

LLANGOLLEN RAILWAY TRUST LIMITED

England & Wales · Charity number 1046614

Details

Other names	THE LLANGOLLEN RAILWAY
Status	Registered
Legal form	Charitable company
Company number	03040336
Registered	1995-05-22
Register	View on the Charity Commission register

Contact

Address	The Station Abbey Road Llangollen Denbighshire LL20 8SN
Phone	01978860979
Email	trustmanager@llangollen-railway.co.uk
Website	www.llangollen-railway.co.uk

Activities

Objects: THE RESTORATION, PRESERVATION AND OPERATION OF THE LLANGOLLEN RAILWAY FOR THE BENEFIT OF THE PUBLIC

Activities: To support the restoration and preservation of the heritage of Llangollen Railway for the benefit of the public.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Arts/culture/heritage/science, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** IN PRACTICE DEE VALLEY AREA, CLWYD, N.WALES
- Denbighshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,497,081	£1,703,675	£2,404,685	23
2023-12-31	£1,327,546	£1,580,340	£2,611,279	20
2022-12-31	£1,246,437	£1,201,994	£2,864,073	18
2021-12-31	£1,115,915	£483,512	£2,819,630	5
2020-12-31	£468,965	£476,217	-	-

Trustees

Name	Role	Appointed
IAN ANDREW LEBBON		2025-03-18
Paul Llewellyn Aston		2025-03-18
Peter Read Brewer		2023-04-15
Robert John Creasey		2020-10-03
Ronald Thomas Eric Carter		2024-09-21

LLANGOLLEN RAILWAY TRUST LIMITED

England & Wales - Charity number 1046614

Accounts

REGISTERED COMPANY NUMBER: 03040336 (England and Wales)
REGISTERED CHARITY NUMBER: 1046614

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024
FOR
LLANGOLLEN RAILWAY TRUST LIMITED

M. D. Coxey and Co. Limited
Chartered Accountants
and Statutory Auditors
25 Grosvenor Road
Wrexham
LL11 1BT

LLANGOLLEN RAILWAY TRUST LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

	Page
Report of the Trustees	1 to 6
Statement of Trustees' Responsibilities	7
Report of the Independent Auditors	8 to 11
Statement of Financial Activities	12
Balance Sheet	13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 26
Detailed Statement of Financial Activities	27 to 28

LLANGOLLEN RAILWAY TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2024

The trustees who are also directors of the charity for the purpose of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2024.

This report has been prepared in accordance with the small company regime of the Companies Act 2006. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) Accounting and reporting by Charities 2011. The trustees have complied with the duty in section 17(5) of the 2011 Charities Act.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity remain the same, being to support the restoration, preservation and operation of the Llangollen Railway for the benefit of the public. This is achieved by means of education, particularly related to engineering and the history of railways locally & nationally, in the natural environment of the Dee Valley which contributes to health and wellbeing.

The main objectives for the year are:-

- The management, maintenance and restoration of a heritage railway.
- The encouragement of volunteer activity in support of the above aims.
- The preservation of heritage skills.
- Preserving the railway and its history for the public in an immersive, informative, educational style.
- Expanding membership of the railway.
- the continued improvement of our governance and accountability.

Public benefit

The Llangollen Railway has a very high profile both locally and nationally and its interaction with the public is vital. The public and the towns of Llangollen and Corwen benefit enormously by the railway's presence as a tourism, leisure, transport and educational facility.

The line first opened in the 1860s and is operated to 21st century standards in a way that in addition to being educational allows a fun and safe experience, knowing that participation is helping to preserve real history for the future.

The Railway is open to all, either on a visitor level or as an opportunity to volunteer as a working member. "Everyone is welcome" has always been a cornerstone of the Railway's philosophy, and since restoration started over forty years ago it has provided an enhancing experience for innumerable people locally, nationally and internationally.

The Railway has a very significant effect on the local economy both in the employment it provides and also the number of visitors it attracts to the Dee Valley and North East Wales.

Statement of compliance

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the 2024 activities and making plans for future periods, and believe that they have complied with their duty to have due regard to this guidance.

Volunteers

Volunteers represent a considerable human resource contribution to the operation of our Heritage Railway, throughout all of the operational, engineering, commercial and customer focussing departments. This inevitably serves as an intrinsic component of a viable and sustainable business. Through a volunteer framework and policy of engagement, induction, training, and ongoing supervision, volunteers are integrated within the small employee team to ensure the Railway can deliver its charitable purpose being the primary custodian of a heritage railway, which centres on the interpretation and preservation of an industrial heritage attraction for public benefit. The project therefore contributes to wider community identity, whilst serving as an additional economic driver for the wider local and regional tourism and business sectors.

The Railway currently has 380 registered volunteers, with approximately 250 volunteers routinely rostering on a weekly basis (during operational periods).

The volunteer framework allows for people (many of the older age brackets), to remain active and involved in a project they are enthusiastic about, whilst equally in the knowledge they are supporting a charitable cause.

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2024

STRATEGIC REPORT

Achievements and performance

Charitable activities

We continued our usual programme of special events alongside day-to-day operations. We also continued to make overdue improvements to our infrastructure and coaching stock.

None of this would have been possible without the efforts of a great many volunteers working alongside the paid staff. As ever, we owe a huge debt of gratitude to all concerned.

CounterCulture Partnership reported to the board following their review on governance, operations and strategic plans for the future.

The Shared Prosperity Fund grant £375,000 has funded the review above but also enabled us to invest in volunteer co-ordination and training, the customer experience, and environmental protection, not least alternatives to burning fossil fuels.

Financial performance

It has been a challenging year. Whilst ticket sales were slightly in excess of 2023, sales have not recovered to pre-pandemic levels. Inevitably this impacts on our ability to cover operational costs.

Cash resources have covered the loss but inevitably these are finite.

Outlook

A major continuing concern for the Trust, the heritage railway sector generally and numerous other organisations which rely on volunteers, both national and local, big and small, is the availability of volunteers. Our numbers remain about 30% down and this is reflected across the voluntary sector as a whole.

This leads to concerns also for the preservation of heritage skills. We are working with local colleges, for example, to try to address this by means of work experience and apprenticeships.

The cost of living crises remains a major concern in terms of passenger numbers, costs and impact on our volunteers. The trustees will continue to act cautiously as regards motive power and discretionary spend.

The environment

This is also an obvious concern for the sector and is being addressed by the Heritage Railway Association as best it can. Whilst it can be said that steam power in the industry contributes very little to the overall problem, that particular argument doesn't really stand scrutiny. The fact is, taken together with all the other so-called minor contributors, it all adds up to the big problem the world faces.

There are no easy solutions to the fuel issue currently but greener alternatives are being developed and tested.

We are working with our public sector and third sector partners on carbon offset activities.

Financial review

Investment policy and objectives

The nature of the trust's funding is such that there will never be enough funds to do everything we wish to achieve in terms of heritage restoration. The Trust continues to depend very heavily on donations, legacies and grants to carry out larger projects in particular, for example the building of Corwen Station.

It is the board's policy to continue to operate debt-free with the exception of the odd small finance lease which may be expedient. In this respect we have to bear in mind there is a working capital need January to June in particular of approximately £300,000.

Where surplus funds arise these are invested in short term interest bearing deposit accounts.

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2024

STRATEGIC REPORT

Financial review

Reserves policy

The trustees have considered the level of reserves the charity ought to maintain to endeavour to ensure financial viability for the long term.

Ideally we would have a capital reserve of £100,000 to towards a major catastrophe or other significant, unforeseen need. Cash resources do not permit this currently however over and above working capital requirements.

The account with Barclays Bank also holds the £30,000 Advance Sales Reserve created in the wake of our experience in the administration and eventual liquidation of Llangollen Railway PLC.

Restricted funds	£
Total Restricted funds	1,138,004
Less:	
Restricted Tangible assets	(1,050,598)
Restricted Intangible assets	(16,458)
Restricted debtor	(61,093)
Restricted funds held for future periods (Bank):	<u>9,855</u>
Unrestricted funds:	936,681
Designated funds:	330,000

Principal risks and uncertainties

The charitable company's operations expose it to a variety of financial risks including price risk, credit risk, liquidity risk and cash flow risk.

The charitable company's principal financial instruments comprise sterling bank accounts together with trade debtors and trade creditors that arise directly from operations.

Price risk - Price risk is managed by monitoring the market, current rates of inflation and costing products and services in accordance with these factors.

Credit risk - Credit risk is mitigated by monitoring and managing the credit limits given to our customers.

Liquidity risk - Liquidity risk is managed by maintaining sufficient cash balances for working capital during the first 6 months of the year, a balanced mix of income streams, and managing closely the debtors/creditors mix. Stock holdings are relatively low.

Cash flow risk - Cash flow risk is managed through careful budgeting, our credit management procedures and negotiation of payment terms where practicable.

Financial and risk management objectives and policies

The trustees review the risk register at least annually and review the major risks to which the company is exposed. The principal risks to Llangollen Railway Trust Limited as at 31st December 2024 were:

- Failure to secure grant funding to fulfil the organisation's business plan
- Poor performance or dissatisfaction with the quality of delivery to all of our customers
- Loss of business-critical staff and volunteers
- Cost of living/energy crisis impacting customers and volunteers

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Llangollen Railway Trust Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 6th March 1995. It is registered as a charity with the Charity Commission, number 1046614. Anyone over the age of 18 can become a member of the company. Each member agrees to contribute £1 in the event of the charity being wound up.

Governance Review

Following the external review in 2020, CounterCulture Partnership undertook a further review in 2024. Whilst there remains more to do, we do have the policies and procedures of a well-managed 21st century charity and company of our size.

We have a clear framework of responsibility to provide leadership and oversight.

A number of advisers in other, related fields joined the board during the year. They have brought additional breadth and depth to discussion and decision making.

Appointment of new trustees

As set out in the Articles of Association one third of the trustees retire by rotation each year and shall if they so wish offer themselves for re-election. The trustees have the power to co-opt such trustee(s) as they see fit, such trustee(s) co-opted shall be appointed until the following AGM, where they may stand for formal appointment.

Organisational structure

The board of trustees, which shall number a minimum of four with no maximum numbers, administers the charity.

Decision making

LRT has a small employed senior management team (Trust Manager, Chief Engineer & Operations Manager). All have experience of Organisational Management within the charitable and heritage sectors, specific to organisations that have both engineering and public/tourism components. The senior managers oversee a strategic section of 4 principal divisions - Organisation/Administration, Operational, Engineering and Volunteering. Each division incorporates several 'heads of departments' within them, which serve to directly oversee each departmental plan, which has been endorsed and mandated by the Senior Management Team. The Senior Management Team is answerable to the Board of Trustees which through a 'Framework of Responsibility' outlines delegated authorities to the management team, who in turn will work closely with their respective departments and HODs. There is a regular programme of specific sub-committee and full board meetings.

Each department has a plan of activity, be it engineering, interpretation or commercially focussed. Each plan incorporates its actions, in an economic sense, into the Organisation's budget forecast, which is directly (daily/weekly) overseen by the senior management team, with the Board collectively affording scrutiny via subcommittee or full board meetings.

Due to the close communication between the HODs, the Senior Management Team and the Board, it is felt suitable oversight is assured and any unexpected situations, requiring small or significant decision making are therefore robustly addressed.

Should additional advice be required to inform internal organisational decision making, e.g volunteer management or HR matters (including payroll) etc, the Board and Management team will work collaboratively with suitable external agencies and seek opinion. This is exemplified with utilising an external HR company to support ongoing staffing matters, to working with like-minded volunteer/charity organisations to develop robust policies and procedures.

LRT has now developed an organisational strategy which aims to demonstrate a mature approach to sustainability, whilst appreciating lessons learnt from the past. The strategy is based on the following structure;

- Purpose - Our Charitable Objectives
- Principles - Collaboration, Communication, Compliance and Cohesion
- Priorities - 1. Governance and Leadership, 2. Commitment to Heritage Preservation, 3. Public Benefit, 4. Financial Resilience, 5. Volunteer Experience
- Plans - purposeful and costed to support each priority.

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

New trustees undergo a training process to explain to them their statutory obligations under charity and company law, the Memorandum and Articles of Association, the organisational structure and decision-making process. Trustees are encouraged to attend suitable external events where these will enhance the substance and quality of their role. All trustees, both existing and newly appointed, are required to confirm that they have read and understood the Charity Commission booklet CC3, "The essential trustee, what you need to know, what you need to do".

Related parties

Llangollen Railway Trust has a wholly-owned subsidiary, being Llangollen & Corwen Railway (Trading) Limited. This company is and has been dormant for many years.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03040336 (England and Wales)

Registered Charity number

1046614

Registered office

The Station
Abbey Road
Llangollen
Denbighshire
LL20 8SN

Trustees

P J Coles (resigned 31.12.2024)
P H Freeth (Chairman)
R J Creasey
P J Edwards (resigned 08.11.2024)
M Theobald
P Brewer
R E Carter (appointed 21.09.2024)

Company Secretary

R J Creasey

Auditors

M. D. Coxey and Co. Limited
Chartered Accountants
and Statutory Auditors
25 Grosvenor Road
Wrexham
LL11 1BT

Bankers

Barclays
Business Direct
Leicester
LE87 2BB

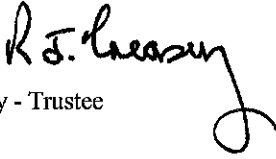
AUDITORS

The auditors, M. D. Coxey and Co. Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2024

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 12th September 2025 and signed on the board's behalf by:

A handwritten signature in black ink, appearing to read 'R J Creasey', with a stylized flourish at the end.

R J Creasey - Trustee

LLANGOLLEN RAILWAY TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31ST DECEMBER 2024

The trustees (who are also the directors of Llangollen Railway Trust Limited 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LLANGOLLEN RAILWAY TRUST LIMITED

Opinion

We have audited the financial statements of Llangollen Railway Trust Limited (the 'charitable company') for the year ended 31st December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2024 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.

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 FRC'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
LLANGOLLEN RAILWAY TRUST LIMITED

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.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LLANGOLLEN RAILWAY TRUST LIMITED

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LLANGOLLEN RAILWAY TRUST LIMITED

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.



Joanne Evans (Senior Statutory Auditor)
for and on behalf of M. D. Coxey and Co. Limited
Chartered Accountants
and Statutory Auditors
25 Grosvenor Road
Wrexham
LL11 1BT

12th September 2025

LLANGOLLEN RAILWAY TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2024

	Notes	Unrestricted funds £	Restricted fund £	31.12.24 Total funds £	31.12.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	90,087	288,790	378,877	240,444
Other trading activities	3	1,114,625	-	1,114,625	1,082,848
Investment income	4	3,579	-	3,579	4,254
Total		<u>1,208,291</u>	<u>288,790</u>	<u>1,497,081</u>	<u>1,327,546</u>
EXPENDITURE ON					
Raising funds	5	762,159	270,297	1,032,456	902,933
Charitable activities	6				
General costs		561,320	26,988	588,308	548,364
Property costs		37,042	45,869	82,911	129,043
Total		<u>1,360,521</u>	<u>343,154</u>	<u>1,703,675</u>	<u>1,580,340</u>
NET INCOME/(EXPENDITURE)		(152,230)	(54,364)	(206,594)	(252,794)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,418,911	1,192,368	2,611,279	2,864,073
TOTAL FUNDS CARRIED FORWARD		<u>1,266,681</u>	<u>1,138,004</u>	<u>2,404,685</u>	<u>2,611,279</u>

The notes form part of these financial statements

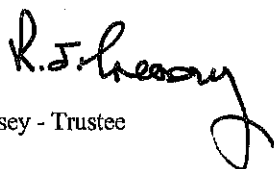
LLANGOLLEN RAILWAY TRUST LIMITED

BALANCE SHEET
31ST DECEMBER 2024

	Notes	Unrestricted funds £	Restricted fund £	31.12.24 Total funds £	31.12.23 Total funds £
FIXED ASSETS					
Intangible assets	12	5,600	16,458	22,058	25,358
Tangible assets	13	1,057,997	1,050,598	2,108,595	2,186,532
Investments	14	1	-	1	1
		<u>1,063,598</u>	<u>1,067,056</u>	<u>2,130,654</u>	<u>2,211,891</u>
CURRENT ASSETS					
Stocks	15	23,159	-	23,159	18,575
Debtors	16	44,506	61,093	105,599	175,519
Cash at bank and in hand		248,356	9,855	258,211	483,985
		<u>316,021</u>	<u>70,948</u>	<u>386,969</u>	<u>678,079</u>
CREDITORS					
Amounts falling due within one year	17	(112,938)	-	(112,938)	(278,691)
NET CURRENT ASSETS		<u>203,083</u>	<u>70,948</u>	<u>274,031</u>	<u>399,388</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,266,681</u>	<u>1,138,004</u>	<u>2,404,685</u>	<u>2,611,279</u>
NET ASSETS		<u>1,266,681</u>	<u>1,138,004</u>	<u>2,404,685</u>	<u>2,611,279</u>
FUNDS	18				
Unrestricted funds				1,266,681	1,418,911
Restricted funds:					
Restricted				1,138,004	1,192,368
TOTAL FUNDS				<u>2,404,685</u>	<u>2,611,279</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 12th September 2025 and were signed on its behalf by:

R J Creasey - Trustee



LLANGOLLEN RAILWAY TRUST LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2024

	Notes	31.12.24 £	31.12.23 £
Cash flows from operating activities			
Cash generated from operations	1	(218,274)	36,497
Net cash (used in)/provided by operating activities		<u>(218,274)</u>	<u>36,497</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(7,500)	(190,806)
Sale of tangible fixed assets		-	1,500
Net cash used in investing activities		<u>(7,500)</u>	<u>(189,306)</u>
Change in cash and cash equivalents in the reporting period		<u>(225,774)</u>	<u>(152,809)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>483,985</u>	<u>636,794</u>
Cash and cash equivalents at the end of the reporting period		<u><u>258,211</u></u>	<u><u>483,985</u></u>

The notes form part of these financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2024

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.24 £	31.12.23 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(206,594)	(252,794)
Adjustments for:		
Depreciation charges	88,737	90,602
Loss on disposal of fixed assets	-	40,241
Decrease/(increase) in group debtors	3,530	(348)
(Increase)/decrease in stocks	(4,584)	18,480
Decrease in debtors	66,390	38,651
(Decrease)/increase in creditors	(165,753)	101,665
Net cash (used in)/provided by operations	<u>(218,274)</u>	<u>36,497</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.24 £	Cash flow £	At 31.12.24 £
Net cash			
Cash at bank and in hand	483,985	(225,774)	258,211
	<u>483,985</u>	<u>(225,774)</u>	<u>258,211</u>
Total	<u>483,985</u>	<u>(225,774)</u>	<u>258,211</u>

The notes form part of these financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

Status and principal activities

Llangollen Railway Trust Limited is a company limited by guarantee, incorporated in England and Wales. Its Registered Office is The Station, Abbey Road, Llangollen, Denbighshire, LL20 8SN.

The principal activity of the company is that of the repair and maintenance of transport equipment.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A.

Significant judgements and estimates

In the application of the Company's accounting policies, management are required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily available from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The key judgements and sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

- Estimated useful lives and residual values of fixed assets:

The carrying value of fixed assets are reviewed each year end for indicators of impairment triggers. If such triggers exist, management would be required to carry out a formal impairment review using a discounted cash flow model to determine their value in use on a cash-generating unit basis. The value in use calculation requires management to estimate the future cash flows expected to arise from the cash-generating unit and a sustainable discount rate in order to calculate the present value.

Depreciation of tangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take into account estimated useful lives used by other companies operating in the sector and actual asset lives and residual values, as evidenced by disposals during current and prior accounting periods.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2024

1. 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.

Raising funds

Costs of generating funds comprise those costs directly attributable to the commercial activities of the Trust.

Charitable activities

The costs directly attributable to the maintenance of the railways. Donations to other charities are allocated to charitable activities.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2021, is being amortised evenly over its estimated useful life of ten years.

Tangible fixed assets

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

Land, Buildings and Improvements	- The length of the lease
Plant and machinery	- at varying rates on cost
Rolling stock	- 2% on cost
Motor vehicles	- 10% on cost
Computer equipment	- 33% on cost

Expenditure of a capital nature is recognised as an addition to fixed assets. All fixed assets are stated at cost.

