12,500 received in 2013 has been removed from the current year's donation total and instead netted off the brought forward debtor, which allows the correct outstanding balance of £66,521.81 for 2013 to be shown

12. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2013 and 31 December 2013	475
NET BOOK VALUE	
At 31 December 2013	475
At 31 December 2012	475

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.13 £	31 12.12 as restated £
Trade debtors	21,330	41,945
Other debtors	113,718	79,022
	<u>135,048</u>	<u>120,967</u>

The other debtors figures above relate to the outstanding balance due on the bequests made from the Codling and Maber estates.

The breakdown being

2013

£ 66,522 Maber estate
£ 47,196 Codling estate
£113,718

2012

£ 79,022 Maber estate

Cymdeithas Rheilffordd Eryri
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Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

14. CURRENT ASSET INVESTMENTS

	31.12.13	31.12.12 as restated
	£	£
Ffestiniog Railway Company £250 debenture	125	125
Ffestiniog Railway Company share	1	1
	<u>126</u>	<u>126</u>

In 2010, the Model Locomotive was given to the National Rail Museum in York on a long term loan and there has been no change since that time.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.13	31.12.12 as restated
	£	£
Trade creditors	25,331	7,127
	<u>25,331</u>	<u>7,127</u>

In 2013, £23,400 (2012 £5,758) of the abovementioned trade creditor balance related to outstanding amounts due to the FRCO as part of the society's charitable objectives

16. MOVEMENT IN FUNDS

	At 1.1.13	Prior year adjustment	Net movement in funds	At 31.12.13
	£	£	£	£
Unrestricted funds				
General fund	250,351	79,022	(64,786)	264,587
Restricted funds				
Phase IV	1,293	-	(1,015)	278
Heritage projects	3,653	-	(2,485)	1,168
NG15	118,588	-	(25,262)	93,326
K1	13,935	-	3,454	17,389
	<u>137,469</u>	<u>-</u>	<u>(25,308)</u>	<u>112,161</u>
TOTAL FUNDS	<u>387,820</u>	<u>79,022</u>	<u>(90,094)</u>	<u>376,748</u>

Cymdeithas Rheilffordd Eryri
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Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

16. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	152,514	(217,300)	(64,786)
Restricted funds			
Phase IV	301	(1,316)	(1,015)
Heritage projects	379	(2,864)	(2,485)
NG15	9,904	(35,166)	(25,262)
K1	3,454	-	3,454
	<u>14,038</u>	<u>(39,346)</u>	<u>(25,308)</u>
TOTAL FUNDS	<u><u>166,552</u></u>	<u><u>(256,646)</u></u>	<u><u>(90,094)</u></u>

General funds

The general fund can be allocated to any project that is in keeping with the aims and objectives of the charitable company

Restricted funds

The abovementioned restricted funds represent the monies raised and expended on specific WHR project. These include the restoration of and maintenance of specified engines and rolling stock.

17. ULTIMATE CONTROLLING PARTY

The company is a private company limited by guarantee and consequently does not have any share capital. The ultimate control of the company therefore resides in its members who are liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation

18. EXEMPTION FROM NAME ENDING WITH 'LIMITED' OR 'CYFYNGEDIG'

The trustees confirm that the charitable company is exempt from the requirement to have their company name ending with 'Limited', 'Cyfyngedig' or any other permitted alternative

Cymdeithas Rheilffordd Eryri
also known as
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Detailed Statement of Financial Activities
for the Year Ended 31 December 2013

	31.12.13	31.12.12
	£	as restated £
INCOMING RESOURCES		
Voluntary income		
Gifts	-	-
Donations	54,006	262,656
Gift aid	17,376	26,625
Annual subscriptions	61,453	60,048
Life memberships	6,057	4,695
Miscellaneous receipts	438	24,030
Phase V subscriptions	390	2,470
Phase IV income	240	240
Heritage projects	380	-
NG15 income	7,984	13,216
K1 income	2,733	2,208
Carriage appeal	12,600	-
Well wagon (locomotive £9)	-	146
Loco shed	-	15,342
	<hr/>	<hr/>
	163,657	411,676
Activities for generating funds		
Sales	493	4,287
Advertising revenue	1,194	986
	<hr/>	<hr/>
	1,687	5,273
Investment income		
Deposit account interest	1,208	1,290
	<hr/>	<hr/>
Total incoming resources	166,552	418,239
RESOURCES EXPENDED		
Costs of generating voluntary income		
Postage and stationery	26,527	33,290
Fundraising trading: cost of goods sold and other costs		
Purchases	316	4,563
Charitable activities		
Other unallocated expenses	1,025	764
Ffestiniog Railway miscellaneous contributions	34,190	39,259
Ng 15	35,166	22,166
Heritage projects	2,864	1,654
Nantmor	-	575
Caernarfon station	23,754	-
Dinas water board building	-	21,112
Carried forward	96,999	85,530

This page does not form part of the statutory financial statements

