

Report of the Trustees and
Financial Statements for the Year Ended 31 December 2021
for
Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Should you require a larger print version of this document a copy can be found in the Members Area of the CRhE website: <https://www.whrsoc.org.uk>

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



Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

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for the Year Ended 31 December 2021

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

Report of the Trustees
for the Year Ended 31 December 2021

The trustees of Cymdeithas Rheilffordd Eryri (the Society), who are also directors of the Society for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Society's board of trustees continues to work earnestly in providing broad based support for the maintenance, development and operation of the narrow-gauge railway from Caernarfon to Porthmadog, this being the principal objective of the Society.

The Society continues to support 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 opportunities as well as a forum for a sharing of skills and experience. Activities are designed to engage with volunteers across the age spectrum.

The activities of the Society are funded by financial contributions and legacies from the membership and supporters. 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 supports activities that provide opportunities for the local community and local business to participate in and benefit from.

Report of the Trustees
for the Year Ended 31 December 2021

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 WHR) 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 WHR by providing practical and financial support in all aspects of the construction, maintenance and operation of the WHR 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 Society,
- (f) To promote and further the study of and research into the WHR 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 Society,
- (g) To take any gift of property, whether or not subject to any special trust, for one or more of the objects of the Society,
- (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 Society,
- (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 Society 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 Society,
- (l) To effect and keep up any insurance against any risk, loss or liability to which the Society may be subject,
- (m) To invest the moneys of the Society 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,

Report of the Trustees
for the Year Ended 31 December 2021

- (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 Society 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 Society 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 Society 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 Society,
- (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 Society 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 WHR, a narrow-gauge railway between Caernarfon and Porthmadog which closed in the 1930s. The operating company for the WHR is the Festiniog Railway Company (the Company). The Society members are playing a leading part in the maintenance, development and operation of the WHR.

The most significant proportion of the Society's work involves sponsoring projects around the railway. These range from the more obvious things such as the restoration of the locomotives such as NG15 No134, together with the maintenance and improvement of the track, 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 WHR, through regular weekday and weekend working groups or directly with the Company's departments subject to the restrictions imposed by coronavirus and associated regulations.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

With the exclusion of the exceptional coronavirus related support provided, the Society donated £121,741 to the Company in 2021 (2020: £61,343) as part of its objective to promote and support the WHR, and this included £5,379 from the coronavirus appeal. The donations during 2021 related mostly to the NG15 refurbishment, but contributions towards the NGG 16 boiler and a number of smaller projects were also made.

During the year to December 2020 the Society made short term, interest free loans totalling £400,000 to the Company. These were to assist it with the usual need for cash in the winter months and also to assist it in dealing with the costs relating to the coronavirus restrictions put in place by the Welsh Government.

In the current year the Society converted £117,405 (2020: £35,744) of the loan balance into grants. These were to reimburse costs incurred by the Company in connection with specified projects. The Society also received a repayment of £125,000 from the Company in December 2021, which reduced the total indebtedness to £121,851.

Fundraising activities

The main sources of funds are subscriptions, donations and bequests received from its members and other supporters.

Cymdeithas Rheilffordd Eryri
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Report of the Trustees
for the Year Ended 31 December 2021

FINANCIAL REVIEW

Principal funding sources

The Society's total fund balance at the end of 2021 was £553,242 (2020: £672,196).

As in previous years, the majority of the Society's income came from the continued support of its much-valued members. The classification and breakdown of fee-paying memberships was as follows:

	<u>2021</u>	<u>2020</u>
Adults	920	969
Families	849	956
Juniors	3	5
Young persons	4	8
Life members	418	422
Associate Life members	34	34
Total	<u>2,228</u>	<u>2,394</u>

As can be seen, the overall fee-paying membership decreased slightly in 2021 as compared with 2020, and this is believed to be attributable to the coronavirus pandemic.

The Society's membership year runs from the 1 March to the end of February, which differs from its accounting year by two months. As a result, the Society accrues two twelfths of its annual membership income so as to carry it over to the relevant accounting period.

Some members have prepaid their membership by a varying number of years, and again, these identified amounts are now accrued over to the relevant accounting periods. The same approach is also undertaken for Diamond Jubilee Appeal donors who are granted Society membership for five years.

Life and Associate Life membership fees represent one off contributions by these members for continued lifelong membership. In order that the Society's continuing relationship with these members is adequately reflected in its financial statements, life membership income received is now accrued and released over a 10-year period, which is considered by the trustees to produce a reasonable approximation of expected accrued benefit and matches the approach undertaken by two similar organisations.

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FINANCIAL REVIEW

Reserves policy

The Society's policy is to maintain an adequate reserve so as to enable it to discharge its charitable objectives, meet its ongoing day to day requirements, and maintain general funds to meet its obligations for committed WHR projects. In addition, the Society receives and holds restricted funds in support of the NG15 and K1 projects.