Related party exemption

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

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 when funds are raised for particular restricted purposes.

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

The following assets and liabilities are classified as financial instruments - trade debtors and trade creditors.

Trade debtors and trade creditors are measured at the undiscounted amount of cash or other consideration expected to be paid or received.

Financial assets are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit and loss.

The charity's functional and presentational currency is the Pound Sterling (£).

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.12.24 Total funds £	31.12.23 Total funds £
Donations	79,755	645	80,400	52,755
Gift aid	10,332	-	10,332	2,614
Legacies	-	-	-	52,493
Grant income	-	288,145	288,145	132,582
	<u>90,087</u>	<u>288,790</u>	<u>378,877</u>	<u>240,444</u>

Grants received, included in the above, are as follows:

	31.12.24 £	31.12.23 £
Leveling up fund	-	103,552
Shared Prosperity	286,145	29,030
DCC Cost of living grant	2,000	-
	<u>288,145</u>	<u>132,582</u>

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.12.24 Total funds £	31.12.23 Total funds £
Cafe income	100,432	-	100,432	104,002
Ticket sales	894,340	-	894,340	864,072
Subscriptions	20,804	-	20,804	20,480
Magazines, raffles and locomotive hire	53,000	-	53,000	47,453
Holiday letting income	12,789	-	12,789	24,087
Other sales	33,260	-	33,260	22,754
	<u>1,114,625</u>	<u>-</u>	<u>1,114,625</u>	<u>1,082,848</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

4. INVESTMENT INCOME

	Unrestricted funds	Restricted funds	31.12.24 Total funds	31.12.23 Total funds
	£	£	£	£
Bank interest	3,579	-	3,579	4,254
	<u>3,579</u>	<u>-</u>	<u>3,579</u>	<u>4,254</u>

5. RAISING FUNDS

Other trading activities

	Unrestricted funds	Restricted funds	31.12.24 Total funds	31.12.23 Total funds
	£	£	£	£
Purchases	221,052	14,215	235,267	322,451
Staff costs	319,466	256,082	575,548	414,673
Hire of plant and machinery	95,906	-	95,906	73,403
Bad debts	3,991	-	3,991	-
Steaming expenses	112,856	-	112,856	80,361
Holiday letting expenses	8,888	-	8,888	12,045
	<u>762,159</u>	<u>270,297</u>	<u>1,032,456</u>	<u>902,933</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
General costs	4,735	583,573	588,308
Property costs	-	82,911	82,911
	<u>4,735</u>	<u>666,484</u>	<u>671,219</u>

7. SUPPORT COSTS

	Management £	Finance £	Other £	Totals £
General costs	367,787	1,822	213,964	583,573
Property costs	29,137	-	53,774	82,911
	<u>396,924</u>	<u>1,822</u>	<u>267,738</u>	<u>666,484</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.24	31.12.23
	£	£
Depreciation - owned assets	85,437	87,302
Hire of plant and machinery	95,906	73,403
Deficit on disposal of fixed assets	-	40,241
Goodwill amortisation	3,300	3,300
Auditors remuneration	6,615	6,300
	<u> </u>	<u> </u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2024 nor for the year ended 31st December 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2024 nor for the year ended 31st December 2023.

10. STAFF COSTS

	31.12.24	31.12.23
	£	£
Wages and salaries	528,701	386,650
Social security costs	37,842	22,732
Other pension costs	9,005	5,291
	<u> </u>	<u> </u>
	<u>575,548</u>	<u>414,673</u>

Key management wages and salaries in the year amount to £154,941

The average monthly number of employees during the year was as follows:

	31.12.24	31.12.23
Administration	<u>23</u>	<u>20</u>

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	74,312	166,132	240,444
Other trading activities	1,082,848	-	1,082,848
Investment income	4,254	-	4,254
	<u> </u>	<u> </u>	<u> </u>
Total	<u>1,161,414</u>	<u>166,132</u>	<u>1,327,546</u>
EXPENDITURE ON			
Raising funds	824,419	78,514	902,933

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
Charitable activities			
General costs	545,864	2,500	548,364
Property costs	85,675	43,368	129,043
Total	<u>1,455,958</u>	<u>124,382</u>	<u>1,580,340</u>
NET INCOME/(EXPENDITURE)	(294,544)	41,750	(252,794)
Transfers between funds	730,803	(730,803)	-
Net movement in funds	<u>436,259</u>	<u>(689,053)</u>	<u>(252,794)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	982,652	1,881,421	2,864,073
TOTAL FUNDS CARRIED FORWARD	<u><u>1,418,911</u></u>	<u><u>1,192,368</u></u>	<u><u>2,611,279</u></u>

12. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1st January 2024 and 31st December 2024	<u>33,000</u>
AMORTISATION	
At 1st January 2024	7,642
Charge for year	<u>3,300</u>
At 31st December 2024	<u>10,942</u>
NET BOOK VALUE	
At 31st December 2024	<u><u>22,058</u></u>
At 31st December 2023	<u><u>25,358</u></u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

13. TANGIBLE FIXED ASSETS

	Land, Buildings and Improvements £	Plant and machinery £	Rolling stock £
COST			
At 1st January 2024	1,393,452	160,294	1,407,499
Additions	2,500	-	5,000
At 31st December 2024	1,395,952	160,294	1,412,499
DEPRECIATION			
At 1st January 2024	271,210	48,367	466,524
Charge for year	34,039	14,009	31,554
At 31st December 2024	305,249	62,376	498,078
NET BOOK VALUE			
At 31st December 2024	1,090,703	97,918	914,421
At 31st December 2023	1,122,242	111,927	940,975
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1st January 2024	3,800	16,530	2,981,575
Additions	-	-	7,500
At 31st December 2024	3,800	16,530	2,989,075
DEPRECIATION			
At 1st January 2024	745	8,197	795,043
Charge for year	380	5,455	85,437
At 31st December 2024	1,125	13,652	880,480
NET BOOK VALUE			
At 31st December 2024	2,675	2,878	2,108,595
At 31st December 2023	3,055	8,333	2,186,532

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

14. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1st January 2024 and 31st December 2024	1
NET BOOK VALUE	
At 31st December 2024	1
At 31st December 2023	1

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Llangollen & Corwen Railway (Trading) Limited

Registered office: The Station, Abbey Road, Llangollen, Denbighshire, LL20 8SN

Nature of business: Hire of locomotives

	%		
Class of share:	holding	31.12.24	31.12.23
Ordinary	100	£	£
Aggregate capital and reserves		(4,632)	(4,240)
Loss for the year		(392)	(420)

15. STOCKS

	31.12.24	31.12.23
	£	£
Stocks	23,159	18,575

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24	31.12.23
	£	£
Trade debtors	5,472	2,553
Amounts owed by group undertakings	-	3,530
VAT	6,945	14,674
Prepayments and accrued income	88,680	154,600
Gift aid	4,502	162
	105,599	175,519

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24	31.12.23
	£	£
Trade creditors	33,448	201,796
Social security and other taxes	22,049	20,559
Other creditors	8,655	34,028
Accruals and deferred income	48,786	22,308
	<u>112,938</u>	<u>278,691</u>

18. MOVEMENT IN FUNDS

	At 1.1.24	Net movement in funds	Transfers between funds	At 31.12.24
	£	£	£	£
Unrestricted funds				
General fund	1,088,911	(152,230)	200,000	1,136,681
Designated fund	330,000	-	(200,000)	130,000
	<u>1,418,911</u>	<u>(152,230)</u>	<u>-</u>	<u>1,266,681</u>
Restricted funds				
Restricted	1,192,368	(54,364)	-	1,138,004
	<u>2,611,279</u>	<u>(206,594)</u>	<u>-</u>	<u>2,404,685</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	1,208,291	(1,360,521)	(152,230)
Restricted funds			
Restricted	288,790	(343,154)	(54,364)
	<u>1,497,081</u>	<u>(1,703,675)</u>	<u>(206,594)</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	982,652	(294,544)	400,803	1,088,911
Designated fund	-	-	330,000	330,000
	<u>982,652</u>	<u>(294,544)</u>	<u>730,803</u>	<u>1,418,911</u>
Restricted funds				
Restricted	1,881,421	41,750	(730,803)	1,192,368
	<u>1,881,421</u>	<u>41,750</u>	<u>(730,803)</u>	<u>1,192,368</u>
TOTAL FUNDS	<u>2,864,073</u>	<u>(252,794)</u>	<u>-</u>	<u>2,611,279</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,161,414	(1,455,958)	(294,544)
	<u>1,161,414</u>	<u>(1,455,958)</u>	<u>(294,544)</u>
Restricted funds			
Restricted	166,132	(124,382)	41,750
	<u>166,132</u>	<u>(124,382)</u>	<u>41,750</u>
TOTAL FUNDS	<u>1,327,546</u>	<u>(1,580,340)</u>	<u>(252,794)</u>

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

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.24 £
Unrestricted funds				
General fund	982,652	(446,774)	600,803	1,136,681
Designated fund	-	-	130,000	130,000
	<u>982,652</u>	<u>(446,774)</u>	<u>730,803</u>	<u>1,266,681</u>
Restricted funds				
Restricted	1,881,421	(12,614)	(730,803)	1,138,004
	<u>1,881,421</u>	<u>(12,614)</u>	<u>(730,803)</u>	<u>1,138,004</u>
TOTAL FUNDS	<u>2,864,073</u>	<u>(459,388)</u>	<u>-</u>	<u>2,404,685</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

18. 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 £	Movement in funds £
Unrestricted funds			
General fund	2,369,705	(2,816,479)	(446,774)
Restricted funds			
Restricted	454,922	(467,536)	(12,614)
TOTAL FUNDS	<u>2,824,627</u>	<u>(3,284,015)</u>	<u>(459,388)</u>

Restricted Funds:	Balance b/fwd	Income	Transfers	Expenditure	Balance c/fwd
Pannier Fund 7754	16,000	645	-	(14,789)	1,856
Wagon Fund	418	-	-	(22)	396
Corwen Extension	662,838	-	-	(20,037)	642,801
Flail Appeal	4,991	-	-	(624)	4,367
SPF grant	29,030	286,145	-	(254,082)	61,093
TSO Coach	955	-	-	(20)	935
Cowans - Crane Fund	8,000	-	-	-	8,000
CCRD - capital	56,642	-	-	(27,329)	29,313
Full steam ahead fund	106,078	-	-	(14,936)	91,142
Corwen canopy DCC	156,267	2,000	-	(6,735)	151,532
Grant - platform project	151,149	-	-	(4,580)	146,569
	<u>1,192,368</u>	<u>288,790</u>	<u>-</u>	<u>(343,154)</u>	<u>1,138,004</u>

19. CAPITAL COMMITMENTS

	31.12.24 £	31.12.23 £
Contracted but not provided for in the financial statements	-	-

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2024.

21. GUARANTEES BY MEMBERS

The company is limited by guarantee. Each member has agreed to pay £1 in the event if the charity being wound up.

LLANGOLLEN RAILWAY TRUST LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2024

	31.12.24 £	31.12.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	80,400	52,755
Gift aid	10,332	2,614
Legacies	-	52,493
Grant income	288,145	132,582
	378,877	240,444
Other trading activities		
Cafe income	100,432	104,002
Ticket sales	894,340	864,072
Subscriptions	20,804	20,480
Magazines, raffles and locomotive hire	53,000	47,453
Holiday letting income	12,789	24,087
Other sales	33,260	22,754
	1,114,625	1,082,848
Investment income		
Bank interest	3,579	4,254
Total incoming resources	1,497,081	1,327,546
EXPENDITURE		
Other trading activities		
Purchases	157,974	240,239
Catering purchases and consumables	77,293	82,212
Wages	528,701	386,650
Social security	37,842	22,732
Pensions	9,005	5,291
Hire of plant and machinery	95,906	73,403
Bad debts	3,991	-
Steaming expenses	112,856	80,361
Holiday letting expenses	8,888	12,045
	1,032,456	902,933
Charitable activities		
Advertising	4,735	2,415
Support costs		
Management		
Rent and rates	29,137	36,739
Insurance	107,122	102,086
Light and heat	72,478	99,269
Telephone	15,481	16,497
Carried forward	224,218	254,591

This page does not form part of the statutory financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2024

	31.12.24	31.12.23
	£	£
Management		
Brought forward	224,218	254,591
Printing, stationery and advertising	14,476	12,716
Legal and professional	74,236	10,553
Sundries	40,076	32,824
Accountancy	9,447	8,198
Travel and motor expenses	10,037	11,750
Training and recruitment	4,283	6,704
Subscriptions	20,151	13,125
	396,924	350,461
 Finance		
Bank charges	1,822	3,139
 Other		
Repairs and maintenance	56,765	95,259
Contractors	122,236	95,290
Goodwill	3,300	3,300
Land, building and improvement depreciation	34,039	34,007
Plant and machinery depreciation	14,009	15,910
Depn of rolling stock	31,554	31,550
Motor vehicles	380	380
Computer equipment	5,455	5,455
Profit on sale of tangible fixed assets	-	40,241
	267,738	321,392
 Total resources expended		
	1,703,675	1,580,340
 Net expenditure		
	(206,594)	(252,794)

This page does not form part of the statutory financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

England & Wales - Charity number 1046614

Accounts

REGISTERED COMPANY NUMBER: 03040336 (England and Wales)
REGISTERED CHARITY NUMBER: 1046614

REPORT OF THE TRUSTEES AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

FOR

LLANGOLLEN RAILWAY TRUST LIMITED

M. D. Coxey and Co. Limited
Chartered Accountants
and Statutory Auditors
25 Grosvenor Road
Wrexham
LL11 1BT

LLANGOLLEN RAILWAY TRUST LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023

	Page
Report of the Trustees	1 to 6
Statement of Trustees' Responsibilities	7
Report of the Independent Auditors	8 to 11
Statement of Financial Activities	12
Balance Sheet	13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 26
Detailed Statement of Financial Activities	27 to 28

LLANGOLLEN RAILWAY TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2023

The trustees who are also directors of the charity for the purpose of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2023.

This report has been prepared in accordance with the small company regime of the Companies Act 2006. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) Accounting and reporting by Charities 2011. The trustees have complied with the duty in section 17(5) of the 2011 Charities Act.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity remain the same, being to support the restoration, preservation and operation of the Llangollen Railway for the benefit of the public.

The main objectives for the year are:-

- The management, maintenance and restoration of a heritage railway.
- The encouragement of volunteer activity in support of the above aims.
- The preservation of heritage skills.
- Preserving the railway and its history to the public in an immersive informative educational style.
- Expanding membership of the railway.

Public benefit

The Llangollen Railway has a very high profile both locally and nationally and its interaction with the public is vital. The public and the towns of Llangollen and Corwen benefit enormously by the railway's presence as a tourism, leisure, transport and educational facility.

The line first opened in the 1860s and is operated to 21st century standards in a way that in addition to being educational allows a fun and safe experience, knowing that participation is helping to preserve real history for the future.

The Railway is open to all, either on a visitor level or as an opportunity to volunteer as a working member. "Everyone is welcome" has always been a cornerstone of the Railway's philosophy, and since restoration started over forty years ago it has provided an enhancing experience for innumerable people locally, nationally and internationally.

The Railway has a very significant effect on the local economy both in the employment it provides and also the number of visitors it attracts to the Dee Valley and North East Wales.

Statement of compliance

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the 2023 activities and making plans for future periods, and believe that they have complied with their duty to have due regard to this guidance.

Volunteers

Volunteers represent a considerable human resource contribution to the operation of our Heritage Railway, throughout all of the operational, engineering, commercial and customer focussing departments. This inevitably serves as an intrinsic component of a viable and sustainable business. Through a volunteer framework and policy of engagement, induction, training, and on-going supervision, volunteers are integrated within the small employee team to ensure the Railway can deliver its charitable purpose being the primary custodian of a heritage railway, which centres on the interpretation and preservation of an industrial heritage attraction for public benefit. The project therefore contributes to wider community identity, whilst serving as an additional economic driver for the wider local and regional tourism and business sectors.

The Railway currently has 380 registered volunteers, with approximately 250 volunteers routinely rostering on a weekly basis (during operational periods).

The volunteer framework allows for people (many of the older age brackets), to remain active and involved in a project they are enthusiastic about, whilst equally in the knowledge they are supporting a charitable cause.

LLANGOLLEN RAILWAY TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2023

STRATEGIC REPORT

Achievement and performance

Charitable activities

There were two standout occasions in 2023, being the formal opening of Corwen Station on 2nd June and 7754 being back in steam and joining the Santa Specials in December.

Both were after many years of hard work by relatively small groups of volunteers and, as regards Corwen Station, in all weathers. Llangollen Railway owes all those volunteers a huge debt of gratitude as the railway, its members and volunteers, and the general public, enjoy the benefits for years to come.

There was a third significant development which will also benefit the railway for years to come but doesn't feature in the shop window. This was the approval of a grant of £375,000 from the Government's Shared Prosperity Fund.

This grant is to fund new salaried posts for volunteer co-ordination, training, customer experience and environmental protection. It also includes funding for developmental surveys in those areas, extending additionally to embrace Llangollen Railway's potential part in Denbighshire County Council's plans for the development of Corwen generally, and the Abbey Road end of the road bridge in Llangollen specifically.

Financial performance

At first glance the trading loss looks horrendous. However it was within budget simply because we have the cash.

Given the railway's much documented and well known problems of recent years investment in infrastructure and the coaching stock was minimal. As a result a major and costly plan of investment was embarked upon with significant improvements to both the permanent way and coaching stock having been achieved with more to come.

Ticket sales were ahead of budget but still well below pre-pandemic levels.

The Board wishes to record its appreciation and thanks for the hard work and contribution of all our volunteers and employees as we continue to look to normalise and build a sustainable railway since the dark days of 2021.

Outlook

A major concern for the Trust, the heritage railway sector generally and numerous other organisations which rely on volunteers, both national and local, big and small, is the availability of volunteers. Our numbers are about 30% down and this is reflected across the voluntary sector as a whole.

This leads to concerns also for the preservation of heritage skills. We will be trying to work with local colleges, for example, to try to address this by means of work experience and apprenticeships.

The cost of living and energy crises are major concerns in terms of passenger numbers, costs and impact on our volunteers. The trustees will continue to act cautiously as regards motive power and discretionary spend.

The environment

This is also an obvious concern for the sector and is being addressed by the Heritage Railway Association as best it can. Whilst it can be said that steam power in the industry contributes very little to the overall problem, that particular argument doesn't really stand scrutiny. The fact is, taken together with all the other so-called minor contributors, it all adds up to the big problem the world faces.

There are no easy solutions to the fuel issue currently but greener alternatives are being developed and tested.

We are working with our public sector and third sector partners on carbon offset activities.

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2023

STRATEGIC REPORT

Financial review

Investment policy and objectives

The nature of the trust's funding is such that there will never be enough funds to do everything we wish to achieve in terms of heritage restoration. The Trust continues to depend very heavily on donations, legacies and grants to carry out larger projects in particular, for example the building of Corwen Station.

It is the board's policy to continue to operate debt-free with the exception of the odd small finance lease which may be expedient. In this respect we have to bear in mind there is a working capital need January to June in particular of approximately £300,000.

Where surplus funds arise these are invested in short term interest bearing deposit accounts.

Reserves policy

The trustees have established the level of reserves the charity ought to maintain to endeavor to ensure financial viability for the long term. The trustees have deemed it prudent to create a Capital Reserve of £300,000. This amount is cash-backed and resides in a separate account with Barclays Bank PLC.

£100,000 is intended to at least begin to cover a major catastrophic or some other significant and unforeseen need. £200,000 is intended to be used, if necessary, as working capital to cover the seasonal needs of the business. Whilst these monies are intended for emergency use only, the demands of the business are that these funds will be called upon in the first few months of the year prior to the reserve being re-established through the latter months of the year, the operating budget will be compiled without reliance on these funds accordingly.

The account with Barclays Bank also holds the £30,000 Advance Sales Reserve created in the wake of our experience in the administration and eventual liquidation of Llangollen Railway PLC.

Restricted funds	£
Total Restricted funds	1,192,368
Less:	
Restricted Tangible assets	(1,093,967)
Restricted Intangible assets	(18,958)
Restricted debtor	(29,030)
Restricted funds held for future periods (Bank):	<u>50,413</u>
Unrestricted funds:	1,088,911
Designated funds:	330,000

LLANGOLLEN RAILWAY TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2023

STRATEGIC REPORT

Principal risks and uncertainties

The charitable company's operations expose it to a variety of financial risks including price risk, credit risk, liquidity risk and cash flow risk.

The charitable company's principal financial instruments comprise sterling bank accounts together with trade debtors and trade creditors that arise directly from operations.

Price risk - Price risk is managed by monitoring the market, current rates of inflation and costing products and services in accordance with these factors.

Credit risk - Credit risk is mitigated by monitoring and managing the credit limits given to our customers.

Liquidity risk - Liquidity risk is managed by maintaining sufficient cash balances for working capital during the first 6 months of the year, a balanced mix of income streams, and managing closely the debtors/creditors mix. Stock holdings are relatively low.

Cash flow risk - Cash flow risk is managed through careful budgeting, our credit management procedures and negotiation of payment terms where practicable.

Financial and risk management objectives and policies

The trustees review the risk register at least annually and review the major risks to which the company is exposed. The principal risks to Llangollen Railway Trust Limited as at 31st December 2023 were:

- Failure to secure grant funding to fulfil the organisation's business plan
- Poor performance or dissatisfaction with the quality of delivery to all of our customers
- Loss of business-critical staff and volunteers
- Cost of living/energy crisis

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Llangollen Railway Trust Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 6th March 1995. It is registered as a charity with the Charity Commission, number 1046614. Anyone over the age of 18 can become a member of the company. Each member agrees to contribute £1 in the event of the charity being wound up.

Governance Review

Following the formal, external review in 2020 much work has gone into ensuring we have the policies and procedures of a well-managed 21st century charity and company. There remains more to do and the trustees/directors need some additional resource to ensure we have the requisite commercial, financial and legal skills necessary.

We have a clear framework of responsibility to provide leadership and oversight.

Our strategic plan and operational priorities have been shared throughout the organisation. These documents will be updated and shared regularly with volunteers and employees through the prism of the One Railway initiative on a continual basis.

Appointment of new trustees

As set out in the Articles of Association one third of the trustees retire by rotation each year and shall if they so wish offer themselves for re-election. The trustees have the power to co-opt such trustee(s) as they see fit, such trustee(s) co-opted shall be appointed until the following AGM, where they may stand for formal appointment.

Organisational structure

The board of trustees, which shall number a minimum of four with no maximum numbers, administers the charity.

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Decision making

LRT has a small employed senior management team (Trust Manager & Chief Engineer). Both have experience of Organisational Management within the charitable and heritage sectors, specific to organisations that have both engineering and public/tourism components. Both senior managers oversee a strategic section of 4 principal divisions - Organisation/Administration, Operational, Engineering and Volunteering. Each division incorporates several 'heads of departments' within them, which serve to directly oversee each departmental plan, which has been endorsed and mandated by the Senior Management Team. The Senior Management Team is answerable to the Board of Trustees which through a 'Framework of Responsibility' outlines delegated authorities to the management team, who in turn will work closely with their respective departments and HODs. There is regular contact with specific Board Trustees on several specific matters (e.g. Finance, HR, Safety etc), which is also reinforced by a routine, monthly Board meeting, to ensure appropriate oversight (checks and balances).

Each department has a plan of activity, be it engineering, interpretation or commercially focussed. Each plan incorporates its actions, in an economic sense, into the Organisation's budget forecast, which is directly (daily/weekly) overseen by the senior management team, with the Board collectively affording scrutiny at monthly meetings.

Due to the close communication between the HODs, the Senior Management Team and the Board, it is felt suitable oversight is assured and any unexpected situations, requiring small or significant decision making are therefore robustly addressed.

Should additional advice be required to inform internal organisational decision making, e.g. volunteer management or HR matters (including payroll) etc, the Board and Management team will work collaboratively with suitable external agencies and seek opinion. This is exemplified with utilising an external HR company to support ongoing staffing matters, to working with like-minded volunteer/charity organisations to develop robust policies and procedures.

LRT has now developed an organisational strategy which hopes to 'set its stall out', which aims to demonstrate a mature approach to sustainability, whilst appreciating lessons learnt from the past. The strategy is based on the following structure;

- Purpose - Our Charitable Objectives
- Principles - Collaboration, Communication, Compliance and Cohesion
- Priorities - 1. Governance and Leadership, 2. Commitment to Heritage Preservation 3. Public Benefit
4. Financial Resilience 5. Volunteer Experience
- Plans - purposeful and costed to support each priority.

Induction and training of new trustees

New trustees undergo a training process to explain to them their statutory obligations under charity and company law, the Memorandum and Articles of Association, the organisational structure and decision-making process. Trustees are encouraged to attend suitable external events where these will enhance the substance and quality of their role. All trustees, both existing and newly appointed, are required to confirm that they have read and understood the Charity Commission booklets CC3, "The essential trustee" 6 main duties "The essential trustee, what you need to know, what you need to do".

Related parties

Llangollen Railway Trust has a wholly-owned subsidiary, being Llangollen & Corwen Railway (Trading) Limited. This company is and has been dormant for many years.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03040336 (England and Wales)

Registered Charity number

1046614

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2023

Registered office

The Station
Abbey Road
Llangollen
Denbighshire
LL20 8SN

Trustees

P J Coles (Chairman)
P H Freeth
R J Creasey
P J Edwards
M Theobald (appointed 18.02.2023)
R Abbott (resigned 12.12.2023)
P Brewer (appointed 15.04.2023)

Company Secretary

R J Creasey

Auditors

M. D. Coxey and Co. Limited
Chartered Accountants
and Statutory Auditors
25 Grosvenor Road
Wrexham
LL11 1BT

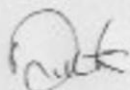
Bankers

Barclays
Business Direct
Leicester
LE87 2BB

AUDITORS

The auditors, M. D. Coxey and Co. Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 27th April 2024 and signed on the board's behalf by:



P H Freeth - Trustee

LLANGOLLEN RAILWAY TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31ST DECEMBER 2023

The trustees (who are also the directors of Llangollen Railway Trust Limited 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LLANGOLLEN RAILWAY TRUST LIMITED

Opinion

We have audited the financial statements of Llangollen Railway Trust Limited (the 'charitable company') for the year ended 31st December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2023 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.

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 FRC'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
LLANGOLLEN RAILWAY TRUST LIMITED

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.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LLANGOLLEN RAILWAY TRUST LIMITED

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and management;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LLANGOLLEN RAILWAY TRUST LIMITED

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.



Joanne Evans (Senior Statutory Auditor)
for and on behalf of M. D. Coxey and Co. Limited
Chartered Accountants
and Statutory Auditors
25 Grosvenor Road
Wrexham
LL11 1BT

27th April 2024

LLANGOLLEN RAILWAY TRUST LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2023**

	Notes	Unrestricted funds £	Restricted fund £	31.12.23 Total funds £	31.12.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	74,312	166,132	240,444	306,148
Other trading activities	3	1,082,848	-	1,082,848	919,928
Investment income	4	4,254	-	4,254	553
Total		<u>1,161,414</u>	<u>166,132</u>	<u>1,327,546</u>	<u>1,226,629</u>
EXPENDITURE ON					
Raising funds	5	824,419	78,514	902,933	635,952
Charitable activities	6				
General costs		545,864	2,500	548,364	465,495
Property costs		85,675	43,368	129,043	100,547
Total		<u>1,455,958</u>	<u>124,382</u>	<u>1,580,340</u>	<u>1,201,994</u>
Net gains on investments		-	-	-	19,808
NET INCOME/(EXPENDITURE)		<u>(294,544)</u>	<u>41,750</u>	<u>(252,794)</u>	<u>44,443</u>
Transfers between funds	19	730,803	(730,803)	-	-
Net movement in funds		<u>436,259</u>	<u>(689,053)</u>	<u>(252,794)</u>	<u>44,443</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		982,652	1,881,421	2,864,073	2,819,630
TOTAL FUNDS CARRIED FORWARD		<u><u>1,418,911</u></u>	<u><u>1,192,368</u></u>	<u><u>2,611,279</u></u>	<u><u>2,864,073</u></u>

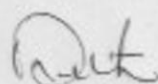
The notes form part of these financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

BALANCE SHEET
31ST DECEMBER 2023

	Notes	Unrestricted funds £	Restricted fund £	31.12.23 Total funds £	31.12.22 Total funds £
FIXED ASSETS					
Intangible assets	12	6,400	18,958	25,358	28,658
Tangible assets	13	1,092,565	1,093,967	2,186,532	2,124,769
Investments	14	1	-	1	1
		<u>1,098,966</u>	<u>1,112,925</u>	<u>2,211,891</u>	<u>2,153,428</u>
CURRENT ASSETS					
Stocks	15	18,575	-	18,575	37,055
Debtors	16	146,489	29,030	175,519	213,822
Cash at bank and in hand		433,572	50,413	483,985	636,796
		<u>598,636</u>	<u>79,443</u>	<u>678,079</u>	<u>887,673</u>
CREDITORS					
Amounts falling due within one year	17	(278,691)	-	(278,691)	(177,028)
NET CURRENT ASSETS		<u>319,945</u>	<u>79,443</u>	<u>399,388</u>	<u>710,645</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,418,911</u>	<u>1,192,368</u>	<u>2,611,279</u>	<u>2,864,073</u>
NET ASSETS		<u>1,418,911</u>	<u>1,192,368</u>	<u>2,611,279</u>	<u>2,864,073</u>
FUNDS	19				
Unrestricted funds				1,418,911	982,652
Restricted funds:					
Restricted				1,192,368	1,881,421
TOTAL FUNDS				<u>2,611,279</u>	<u>2,864,073</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 27th April 2024 and were signed on its behalf by:



P H Freeth - Trustee

LLANGOLLEN RAILWAY TRUST LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2023**

	Notes	31.12.23 £	31.12.22 £
Cash flows from operating activities			
Cash generated from operations	1	36,497	77,320
Net cash provided by operating activities		<u>36,497</u>	<u>77,320</u>
 Cash flows from investing activities			
Purchase of intangible fixed assets		-	(8,000)
Purchase of tangible fixed assets		(190,806)	(141,742)
Sale of tangible fixed assets		1,500	-
Sale of fixed asset investments		-	61,024
Sale of investment property		-	19,808
Net cash used in investing activities		<u>(189,306)</u>	<u>(68,910)</u>
 Change in cash and cash equivalents in the reporting period		<u>(152,809)</u>	<u>8,410</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>636,794</u>	<u>628,384</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>483,985</u></u>	<u><u>636,794</u></u>

The notes form part of these financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2023

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.23	31.12.22
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(252,794)	44,443
Adjustments for:		
Depreciation charges	90,602	103,847
Losses on investments	-	(19,808)
Loss on disposal of fixed assets	40,241	-
Decrease/(increase) in group debtors	(348)	-
Decrease/(increase) in stocks	18,480	(930)
Decrease/(increase) in debtors	38,651	(160,176)
Increase in creditors	101,665	109,944
Net cash provided by operations	<u>36,497</u>	<u>77,320</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.12.23	31.12.22
	£	£
Cash in hand	1,662	2,322
Notice deposits (less than 3 months)	482,323	634,474
Overdrafts included in bank loans and overdrafts falling due within one year	-	(2)
Total cash and cash equivalents	<u>483,985</u>	<u>636,794</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.23	Cash flow	At 31.12.23
	£	£	£
Net cash			
Cash at bank and in hand	636,796	(152,811)	483,985
Bank overdraft	(2)	2	-
	<u>636,794</u>	<u>(152,809)</u>	<u>483,985</u>
Total	<u>636,794</u>	<u>(152,809)</u>	<u>483,985</u>

The notes form part of these financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

Status and principal activities

Llangollen Railway Trust Limited is a company limited by guarantee, incorporated in England and Wales. Its Registered Office is The Station, Abbey Road, Llangollen, Denbighshire, LL20 8SN.

The principal activity of the company is that of the repair and maintenance of transport equipment.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A.

Significant judgements and estimates

In the application of the Company's accounting policies, management are required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily available from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The key judgements and sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

- Estimated useful lives and residual values of fixed assets:

The carrying value of fixed assets are reviewed each year end for indicators of impairment triggers. If such triggers exist, management would be required to carry out a formal impairment review using a discounted cash flow model to determine their value in use on a cash-generating unit basis. The value in use calculation requires management to estimate the future cash flows expected to arise from the cash-generating unit and a sustainable discount rate in order to calculate the present value.

Depreciation of tangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take into account estimated useful lives used by other companies operating in the sector and actual asset lives and residual values, as evidenced by disposals during current and prior accounting periods.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023

1. 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.

Raising funds

Costs of generating funds comprise those costs directly attributable to the commercial activities of the Trust.

Charitable activities

The costs directly attributable to the maintenance of the railways. Donations to other charities are allocated to charitable activities.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2021, is being amortised evenly over its estimated useful life of ten years.

Tangible fixed assets

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

Land, Buildings and Improvements	- The length of the lease
Plant and machinery	- at varying rates on cost
Rolling stock	- 2% on cost
Motor vehicles	- 10% on cost
Computer equipment	- 33% on cost

Expenditure of a capital nature is recognised as an addition to fixed assets. All fixed assets are stated at cost.

Related party exemption

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

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 when funds are raised for particular restricted purposes.

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

The following assets and liabilities are classified as financial instruments - trade debtors and trade creditors.

Trade debtors and trade creditors are measured at the undiscounted amount of cash or other consideration expected to be paid or received.

Financial assets are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit and loss.

The charity's functional and presentational currency is the Pound Sterling (£).

2. DONATIONS AND LEGACIES

	Unrestricted funds	Restricted funds	31.12.23 Total funds	31.12.22 Total funds
	£	£	£	£
Donations	19,205	33,550	52,755	59,381
Gift aid	2,614	-	2,614	29,841
Legacies	52,493	-	52,493	160,348
Grant income	-	132,582	132,582	56,578
	<u>74,312</u>	<u>166,132</u>	<u>240,444</u>	<u>306,148</u>

Grants received, included in the above, are as follows:

	31.12.23 £	31.12.22 £
Corwen platform grant	-	1,386
Corwen canopy	-	55,192
Leveling up fund	103,552	-
Shared Prosperity	29,030	-
	<u>132,582</u>	<u>56,578</u>

3. OTHER TRADING ACTIVITIES

	Unrestricted funds	Restricted funds	31.12.23 Total funds	31.12.22 Total funds
	£	£	£	£
Cafe income	104,002	-	104,002	68,477
Ticket sales	864,072	-	864,072	748,650
Subscriptions	20,480	-	20,480	32,674
Magazines, raffles and locomotive hire	47,453	-	47,453	29,630
Holiday letting income	24,087	-	24,087	22,040
Other sales	22,754	-	22,754	18,457
	<u>1,082,848</u>	<u>-</u>	<u>1,082,848</u>	<u>919,928</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023

4. INVESTMENT INCOME

	Unrestricted funds	Restricted funds	31.12.23 Total funds	31.12.22 Total funds
	£	£	£	£
Bank Interest	4,254	-	4,254	553
	<u>4,254</u>	<u>-</u>	<u>4,254</u>	<u>553</u>

5. RAISING FUNDS

Other trading activities

	Unrestricted funds	Restricted funds	31.12.23 Total funds	31.12.22 Total funds
	£	£	£	£
Purchases	243,937	78,514	322,451	294,212
Staff costs	414,673	-	414,673	297,227
Hire of plant and machinery	73,403	-	73,403	22,296
Steaming expenses	80,361	-	80,361	15,379
Holiday letting expenses	12,045	-	12,045	6,838
	<u>824,419</u>	<u>78,514</u>	<u>902,933</u>	<u>635,952</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 7)	Totals
	£	£	£
General costs	2,415	545,949	548,364
Property costs	-	129,043	129,043
	<u>2,415</u>	<u>674,992</u>	<u>677,407</u>

7. SUPPORT COSTS

	Management	Finance	Other	Totals
	£	£	£	£
General costs	350,461	3,139	192,349	545,949
Property costs	-	-	129,043	129,043
	<u>350,461</u>	<u>3,139</u>	<u>321,392</u>	<u>674,992</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.23	31.12.22
	£	£
Depreciation - owned assets	87,302	100,547
Hire of plant and machinery	73,403	22,296
Deficit on disposal of fixed assets	40,241	-
Goodwill amortisation	3,300	3,300
Auditors remuneration	6,300	6,300
	<u>250,546</u>	<u>132,443</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2023 nor for the year ended 31st December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2023 nor for the year ended 31st December 2022.

10. STAFF COSTS

	31.12.23	31.12.22
	£	£
Wages and salaries	386,650	275,403
Social security costs	22,732	17,885
Other pension costs	5,291	3,939
	<u>414,673</u>	<u>297,227</u>

Key management wages and salaries in the year amount to £154,941

The average monthly number of employees during the year was as follows:

	31.12.23	31.12.22
	20	18
Administration	<u>20</u>	<u>18</u>

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	196,936	109,212	306,148
Other trading activities	919,928	-	919,928
Investment income	553	-	553
Total	<u>1,117,417</u>	<u>109,212</u>	<u>1,226,629</u>
EXPENDITURE ON			
Raising funds	436,814	199,138	635,952
Charitable activities			
General costs	459,110	6,385	465,495
Property costs	40,252	60,295	100,547
Total	<u>936,176</u>	<u>265,818</u>	<u>1,201,994</u>
Net gains on investments	19,808	-	19,808
NET INCOME/(EXPENDITURE)	201,049	(156,606)	44,443
Transfers between funds	57,278	(57,278)	-

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued			
	Unrestricted funds £	Restricted fund £	Total funds £
Net movement in funds	258,327	(213,884)	44,443
RECONCILIATION OF FUNDS			
Total funds brought forward	724,325	2,095,305	2,819,630
TOTAL FUNDS CARRIED FORWARD	<u>982,652</u>	<u>1,881,421</u>	<u>2,864,073</u>
12. INTANGIBLE FIXED ASSETS			
			Goodwill £
COST			
At 1st January 2023 and 31st December 2023			<u>33,000</u>
AMORTISATION			
At 1st January 2023			4,342
Charge for year			<u>3,300</u>
At 31st December 2023			<u>7,642</u>
NET BOOK VALUE			
At 31st December 2023			<u>25,358</u>
At 31st December 2022			<u>28,658</u>
13. TANGIBLE FIXED ASSETS			
	Land, Buildings and Improvements £	Plant and machinery £	Rolling stock £
COST			
At 1st January 2023	2,442,183	590,779	-
Additions	189,229	1,577	-
Disposals	-	(245,993)	-
Reclassification	(1,237,960)	(186,069)	1,407,499
At 31st December 2023	<u>1,393,452</u>	<u>160,294</u>	<u>1,407,499</u>
DEPRECIATION			
At 1st January 2023	674,919	236,709	-
Charge for year	34,007	15,910	31,550
Eliminated on disposal	-	(204,252)	-
Reclassification/transfer	(437,716)	-	434,974
At 31st December 2023	<u>271,210</u>	<u>48,367</u>	<u>466,524</u>
NET BOOK VALUE			
At 31st December 2023	<u>1,122,242</u>	<u>111,927</u>	<u>940,975</u>
At 31st December 2022	<u>1,767,264</u>	<u>354,070</u>	<u>-</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023

13. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1st January 2023	3,800	-	3,036,762
Additions	-	-	190,806
Disposals	-	-	(245,993)
Reclassification	-	16,530	-
At 31st December 2023	3,800	16,530	2,981,575
DEPRECIATION			
At 1st January 2023	365	-	911,993
Charge for year	380	5,455	87,302
Eliminated on disposal	-	-	(204,252)
Reclassification/transfer	-	2,742	-
At 31st December 2023	745	8,197	795,043
NET BOOK VALUE			
At 31st December 2023	3,055	8,333	2,186,532
At 31st December 2022	3,435	-	2,124,769

14. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1st January 2023 and 31st December 2023	1
NET BOOK VALUE	
At 31st December 2023	1
At 31st December 2022	1

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Llangollen & Corwen Railway (Trading) Limited

Registered office: The Station, Abbey Road, Llangollen, Denbighshire, LL20 8SN

Nature of business: Hire of locomotives

	% holding	31.12.23 £	31.12.22 £
Class of share:			
Ordinary	100	(4,240)	(3,820)
Aggregate capital and reserves		(420)	(325)
Loss for the year			