The Society allocates monies into one of three types of fund:

Unrestricted funds

These are available to spend on activities that further any of the purposes & objects of the charity and are allocated at the discretion of the trustees.

Designated funds

These are unrestricted funds that the trustees have decided, at their discretion, to set aside to use for specific purposes.

However, should circumstances dictate that the specific project cannot be pursued, or should there be funds in excess of the required amount for its achievement, then the funds retained therein will be used to further the general aims of the Society and will be reallocated at the discretion of the trustees.

Restricted funds

These funds, which arise from grants or donations made for a specific purpose, can only be used for that particular purpose within the objects of the charity. Restrictions arise when stipulated by the donor or grantor or where funds are raised for a specified purpose. The balances of the funds represent the unspent amounts.

As at the end of 2021 the Society's main funds stood at:

Restricted funds

	<u>2021</u>	<u>2020</u>
NG15 project	£ 8,742	£ 22,496
K1 project	£ 32,737	£ 31,991

Designated funds

	<u>2021</u>	<u>2020</u>
Historical railway assets fund	£ 700	£ 700
Station View property fund	£230,000	£225,374
Station View maintenance fund	£ 11,410	£ 7,910
NG15 project contingency fund	£ 22,256	£ 90,000
Smaller project allocation fund;	£ 29,746	£ 41,779
NG15 appeal	£ 11,310	£ -
NGG16 boiler appeal	£ -	£ 8,710
Third class saloon appeal fund	£150,000	£ 88,619
Dinas facilities contingency fund	£ 11,652	£ 5,225
Coronavirus appeal fund	£ 117	£ 3,259

Unrestricted funds

	<u>2021</u>	<u>2020</u>
Unrestricted funds (free reserve)	£ 44,572	£146,133

The Society's free reserve for the year is the Society's available and unallocated funds, with this being available to respond to unexpected events, such as an unplanned request for urgent support from the railway or a sudden but sustained fall in income.

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FUTURE PLANS

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

The Society has prepared and adopted a business plan which is designed to last until the end of 2024. The Board also appointed a Vision Group, which carried out a wide-ranging review of the Society's affairs, and the current business plan incorporates their conclusions and recommendations.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Society 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 and is a registered charity as defined by the Charities Act 2011.

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Board meetings, recruitment and appointments

The Society trustees held regular meetings during the year which were attended by Society officers & directors, and on occasions representatives of the Company and trustees of The Ffestiniog and Welsh Highland Railways Trust (The Trust).

Publication of the financial statements

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Society's website, and as noted on the front cover of this document, a larger print version of the financial statements can be accessed via the Members Area of the Society's website: <https://www.whrsoc.org.uk>.

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Report of the Trustees
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STRUCTURE, GOVERNANCE AND MANAGEMENT
TRUSTEES (DIRECTORS)

Dafydd H Thomas

- Chairman, appointed for 12 months
- Liaison with the Company, the Trust, subsidiary companies, and the Ffestiniog Railway Society (FRS).
- Society representative at the Company management meetings
- Archives: Archivist Gareth H Williams
- The Snowdon Ranger: Editor Bob Zeepvat
- Centenary Committee

Ian R King

- Deputy chairman
- Liaison with the Company, the Trust, subsidiary companies, and the FRS
- NG15 project finance
- Centenary Committee
- Society representative on the Trust's Diamond Jubilee Appeal committee
- Finance Director inc. Gift Aid claims / cash flow / budget

Elwyn Jones

- The Snowdon Ranger advertising
- Rail Ale Festival committee chairman
- Press & local community relations

Neil S McMaster

- Area & Special Interest Groups: liaison with Groups' chairmen
- Platform benches
- Adopt a station scheme
- Risk Management policy document

David E Firth

- Events
- Centenary Committee

Mark W Gardner

- IT
- Communications (Website & social media): website administrators David Tidy & Laurence Armstrong
- Vision Group – chairman

Steven R Harris

- Membership: membership committee chairman, Membership Secretary Richard Watson
- Vision Group

Megan Smith

- Volunteers
- Vision Group

Adrian M Strachan - Appointed 18 September 2021

- NG15 project and engineering lead
- Vision Group

OFFICERS

Charles McKenzie

- Company secretary
- Legacy administration
- Statutory obligations of registered company and charity, including annual return
- Administration from registered office

Report of the Trustees
for the Year Ended 31 December 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

- Data protection registration

Richard Watson

- Membership Secretary.

Bob Zeepvat

- Editor of The Snowdon Ranger.

Gareth Haulfryn Williams

- Archivist.

Stephen Cheeseman

- Treasurer

- Financial reporting, maintaining accounts, and liaison with auditors.

Dave Kent

- President.

Cedric Lodge

- Vice President.

Stuart McNair

- Vice President.

Wider network

No one person or body related to the Society (by this we refer to the Company, the Trust and associated companies) has the entitlement to appoint any of the charity's trustees. The Society's trustees are only appointed by the members of the Society.

The Society's relationships with its related parties do 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 WHR and it does this mainly by contributing financially to duly considered requests for funds from related parties in the furtherance of those activities and objectives.

RELATED PARTY, REMUNERATION AND EXPENSES POLICY

The trustees consider the Society's key management team to comprise of the board of trustees and the senior officers as they are tasked with directing and controlling the operations of the Society on a day-to-day basis. There were no directors' remuneration, expenses or related party transactions in the year, and this confirmation is also disclosed by way of a statutory note in the accounts.

Risk management

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

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03157171 (England and Wales)

Registered Charity number

1094938

Cymdeithas Rheilffordd Eryri
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Report of the Trustees
for the Year Ended 31 December 2021

Registered office

Station View
Dinas
Caernarfon
Gwynedd
LL54 5UB

Company Secretary

Mr T C I McKenzie

Senior Statutory Auditor

Mr. G. Lloyd Jones

Auditors

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

Bankers

Barclays Bank plc
Leicester
LE87 2BB

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

EVENTS SINCE THE END OF THE YEAR

Information relating to any events since the end of the year is given in the notes to the financial statements.

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) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

Report of the Trustees
for the Year Ended 31 December 2021



STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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 Cyf 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.

Approved by order of the board of trustees on 23rd April 2022 and signed on its behalf by:


.....
Mr T C I McKenzie - Secretary

Report of the Independent Auditors to the Members of
Cymdeithas Rheilffordd Eryri
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Opinion

We have audited the financial statements of Cymdeithas Rheilffordd Eryri also known as Welsh Highland Railway Society (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2021 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
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Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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 take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

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Audit response to risks identified

- the nature of the industry and sector, control environment and business performance.
- results of our enquiries of management, and those charged with governance about their own identification and assessment of the risks of irregularities.
- any matters we identified having obtained and reviewed the Charitable Company's information of their policies and procedures relating to:
 - a. identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance.
 - b. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud.
 - c. the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
 - d. any matters discussed among the audit engagement team including significant directions from relevant external specialists, any tax valuations of note etc.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be in relation to revenue recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Charitable Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2006, UK GAAP and any other laws and regulations that although might not have a direct effect on the financial statements, compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty.

Audit response to risks identified

As a result of performing the above, we identified revenue recognition as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements.
- enquiring of management and those charged with governance concerning actual and potential litigation and claims.
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- reading any minutes of meetings of those charged with governance, should they exist, and enquire about any correspondence with relevant regulatory bodies.
- obtained an understanding of, through discussions with management to understand the basis of recognition income; and

Report of the Independent Auditors to the Members of
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- in addressing the risk of fraud through management override of controls, our approach included the evaluation of the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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.



Mr. G. Lloyd Jones
(Statutory Auditor)

for and on behalf of

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

Date: 26/04/2022

Note:

The maintenance and integrity of the Cymdeithas Rheilffordd Eryri also known as Welsh Highland Railway Society website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

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 2021

				31.12.21	31.12.20
	Notes	Unrestricted fund £	Designated funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM					
Donations, legacies & gift aid	3	24,987	4,758	1,677	31,422
Charitable activities	6				
Subscriptions & Diamond appeal		79,257	-	-	79,257
Accommodation income		-	2,366	-	2,366
Coronavirus appeal		-	1,856	-	1,856
General appeals		-	19,189	9,564	28,753
Other trading activities	4	240	-	-	240
Investment income	5	13	-	-	13
Total		104,497	28,169	11,241	143,907
EXPENDITURE ON					
Raising funds	7	171	-	536	707
Charitable activities	8				
Donations to the Festiniog Railway Company		117,405	30,284	91,457	239,146
Printing, stationery, postage etc.		18,371	-	-	18,371
Coronavirus appeal		-	-	-	-
Accommodation costs		-	4,865	-	4,865
Governance and support		4,382	16	-	4,398
Total		140,329	35,165	91,993	267,487
NET INCOME/(EXPENDITURE)		(35,832)	(6,996)	(80,752)	(123,580)
Transfers between funds	17	(65,729)	(2,015)	67,744	-
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		-	4,626	-	4,626
Net movement in funds		(101,561)	(4,385)	(13,008)	91,101
RECONCILIATION OF FUNDS					
Total funds brought forward		146,133	471,576	54,487	672,196

The notes form part of these financial statements

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 2021

				31.12.21	31.12.20
	Notes	Unrestricted fund £	Designated funds £	Restricted funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD		<u>44,572</u>	<u>467,191</u>	<u>41,479</u>	<u>553,242</u>
					<u>672,196</u>