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023

15. STOCKS

	31.12.23	31.12.22
	£	£
Stocks	<u>18,575</u>	<u>37,055</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23	31.12.22
	£	£
Trade debtors	2,553	9,474
Amounts owed by group undertakings	3,530	3,182
VAT	14,674	7,639
Prepayments and accrued income	154,600	187,864
Gift aid	162	5,663
	<u>175,519</u>	<u>213,822</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23	31.12.22
	£	£
Bank loans and overdrafts (see note 18)	-	2
Trade creditors	201,796	124,587
Social security and other taxes	20,559	16,597
Other creditors	34,028	-
Accruals and deferred income	22,308	35,842
	<u>278,691</u>	<u>177,028</u>

18. LOANS

An analysis of the maturity of loans is given below:

	31.12.23	31.12.22
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	<u>-</u>	<u>2</u>

19. MOVEMENT IN FUNDS

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	982,652	(294,544)	400,803	1,088,911
Designated fund	-	-	330,000	330,000
	<u>982,652</u>	<u>(294,544)</u>	<u>730,803</u>	<u>1,418,911</u>
Restricted funds				
Restricted	1,881,421	41,750	(730,803)	1,192,368
	<u>1,881,421</u>	<u>41,750</u>	<u>(730,803)</u>	<u>1,192,368</u>
TOTAL FUNDS	<u>2,864,073</u>	<u>(252,794)</u>	<u>-</u>	<u>2,611,279</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023

19. **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	1,161,414	(1,455,958)	(294,544)
Restricted funds			
Restricted	166,132	(124,382)	41,750
TOTAL FUNDS	<u>1,327,546</u>	<u>(1,580,340)</u>	<u>(252,794)</u>

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	694,325	201,049	(242,722)	652,652
Designated fund	30,000	-	300,000	330,000
	<u>724,325</u>	<u>201,049</u>	<u>57,278</u>	<u>982,652</u>
Restricted funds				
Restricted	2,095,305	(156,606)	(57,278)	1,881,421
TOTAL FUNDS	<u>2,819,630</u>	<u>44,443</u>	<u>-</u>	<u>2,864,073</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,117,417	(936,176)	19,808	201,049
Restricted funds				
Restricted	109,212	(265,818)	-	(156,606)
TOTAL FUNDS	<u>1,226,629</u>	<u>(1,201,994)</u>	<u>19,808</u>	<u>44,443</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023

19. MOVEMENT IN FUNDS - continued

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

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	694,325	(93,495)	158,081	758,911
Designated fund	30,000	-	630,000	660,000
	<u>724,325</u>	<u>(93,495)</u>	<u>788,081</u>	<u>1,418,911</u>
Restricted funds				
Restricted	2,095,305	(114,856)	(788,081)	1,192,368
	<u>2,819,630</u>	<u>(208,351)</u>	<u>-</u>	<u>2,611,279</u>

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 funds				
General fund	2,278,831	(2,392,134)	19,808	(93,495)
Restricted funds				
Restricted	275,344	(390,200)	-	(114,856)
	<u>2,554,175</u>	<u>(2,782,334)</u>	<u>19,808</u>	<u>(208,351)</u>

	Balance b/fwd	Income	Transfers	Expenditure	Balance c/fwd
Restricted Funds:					
Pannier Fund 7754	-	16,000	-	-	16,000
Engine Shed	25,000	-	-	(25,000)	-
Wagon Fund	440	-	-	(22)	418
Corwen Extension	1,406,495	-	(723,569)	(20,088)	662,838
Flail Appeal	5,615	-	-	(624)	4,991
SPF grant	-	29,030	-	-	29,030
TSO Coach	975	-	-	(20)	955
Truck Maintenance Fund	6,500	-	-	(6,500)	-
Cowans - Crane Fund	13,500	8,000	-	(13,500)	8,000
CCRD - capital	66,805	9,550	-	(19,713)	56,642
Full steam ahead fund	128,192	-	(7,231)	(14,883)	106,078
Corwen canopy DCC	64,401	96,601	-	(4,735)	156,267
Grunt - platform project	163,380	-	-	(12,232)	151,149
General Fundraising	118	-	-	(117)	-
	<u>1,881,421</u>	<u>159,181</u>	<u>(730,800)</u>	<u>(117,434)</u>	<u>1,192,368</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023

20. CAPITAL COMMITMENTS

	31.12.23	31.12.22
	£	£
Contracted but not provided for in the financial statements	-	96,601
	<u> </u>	<u> </u>

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2023.

22. GUARANTEES BY MEMBERS

The company is limited by guarantee. Each member has agreed to pay £1 in the event if the charity being wound up.

LLANGOLLEN RAILWAY TRUST LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2023

	31.12.23	31.12.22
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	52,755	59,381
Gift aid	2,614	29,841
Legacies	52,493	160,348
Grant income	132,582	56,578
	240,444	306,148
Other trading activities		
Cafe income	104,002	68,477
Ticket sales	864,072	748,650
Subscriptions	20,480	32,674
Magazines, raffles and locomotive hire	47,453	29,630
Holiday letting income	24,087	22,040
Other sales	22,754	18,457
	1,082,848	919,928
Investment income		
Bank interest	4,254	553
Total incoming resources	1,327,546	1,226,629
EXPENDITURE		
Other trading activities		
Purchases	240,239	241,642
Catering purchases and consumables	82,212	52,570
Wages	386,650	275,403
Social security	22,732	17,885
Pensions	5,291	3,939
Hire of plant and machinery	73,403	22,296
Steaming expenses	80,361	15,379
Holiday letting expenses	12,045	6,838
	902,933	635,952
Charitable activities		
Advertising	2,415	1,359
Support costs		
Management		
Rent and rates	36,739	20,438
Insurance	102,086	87,814
Light and heat	99,269	77,907
Telephone	16,497	2,270
Printing, stationery and advertising	12,716	11,356
Carried forward	267,307	199,785

This page does not form part of the statutory financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2023**

	31.12.23	31.12.22
	£	£
Management		
Brought forward	267,307	199,785
Legal and professional	10,553	14,805
Sundries	32,824	46,644
Accountancy	8,198	16,360
Travel and motor expenses	11,750	2,055
Training and recruitment	6,704	6,913
Subscriptions	13,125	6,462
	350,461	293,024
 Finance		
Bank charges	3,139	3,673
HMRC interest	-	215
	3,139	3,888
 Other		
Repairs and maintenance	95,259	93,608
Contractors	95,290	70,316
Goodwill	3,300	3,300
Land, building and improvement depreciation	34,007	51,965
Plant and machinery depreciation	16,290	48,582
Depn of rolling stock	31,550	-
Computer equipment	5,455	-
Profit on sale of tangible fixed assets	40,241	-
	321,392	267,771
 Total resources expended		
	1,580,340	1,201,994
 Net (expenditure)/income before gains and losses		
	(252,794)	24,635
 Realised recognised gains and losses		
Realised gains/losses on unlisted investments	-	19,808
Net (expenditure)/income		
	(252,794)	44,443

This page does not form part of the statutory financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

England & Wales - Charity number 1046614

Accounts

REGISTERED COMPANY NUMBER: 03040336 (England and Wales)
REGISTERED CHARITY NUMBER: 1046614

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022
FOR
LLANGOLLEN RAILWAY TRUST LIMITED

M. D. Coxey and Co. Limited
Chartered Accountants
and Statutory Auditors
25 Grosvenor Road
Wrexham
LL11 1BT

LLANGOLLEN RAILWAY TRUST LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

	Page
Report of the Trustees	1 to 6
Statement of Trustees' Responsibilities	7
Report of the Independent Auditors	8 to 11
Statement of Financial Activities	12
Balance Sheet	13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 25

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022

The trustees who are also directors of the charity for the purpose of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2022.

This report has been prepared in accordance with the small company regime of the Companies Act 2006. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) Accounting and reporting by Charities 2011. The trustees have complied with the duty in section 17(5) of the 2011 Charities Act.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity remain the same, being to support the restoration, preservation and operation of the Llangollen Railway for the benefit of the public.

The main objectives for the year continue to be:-

- The management, maintenance and restoration of a heritage railway.
- To proceed with the construction of a full station facility to be known as Corwen Station.
- The production of Steam at Llangollen, the in house magazine of the Railway.
- The encouragement of volunteer activity in support of the above aims.
- The preservation of heritage skills.

Public benefit

The Llangollen Railway has a very high profile both locally and nationally and its interaction with the public is vital. The public and the towns of Llangollen and Corwen benefit enormously by the railway's presence as a tourism, leisure, transport and educational facility.

The line first opened in the 1860s and is operated to 21st century standards in a way that in addition to being educational allows a fun and safe experience, knowing that participation is helping to preserve real history for the future.

The Railway is open to all, either on a visitor level or as an opportunity to volunteer as a working member. "Everyone is welcome" has always been a cornerstone of the Railway's philosophy, and since restoration started over forty years ago it has provided an enhancing experience for innumerable people locally, nationally and internationally.

The Railway has a very significant effect on the local economy both in the employment it provides and also the number of visitors it attracts to the Dee Valley and North East Wales.

Statement of compliance

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the 2022 activities and making plans for future periods, and believe that they have complied with their duty to have due regard to this guidance.

Volunteers

Volunteers represent a considerable human resource contribution to the operation of our Heritage Railway, throughout all of the operational, engineering, commercial and customer focussing departments. This inevitably serves as an intrinsic component of a viable and sustainable business. Through a volunteer framework and policy of engagement, induction, training, and on-going supervision, volunteers are integrated within the small employee team to ensure the Railway can deliver its charitable purposes: being the primary custodian of a heritage railway, which centres on the interpretation and preservation of an industrial heritage attraction for public benefit. The project therefore contributes to wider community identity, whilst serving as an additional economic driver for the wider local and regional tourism and business sectors.

The Railway currently has 347 registered volunteers, with approximately 150 volunteers routinely rostering on a weekly basis (during operational periods).

The volunteer framework allows for people (many of the older age brackets), to remain active and involved in a project they are enthusiastic about, whilst equally in the knowledge they are supporting a charitable cause.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022

STRATEGIC REPORT

Achievement and performance

Charitable activities

2022 was the first full year since the Trust took over the trading activities of the collapsed Llangollen Railway PLC. Consequently, the trading results bear the full brunt of seasonality. The first 4 months of the year make heavy demands on working capital to cover all the usual overheads whilst income is limited.

Ticket sales exceeded budget comfortably but were still shy of pre-pandemic levels. The trustees bought back the Llangollen station hospitality business, including the Carriage Tea Room. Much later in the year the Carrog station café business was also absorbed. Both hospitality and shop sales made useful contributions to the bottom line, as did the Berwyn let which continues to prove popular.

We now have a full complement of paid employees to supplement the invaluable support of our volunteers. Whilst it is true the business cannot survive without our volunteers, it is also true to say the same of our employees. We thank everyone for their contributions, paid or otherwise.

Apart from salaries, the other major overheads are energy and insurance, both of which saw significant increases.

Investment in the permanent way, our carriage stock and the shed/yard have been distinctly lacking for several years as available cash was scarce. By making significantly increased use of diesel and diesel multiple units for traction, and less steam, we have been able to begin tackling the backlog of long overdue repairs and renewals. The trustees envisage this approach to traction will be necessary for the mid-term at least.

The trustees acquired a TSO Mk1 and BR Mk1 function coach during the year.

The Trust benefitted from one significant legacy in particular of just over £160,000.

The Trust again ended the year in a very strong cash position and debt-free with the exception of nominal finance leases where these are expedient.

7754 and Austin 1

7754 passed its boiler test in November 2022 and should be back in steam for the first time in many a long year in 2023.

Austin 1 has been out on hire through 2022 and will be so in 2023 as well.

Corwen station

The new Corwen station is expected to open in May 2023.

The platform canopy should be in place by the end of January. This was financed by a grant of £163,721 via the Government's Levelling Up Fund and a matching cash contribution of broadly 14% from our own cash resources.

The station is and will remain a lasting testament to the sheer hard work of a small band of willing volunteers, average age 68. They have worked so hard in all weathers for many, many years laying the track from Carrog station, being 2 1/2 miles approximately, dealing with all the civil engineering issues with assistance from Denbighshire County Council, resiting and rebuilding the signal box, building the platform and on platform building, and dealing with myriad other issues that go with a project of this nature, much underground and thus no longer visible. The outcome is simply fantastic and 'thank you' doesn't begin to acknowledge the Trust's ongoing debt of gratitude to the 'Corwen Gang'.

Outlook

A major concern for the Trust, the heritage railway sector generally and numerous other organisations which rely on volunteers, both national and local, big and small, is the availability of volunteers. Our numbers are about 30% down and this is reflected across the voluntary sector as a whole.

This leads to concerns also for the preservation of heritage skills. We will be trying to work with local colleges, for example, to try to address this by means of work experience and apprenticeships.

The cost of living and energy crises are major concerns in terms of passenger numbers, costs and impact on our volunteers. The trustees will continue to act cautiously as regards motive power and discretionary spend.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022

The environment

This is also an obvious concern for the sector and is being addressed by the Heritage Railway Association as best it can. Whilst it can be said that steam power in the industry contributes very little to the overall problem, that particular argument doesn't really stand scrutiny. The fact is, taken together with all the other so-called minor contributors, it all adds up to the big problem the world is increasingly waking up to.

There are no easy solutions to the fuel issue currently but greener alternatives are being developed and tested.

We are working with our public sector and third sector partners on carbon offset activities.

Financial review

Investment policy and objectives

The nature of the trust's funding is such that there will never be enough funds to do everything we wish to achieve in terms of heritage restoration. The Trust continues to depend very heavily on donations, legacies and grants to carry out larger projects in particular, for example the building of Corwen Station.

It is the board's policy to continue to operate debt-free with the exception of the odd small finance lease which may be expedient. In this respect we have to bear in mind there is a working capital need January to April in particular of approximately £200,000.

Where surplus funds arise these are invested in short term interest bearing deposit accounts.

Reserves policy

The trustees have established the level of reserves the charity ought to maintain to endeavor to ensure financial viability for the long term. The trustees have deemed it prudent to create a Capital Reserve of £300,000. This amount is cash-backed and resides in a separate account with Barclays Bank PLC.

£100,000 is intended to at least begin to cover a major catastrophe or some other significant and unforeseen need. £200,000 is intended to be used, if necessary, as working capital to cover the seasonal needs of the business. These monies are intended for emergency use only, the operating budget will be compiled without reliance on these funds.

The account with Barclays Bank also holds the £30,000 Advance Sales Reserve created in the wake of our experience in the administration and eventual liquidation of Llangollen Railway PLC.

Restricted funds	£
Total Restricted funds	1,881,421
Less:	
Restricted Tangible assets	(1,707,133)
Restricted Intangible assets	(21,458)
Restricted debtor	<u>(72,053)</u>
Restricted funds held for future periods (Bank):	<u>80,777</u>
Unrestricted funds:	652,652
Designated funds:	330,000

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022

STRATEGIC REPORT

Principal risks and uncertainties

The charitable company's operations expose it to a variety of financial risks including price risk, credit risk, liquidity risk and cash flow risk.

The charitable company's principal financial instruments comprise sterling bank accounts together with trade debtors and trade creditors that arise directly from operations.

Price risk - Price risk is managed by monitoring the market, current rates of inflation and costing products and services in accordance with these factors.

Credit risk - Credit risk is mitigated by monitoring and managing the credit limits given to its customers.

Liquidity risk - Liquidity risk is managed by maintaining a balanced mix of income streams, and managing closely the debtors/creditors mix. Stockholdings are relatively low.

Cash flow risk - Cash flow risk is managed through our credit management procedures, cash flow forecasting and negotiation of payment terms where practicable.

Financial and risk management objectives and policies

The trustees review the risk register at least annually and review the major risks to which the company is exposed. The principal risks to Llangollen Railway Trust Limited as at 31st December 2022 were:

- " Failure to secure funding to fulfil the organisation's business plan
- " Poor performance or dissatisfaction with the quality of delivery to all of our customers
- " Loss of business-critical staff and volunteers
- " Cost of living/energy crisis

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Llangollen Railway Trust Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 6th March 1995. It is registered as a charity with the Charity Commission, number 1046614. Anyone over the age of 18 can become a member of the company. Each member agrees to contribute £1 in the event of the charity being wound up.

Governance Review

Following the formal, external review in 2020 much work has gone into ensuring we have the policies and procedures of a well-managed 21st century charity and company. There remains more to do and the trustees/directors need some additional resource to ensure we have the requisite commercial, financial and legal skills necessary.

We have a clear framework of responsibility to provide leadership and oversight.

Our strategic plan and operational priorities have been shared throughout the organisation. These documents will be updated and shared regularly with volunteers and employees through the prism of the One Railway initiative on a continual basis.

Appointment of new trustees

As set out in the Articles of Association one third of the trustees retire by rotation each year and shall if they so wish offer themselves for re-election. The trustees have the power to co-opt such trustee(s) as they see fit, such trustee(s) co-opted shall be appointed until the following AGM, where they may stand for reappointment.

Organisational structure

The board of trustees, which shall number a minimum of four with no maximum numbers, administers the charity.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Decision making

LRT has a small employed senior management team (Trust Manager & Chief Engineer). Both have experience of Organisational Management within the charitable and heritage sectors, specific to organisations that have both engineering and public/tourism components. Both senior managers oversee a strategic section of 4 principal divisions - Organisation/Administration, Operational, Engineering and Volunteering. Each division incorporates several 'heads of departments' within them, which serve to directly oversee each departmental plan, which has been endorsed and mandated by the Senior Management Team. The Senior Management Team is answerable to the Board of Trustees which through a 'Framework of Responsibility' outlines delegated authorities to the management team, who in turn will work closely with their respective departments and HODs. There is regular contact with specific Board Trustees on several specific matters (e.g. Finance, HR, Safety etc), which is also reinforced by a routine, monthly Board meeting, to ensure appropriate oversight (checks and balances).

Each department has a plan of activity, be it engineering, interpretation or commercially focussed. Each plan incorporates its actions, in an economic sense, into the Organisation's budget forecast, which is directly (daily/weekly) overseen by the senior management team, with the Board collectively affording scrutiny at monthly meetings.

Due to the close communication between the HODs, the Senior Management Team and the Board, it is felt suitable oversight is assured and any unexpected situations, requiring small or significant decision making is therefore robustly addressed.

Should additional advice be required to inform internal organisational decision making, e.g volunteer management or HR matters (including payroll) etc, the Board and Management team will work collaboratively with suitable external agencies and seek opinion. This is exemplified with utilising an external HR company to support ongoing staffing matters, to working with like minded volunteer/charity organisations to develop robust policies and procedures.

LRT has now developed an organisational strategy which hopes to 'set its stall out' (so to speak), which aims to demonstrate a mature approach to sustainability, whilst appreciating lessons learnt from the past. The strategy is based on the following structure;

- Purpose - Our Charitable Objectives
- Principles - Collaboration, Communication, Compliance and Cohesion
- Priorities - 1. Governance and Leadership, 2. Commitment to Heritage Preservation 3. Public Benefit
- 4. Financial Resilience 5. Volunteer Experience
- Plans - lots of them - purposeful and costed to support each priority.

Induction and training of new trustees

New trustees undergo a training process to explain to them their statutory obligations under charity and company law, the Memorandum and Articles of Association, the organisational structure and decision-making process. Trustees are encouraged to attend suitable external events where these will enhance the substance and quality of their role. All trustees, both existing and newly appointed, are required to confirm that they have read and understood the Charity Commission booklet CC3A, "The essential trustee" and CC3 "The essential trustee, what you need to know".