The notes form part of these financial statements

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

Balance Sheet
31 December 2021

					31.12.21	31.12.20
	Notes	Unrestricted fund £	Designated funds £	Restricted funds £	Total funds £	Total funds £
FIXED ASSETS						
Tangible assets	12	-	230,700	-	230,700	226,074
CURRENT ASSETS						
Debtors	13	7,193	123,851	2,469	133,513	374,856
Investments	14	1	-	-	1	1
Cash at bank		<u>110,872</u>	<u>112,640</u>	<u>95,819</u>	<u>319,331</u>	<u>142,629</u>
		118,066	236,491	98,288	452,845	517,486
CREDITORS						
Amounts falling due within one year	15	(36,696)	-	(56,809)	(93,505)	(36,365)
NET CURRENT ASSETS		<u>81,370</u>	<u>236,491</u>	<u>41,479</u>	<u>359,340</u>	<u>481,121</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		81,370	467,191	41,479	590,040	707,195
CREDITORS						
Amounts falling due after more than one year	16	(36,798)	-	-	(36,798)	(34,999)
NET ASSETS		<u>44,572</u>	<u>467,191</u>	<u>41,479</u>	<u>553,242</u>	<u>672,196</u>

The notes form part of these financial statements

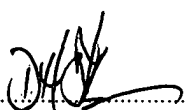
Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society (Registered number: 03157171)

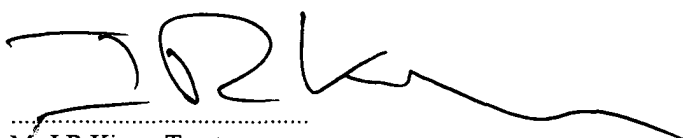
Balance Sheet - continued
31 December 2021

		31.12.21	31.12.20
		Total funds £	Total funds £
FUNDS	Notes 17		
Unrestricted and designated funds:			
Unrestricted fund		44,572	146,133
Historical railway assets fund		700	700
Station View property fund		230,000	225,374
Station View maintenance fund		11,410	7,910
NG15 contingency fund		22,256	90,000
Small project allocations fund		29,746	41,779
NG15 Appeal		11,310	-
NGG16 boiler appeal fund		-	8,710
Third class saloon fund		150,000	88,619
Dinas facilities contingency fund		11,652	5,225
Coronavirus appeal fund		117	3,259
		<u>511,763</u>	<u>617,709</u>
Restricted funds:			
NG15 project fund		8,742	22,496
K1 project fund		<u>32,737</u>	<u>31,991</u>
		<u>41,479</u>	<u>54,487</u>
TOTAL FUNDS		<u>553,242</u>	<u>672,196</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies' regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 23/04/2022 and were signed on its behalf by:


 Mr D H Thomas - Trustee


 Mr I R King - Trustee

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2021

1. STATUTORY INFORMATION

Cymdeithas Rheilffordd Eryri (the Society) is a limited company, limited by guarantee as defined by the Companies Act 2006 and is registered in England and Wales. The Society is also registered as a charity with the Charity Commission. The Society's registration numbers, and registered office address can be found in the Report of the Trustees.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the Society, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The trustees have reviewed all available information, examined the current business plan and are certain that it is appropriate for the financial statements to be prepared on the going concern basis.

Income

Income is generally recognised in the Statement of Financial Activities once the Society has entitlement to the funds; it is probable that the income will be received and the amount can be measured reliably.

Subscription and Society membership income are recognised according to the above criteria with the exception of amounts received and deemed to be received in advance, which are deferred until the income recognition criteria are met:

- Annual membership relating to two twelfth of the membership income is deferred until the subsequent period.
- Advanced membership receipts are deferred and released in the period to which they relate.
- Diamond Jubilee Appeal income is received for a 5-year membership period and is amortised accordingly. The Diamond Jubilee Appeal is a project conceived and operated by the Trust.
- Life and Associate Life membership income is deferred and amortised over a 10-year period, which is commensurate to the policy adopted by two other similar organisations.

For legacies, entitlement is taken as the earlier of the date on which either:

- the Society is notified, before probate, of a gift in a will; or
- the Society becomes aware of a gift once probate has been granted; or
- the estate has been finalised and notification has been made by the executor(s) to the Society that a distribution will be made; or
- when a distribution is received from the estate.

Where legacies have been notified to the Society and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Interest on funds held on deposit is included when receivable, which is usually on a quarterly basis and the amount, can be measured reliably by the Society; this is normally upon notification of the interest paid or payable by the Bank.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

2. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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 Society's main aims is to "support and promote the activities of the WHR 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 for the WHR and when the funds are required on a specified project, the Society makes a donation from the relevant fund.

Support costs

Support costs are those functions that assist the work of the Society but do not directly undertake charitable activities. Support costs include regulatory costs, finance, publication of the periodical, postage and governance costs which support the Society's charitable programmes and activities.