Related parties

Llangollen Railway Trust has a wholly-owned subsidiary, being Llangollen & Corwen Railway (Trading) Limited. This company is and has been dormant for many years.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03040336 (England and Wales)

Registered Charity number

1046614

Registered office

The Station
Abbey Road
Llangollen
Denbighshire
LL20 8SN

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022

Trustees

P J Coles (Chairman)
P H Freeth
R J Creasey
P J Edwards
M Theobald (resigned 02.12.2022) & (re-appointed 18.02.2023)
M K Williams (resigned 02.12.2022)
R Abbott (appointed 25.04.2022)

Company Secretary

R J Creasey

Auditors

M. D. Coxey and Co. Limited
Chartered Accountants
and Statutory Auditors
25 Grosvenor Road
Wrexham
LL11 1BT

Bankers

Barclays
Business Direct
Leicester
LE87 2BB

AUDITORS

The auditors, M. D. Coxey and Co. Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 15th April 2023 and signed on the board's behalf by:

P H Freeth - Trustee

LLANGOLLEN RAILWAY TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31ST DECEMBER 2022

The trustees (who are also the directors of Llangollen Railway Trust Limited 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LLANGOLLEN RAILWAY TRUST LIMITED

Opinion

We have audited the financial statements of Llangollen Railway Trust Limited (the 'charitable company') for the year ended 31st December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2022 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.

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 FRC'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
LLANGOLLEN RAILWAY TRUST LIMITED

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.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LLANGOLLEN RAILWAY TRUST LIMITED

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and management;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LLANGOLLEN RAILWAY TRUST LIMITED

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.

Joanne Evans (Senior Statutory Auditor)
for and on behalf of M. D. Coxey and Co. Limited
Chartered Accountants
and Statutory Auditors
25 Grosvenor Road
Wrexham
LL11 1BT

15th April 2023

LLANGOLLEN RAILWAY TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2022

	Notes	Unrestricted funds £	Restricted fund £	31.12.22 Total funds £	31.12.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	196,936	109,212	306,148	688,001
Other trading activities	3	919,928	-	919,928	427,888
Investment income	4	553	-	553	26
Total		<u>1,117,417</u>	<u>109,212</u>	<u>1,226,629</u>	<u>1,115,915</u>
EXPENDITURE ON					
Raising funds	5	436,814	199,138	635,952	107,813
Charitable activities	6				
General costs		459,110	6,385	465,495	285,423
Property costs		<u>40,252</u>	<u>60,295</u>	<u>100,547</u>	<u>90,276</u>
Total		<u>936,176</u>	<u>265,818</u>	<u>1,201,994</u>	<u>483,512</u>
Net gains on investments		<u>19,808</u>	<u>-</u>	<u>19,808</u>	<u>-</u>
NET INCOME/(EXPENDITURE)		201,049	(156,606)	44,443	632,403
Transfers between funds	19	<u>57,278</u>	<u>(57,278)</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>258,327</u>	<u>(213,884)</u>	<u>44,443</u>	<u>632,403</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		724,325	2,095,305	2,819,630	2,187,227
TOTAL FUNDS CARRIED FORWARD		<u>982,652</u>	<u>1,881,421</u>	<u>2,864,073</u>	<u>2,819,630</u>

The notes form part of these financial statements

BALANCE SHEET
31ST DECEMBER 2022

	Notes	Unrestricted funds £	Restricted fund £	31.12.22 Total funds £	31.12.21 Total funds £
FIXED ASSETS					
Intangible assets	12	7,200	21,458	28,658	23,958
Tangible assets	13	417,636	1,707,133	2,124,769	2,083,574
Investments	14	<u>1</u>	<u>-</u>	<u>1</u>	<u>61,025</u>
		424,837	1,728,591	2,153,428	2,168,557
CURRENT ASSETS					
Stocks	15	37,055	-	37,055	36,125
Debtors	16	141,769	72,053	213,822	53,646
Cash at bank and in hand		<u>556,019</u>	<u>80,777</u>	<u>636,796</u>	<u>628,384</u>
		734,843	152,830	887,673	718,155
CREDITORS					
Amounts falling due within one year	17	(177,028)	-	(177,028)	(67,082)
NET CURRENT ASSETS		<u>557,815</u>	<u>152,830</u>	<u>710,645</u>	<u>651,073</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		982,652	1,881,421	2,864,073	2,819,630
NET ASSETS		<u>982,652</u>	<u>1,881,421</u>	<u>2,864,073</u>	<u>2,819,630</u>
FUNDS	19				
Unrestricted funds				982,652	724,325
Restricted funds:					
Restricted				<u>1,881,421</u>	<u>2,095,305</u>
TOTAL FUNDS				<u>2,864,073</u>	<u>2,819,630</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 15th April 2023 and were signed on its behalf by:

P H Freeth - Trustee

LLANGOLLEN RAILWAY TRUST LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2022

	Notes	31.12.22 £	31.12.21 £
Cash flows from operating activities			
Cash generated from operations	1	<u>77,320</u>	<u>669,794</u>
Net cash provided by operating activities		<u>77,320</u>	<u>669,794</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(8,000)	(25,000)
Purchase of tangible fixed assets		(141,742)	(193,977)
Sale of tangible fixed assets		-	25,000
Sale of fixed asset investments		61,024	-
Sale of investment property		<u>19,808</u>	<u>-</u>
Net cash used in investing activities		<u>(68,910)</u>	<u>(193,977)</u>
Change in cash and cash equivalents in the reporting period		<u>8,410</u>	<u>475,817</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>628,384</u>	<u>152,567</u>
Cash and cash equivalents at the end of the reporting period	2	<u>636,794</u>	<u>628,384</u>

The notes form part of these financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.22	31.12.21
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	44,443	632,403
Adjustments for:		
Depreciation charges	103,847	91,318
Losses on investments	(19,808)	-
Profit on disposal of fixed assets	-	(25,000)
Increase in stocks	(930)	(36,125)
Increase in debtors	(160,176)	(30,121)
Increase in creditors	109,944	37,319
Net cash provided by operations	<u>77,320</u>	<u>669,794</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.12.22	31.12.21
	£	£
Cash in hand	2,322	1,521
Notice deposits (less than 3 months)	634,474	626,863
Overdrafts included in bank loans and overdrafts falling due within one year	(2)	-
Total cash and cash equivalents	<u>636,794</u>	<u>628,384</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22	Cash flow	At 31.12.22
	£	£	£
Net cash			
Cash at bank and in hand	628,384	8,412	636,796
Bank overdraft	-	(2)	(2)
	<u>628,384</u>	<u>8,410</u>	<u>636,794</u>
Total	<u>628,384</u>	<u>8,410</u>	<u>636,794</u>

The notes form part of these financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

Status and principal activities

Llangollen Railway Trust Limited is a company limited by guarantee, incorporated in England and Wales. Its Registered Office is The Station, Abbey Road, Llangollen, Denbighshire, LL20 8SN.

The principal activity of the company is that of the repair and maintenance of transport equipment.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A.

Significant judgements and estimates

In the application of the Company's accounting policies, management are required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily available from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The key judgements and sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

- Estimated useful lives and residual values of fixed assets:

The carrying value of fixed assets are reviewed each year end for indicators of impairment triggers. If such triggers exist, management would be required to carry out a formal impairment review using a discounted cash flow model to determine their value in use on a cash-generating unit basis. The value in use calculation requires management to estimate the future cash flows expected to arise from the cash-generating unit and a sustainable discount rate in order to calculate the present value.

Depreciation of tangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take into account estimated useful lives used by other companies operating in the sector and actual asset lives and residual values, as evidenced by disposals during current and prior accounting periods.

- Estimated write down of stock to net realisable value:

Stock valuation has been based on an estimated useful life and residual value deemed appropriate by the directors. The estimated write down of stock to net realisable value is reviewed annually and revised as appropriate by the directors.

- Revenue recognition:

In making its judgement, management consider the detailed criteria for the recognition of revenue as set out within Section 23 of FRS 102. The directors are satisfied that the recognition point being typically when goods are delivered and legal title has passed is correct.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

1. 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.

Raising funds

Costs of generating funds comprise those costs directly attributable to the commercial activities of the Trust.

Charitable activities

The costs directly attributable to the maintenance of the railways. Donations to other charities are allocated to charitable activities.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2021, is being amortised evenly over its estimated useful life of ten years.

Tangible fixed assets

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

Land, Buildings and Improvements	- The length of the lease
Plant and machinery	- 10% on cost
Motor vehicles	- 10% on cost

Expenditure of a capital nature is recognised as an addition to fixed assets. All fixed assets are stated at cost.

Related party exemption

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

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 when funds are raised for particular restricted purposes.

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022

1. ACCOUNTING POLICIES - continued

Financial instruments

The following assets and liabilities are classified as financial instruments - trade debtors and trade creditors.

Trade debtors and trade creditors are measured at the undiscounted amount of cash or other consideration expected to be paid or received.

Financial assets are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit and loss.

The charity's functional and presentational currency is the Pound Sterling (£).

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
Donations	6,747	52,634	59,381	214,902
Gift aid	29,841	-	29,841	45,981
Legacies	160,348	-	160,348	74,225
Grant income	-	56,578	56,578	352,893
	<u>196,936</u>	<u>109,212</u>	<u>306,148</u>	<u>688,001</u>

Grants received, included in the above, are as follows:

	31.12.22 £	31.12.21 £
Denbighshire CC Covid-19	-	40,000
WCRF Phase 2	-	137,583
Corwen platform grant	1,386	22,950
WCRF Phase 1	-	147,860
George Cadbury Fund	-	4,500
Corwen canopy	55,192	-
	<u>56,578</u>	<u>352,893</u>

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
Cafe income	68,477	-	68,477	-
Ticket sales	748,650	-	748,650	373,673
Subscriptions	32,674	-	32,674	32,578
Magazines, raffles and locomotive hire	29,630	-	29,630	10,711
Holiday letting income	22,040	-	22,040	2,441
Other sales	18,457	-	18,457	8,485
	<u>919,928</u>	<u>-</u>	<u>919,928</u>	<u>427,888</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
Bank interest	<u>553</u>	<u>-</u>	<u>553</u>	<u>26</u>

5. RAISING FUNDS

Other trading activities

	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
Purchases	140,722	153,490	294,212	26,842
Staff costs	251,579	45,648	297,227	42,665
Hire of plant and machinery	22,296	-	22,296	25,532
Steaming expenses	15,379	-	15,379	10,710
Holiday letting expenses	6,838	-	6,838	2,064
	<u>436,814</u>	<u>199,138</u>	<u>635,952</u>	<u>107,813</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
General costs	1,359	464,136	465,495
Property costs	-	100,547	100,547
	<u>1,359</u>	<u>564,683</u>	<u>566,042</u>

7. SUPPORT COSTS

	Management £	Finance £	Other £	Totals £
General costs	293,024	3,888	167,224	464,136
Property costs	-	-	100,547	100,547
	<u>293,024</u>	<u>3,888</u>	<u>267,771</u>	<u>564,683</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.22 £	31.12.21 £
Depreciation - owned assets	100,547	90,276
Hire of plant and machinery	22,296	25,532
Surplus on disposal of fixed assets	-	(25,000)
Goodwill amortisation	3,300	1,042
Auditors remuneration	<u>6,300</u>	<u>6,000</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2022 nor for the year ended 31st December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2022 nor for the year ended 31st December 2021.

10. STAFF COSTS

	31.12.22	31.12.21
	£	£
Wages and salaries	275,403	41,779
Social security costs	17,885	128
Other pension costs	3,939	758
	<u>297,227</u>	<u>42,665</u>

Key management wages and salaries in the year amount to £128,074.

The average monthly number of employees during the year was as follows:

	31.12.22	31.12.21
	18	5
Administration	<u>18</u>	<u>5</u>

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	205,296	482,705	688,001
Other trading activities	427,888	-	427,888
Investment income	26	-	26
Total	<u>633,210</u>	<u>482,705</u>	<u>1,115,915</u>
EXPENDITURE ON			
Raising funds	51,698	56,115	107,813
Charitable activities			
General costs	164,723	120,700	285,423
Property costs	35,644	54,632	90,276
Total	<u>252,065</u>	<u>231,447</u>	<u>483,512</u>
NET INCOME	381,145	251,258	632,403
Transfers between funds	(2,297)	2,297	-
Net movement in funds	<u>378,848</u>	<u>253,555</u>	<u>632,403</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	345,477	1,841,750	2,187,227
TOTAL FUNDS CARRIED FORWARD	<u>724,325</u>	<u>2,095,305</u>	<u>2,819,630</u>

12. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1st January 2022	25,000
Additions	<u>8,000</u>
At 31st December 2022	<u>33,000</u>
AMORTISATION	
At 1st January 2022	1,042
Charge for year	<u>3,300</u>
At 31st December 2022	<u>4,342</u>
NET BOOK VALUE	
At 31st December 2022	<u>28,658</u>
At 31st December 2021	<u>23,958</u>

13. TANGIBLE FIXED ASSETS

	Land, Buildings and Improvements £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1st January 2022	2,442,183	450,837	2,000	2,895,020
Additions	<u>-</u>	<u>139,942</u>	<u>1,800</u>	<u>141,742</u>
At 31st December 2022	<u>2,442,183</u>	<u>590,779</u>	<u>3,800</u>	<u>3,036,762</u>
DEPRECIATION				
At 1st January 2022	622,954	188,492	-	811,446
Charge for year	<u>51,965</u>	<u>48,217</u>	<u>365</u>	<u>100,547</u>
At 31st December 2022	<u>674,919</u>	<u>236,709</u>	<u>365</u>	<u>911,993</u>
NET BOOK VALUE				
At 31st December 2022	<u>1,767,264</u>	<u>354,070</u>	<u>3,435</u>	<u>2,124,769</u>
At 31st December 2021	<u>1,819,229</u>	<u>262,345</u>	<u>2,000</u>	<u>2,083,574</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022

14. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Unlisted investments £	Totals £
MARKET VALUE			
At 1st January 2022	1	61,024	61,025
Disposals	-	(61,024)	(61,024)
At 31st December 2022	<u>1</u>	<u>-</u>	<u>1</u>
NET BOOK VALUE			
At 31st December 2022	<u>1</u>	<u>-</u>	<u>1</u>
At 31st December 2021	<u>1</u>	<u>61,024</u>	<u>61,025</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Llangollen & Corwen Railway (Trading) Limited

Registered office: The Station, Abbey Road, Llangollen, Denbighshire, LL20 8SN

Nature of business: Hire of locomotives

	% holding	31.12.22	31.12.21
Class of share:		£	£
Ordinary	100	(3,820)	(3,495)
Aggregate capital and reserves		<u>(325)</u>	<u>(359)</u>
Loss for the year			

15. STOCKS

	31.12.22	31.12.21
	£	£
Stocks	<u>37,055</u>	<u>36,125</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Trade debtors	9,474	14,864
Amounts owed by group undertakings	3,182	3,110
VAT	7,639	9,707
Prepayments and accrued income	187,864	17,857
Gift aid	<u>5,663</u>	<u>8,108</u>
	<u>213,822</u>	<u>53,646</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Bank loans and overdrafts (see note 18)	2	-
Trade creditors	124,587	49,812
Social security and other taxes	16,597	-
Other creditors	-	100
Accruals and deferred income	35,842	17,170
	<u>177,028</u>	<u>67,082</u>

18. LOANS

An analysis of the maturity of loans is given below:

	31.12.22	31.12.21
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	<u>2</u>	<u>-</u>

19. MOVEMENT IN FUNDS

	At 1.1.22	Net movement in funds	Transfers between funds	At 31.12.22
	£	£	£	£
Unrestricted funds				
General fund	694,325	201,049	(242,722)	652,652
Designated fund	30,000	-	300,000	330,000
	<u>724,325</u>	<u>201,049</u>	<u>57,278</u>	<u>982,652</u>
Restricted funds				
Restricted	2,095,305	(156,606)	(57,278)	1,881,421
TOTAL FUNDS	<u>2,819,630</u>	<u>44,443</u>	<u>-</u>	<u>2,864,073</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	1,117,417	(936,176)	19,808	201,049
Restricted funds				
Restricted	109,212	(265,818)	-	(156,606)
TOTAL FUNDS	<u>1,226,629</u>	<u>(1,201,994)</u>	<u>19,808</u>	<u>44,443</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	345,477	381,145	(32,297)	694,325
Designated fund	-	-	30,000	30,000
	<u>345,477</u>	<u>381,145</u>	<u>(2,297)</u>	<u>724,325</u>
Restricted funds				
Restricted	1,841,750	251,258	2,297	2,095,305
TOTAL FUNDS	<u>2,187,227</u>	<u>632,403</u>	<u>-</u>	<u>2,819,630</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	633,210	(252,065)	381,145
Restricted funds			
Restricted	482,705	(231,447)	251,258
TOTAL FUNDS	<u>1,115,915</u>	<u>(483,512)</u>	<u>632,403</u>

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

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	345,477	582,194	(275,019)	652,652
Designated fund	-	-	330,000	330,000
	<u>345,477</u>	<u>582,194</u>	<u>54,981</u>	<u>982,652</u>
Restricted funds				
Restricted	1,841,750	94,652	(54,981)	1,881,421
TOTAL FUNDS	<u>2,187,227</u>	<u>676,846</u>	<u>-</u>	<u>2,864,073</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022

19. 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 funds				
General fund	1,750,627	(1,188,241)	19,808	582,194
Restricted funds				
Restricted	591,917	(497,265)	-	94,652
TOTAL FUNDS	<u>2,342,544</u>	<u>(1,685,506)</u>	<u>19,808</u>	<u>676,846</u>

Restricted Funds:	Balance b/fwd	Income	Transfers	Expenditure	Balance c/fwd
Pannier Fund 7754	7,957	-	-	(7,957)	-
Engine Shed	25,000	-	-	-	25,000
Wagon Fund	550	-	-	(110)	440
Corwen Extension	1,447,865	-	-	(41,370)	1,406,495
Flail Appeal	6,239	-	-	(624)	5,615
Investment	61,024	-	(61,024)	-	-
CCRD - revenue	61,602	52,634	-	(57,459)	56,777
CCRD - capital	32,061	-	-	(940)	31,121
Full steam ahead fund	143,388	-	-	(15,196)	128,192
WCRF Phase 2	137,583	-	-	(137,583)	-
Corwen canopy DCC	-	55,192	9,209	-	64,401
Grant - platform project	172,037	1,386	(5,463)	(4,580)	163,380
	<u>2,095,305</u>	<u>109,212</u>	<u>(57,278)</u>	<u>(265,794)</u>	<u>1,881,421</u>

20. CAPITAL COMMITMENTS

	31.12.22	31.12.21
	£	£
Contracted but not provided for in the financial statements	<u>96,601</u>	<u>-</u>

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2022.

22. GUARANTEES BY MEMBERS

The company is limited by guarantee. Each member has agreed to pay £1 in the event if the charity being wound up.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

LLANGOLLEN RAILWAY TRUST LIMITED

England & Wales - Charity number 1046614

Accounts

REGISTERED COMPANY NUMBER: 03040336 (England and Wales)
REGISTERED CHARITY NUMBER: 1046614

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021
FOR
LLANGOLLEN RAILWAY TRUST LIMITED

M. D. Coxey and Co. Limited
Chartered Accountants
and Statutory Auditors
25 Grosvenor Road
Wrexham
LL11 1BT

LLANGOLLEN RAILWAY TRUST LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Page
Report of the Trustees	1 to 7
Statement of Trustees' Responsibilities	8
Report of the Independent Auditors	9 to 12
Statement of Financial Activities	13
Balance Sheet	14
Cash Flow Statement	15
Notes to the Cash Flow Statement	16
Notes to the Financial Statements	17 to 27
Detailed Statement of Financial Activities	28 to 29

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

The trustees who are also directors of the charity for the purpose of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2021.

This report has been prepared in accordance with the small company regime of the Companies Act 2006. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) Accounting and reporting by Charities 2011. The trustees have complied with the duty in section 17(5) of the 2011 Charities Act.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity remain the same, being to support the restoration, preservation and operation of the Llangollen Railway for the benefit of the public.

The main objectives for the year continue to be:-

- The management, maintenance and restoration of a heritage railway.
- To proceed with the construction of a full station facility to be known as Corwen Station.
- The production of Steam at Llangollen, the in house magazine of the Railway.
- The encouragement of volunteer activity in support of the above aims
- The preservation of heritage skills.

Public benefit

The Llangollen Railway has a very high profile both locally and nationally and its interaction with the public is vital. The public and the towns of Llangollen and Corwen benefit enormously by the railway's presence as a tourism, leisure, transport and educational facility.

The line first opened in the 1860s and is operated to 21st century standards in a way that in addition to being educational allows a fun and safe experience, knowing that participation is helping to preserve real history for the future.

The Railway is open to all, either on a visitor level or as an opportunity to volunteer as a working member. "Everyone is welcome" has always been a cornerstone of the Railway's philosophy, and since restoration started over forty years ago it has provided an enhancing experience for innumerable people locally, nationally and internationally.