Tangible fixed assets

Fixed assets are capitalised if they cost more than £1,000 and are deemed to have a useful life of more than five years. Once capitalised, qualifying assets are disclosed in line with the following policies, which the trustees have deemed appropriate in order for the financial statements to reflect a 'true and fair view'.

Freehold property

Station View was acquired in 2017 for the purpose of providing low-cost accommodation to railway volunteers, with this being one of the Society's primary objectives.

The requirements are that a tangible fixed asset, less its residual value, must be depreciated on a systematic basis over its useful economic life, however the trustees are of the view that the property has a high residual value, which will remove the need for depreciation to be charged. Instead, an annual impairment review will be undertaken, and a full revaluation will be carried out on a rolling 5 year basis, with the next revaluation being due to be reported in the 31 December 2026 financial statements.

The annual impairment review, coupled with a rolling 5-year revaluation policy is deemed to be sufficient to ensure that the departure from the Charities SORP (FRS 102), FRS 102 (effective 1 January 2019) and Companies Act 2006 requirements are not material in nature.

The historical railway assets

Those recognised at a cost are comprised of a signal box sign, a model locomotive and the Nantlle map. Although these might be considered as historically important to the railway, they are not currently considered to be heritage assets. No depreciation is provided with regards to these assets, as its affect upon the financial statements is again deemed to be immaterial.

These departures from accounting standards, believed by the trustees to be necessary for a 'true and fair view' to be reported, are not deemed to be material with regard their affect upon the financial statements.

Taxation

The Society is not registered for value added tax and all transactions during the period shown are deemed to be exempt from corporation tax.

Fund accounting

Funds held by the Society are either:

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

2. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds

These are available to spend on activities that further any of the purposes & objects of the Society and are allocated at the discretion of the trustees.

Designated funds

These are unrestricted funds that the trustees have decided, at their discretion, to set aside to use for specific purposes.

However, should circumstances dictate that the specific project cannot be pursued, or should there be funds in excess of the required amount for its achievement, then the funds retained therein will be used to further the general aims of the Society and will be reallocated at the discretion of the trustees.

Restricted funds

These funds, which arise from grants or donations made for a specific purpose, can only be used for that particular purpose within the objects of the Society. Restrictions arise when stipulated by the donor or grantor or where funds are raised for a specified purpose. The balances of the funds represent the unspent amounts.

Concessionary loans to the company

In 2020, as part of its response to the Coronavirus outbreak, the Society lent a total of £400,000 to the Company. During the current year, through a combination of conversion to grants and repayments being made, the outstanding balance was reduced to £121,851.

These loans are deemed to be repayable upon demand and are interest free.

In line with the public benefit entity provision in section 34 of FRS 102, these loans are recognised initially at cost, with repayments or conversions to grants being recognised in the relevant periods.

Voluntary assistance

The Society has no employees and many of its members give freely of their time to carry out all of the activities of the Society. These voluntary contributions are not included in the accounts.

3. DONATIONS, LEGACIES & GIFT AID

	31.12.21	31.12.20
	£	£
Donations and legacies	8,045	54,437
Annual gift aid claims	<u>23,377</u>	<u>28,658</u>
	<u>31,422</u>	<u>83,095</u>

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

4. OTHER TRADING ACTIVITIES

	31.12.21	31.12.20
	£	£
Sales	240	848
Advertising revenue	-	180
	<u>240</u>	<u>1,028</u>

5. INVESTMENT INCOME

	31.12.21	31.12.20
	£	£
Deposit account interest	<u>13</u>	<u>119</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.12.21	31.12.20
		£	£
Annual subscriptions	Subscriptions & Diamond appeal	68,851	76,520
Life membership	Subscriptions & Diamond appeal	7,936	8,650
Diamond appeal	Subscriptions & Diamond appeal	2,470	3,432
Station View income	Accommodation income	2,366	370
Coronavirus appeal	Coronavirus appeal	1,856	24,508
NG15 income	General appeals	8,969	4,210
K1 income	General appeals	595	512
Third class saloon	General appeals	10,058	14,088
NG15 appeal	General appeals	<u>9,131</u>	-
		<u>112,232</u>	<u>132,290</u>

7. RAISING FUNDS

Other trading activities

	31.12.21	31.12.20
	£	£
Purchases	<u>707</u>	<u>423</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Donations to the Festiniog Railway Company	239,146
Printing, stationary, postage etc.	18,371
Accommodation costs	4,865
	<u>262,382</u>

9. AUDITORS' REMUNERATION

	31.12.21 £	31.12.20 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	2,552	2,320
Fees payable to the charity's auditors for other services: Preparation of accounts	1,210	1,100
	<u> </u>	<u> </u>

10. TRUSTEES' REMUNERATION AND BENEFITS

The trustees all give their time freely and there were no trustees' remuneration or other benefits received neither for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – 2020 SoFA