The Railway has a very significant effect on the local economy both in the employment it provides and also the number of visitors it attracts to the Dee Valley and North East Wales.

Statement of compliance

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the 2021 activities and making plans for future periods, and believe that they have complied with their duty to have due regard to this guidance.

Volunteers

Volunteers represent a considerable human resource contribution to the operation of our Heritage Railway, throughout all of the operational, engineering, commercial and customer focussing departments. This inevitably serves as an intrinsic component of a viable and sustainable business. Through a volunteer framework and policy of engagement, induction, training, and on-going supervision, volunteers are integrated within the small employee team to ensure the Railway can deliver its charitable purposes: being the primary custodian of a heritage railway, which centres on the interpretation and preservation of an industrial heritage attraction for public benefit. The project therefore contributes to wider community identity, whilst serving as an additional economic driver for the wider local and regional tourism and business sectors.

The Railway currently has 347 registered volunteers, with over 200 volunteers routinely rostering on a weekly basis (during operational periods).

The volunteer framework allows for people (many of the older age brackets), to remain active and involved in a project they are enthusiastic about, whilst equally in the knowledge they are supporting a charitable cause.

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

STRATEGIC REPORT

Achievement and performance

Charitable activities

A momentous year.

Pre-Reopening

The start of the year was all about the Trust's trading arm, Llangollen Railway PLC. The PLC had had 3 disastrous years of trading and it became very clear to the new board there was no way to stem the tide. The level of overheads, accumulated debts and contractual liabilities was such there was no way to trade out of the situation. The directors would have been at risk of wrongful trading and were obliged to operate without directors and officers liability insurance which could not be obtained anywhere in the tourism, leisure or travel sectors from 1st January.

The directors invited the bank to appoint administrators on 1st March and formal administration followed on 25th March.

Provisions were made in the 2020 accounts in respect of the Trust's shareholding, very much a book loss as the shares were all donated and never had any market value, and sums due by way of inter-company debt. The total overall amounted to £279,310.

As remarked last year in the section 'Post balance Sheet Events', appeals went out to raise funds and we are extremely grateful to members, shareholders, volunteers, supporters and members of the public who rallied to the cause. We are also very grateful to local media and the Railway press generally who all helped to promote and support us. Approximately £170,000 was raised by way of these donations.

The finances also benefitted by £37,860, being unspent Welsh Government Cultural Recovery Fund Phase I grant which we were allowed to keep, and a £40,000 business rates relief grant from Denbighshire County Council. A Cultural Recovery Fund Phase II grant, £137,583 in outcome, was also secured which gave us the confidence to reopen the line on 9th July. We are very grateful to the Welsh Government, via its various business support and funding arms, for its support, together with that of Llangollen Town Council and Denbighshire County Council.

Before reopening, we had to secure a deal with the administrators to purchase the PLC's intellectual property rights, software, data, systems, including telephone, website, e-mail addresses, office equipment, etc. We also had to acquire the leasehold property improvements, without which the whole of the railway line was not secure. This was completed in April at a cost of £40,000 excl VAT, together with foregoing any claim in the administration for sums owed to the Trust by the PLC of £90,000 approximately on a gross basis, but actually worth less than £2,000 in terms of a potential dividend in the administration.

There then followed the auction of the PLC's rolling stock and plant & equipment. Thanks to the donations received we were able to purchase an accessible-adapted carriage, road railer, 12t crane and Lowmac, all considered essential to ongoing operations. The total cost was £116,696 excl VAT.

Neither the deal nor asset purchases would have been possible without the donations referred to and the board is very appreciative of such support.

The auction realised a value of broadly double the estimates of the auctioneers. The board did consider reapproaching the administrators to perhaps renegotiate the deal with them as the indebtedness of the PLC to the Trust became worth nearer £20,000 potentially. However, that may have paved the way for the administrators too so the board considered the matter was best left alone.

The board decided not to take any part in the administration, including using its right to vote when called upon, as this could have placed us in conflict with other creditors.

Post Reopening

The railway had been closed since November 2020 and a huge amount amount of work was required to prepare for reopening. As ever, the Trust owes a huge debt of gratitude to our volunteers in this respect.

We reopened on 9th July with the Railcar Group providing the traction, as indeed it has for most of 2021, supported by the Diesel Group. Steam traction was provided by 3802 on some weekends and for the Santa Specials.

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

Passenger loading forecasts were based on 50% of pre-pandemic levels and were about 10% ahead of forecast in outcome.

Having relied less on steam power, and delayed rehiring, the Trust ended the year in a very strong cash position and essentially debt-free.

Looking ahead, significant expenditure will be required on the permanent way in particular which has suffered through under-investment for some years. The carriages too have only benefitted from expenditure when necessary and we need to improve the quality of the passenger experience.

7754 and Austin 1

Having sold Jennifer back to its original owner, the Trust owns 2 steam locomotives.

Austin 1 is out on semi-permanent hire.

It is hoped 7754 will be back in steam by the end of 2022 but much work, including on the boiler, is still required. Financing is not yet clear either.

Corwen station

It is hoped Corwen Station will be open to passenger traffic in 2022. This is by no means certain however as much remains to be done by the small band of dedicated volunteers who continue to do an incredible job.

A grant of £163,721 under the Government's Levelling Up Fund has been approved for the purpose of building a canopy on the on platform building. Progress in this respect may determine when reopening will take place as there may be a political imperative in terms of a grander event.

Outlook

A major concern for the Trust, the heritage railway sector generally and numerous other organisations which rely on volunteers, both national and local, big and small, is the availability of volunteers. Our numbers are about 30% down and this is reflected across the voluntary sector as a whole.

This leads to concerns also for the preservation of heritage skills. We will be trying to work with local colleges, for example, to try to address this by means of work experience and apprenticeships.

The environment

This is also an obvious concern for the sector and is being addressed by the Heritage Railway Association as best it can. Whilst it can be said that steam power in the industry contributes very little to the overall problem, that particular argument doesn't really stand scrutiny. The fact is, taken together with all the other so-called minor contributors, it all adds up to the big problem the world is increasingly waking up to.

There are no easy solutions to the fuel issue currently but greener alternatives are being developed and tested.

Financial review

Investment policy and objectives

The nature of the trust's funding is such that there will never be enough funds to do everything we wish to achieve in terms of heritage restoration. The Trust continues to depend very heavily on donations, legacies and grants to carry out larger projects in particular, for example the building of Corwen Station.

As funds are invariably tight the annual accounts are unlikely ever to report a significant net income and occasionally there will be net expenditure.

It is the boards policy to continue to operate debt-free with the exception of the odd small finance lease which may be expedient. In this respect we have to bear in mind there is a working capital need January to March in particular of approximately £150,000.

Where surplus funds arise these are invested in short term interest bearing deposit accounts.

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

STRATEGIC REPORT

Financial review

Reserves policy

The trustees have established the level of reserves (that is, those funds that are freely available) that the charity ought to maintain. Reserves are needed to bridge funding gaps, cater for unforeseen events and special projects arising. The trustees consider that the minimum level of reserves to be held is £100,000 but it remains to be seen if this is achievable.

After the experience in the administration with regards to advance ticket sales we have created a reserve of £30,000 which is shown in the balance sheet in current assets i.e as cash in hand, and carved out of Undistributed Funds. This should cover the advance sales for most periods of the year.

Restricted funds	£
Total Restricted funds	2,095,305
Less:	
Restricted Tangible assets	(1,766,452)
Restricted Intangible assets	(23,958)
Restricted Investment	(61,024)
Restricted debtor	(11,729)
Restricted funds held for future periods (Bank):	232,142
Unrestricted funds:	694,326
Designated funds:	30,000

Principal risks and uncertainties

The charitable company's operations expose it to a variety of financial risks including price risk, credit risk, liquidity risk and cash flow risk.

The charitable company's principal financial instruments comprise sterling bank accounts together with trade debtors and trade creditors that arise directly from operations.

Price risk - Price risk is managed by monitoring the market, current rates of inflation and costing products and services in accordance with these factors.

Credit risk - Credit risk is mitigated by monitoring and managing the credit limits given to its customers.

Liquidity risk - Liquidity risk is managed by maintaining a balanced mix of income streams, with a limit to the number of payment by results or in arrears payment contracts at any one time.

Cash flow risk - is managed through our credit management procedures, cash flow forecasting and negotiation of payment terms where practicable

Financial and risk management objectives and policies

The trustees review the risk register at least annually and review the major risks to which the company is exposed. The principal risks to Llangollen Railway Trust Limited as at 31st December 2021 were:

- " The Covid-19 pandemic and associated restrictions continue to adversely affect our ability to deliver our services
- " Failure to secure funding to fulfil the organisation's business plan
- " Poor performance or dissatisfaction with the quality of delivery to all of our customers
- " Reputational and financial issues experienced
- " Loss of business-critical staff

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Llangollen Railway Trust Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 6th March 1995. It is registered as a charity with the Charity Commission, number 1046614. Anyone over the age of 18 can become a member of the company. Each member agrees to contribute £1 in the event of the charity being wound up.

Governance Review

A formal, external review of governance was undertaken in 2020 which highlighted there was much work to do internally in terms of policies and procedures, and board recruitment to ensure it has necessary commercial, financial and legal skills. Progress has been and continues to be made in this respect, including the appointment of permanent advisers.

We are developing a framework of responsibility to provide leadership and oversight, and a strategic plan, to build on the governance review and learn lessons from the past through the prism of our One Railway volunteer, member and employee consultation initiative.

An external appointment as chairman is being sought.

Appointment of new trustees

As set out in the Articles of Association one third of the trustees retire by rotation each year and shall if they so wish offer themselves for re-election. The trustees have the power to co-opt such trustee(s) as they see fit, such trustee(s) co-opted shall be appointed until the following AGM, where they may stand for reappointment.

Organisational structure

The board of trustees, which shall number a minimum of four with no maximum numbers, administers the charity.

Decision making

- LRT has a small employed senior management team (Trust Manager & Chief Engineer). Both have experience of Organisational Management within the charitable and heritage sectors, specific to organisations that have both engineering and public/tourism components. Both senior managers oversee a strategic section of 4 principal divisions - Organisation/Administration, Operational, Engineering and Volunteering. Each division incorporates several 'heads of departments' within them, which serve to directly oversee each departmental plan, which has been endorsed and mandated by the Senior Management Team. The Senior Management Team is answerable to the Board of Trustees which through a 'Framework of Responsibility' outlines delegated authorities to the management team, who in turn will work closely with their respective departments and HODs. There is regular contact with specific Board Trustees on several specific matters (e.g. Finance, HR, Safety etc), which is also reinforced by a routine, monthly Board meeting, to ensure appropriate oversight (checks and balances).
- Each department has a plan of activity, be it engineering, interpretation or commercially focussed. Each plan incorporates its actions, in an economic sense, into the Organisation's budget forecast, which is directly (daily/weekly) overseen by the senior management team, with the Board collectively affording scrutiny at monthly meetings.
- Due to the close communication between the HODs, the Senior Management Team and the Board, it is felt suitable oversight is assured and any unexpected situations, requiring small or significant decision making is therefore robustly addressed.
- Should additional advice be required to inform internal organisational decision making, e.g. volunteer management or HR matters (including payroll) etc, the Board and Management team will work collaboratively with suitable external agencies and seek opinion. This is exemplified with utilising an external HR company to support ongoing staffing matters, to working with likeminded volunteer/charity organisations to develop robust policies and procedures.
- LRT has now developed an organisational strategy which hopes to 'set its stall out' (so to speak), which aims to demonstrate a mature approach to sustainability, whilst appreciating lessons learnt from the past. The strategy is based on the following structure;
 - Purpose - Our Charitable Objectives
 - Principles - Collaboration, Communication, Compliance and Cohesion
 - Priorities - 1. Governance and Leadership, 2. Commitment to Heritage Preservation 3. Public Benefit 4. Financial Resilience 5. Volunteer Experience
 - Plans - lots of them - purposeful and costed to support each priority.

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

New trustees undergo a training process to explain to them their statutory obligations under charity and company law, the Memorandum and Articles of Association, the organisational structure and decision-making process. Trustees are encouraged to attend suitable external events where these will enhance the substance and quality of their role. All trustees, both existing and newly appointed, are required to confirm that they have read and understood the Charity Commission booklet CC3A, "The essential trustee" and CC3 "The essential trustee, what you need to know".

Related parties

Llangollen Railway Trust has a wholly-owned subsidiary, being Llangollen & Corwen Railway (Trading) Limited. This company is and has been dormant for many years.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03040336 (England and Wales)

Registered Charity number

1046614

Registered office

The Station
Abbey Road
Llangollen
Denbighshire
LL20 8SN

Trustees

P H Freeth
R F Gordon (resigned 13.3.21)
P J Coles
P Bailey (resigned 29.10.21)
R J Creasey
P J Edwards
A Maxwell (resigned 2.2.21)
Mrs M Theobald
M K Williams Technical Support Engineer, Retired (appointed 13.3.21)
R Abbott (appointed 25.4.22)

Company Secretary

R J Creasey

Auditors

Anthony Lewis F.C.C.A
Chartered Accountant
M. D. Coxey and Co. Limited
Chartered Accountants
and Statutory Auditors
25 Grosvenor Road
Wrexham
LL11 1BT

Bankers

Barclays Bank plc
Leicester
LE87 2BB

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

National Westminster Bank Plc
62 Mostyn street
Llandudno
Conwy
LL30 2WY

AUDITORS

The auditors, M. D. Coxey and Co. Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 17th October 2022 and signed on the board's behalf by:

P H Freeth - Trustee

LLANGOLLEN RAILWAY TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021

The trustees (who are also the directors of Llangollen Railway Trust Limited 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LLANGOLLEN RAILWAY TRUST LIMITED

Opinion

We have audited the financial statements of Llangollen Railway Trust Limited (the 'charitable company') for the year ended 31st December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st 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; 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 FRC'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
LLANGOLLEN RAILWAY TRUST LIMITED

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.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LLANGOLLEN RAILWAY TRUST LIMITED

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and management;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LLANGOLLEN RAILWAY TRUST LIMITED

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.

Anthony Lewis (Senior Statutory Auditor)
for and on behalf of M. D. Coxey and Co. Limited
Chartered Accountants
and Statutory Auditors
25 Grosvenor Road
Wrexham
LL11 1BT

17th October 2022

LLANGOLLEN RAILWAY TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	Unrestricted funds £	Restricted fund £	31.12.21 Total funds £	31.12.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	205,296	482,705	688,001	335,562
Other trading activities	3	427,888	-	427,888	133,378
Investment income	4	26	-	26	25
Total		<u>633,210</u>	<u>482,705</u>	<u>1,115,915</u>	<u>468,965</u>
 EXPENDITURE ON					
Raising funds	5	54,350	56,115	110,465	119,081
Charitable activities	6				
General costs		162,071	120,700	282,771	58,068
Property costs		35,644	54,632	90,276	78,508
Total		<u>252,065</u>	<u>231,447</u>	<u>483,512</u>	<u>255,657</u>
 Net gains/(losses) on investments		<u>-</u>	<u>-</u>	<u>-</u>	<u>(220,560)</u>
 NET INCOME/(EXPENDITURE)		<u>381,145</u>	<u>251,258</u>	<u>632,403</u>	<u>(7,252)</u>
Transfers between funds	18	<u>(2,297)</u>	<u>2,297</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>378,848</u>	<u>253,555</u>	<u>632,403</u>	<u>(7,252)</u>
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>345,477</u>	<u>1,841,750</u>	<u>2,187,227</u>	<u>2,194,479</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>724,325</u></u>	<u><u>2,095,305</u></u>	<u><u>2,819,630</u></u>	<u><u>2,187,227</u></u>

The notes form part of these financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

BALANCE SHEET
31ST DECEMBER 2021

	Notes	Unrestricted funds £	Restricted fund £	31.12.21 Total funds £	31.12.20 Total funds £
FIXED ASSETS					
Intangible assets	12	-	23,958	23,958	-
Tangible assets	13	317,122	1,766,452	2,083,574	1,979,873
Investments	14	1	61,024	61,025	61,025
		317,123	1,851,434	2,168,557	2,040,898
CURRENT ASSETS					
Stocks	15	36,125	-	36,125	-
Debtors	16	41,917	11,729	53,646	23,525
Cash at bank and in hand		396,242	232,142	628,384	152,567
		474,284	243,871	718,155	176,092
CREDITORS					
Amounts falling due within one year	17	(67,082)	-	(67,082)	(29,763)
NET CURRENT ASSETS		407,202	243,871	651,073	146,329
TOTAL ASSETS LESS CURRENT LIABILITIES		724,325	2,095,305	2,819,630	2,187,227
NET ASSETS		724,325	2,095,305	2,819,630	2,187,227
FUNDS	18				
Unrestricted funds				724,325	345,477
Restricted funds:					
Restricted				2,095,305	1,841,750
TOTAL FUNDS				2,819,630	2,187,227

The financial statements were approved by the Board of Trustees and authorised for issue on 17th October 2022 and were signed on its behalf by:

P H Freeth - Trustee

The notes form part of these financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	31.12.21 £	31.12.20 £
Cash flows from operating activities			
Cash generated from operations	1	669,794	187,290
Net cash provided by operating activities		669,794	187,290
Cash flows from investing activities			
Purchase of intangible fixed assets		(25,000)	-
Purchase of tangible fixed assets		(193,977)	(50,750)
Sale of tangible fixed assets		25,000	-
Net cash used in investing activities		(193,977)	(50,750)
Change in cash and cash equivalents in the reporting period		475,817	136,540
Cash and cash equivalents at the beginning of the reporting period		152,567	16,027
Cash and cash equivalents at the end of the reporting period		628,384	152,567

The notes form part of these financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.21 £	31.12.20 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	632,403	(7,252)
Adjustments for:		
Depreciation charges	91,318	78,508
Losses on investments	-	220,560
Profit on disposal of fixed assets	(25,000)	-
Increase in stocks	(36,125)	-
Increase in debtors	(30,121)	(2,539)
Increase/(decrease) in creditors	37,319	(101,987)
Net cash provided by operations	<u><u>669,794</u></u>	<u><u>187,290</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank and in hand	152,567	475,817	628,384
	<u>152,567</u>	<u>475,817</u>	<u>628,384</u>
Total	<u><u>152,567</u></u>	<u><u>475,817</u></u>	<u><u>628,384</u></u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

Status and principal activities

Llangollen Railway Trust Limited is a company limited by guarantee, incorporated in England and Wales. Its Registered Office is The Station, Abbey Road, Llangollen, Denbighshire, LL20 8SN.

The principal activity of the company is that of the repair and maintenance of transport equipment.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c).

Significant judgements and estimates

In the application of the Company's accounting policies, management are required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily available from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The key judgements and sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

- Estimated useful lives and residual values of fixed assets:

The carrying value of fixed assets are reviewed each year end for indicators of impairment triggers. If such triggers exist, management would be required to carry out a formal impairment review using a discounted cash flow model to determine their value in use on a cash-generating unit basis. The value in use calculation requires management to estimate the future cash flows expected to arise from the cash-generating unit and a sustainable discount rate in order to calculate the present value.

Depreciation of tangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take into account estimated useful lives used by other companies operating in the sector and actual asset lives and residual values, as evidenced by disposals during current and prior accounting periods.

- Estimated write down of stock to net realisable value:

Stock valuation has been based on an estimated useful life and residual value deemed appropriate by the directors. The estimated write down of stock to net realisable value is reviewed annually and revised as appropriate by the directors.

- Revenue recognition:

In making its judgement, management consider the detailed criteria for the recognition of revenue as set out within Section 23 of FRS 102. The directors are satisfied that the recognition point being typically when goods are delivered and legal title has passed is correct.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

1. ACCOUNTING POLICIES - continued

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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.

Raising funds

Costs of generating funds comprise those costs directly attributable to the commercial activities of the Trust.

Charitable activities

The costs directly attributable to the maintenance of the railways. Donations to other charities are allocated to charitable activities.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 0, is being amortised evenly over its estimated useful life of nil years.

Tangible fixed assets

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

Land, Buildings and Improvements	- The length of the lease
Plant and machinery	- 10% on cost
Motor vehicles	- 10% on cost

The vintage locomotives are not depreciated.