(Breakdown of 2020 activity from Page15)

	Unrestricted fund £	Designated funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations, legacies & gift aid	74,688	7,097	1,310	83,095
Charitable activities				
Subscriptions & Diamond appeal	88,602	-	-	88,602
Accommodation income	-	370	-	370
Coronavirus appeal	-	24,508	-	24,508
General appeals	-	14,088	4,722	18,810
Other trading activities	1,028	-	-	1,028
Investment income	52	26	41	119
Total	164,370	46,089	6,073	216,532
EXPENDITURE ON				
Raising funds	423	-	-	423

Cymdeithas Rheilffordd Eryri
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Welsh Highland Railway Society

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – 2020 SoFA cont/.

	Unrestricted fund £	Designated funds £	Restricted funds £	Total funds £
Charitable activities				
Donations to the Festiniog Railway Company	35,744	29,925	6,418	72,087
Printing, stationary, postage etc.	21,187	-	-	21,187
Coronavirus appeal	-	25,000	-	25,000
Accommodation costs	-	2,329	-	2,329
Governance and support	<u>4,186</u>	<u>219</u>	<u>-</u>	<u>4,405</u>
Total	<u>61,540</u>	<u>57,473</u>	<u>6,418</u>	<u>125,431</u>
NET INCOME/(EXPENDITURE)	102,830	(11,384)	(345)	91,101
Transfers between funds	<u>42,133</u>	<u>(43,343)</u>	<u>1,210</u>	<u>-</u>
Net movement in funds	144,963	(54,727)	865	91,101
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>1,170</u>	<u>526,303</u>	<u>53,622</u>	<u>581,095</u>
TOTAL FUNDS CARRIED FORWARD	<u>146,133</u>	<u>471,576</u>	<u>54,487</u>	<u>672,196</u>

12. TANGIBLE FIXED ASSETS

	Freehold property £	Dinas signal box sign £	Model Locomotive £	Nantlle map £	Totals £
COST OR VALUATION					
At 1 January 2021	225,374	375	100	225	226,074
Revaluations	<u>4,626</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,626</u>
At 31 December 2021	<u>230,000</u>	<u>375</u>	<u>100</u>	<u>225</u>	<u>230,700</u>
NET BOOK VALUE					
At 31 December 2021	<u>230,000</u>	<u>375</u>	<u>100</u>	<u>225</u>	<u>230,700</u>
At 31 December 2020	<u>225,374</u>	<u>375</u>	<u>100</u>	<u>225</u>	<u>226,074</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

12. TANGIBLE FIXED ASSETS - continued

Cost or valuation at 31 December 2021 is represented by:

	Freehold property £	Dinas signal box sign £	Model Locomotive £	Nantlle map £	Totals £
Valuation in 2021	4,626	-	-	-	4,626
Cost	<u>225,374</u>	<u>375</u>	<u>100</u>	<u>225</u>	<u>226,074</u>
	<u>230,000</u>	<u>375</u>	<u>100</u>	<u>225</u>	<u>230,700</u>

If Station View had not been revalued it would have been included at the following historical cost:

	31.12.21 £	31.12.20 £
Cost	<u>225,374</u>	<u>-</u>

Station View was valued as at 31 December 2021 by Dafydd Hardy Chartered Surveyors.

The freehold property figure relates to the costs associated with the purchase of Station View in February 2017 and the subsequent improvements thereto and revaluation thereof.

In 2010, the model locomotive was given to the National Rail Museum in York on a long term loan, but is now back in Porthmadog and kept at the Harbour Station.

The signal box sign is currently being stored at a secure location in Dinas and may be put on display at Caernarfon Station.

The Nantlle map, which depicts the line between Caernarfon and Nantlle, is believed to be dated from around the mid 19th Century and is currently being safely kept by one of the trustees.

13. DEBTORS

	31.12.21 £	31.12.20 £
Amounts falling due within one year:		
Other debtors	5,024	371
Annual gift aid claims	6,636	7,227
Bequests	2	3,002
Company loans	<u>121,851</u>	<u>123,140</u>
	<u>133,513</u>	<u>133,740</u>
Amounts falling due after more than one year:		
Company loans	<u>-</u>	<u>241,116</u>
Aggregate amounts	<u>133,513</u>	<u>374,856</u>

Cymdeithas Rheilffordd Eryri
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Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

14. CURRENT ASSET INVESTMENTS

	31.12.21 £	31.12.20 £
Festiniog Railway Company share	<u>1</u>	<u>1</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 £
Accrued Festiniog Railway Company donations	56,857	-
Other creditors	4,379	4,052
Deferred income	<u>32,269</u>	<u>32,313</u>
	<u>93,505</u>	<u>36,365</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.21 £	31.12.20 £
Accruals and deferred income	<u>36,798</u>	<u>34,999</u>

17. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted and designated funds				
Unrestricted fund	146,133	(35,832)	(65,729)	44,572
Historical railway assets fund	700	-	-	700
Station View property fund	225,374	4,626	-	230,000
Station View maintenance fund	7,910	(2,500)	6,000	11,410
NG15 contingency fund	90,000	-	(67,744)	22,256
Small project allocations fund	41,779	(16,176)	4,143	29,746
NG15 Appeal	-	11,310	-	11,310
NGG16 boiler appeal fund	8,710	(8,710)	-	-
Third class saloon fund	88,619	12,223	49,158	150,000
Dinas facilities contingency fund	5,225	(1)	6,428	11,652
Coronavirus appeal fund	<u>3,259</u>	<u>(3,142)</u>	-	<u>117</u>
	617,709	(38,202)	(67,744)	511,763
Restricted funds				
NG15 project fund	22,496	(81,498)	67,744	8,742
K1 project fund	<u>31,991</u>	<u>746</u>	-	<u>32,737</u>
	54,487	(80,752)	67,744	41,479
TOTAL FUNDS	<u>672,196</u>	<u>(118,954)</u>	-	<u>553,242</u>

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted and designated funds				
Unrestricted fund	104,497	(140,329)	-	(35,832)
Station View property fund	-	-	4,626	4,626
Station View maintenance fund	2,365	(4,865)	-	(2,500)
Small project allocations fund	19	(16,195)	-	(16,176)
NG15 Appeal	11,310	-	-	11,310
NGG16 boiler appeal fund	-	(8,710)	-	(8,710)
Third class saloon fund	12,223	-	-	12,223
Dinas facilities contingency fund	(1)	-	-	(1)
Coronavirus appeal fund	2,253	(5,395)	-	(3,142)
	132,666	(175,494)	4,626	(38,202)
Restricted funds				
NG15 project fund	10,495	(91,993)	-	(81,498)
K1 project fund	746	-	-	746
	11,241	(91,993)	-	(80,752)
TOTAL FUNDS	<u>143,907</u>	<u>(267,487)</u>	<u>4,626</u>	<u>(118,954)</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted and designated funds				
Unrestricted fund	1,170	102,830	42,133	146,133
Historical railway assets fund	700	-	-	700
Station View property fund	225,374	-	-	225,374
Station View maintenance fund	3,868	(1,958)	6,000	7,910
NG15 contingency fund	90,000	-	-	90,000
Small project allocations fund	29,412	(29,823)	42,190	41,779
NGG16 boiler appeal fund	8,701	9	-	8,710
Third class saloon fund	49,139	17,129	22,351	88,619
Dinas facilities contingency fund	119,109	-	(113,884)	5,225
Coronavirus appeal fund	-	3,259	-	3,259
	527,473	91,446	(1,210)	617,709
Restricted funds				
NG15 project fund	22,298	(1,012)	1,210	22,496
K1 project fund	31,324	667	-	31,991
	53,622	(345)	1,210	54,487
TOTAL FUNDS	<u>581,095</u>	<u>91,101</u>	<u>-</u>	<u>672,196</u>

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted and designated funds			
Unrestricted fund	164,370	(61,540)	102,830
Station View maintenance fund	371	(2,329)	(1,958)
Small project allocations fund	102	(29,925)	(29,823)
NGG16 boiler appeal fund	9	-	9
Third class saloon fund	17,129	-	17,129
Coronavirus appeal fund	<u>28,478</u>	<u>(25,219)</u>	<u>3,259</u>
	210,459	(119,013)	91,446
Restricted funds			
NG15 project fund	5,406	(6,418)	(1,012)
K1 project fund	<u>667</u>	<u>-</u>	<u>667</u>
	<u>6,073</u>	<u>(6,418)</u>	<u>(345)</u>
TOTAL FUNDS	<u>216,532</u>	<u>(125,431)</u>	<u>91,101</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted and designated funds				
Unrestricted fund	1,170	66,998	(23,596)	44,572
Historical railway assets fund	700	-	-	700
Station View property fund	225,374	4,626	-	230,000
Station View maintenance fund	3,868	(4,458)	12,000	11,410
NG15 contingency fund	90,000	-	(67,744)	22,256
Small project allocations fund	29,412	(45,999)	46,333	29,746
NG15 Appeal	-	11,310	-	11,310
NGG16 boiler appeal fund	8,701	(8,701)	-	-
Third class saloon fund	49,139	29,352	71,509	150,000
Dinas facilities contingency fund	119,109	(1)	(107,456)	11,652
Coronavirus appeal fund	<u>-</u>	<u>117</u>	<u>-</u>	<u>117</u>
	527,473	53,244	(68,954)	511,763
Restricted funds				
NG15 project fund	22,298	(82,510)	68,954	8,742
K1 project fund	<u>31,324</u>	<u>1,413</u>	<u>-</u>	<u>32,737</u>
	<u>53,622</u>	<u>(81,097)</u>	<u>68,954</u>	<u>41,479</u>
TOTAL FUNDS	<u>581,095</u>	<u>(27,853)</u>	<u>-</u>	<u>553,242</u>

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted and designated funds				
Unrestricted fund	268,867	(201,869)	-	66,998
Station View property fund	-	-	4,626	4,626
Station View maintenance fund	2,736	(7,194)	-	(4,458)
Small project allocations fund	121	(46,120)	-	(45,999)
NG15 Appeal	11,310	-	-	11,310
NGG16 boiler appeal fund	9	(8,710)	-	(8,701)
Third class saloon fund	29,352	-	-	29,352
Dinas facilities contingency fund	(1)	-	-	(1)
Coronavirus appeal fund	<u>30,731</u>	<u>(30,614)</u>	<u>-</u>	<u>117</u>
	343,125	(294,507)	4,626	53,244
Restricted funds				
NG15 project fund	15,901	(98,411)	-	(82,510)
K1 project fund	<u>1,413</u>	<u>-</u>	<u>-</u>	<u>1,413</u>
	<u>17,314</u>	<u>(98,411)</u>	<u>-</u>	<u>(81,097)</u>
TOTAL FUNDS	<u><u>360,439</u></u>	<u><u>(392,918)</u></u>	<u><u>4,626</u></u>	<u><u>(27,853)</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

17. MOVEMENT IN FUNDS - continued

Unrestricted Funds

See the Reserves Policy for full details - maintained at a higher level this year to allow greater flexibility for the trustees to respond to the challenges posed by Covid-19.

Designated Funds

Designated Funds generally are funds which have been allocated by the trustees for particular purposes within the scope of the charitable objectives but which can, if appropriate be reallocated at the trustees' discretion.

Station View Capital Fund This represents the valuation as at 31 December 2021 referred to above.

Historical Railway Assets The historical valuation of a small collection of railway heritage items donated or purchased by the Charity over the years.

NG15 appeal This being the 2022 annual appeal which was launched in the last quarter of 2021, held to support the restoration of NG15 locomotive number 134. This is one of three funds held for the Project all of which have the same purpose.

NGG16 boiler The residue of the proceeds of the 2018 annual appeal together with funds additionally allocated to this project by the trustees, the money will be paid over to the FRCo as and when work on 143's boiler is completed, and the cost claimed by the FRCo.

Third class saloon Proceeds of the 2019 and 2020 annual appeal together with funds additionally allocated to this project by the Trustees. Funds continue to accumulate during 2021. The money will be paid over to the FRCo as and when work on the carriage, provisionally numbered 2050, commences and the cost claimed by the FRCo.

Smaller Projects Allocation Allocated by the trustees to provide for small scale projects and purchases within the scope of the charitable objectives.

Station View Property Fund Net income and expenditure relating to use of Station View as volunteer accommodation. In addition, the trustees allocate a subsidy of £6,000pa to this fund.

NG15 Project Contingency Funds allocated by the trustees to support restoration of NG15 locomotive number 134. This is another of three funds held for the Project all of which have the same purpose.

Dinas Facilities Contingency Funds allocated by the trustees to support provision of workshop space at Dinas for the use of volunteers. This fund was accumulated from legacies left to the Society. A substantial part of the fund was reallocated by the trustees in the course of 2020 to provide continuing emergency support to the FRCo.

Coronavirus Appeal Society has worked with the railways' two other supporting charities, the Ffestiniog & Welsh Highland Railways Trust and the Ffestiniog Railway Society, to manage an emergency appeal on to support the railways through the Covid-19 pandemic. Funds were donated through each of the three charities.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

17. MOVEMENT IN FUNDS - continued

Restricted Funds

Restricted Funds are funds held by the Trustees and which can only be used for that specific purpose, they cannot be reallocated.

NG15

Funds held to support restoration of NG15 locomotive number 134. This is the third of three funds held for the Project all of which have the same purpose.

K1

Funds held to support restoration and maintenance of the prototype Beyer Garratt locomotive K1. The locomotive is presently at Statfold Barn and no call has been made on this fund for the work done there. No immediate call on this fund is anticipated.

18. RELATED PARTY DISCLOSURES

Other than donations made in line with the objectives of the charity, there were no related party transactions for the year ended 31 December 2021 or 31 December 2020.

19. POST BALANCE SHEET EVENTS

There are no post balance sheet events.

20. ULTIMATE CONTROLLING PARTY

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

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

The trustees also confirm that because the Society is limited by guarantee, it is exempt, under S60 of the Companies Act 2006, from the requirement to have their registered name ending with 'Limited', 'Cyfyngedig' or any other permitted alternative.