Expenditure of a capital nature is recognised as an addition to fixed assets. All fixed assets are stated at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

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 when funds are raised for particular restricted purposes.

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

1. ACCOUNTING POLICIES - continued

Financial instruments

The following assets and liabilities are classified as financial instruments - trade debtors and trade creditors.

Trade debtors and trade creditors are measured at the undiscounted amount of cash or other consideration expected to be paid or received.

Financial assets are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit and loss.

The charity's functional and presentational currency is the Pound Sterling (£).

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
Donations	40,590	174,312	214,902	213,032
Gift aid	45,981	-	45,981	47,724
Legacies	74,225	-	74,225	21,274
Grant income	44,500	308,393	352,893	53,532
	<u>205,296</u>	<u>482,705</u>	<u>688,001</u>	<u>335,562</u>

Grants received, included in the above, are as follows:

	31.12.21 £	31.12.20 £
Welsh Assembly	-	5,877
Cadwyn Clwyd	-	7,655
Denbighshire CC Covid-19	40,000	40,000
WCRF Phase 2	137,583	-
Corwen platform grant	22,950	-
WCRF Phase 1	147,860	-
George Cadbury Fund	4,500	-
	<u>352,893</u>	<u>53,532</u>

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
Fundraising events	-	-	-	86,514
Ticket sales	373,673	-	373,673	-
Subscriptions	32,578	-	32,578	32,119
Magazines, raffles and locomotive hire	10,711	-	10,711	3,019
Holiday letting income	2,441	-	2,441	8,351
Other sales	8,485	-	8,485	3,375
	<u>427,888</u>	<u>-</u>	<u>427,888</u>	<u>133,378</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
Bank interest	26	-	26	25
	<u>26</u>	<u>-</u>	<u>26</u>	<u>25</u>

5. RAISING FUNDS

Other trading activities

	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
Purchases	11,587	15,255	26,842	-
Staff costs	1,805	40,860	42,665	-
Hire of plant and machinery	25,532	-	25,532	1,745
Bad debts	-	-	-	103,748
Steaming expenses	10,710	-	10,710	3,675
Holiday letting expenses	2,064	-	2,064	9,913
Support costs	2,652	-	2,652	-
	<u>54,350</u>	<u>56,115</u>	<u>110,465</u>	<u>119,081</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
General costs	110,000	172,771	282,771
Property costs	-	90,276	90,276
	<u>110,000</u>	<u>263,047</u>	<u>373,047</u>

7. SUPPORT COSTS

	Management £	Finance £	Other £	Totals £
Other trading activities	2,652	-	-	2,652
General costs	163,464	3,507	5,800	172,771
Property costs	-	-	90,276	90,276
	<u>166,116</u>	<u>3,507</u>	<u>96,076</u>	<u>265,699</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.21	31.12.20
	£	£
Depreciation - owned assets	90,276	78,508
Hire of plant and machinery	25,532	1,745
Surplus on disposal of fixed assets	(25,000)	-
Goodwill amortisation	1,042	-
Independent examiner fees	-	2,500
Auditors remuneration	6,000	-
	<u> </u>	<u> </u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2021 nor for the year ended 31st December 2020.

Trustees' expenses

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

10. STAFF COSTS

	31.12.21	31.12.20
	£	£
Wages and salaries	41,779	-
Social security costs	128	-
Other pension costs	758	-
	<u> </u>	<u> </u>
	42,665	-
	<u> </u>	<u> </u>

The average monthly number of employees during the year was as follows:

	31.12.21	31.12.20
Administration	5	-
	<u> </u>	<u> </u>

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	324,659	10,903	335,562
Other trading activities	46,863	86,515	133,378
Investment income	25	-	25
	<u> </u>	<u> </u>	<u> </u>
Total	371,547	97,418	468,965
	<u> </u>	<u> </u>	<u> </u>
EXPENDITURE ON			
Raising funds	119,081	-	119,081

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
Charitable activities			
General costs	56,230	1,838	58,068
Property costs	33,505	45,003	78,508
Total	<u>208,816</u>	<u>46,841</u>	<u>255,657</u>
Net gains/(losses) on investments	<u>(175,560)</u>	<u>(45,000)</u>	<u>(220,560)</u>
NET INCOME/(EXPENDITURE)	<u>(12,829)</u>	<u>5,577</u>	<u>(7,252)</u>
Transfers between funds	<u>(18,588)</u>	<u>18,588</u>	<u>-</u>
Net movement in funds	<u>(31,417)</u>	<u>24,165</u>	<u>(7,252)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	376,894	1,817,585	2,194,479
TOTAL FUNDS CARRIED FORWARD	<u><u>345,477</u></u>	<u><u>1,841,750</u></u>	<u><u>2,187,227</u></u>

12. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
Additions	<u>25,000</u>
AMORTISATION	
Charge for year	<u>1,042</u>
NET BOOK VALUE	
At 31st December 2021	<u><u>23,958</u></u>
At 31st December 2020	<u><u>-</u></u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

13. TANGIBLE FIXED ASSETS

	Land, Buildings and Improvements £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1st January 2021	2,390,223	310,820	-	2,701,043
Additions	51,960	140,017	2,000	193,977
At 31st December 2021	2,442,183	450,837	2,000	2,895,020
DEPRECIATION				
At 1st January 2021	570,989	150,181	-	721,170
Charge for year	51,965	38,311	-	90,276
At 31st December 2021	622,954	188,492	-	811,446
NET BOOK VALUE				
At 31st December 2021	1,819,229	262,345	2,000	2,083,574
At 31st December 2020	1,819,234	160,639	-	1,979,873

14. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Unlisted investments £	Totals £
MARKET VALUE			
At 1st January 2021 and 31st December 2021	1	61,024	61,025
NET BOOK VALUE			
At 31st December 2021	1	61,024	61,025
At 31st December 2020	1	61,024	61,025

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Llangollen & Corwen Railway (Trading) Limited

Registered office: The Station, Abbey Road, Llangollen, Denbighshire, LL20 8SN

Nature of business: Hire of locomotives

	% holding	31.12.21 £	31.12.20 £
Class of share:			
Ordinary	100		
Aggregate capital and reserves		(3,495)	(3,136)
Loss for the year		(359)	(175)

In 2007 the Trust was gifted £86,024 worth of shares in Great Western 3802 Ltd. Another £20,000 worth of shares were gifted in 2009. The total cost of the investment in Great Western 3802 Ltd at 31st December 2019 was £106,024.

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

14. FIXED ASSET INVESTMENTS - continued

Locomotive 3802 was sold during the year by the directors of Great Western 3802 Ltd. The Trust holds approximately 45% of the shares and there will be a payment to the Trust, possibly around £60,000, once final corporation tax computations have been completed.

The accounts currently show the impaired investment amounting to £61,024 in the company in advance of the disposal proceeds due in 2022.

15. STOCKS

	31.12.21	31.12.20
	£	£
Stocks	36,125	-
	<u>36,125</u>	<u>-</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Trade debtors	14,864	2,095
Amounts owed by group undertakings	3,110	2,812
VAT	9,707	1,719
Prepayments and accrued income	17,857	530
Gift aid	8,108	16,369
	<u>53,646</u>	<u>23,525</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Trade creditors	49,812	11,975
Directors loans 2019	-	10,000
Other creditors	100	700
Accruals and deferred income	17,170	7,088
	<u>67,082</u>	<u>29,763</u>

18. MOVEMENT IN FUNDS

	At 1.1.21	Net movement in funds	Transfers between funds	At 31.12.21
	£	£	£	£
Unrestricted funds				
General fund	345,477	381,145	(32,297)	694,325
Designated fund	-	-	30,000	30,000
	<u>345,477</u>	<u>381,145</u>	<u>(2,297)</u>	<u>724,325</u>
Restricted funds				
Restricted	1,841,750	251,258	2,297	2,095,305
	<u>1,841,750</u>	<u>251,258</u>	<u>2,297</u>	<u>2,095,305</u>
TOTAL FUNDS	<u>2,187,227</u>	<u>632,403</u>	<u>-</u>	<u>2,819,630</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

18. 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	633,210	(252,065)	381,145
Restricted funds			
Restricted	482,705	(231,447)	251,258
TOTAL FUNDS	<u>1,115,915</u>	<u>(483,512)</u>	<u>632,403</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	376,894	(12,829)	(18,588)	345,477
Restricted funds				
Restricted	1,817,585	5,577	18,588	1,841,750
TOTAL FUNDS	<u>2,194,479</u>	<u>(7,252)</u>	<u>-</u>	<u>2,187,227</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	371,547	(208,816)	(175,560)	(12,829)
Restricted funds				
Restricted	97,418	(46,841)	(45,000)	5,577
TOTAL FUNDS	<u>468,965</u>	<u>(255,657)</u>	<u>(220,560)</u>	<u>(7,252)</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

18. MOVEMENT IN FUNDS - continued

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 funds				
General fund	376,894	368,316	(50,885)	694,325
Designated fund	-	-	30,000	30,000
	<u>376,894</u>	<u>368,316</u>	<u>(20,885)</u>	<u>724,325</u>
Restricted funds				
Restricted	1,817,585	256,835	20,885	2,095,305
	<u>1,817,585</u>	<u>256,835</u>	<u>20,885</u>	<u>2,095,305</u>
TOTAL FUNDS	<u>2,194,479</u>	<u>625,151</u>	<u>-</u>	<u>2,819,630</u>

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 funds				
General fund	1,004,757	(460,881)	(175,560)	368,316
	<u>1,004,757</u>	<u>(460,881)</u>	<u>(175,560)</u>	<u>368,316</u>
Restricted funds				
Restricted	580,123	(278,288)	(45,000)	256,835
	<u>580,123</u>	<u>(278,288)</u>	<u>(45,000)</u>	<u>256,835</u>
TOTAL FUNDS	<u>1,584,880</u>	<u>(739,169)</u>	<u>(220,560)</u>	<u>625,151</u>

Restricted Funds:	Balance b/fwd	Income	Transfers	Expenditure	Balance c/fwd
Pannier Fund 7754	21,711	4,500	-	(18,254)	7,957
Engine Shed	25,000	-	-	-	25,000
Wagon Fund	660	-	-	(110)	550
Corwen Extension	1,489,229	-	-	(41,365)	1,447,864
Flail Appeal	6,239	-	-	-	6,239
Investment	61,024	-	-	-	61,024
CCRD	86,514	17,849	-	(10,700)	93,663
Full steam ahead fund	-	151,962	-	(8,574)	143,388
WCRF Phase 1	-	147,860	-	(147,860)	-
WCRF Phase 2	-	137,583	-	-	137,583
Grant - platform project	<u>151,373</u>	<u>22,950</u>	<u>2,297</u>	<u>(4,583)</u>	<u>172,037</u>
	<u>1,841,750</u>	<u>482,704</u>	<u>2,297</u>	<u>(239,403)</u>	<u>2,087,348</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

19. CAPITAL COMMITMENTS

	31.12.21	31.12.20
	£	£
Contracted but not provided for in the financial statements	-	-
	<u> </u>	<u> </u>

20. RELATED PARTY DISCLOSURES

During the year ended 31st December 2021 the following transactions took place between Llangollen Trust Limited and Llangollen and Corwen Railway (Trading) Limited, which is owned solely by the Trust.

	2021	2020
	£	£
Sales	-	-
Purchases	-	-

As at 31st December 2021 the following balances were outstanding:

	Debtors 2021 £	Debtors 2020 £	Creditors 2021 £	Creditors 2020 £
Llangollen and Corwen Railway (Trading) Limited	3,110	2,812	-	-

21. GUARANTEES BY MEMBERS

The company is limited by guarantee. Each member has agreed to pay £1 in the event if the charity being wound up.

LLANGOLLEN RAILWAY TRUST LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021

	31.12.21 £	31.12.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	214,902	213,032
Gift aid	45,981	47,724
Legacies	74,225	21,274
Grant income	352,893	53,532
	688,001	335,562
Other trading activities		
Fundraising events	-	86,514
Ticket sales	373,673	-
Subscriptions	32,578	32,119
Magazines, raffles and locomotive hire	10,711	3,019
Holiday letting income	2,441	8,351
Other sales	8,485	3,375
	427,888	133,378
Investment income		
Bank interest	26	25
Total incoming resources	1,115,915	468,965
EXPENDITURE		
Other trading activities		
Purchases	26,842	-
Wages	41,779	-
Social security	128	-
Pensions	758	-
Hire of plant and machinery	25,532	1,745
Bad debts	-	103,748
Steaming expenses	10,710	3,675
Holiday letting expenses	2,064	9,913
	107,813	119,081
Charitable activities		
Grant expenditure	110,000	-
Support costs		
Management		
Rent and rates	3,202	4,932
Insurance	60,587	-
Light and heat	31,499	-
Telephone	6,328	-
Printing, stationery and advertising	6,474	7,295
Carried forward	108,090	12,227

This page does not form part of the statutory financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021

	31.12.21 £	31.12.20 £
Management		
Brought forward	108,090	12,227
Legal and professional	19,703	13,153
Sundries	14,013	4,533
Accountancy	2,652	2,623
Bookkeeping	10,266	1,200
Travel and motor expenses	6,192	144
Training and recruitment	1,400	690
Subscriptions	3,800	-
	166,116	34,570
Finance		
Bank charges	3,507	901
Other		
Repairs and maintenance	29,758	22,597
Goodwill	1,042	-
Land, building and improvement depreciation	51,965	78,508
Plant and machinery depreciation	38,311	-
Profit on sale of tangible fixed assets	(25,000)	-
	96,076	101,105
Total resources expended	483,512	255,657
Net income before gains and losses	632,403	213,308
Realised recognised gains and losses		
Realised gains/losses on unlisted investments	-	(220,560)
Net income/(expenditure)	632,403	(7,252)

This page does not form part of the statutory financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

England & Wales - Charity number 1046614

Accounts

REGISTERED COMPANY NUMBER: 03040336 (England and Wales)
REGISTERED CHARITY NUMBER: 1046614

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020
FOR
LLANGOLLEN RAILWAY TRUST LIMITED

M. D. Coxey and Co. Limited
Chartered Accountants
25 Grosvenor Road
Wrexham
LL11 1BT

LLANGOLLEN RAILWAY TRUST LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

	Page
Report of the Trustees	1 to 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8 to 9
Notes to the Financial Statements	10 to 19
Detailed Statement of Financial Activities	20 to 21

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

The trustees who are also directors of the charity for the purpose of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2020.

This report has been prepared in accordance with the small company regime of the Companies Act 2006. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) Accounting and reporting by Charities 2011. The trustees have complied with the duty in section 17(5) of the 2011 Charities Act.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity remain the same, being to support the restoration and preservation of the Llangollen Railway for the benefit of the public.

The main objectives for the year continue to be:-

- The management, maintenance and restoration of a heritage railway.
- To proceed with the construction of a full station facility to be known as Corwen Station.
- The production of Steam at Llangollen, the in house magazine of the Railway.
- The encouragement of volunteer activity in support of the above aims.

Public benefit

The Llangollen Railway has a very high profile both locally and nationally and its interaction with the public is vital. The public and the towns of Llangollen and Corwen benefit enormously by the railway's presence as a tourism, leisure, transport and educational facility.

The line first opened in the 1860s and is operated to 21st century standards in a way that in addition to being educational allows a fun and safe experience, knowing that participation is helping to preserve real history for the future.

The Railway is open to all, either on a visitor level or as an opportunity to volunteer as a working member. "Everyone is welcome" has always been a cornerstone of the Railway's philosophy, and since restoration started over forty years ago it has provided an enhancing experience for innumerable people locally, nationally and internationally.

The Railway has a very significant effect on the local economy both in the employment it provides and also the number of visitors it attracts to the Dee Valley and North East Wales.

Statement of compliance

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the 2020 activities and making plans for future periods, and believe that they have complied with their duty to have due regard to this guidance.

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The new Corwen station has made enormous progress during the year and it was hoped to open it at the start of the 2021 season. The pandemic delayed both of course.

A huge amount of work has been done during 2020 to the platform, track, signal box, water tower and station building. Much remains to be done at the time of going to print, the team is confident of practical completion ahead of the reopening of the Railway now anticipated for late July or early August.

The Railway owes a huge debt of gratitude to all the staff and volunteers who continue to provide all the administrative and practical assistance as the new station project progresses. The volunteers are working tirelessly in all weathers, to construct the platform and the on platform building, renovate the signal box, spread the ballast, etc.

This is not to ignore the considerable efforts of volunteers in other departments who also clear vegetation, maintain carriages, locomotives, stations, signals and 101 other tasks that are needed to operate a successful railway. The trustees are very grateful to them all.

We are very appreciative of the National Heritage Lottery Fund and Welsh Government Culture Fund, both of whom made significant grants during the year to help the Trust to assist the cashflow of Llangollen Railway PLC for which trading continued to be extremely difficult.

The Trust's other income sources are reduced this year as both Austin 1 and Jennifer have been undergoing major repairs and therefore have not been available for hire, a situation which should be remedied during 2021. Work to bring locomotive 7754 back into steam continues, the funding is in place. Hopefully we will see it back on the tracks in 2021. Berwyn station house continues to enjoy a good level of holiday bookings.

Locomotive 3802 was sold during the year by the directors of Great Western 3802 Ltd. The Trust holds approximately 45% of the shares and there will be a payment to the Trust, possibly around £60,000, once final corporation tax computations have been completed. The accounts show the Trust invested £106,024 in the company. However, the shares were actually gifted partly, if not wholly, by Mr Alan Moore to whom we express our gratitude as the cash will come in very useful as we start to think about reopening post-pandemic and the event noted below. A provision for £45,000 has been accounted for within these financial statements.

Investment performance

The nature of the Trust's funding is such that there will never be enough funds to do everything we wish to achieve in terms of heritage restoration. The Trust continues to depend very heavily on donations, legacies and grants to carry out larger projects in particular, for example the building of Corwen Station.

As funds are invariably tight the annual accounts are unlikely ever to report a significant net income and occasionally there will be net expenditure.

FINANCIAL REVIEW

Investment policy and objectives

Where surplus funds arise these are invested in short term interest bearing deposit accounts.

Reserves policy

The trustees have established the level of reserves (that is, those funds that are freely available) that the charity ought to maintain. Reserves are needed to bridge funding gaps, cater for unforeseen events and special projects arising. The trustees consider that the minimum level of reserves to be held is £60,000.

The trustees review the reserves needed on a regular basis but at this stage we are not able to retain any.

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

FINANCIAL REVIEW

Restricted funds	£
Total Restricted funds	1,841,750
Less:	
Restricted Tangible assets	(1,641,262)
Restricted Investment	(61,024)
Restricted funds held for future periods (Bank):	139,464
Unrestricted funds:	345,477

FUTURE PLANS

The trustees have two primary objectives which are to plan for reopening the Railway and to complete the permanent station at Corwen, to be known as Corwen Station.

Future trading will be solely in the name of the Trust, until such time as legal advice has been obtained on the best corporate vehicle(s) and structure.

It remains to be seen what affect the pandemic has on future passenger loadings. Engineering will become an in-house maintenance operation only given the difficulties of the recent past. It is hoped we might still obtain some external contract work in Carriage & Wagon.

The enthusiasm of our volunteers will be crucial if we are to succeed. It is very clear from our forecasts that overheads at previous levels are unsustainable.

Hence the trustees remain very keen to extend the membership of the Trust and hence the volunteer base. We will continue to promote volunteer recruitment across the whole spectrum of society.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Llangollen Railway Trust Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 6th March 1995. It is registered as a charity with the Charity Commission, number 1046614. Anyone over the age of 18 can become a member of the company. Each member agrees to contribute £1 in the event of the charity being wound up.

Appointment of new trustees

As set out in the Articles of Association one third of the trustees retire by rotation each year and shall if they so wish offer themselves for re-election. The trustees have the power to co-opt such trustee(s) as they see fit, such trustee(s) co-opted shall be appointed until the following AGM, where they may stand for reappointment.

Organisational structure

The board of trustees, which shall number a minimum of four with no maximum numbers, administers the charity. The board generally meets at least monthly.

Induction and training of new trustees

New trustees undergo a training process to explain to them their statutory obligations under charity and company law, the Memorandum and Articles of Association, the organisational structure and decision-making process. Trustees are encouraged to attend suitable external events where these will enhance the substance and quality of their role. All trustees, both existing and newly appointed, are required to confirm that they have read and understood the Charity Commission booklet CC3A, "The essential trustee" and CC3 "The essential trustee, what you need to know".

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

The charity had a 23.2% holding in Llangollen Railway Plc as at the balance sheet date (see Post Balance Sheet Event above) and is the holding company of Llangollen and Corwen Railway (Trading) Limited, which is dormant.

All three companies have a degree of common stewardship and are all involved in the promotion of the Railway with their members, the general public and local government.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03040336 (England and Wales)

Registered Charity number

1046614

Registered office

The Station
Abbey Road
Llangollen
Denbighshire
LL20 8SN

Trustees

P H Freeth (appointed 3.10.20)
P D Lund (resigned 26.9.20)
R F Gordon (resigned 13.3.21)
J N Williams (resigned 30.1.20)
Q D McGuinness (resigned 26.9.20)
P J Coles (appointed 3.10.20)
Mrs E McGuinness (resigned 26.9.20)
R J H Matthews (appointed 23.2.20) (resigned 26.9.20)
J R Bearne (resigned 26.9.20)
D R Williams (appointed 23.2.20) (resigned 26.9.20)
P Bailey (appointed 3.10.20)
R J Creasey (appointed 3.10.20)
P J Edwards (appointed 3.10.20)
A Maxwell (appointed 3.10.20) (resigned 2.2.21)
Mrs M Theobald (appointed 3.10.20)
M K Williams (appointed 13.3.21)

Company Secretary

R J Creasey

Independent Examiner

Anthony Lewis F.C.C.A
Chartered Accountant
M. D. Coxey and Co. Limited
Chartered Accountants
25 Grosvenor Road
Wrexham
LL11 1BT

Bankers

National Westminster Bank Plc
62 Mostyn street
Llandudno
Conwy
LL30 2WY

LLANGOLLEN RAILWAY TRUST LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

POST BALANCE SHEET EVENTS

The disastrous losses of Llangollen Railway PLC in the 3 years 2018-20 totalling over £900,000, together with three significant contractual disputes and other issues in engineering and other accumulated debts meant the PLC could no longer continue to trade. The company was placed into administration on 25th March 2021.

A net amount of £103,749 owing by the PLC to the Trust is irrecoverable, and the Trust's shareholding in the PLC is worthless. It has therefore been necessary to record a total provision in these accounts of £279,310.

The previous board of both the PLC and the Trust resigned en masse on 26th September 2020. The trustees forming a new board were co-opted on 3rd October 2020.

Disentangling the affairs of the Trust from the PLC has proved extremely problematic and has absorbed innumerable hours by each trustee to the extent of being almost a full-time job on occasion. The trustees have completed the purchase from the administrators of the PLC's intellectual property rights, software, data, systems, office equipment, etc. We will now be able to turn our attention to plans for reopening which will hopefully be in late July or early August.

Appeals have gone out to raise funds for some rolling stock and other essential items of plant and equipment owned by the PLC which the Trust needs to acquire if possible. So many members of the public, Trust members and shareholders of the PLC have responded very generously and the trustees wish to express their gratitude accordingly. We have also enjoyed the considerable support of local media and the Railway press which has helped to boost donations greatly.

Much work has been necessary to establish internal governance on a strong footing to rebuild confidence with the funding agencies. It is hoped they will help us with our working capital needs ahead of and immediately after reopening.

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 3rd July 2021 and signed on its behalf by:



P H Freeth - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
LLANGOLLEN RAILWAY TRUST LIMITED

Independent examiner's report to the trustees of Llangollen Railway Trust Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st December 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Chartered Accountant which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Anthony Lewis F.C.C.A
Chartered Accountant
M. D. Coxey and Co. Limited
Chartered Accountants
25 Grosvenor Road
Wrexham
LL11 1BT

3rd July 2021

LLANGOLLEN RAILWAY TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	Unrestricted fund £	Restricted fund £	31.12.20 Total funds £	31.12.19 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	324,659	10,904	335,563	122,100
Other trading activities	3	46,863	86,514	133,377	50,419
Investment income	4	25	-	25	257
Total		<u>371,547</u>	<u>97,418</u>	<u>468,965</u>	<u>172,776</u>
EXPENDITURE ON					
Raising funds	5	119,081	-	119,081	20,625
Charitable activities	6				
General costs		56,230	1,838	58,068	110,420
Property costs		33,505	45,003	78,508	50,399
Total		<u>208,816</u>	<u>46,841</u>	<u>255,657</u>	<u>181,444</u>
Net gains/(losses) on investments		<u>(175,560)</u>	<u>(45,000)</u>	<u>(220,560)</u>	<u>-</u>
NET INCOME/(EXPENDITURE)		<u>(12,829)</u>	<u>5,577</u>	<u>(7,252)</u>	<u>(8,668)</u>
Transfers between funds	15	<u>(18,588)</u>	<u>18,588</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(31,417)</u>	<u>24,165</u>	<u>(7,252)</u>	<u>(8,668)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>376,894</u>	<u>1,817,585</u>	<u>2,194,479</u>	<u>2,203,147</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>345,477</u></u>	<u><u>1,841,750</u></u>	<u><u>2,187,227</u></u>	<u><u>2,194,479</u></u>

The notes form part of these financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

BALANCE SHEET
31ST DECEMBER 2020

	Notes	Unrestricted fund £	Restricted fund £	31.12.20 Total funds £	31.12.19 Total funds £
FIXED ASSETS					
Tangible assets	10	338,611	1,641,262	1,979,873	2,007,631
Investments	11	1	61,024	61,025	281,585
		<u>338,612</u>	<u>1,702,286</u>	<u>2,040,898</u>	<u>2,289,216</u>
CURRENT ASSETS					
Debtors	12	23,525	-	23,525	20,986
Cash at bank and in hand		13,103	139,464	152,567	64,349
		<u>36,628</u>	<u>139,464</u>	<u>176,092</u>	<u>85,335</u>
CREDITORS					
Amounts falling due within one year	13	(29,763)	-	(29,763)	(180,072)
		<u>6,865</u>	<u>139,464</u>	<u>146,329</u>	<u>(94,737)</u>
NET CURRENT ASSETS					
		<u>345,477</u>	<u>1,841,750</u>	<u>2,187,227</u>	<u>2,194,479</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>345,477</u>	<u>1,841,750</u>	<u>2,187,227</u>	<u>2,194,479</u>
NET ASSETS					
		<u>345,477</u>	<u>1,841,750</u>	<u>2,187,227</u>	<u>2,194,479</u>
FUNDS	15				
Unrestricted funds				345,477	376,894
Restricted funds:					
Restricted				1,841,750	1,817,585
TOTAL FUNDS				<u>2,187,227</u>	<u>2,194,479</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

BALANCE SHEET - continued

31ST DECEMBER 2020

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 3rd July 2021 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'P H Freeth', written in a cursive style.

P H Freeth - Trustee

The notes form part of these financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

Status and principal activities

Llangollen Railway Trust Limited is a company limited by guarantee, incorporated in England and Wales. Its Registered Office is The Station, Abbey Road, Llangollen, Denbighshire, LL20 8SN.

The principal activity of the company is that of the repair and maintenance of transport equipment.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c).

Significant judgements and estimates

In the application of the Company's accounting policies, management are required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily available from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The key judgements and sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

- Estimated useful lives and residual values of fixed assets:

The carrying value of fixed assets are reviewed each year end for indicators of impairment triggers. If such triggers exist, management would be required to carry out a formal impairment review using a discounted cash flow model to determine their value in use on a cash-generating unit basis. The value in use calculation requires management to estimate the future cash flows expected to arise from the cash-generating unit and a sustainable discount rate in order to calculate the present value.

Depreciation of tangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take into account estimated useful lives used by other companies operating in the sector and actual asset lives and residual values, as evidenced by disposals during current and prior accounting periods.

- Estimated write down of stock to net realisable value:

Stock valuation has been based on an estimated useful life and residual value deemed appropriate by the directors. The estimated write down of stock to net realisable value is reviewed annually and revised as appropriate by the directors.

- Revenue recognition:

In making its judgement, management consider the detailed criteria for the recognition of revenue as set out within Section 23 of FRS 102. The directors are satisfied that the recognition point being typically when goods are delivered and legal title has passed is correct.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES - continued

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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.

Raising funds

Costs of generating funds comprise those costs directly attributable to the commercial activities of the Trust.

Tangible fixed assets

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

Land, Buildings and Improvements	- The length of the lease
Plant and machinery	- 10% on cost

The vintage locomotives are not depreciated.

Expenditure of a capital nature is recognised as an addition to fixed assets. All fixed assets are stated at cost.

Taxation

The charity is exempt from corporation tax on its charitable activities.

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 when funds are raised for particular restricted purposes.

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Financial instruments

The following assets and liabilities are classified as financial instruments - trade debtors and trade creditors.

Trade debtors and trade creditors are measured at the undiscounted amount of cash or other consideration expected to be paid or received.

Financial assets are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit and loss.

The charity's functional and presentational currency is the Pound Sterling (£).

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
Donations	208,006	5,027	213,033	41,461
Gift aid	47,724	-	47,724	6,051
Legacies	21,274	-	21,274	38,205
Grant income	47,655	5,877	53,532	36,383
	<u>324,659</u>	<u>10,904</u>	<u>335,563</u>	<u>122,100</u>

Grants received, included in the above, are as follows:

	31.12.20 £	31.12.19 £
Welsh Assembly	5,877	33,642
Cadwyn Clwyd	7,655	2,741
Denbighshire CC Covid-19	40,000	-
	<u>53,532</u>	<u>36,383</u>

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
Fundraising events	-	86,514	86,514	-
Subscriptions	32,119	-	32,119	27,262
Magazines, raffles and locomotive hire	3,018	-	3,018	1,800
Holiday letting income	8,351	-	8,351	21,202
Other sales	3,375	-	3,375	155
	<u>46,863</u>	<u>86,514</u>	<u>133,377</u>	<u>50,419</u>

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
Bank interest	25	-	25	56
Interest received on gift aid payments	-	-	-	201
	<u>25</u>	<u>-</u>	<u>25</u>	<u>257</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

5. RAISING FUNDS

Other trading activities

	Unrestricted funds	Restricted funds	31.12.20 Total funds	31.12.19 Total funds
	£	£	£	£
Hire of plant and machinery	1,745	-	1,745	-
Bad debts	103,748	-	103,748	-
Steaming expenses	3,675	-	3,675	9,150
Holiday letting expenses	9,913	-	9,913	11,475
	<u>119,081</u>	<u>-</u>	<u>119,081</u>	<u>20,625</u>

6. CHARITABLE ACTIVITIES COSTS

	Support costs £
General costs	58,068
Property costs	78,508
	<u>136,576</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.20 £	31.12.19 £
Depreciation - owned assets	78,508	47,867
Hire of plant and machinery	1,745	-
Independent examiner fees	<u>2,500</u>	<u>2,150</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2020 nor for the year ended 31st December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2020 nor for the year ended 31st December 2019.

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	82,048	40,052	122,100
Other trading activities	50,393	26	50,419
Investment income	257	-	257
Total	132,698	40,078	172,776
 EXPENDITURE ON			
Raising funds	20,625	-	20,625
Charitable activities			
General costs	100,844	9,576	110,420
Property costs	6,553	43,846	50,399
Total	128,022	53,422	181,444
NET INCOME/(EXPENDITURE)	4,676	(13,344)	(8,668)
Transfers between funds	(5,322)	5,322	-
Net movement in funds	(646)	(8,022)	(8,668)
 RECONCILIATION OF FUNDS			
Total funds brought forward	377,540	1,825,607	2,203,147
 TOTAL FUNDS CARRIED FORWARD	376,894	1,817,585	2,194,479

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

10. TANGIBLE FIXED ASSETS

	Land, Buildings and Improvements £	Plant and machinery £	Totals £
COST			
At 1st January 2020	2,346,012	304,281	2,650,293
Additions	44,211	6,539	50,750
At 31st December 2020	2,390,223	310,820	2,701,043
DEPRECIATION			
At 1st January 2020	521,270	121,392	642,662
Charge for year	49,719	28,789	78,508
At 31st December 2020	570,989	150,181	721,170
NET BOOK VALUE			
At 31st December 2020	1,819,234	160,639	1,979,873
At 31st December 2019	1,824,742	182,889	2,007,631

11. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Unlisted investments £	Totals £
MARKET VALUE			
At 1st January 2020	1	281,584	281,585
Impairments	-	(220,560)	(220,560)
At 31st December 2020	1	61,024	61,025
NET BOOK VALUE			
At 31st December 2020	1	61,024	61,025
At 31st December 2019	1	281,584	281,585

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiary

Llangollen & Corwen Railway (Trading) Limited

Registered office: The Station, Abbey Road, Llangollen, Denbighshire, LL20 8SN

Nature of business: Hire of locomotives

Class of share: %
Ordinary holding 100

	31.12.20 £	31.12.19 £
Aggregate capital and reserves	(3,136)	(2,961)
Loss for the year	(175)	-

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

11. FIXED ASSET INVESTMENTS - continued

Associated company

Llangollen Railway Plc:

Registered office: The Station, Abbey Road, Llangollen, Denbighshire, LL20 8SN

Nature of business: Heritage steam railway

	%		
Class of share:	holding		
Ordinary	23		
		31.12.20	31.12.19
		£	£
Aggregate capital and reserves		-	234,944
Loss for the year		-	(270,197)
		<u> </u>	<u> </u>

In 2007 the Trust purchased £86,024 worth of shares in Great Western 3802 Ltd. Another £20,000 worth of shares were purchased in 2009. The total cost of the investment in Great Western 3802 Ltd at 31st December 2019 was £106,024.

Locomotive 3802 was sold during the year by the directors of Great Western 3802 Ltd. The Trust holds approximately 45% of the shares and there will be a payment to the Trust, possibly around £60,000, once final corporation tax computations have been completed.

The accounts currently show the impaired investment amounting to £61,024 in the company in advance of the disposal proceeds due in 2021.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Trade debtors	2,095	18
Amounts owed by group undertakings	2,812	2,519
Due from Llangollen Railway plc	-	5,040
VAT	1,719	5,888
Prepayments and accrued income	530	1,470
Gift aid	16,369	6,051
	<u>23,525</u>	<u>20,986</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Bank loans and overdrafts (see note 14)	-	48,322
Trade creditors	11,975	14,484
Directors loans 2019	10,000	14,000
VAT	-	3
Other creditors	700	247
Due to Llangollen Railway plc	-	92,827
Accruals and deferred income	7,088	10,189
	<u>29,763</u>	<u>180,072</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

14. LOANS

An analysis of the maturity of loans is given below:

	31.12.20 £	31.12.19 £
Amounts falling due within one year on demand:		
Bank overdrafts	-	48,322
	<u> </u>	<u> </u>

15. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	376,894	(12,829)	(18,588)	345,477
Restricted funds				
Restricted	1,817,585	5,577	18,588	1,841,750
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>2,194,479</u>	<u>(7,252)</u>	<u>-</u>	<u>2,187,227</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	371,547	(208,816)	(175,560)	(12,829)
Restricted funds				
Restricted	97,418	(46,841)	(45,000)	5,577
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>468,965</u>	<u>(255,657)</u>	<u>(220,560)</u>	<u>(7,252)</u>

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
Unrestricted funds				
General fund	377,540	4,676	(5,322)	376,894
Restricted funds				
Restricted	1,825,607	(13,344)	5,322	1,817,585
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>2,203,147</u>	<u>(8,668)</u>	<u>-</u>	<u>2,194,479</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

15. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	132,698	(128,022)	4,676
Restricted funds			
Restricted	40,078	(53,422)	(13,344)
TOTAL FUNDS	<u>172,776</u>	<u>(181,444)</u>	<u>(8,668)</u>

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

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	377,540	(8,153)	(23,910)	345,477
Restricted funds				
Restricted	1,825,607	(7,767)	23,910	1,841,750
TOTAL FUNDS	<u>2,203,147</u>	<u>(15,920)</u>	<u>-</u>	<u>2,187,227</u>

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 funds				
General fund	504,245	(336,838)	(175,560)	(8,153)
Restricted funds				
Restricted	137,496	(100,263)	(45,000)	(7,767)
TOTAL FUNDS	<u>641,741</u>	<u>(437,101)</u>	<u>(220,560)</u>	<u>(15,920)</u>

Restricted Funds:	Balance b/fwd	Income	Transfers	Expenditure	Balance c/fwd
Pannier Fund 7754	18,523	5,026	-	(1,838)	21,711
Engine Shed	25,000	-	-	-	25,000
Wagon Fund	770	-	-	(110)	660
Corwen Extension	1,530,033	-	552	(41,355)	1,489,230
Flail Appeal	6,239	-	-	-	6,239
Investment	106,024	-	-	(45,000)	61,024
CCRD	-	86,514	-	-	86,514
Grant - platform project	<u>130,996</u>	<u>5,877</u>	<u>18,036</u>	<u>(3,538)</u>	<u>151,372</u>
	<u>1,817,585</u>	<u>97,418</u>	<u>18,588</u>	<u>(91,841)</u>	<u>1,841,750</u>

LLANGOLLEN RAILWAY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

16. CAPITAL COMMITMENTS

	31.12.20	31.12.19
	£	£
Contracted but not provided for in the financial statements	-	-
	<u> </u>	<u> </u>

17. RELATED PARTY DISCLOSURES

During the year ended 31st December 2020 the following transactions took place between Llangollen Railway Plc, of which the Trust owns 23.2% of the ordinary share capital, and Llangollen and Corwen Railway (Trading) Limited, which is owned solely by the Trust.

	2020	2019
	£	£
Sales	2,419	1,800
Purchases	(14,176)	(65,720)

As at 31st December 2020 the following balances were outstanding:

	Debtors 2020	Debtors 2019	Creditors 2020	Creditors 2019
	£	£	£	£
Llangollen Railway plc	-	5,040	-	92,827
Llangollen and Corwen Railway (Trading) Limited	2,813	2,794	-	-

Llangollen Railway plc is a guarantor for the Trust up to a liability in sum of £125,000.

Please note Llangollen Railway PLC entered into administration on 25th March 2021.

18. GUARANTEES BY MEMBERS

The company is limited by guarantee. Each member has agreed to pay £1 in the event if the charity being wound up.

LLANGOLLEN RAILWAY TRUST LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020

	31.12.20 £	31.12.19 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	213,033	41,461
Gift aid	47,724	6,051
Legacies	21,274	38,205
Grant income	53,532	36,383
	335,563	122,100
Other trading activities		
Fundraising events	86,514	-
Subscriptions	32,119	27,262
Magazines, raffles and locomotive hire	3,018	1,800
Holiday letting income	8,351	21,202
Other sales	3,375	155
	133,377	50,419
Investment income		
Bank interest	25	56
Interest received on gift aid payments	-	201
	25	257
Total incoming resources	468,965	172,776
EXPENDITURE		
Other trading activities		
Hire of plant and machinery	1,745	-
Bad debts	103,748	-
Steaming expenses	3,675	9,150
Holiday letting expenses	9,913	11,475
	119,081	20,625
Support costs		
Management		
Printing, stationery and advertising	7,295	8,285
Legal and professional	13,153	3,955
Sundries	4,533	12,136
Accountancy	2,623	2,168
Bookkeeping	1,200	1,200
Travel and motor expenses	144	1,307
Training and recruitment	690	1,178
	29,638	30,229
Finance		
Bank charges	901	678
Carried forward	901	678

This page does not form part of the statutory financial statements

LLANGOLLEN RAILWAY TRUST LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020

	31.12.20 £	31.12.19 £
Finance		
Brought forward	901	678
Credit card charges	-	45
	<u>901</u>	<u>723</u>
Other		
Rent and rates	4,932	13,195
Light and heat	-	2,532
Repairs and maintenance	22,597	66,273
Land, building and improvement depreciation	78,508	47,867
	<u>106,037</u>	<u>129,867</u>
Total resources expended	<u>255,657</u>	<u>181,444</u>
Net income/(expenditure) before gains and losses	213,308	(8,668)
Realised recognised gains and losses		
Realised gains/losses on unlisted investments	(220,560)	-
Net expenditure	<u>(7,252)</u>	<u>(8,668)</u>

This page does not form part of the statutory financial statements