

Charity registration number 1064178

Company registration number 00542449 (England and Wales)

**FFESTINIOG RAILWAY SOCIETY**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

# FFESTINIOG RAILWAY SOCIETY

## LEGAL AND ADMINISTRATIVE INFORMATION

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|                   |                          |                           |
|-------------------|--------------------------|---------------------------|
| Trustees          | Mr G Bond                |                           |
|                   | Mr J P Bowley            | (Appointed 10 June 2023)  |
|                   | Mr G Cole                |                           |
|                   | Mr R D Bentley           | (Appointed 29 April 2023) |
|                   | Mr C M Tucker            |                           |
|                   | Ms C M Knowles           |                           |
|                   | Mr L Graham-Taylor       |                           |
|                   | Dr A F Tucker            |                           |
|                   | Mr N C Smith             |                           |
|                   | Mr D R Jones             |                           |
|                   | Mr P J Hawkins           |                           |
| Secretary         | Mr J E Fenner            |                           |
| Charity number    | 1064178                  |                           |
| Company number    | 00542449                 |                           |
| Registered office | Harbour Station          |                           |
|                   | Porthmadog               |                           |
|                   | Gwynedd                  |                           |
|                   | LL49 9NF                 |                           |
| Auditor           | Champion Accountants LLP |                           |
|                   | 2nd Floor Refuge House   |                           |
|                   | 33-37 Watergate Row      |                           |
|                   | Chester                  |                           |
|                   | CH1 2LE                  |                           |

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# FFESTINIOG RAILWAY SOCIETY

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# FFESTINIOG RAILWAY SOCIETY

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

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The trustees present their annual report and financial statements for the year ended 30 September 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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).

#### **Objectives and activities**

The principal objective and aim of the Charity in the year under review was to advance the education of the public through the conservation of the Ffestiniog Railway. In practical terms, the activities of the charitable company in furtherance of its objectives are to support the Festiniog Railway Company in its preservation and operation of the Ffestiniog Railway.

#### *Public benefit*

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Achievements and performance**

Volunteering has continued to provide approximately 50% of the total staff time during 2023 which is worth a very significant amount of money to the Festiniog Railway Company. It is pleasing to see that the regular groups, including Minibash, Megabash, Gigabash, Young Volunteers Training Week, Electrical Working Party, Drains Gang and many others have continued their important work. Individual volunteers supported the Operations and Locomotive departments with a very credible number of locomotive turns being covered by volunteers. The appointment of an engineering volunteers manager as part of the NLHF Interpretation and Boston Lodge Project (also known as the Boston Lodge project) has helped to significantly improve the management and planning of the volunteer contribution to the Company.

Train services continued to operate as largely pre-booked experiences during the year with the Ffestiniog Railway offering Woodland Wanderer services to Tanybwllch, Mountain Spirit services to Blaenau Ffestiniog and, new for 2023, a Quarryman service from Blaenau to Porthmadog and return. Y Chwarelwr / The Quarryman has been a great success and has been well received in Blaenau itself. This excursion style type of operation is not to everybody's liking but it has helped to deliver a successful commercial performance for the Company, despite difficult trading conditions, which is not something that every heritage railway has been able to achieve in the current year. The Company's decision to maintain the current travel concessions was welcomed. This was made possible because the vast majority of members followed the guidance provided for which the Directors are very grateful.

The Society has been pleased to have worked with the Company during the year to assist with the implementation of the NLHF Boston Lodge project – the match funding for which has been provided in equal amounts by the Society and the Ffestiniog and Welsh Highland Railways Trust. The Society's chairman has been a member of the Project Board during this period. Excellent progress has been made with the interpretation part of the project and the results of the outreach effort have exceeded expectations. We are looking forward to completion of the project during the Company and Society's 70th Anniversary year.

The Society was able to hold a second 'face-to-face' Annual General Meeting in four years at its 2023 event. This was supported by a large number of events over that weekend which were only available to members. These events were designed to give members better access to operations and developments on the Ffestiniog Railway and its environment. The whole weekend was well received by members.

# FFESTINIOG RAILWAY SOCIETY

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

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The Board was pleased to be able to appoint Simon Artymiuk and Gareth Davies to the posts of Magazine Editor and Assistant Secretary during the year. These posts are vital to the smooth and successful operation of the Society.

The Society has been pleased to have been able to help support the Festiniog Railway Company throughout what has been another challenging year. Volunteers and members of the Society have been able to assist in delivering an outturn which is very encouraging given the difficult times that we are still experiencing. The trustees / directors are very grateful for the generous donations from members that have made such support possible.

The Society has been pleased to be able to continue to support the management and operation of the hostels at Minffordd and Penrhyn which are so important to supporting volunteer involvement. Bed nights have continued to grow over and above the significant increase reported in the previous year which followed the limited use that was possible during the period of COVID restrictions. Once again, your Board determined not to increase hostel fees for 2023/24 following the freeze in 2022/23. In late 2022 the Society Board adopted the recommendation of the Hostels committee to provide younger volunteers with free hostel accommodation. These policies have influenced the increase in bed nights and the consequent increase in volunteer effort. This approach continues to receive much appreciation from both the Company and individual volunteers. Overall hostel income has continued to recover from the restricted years of COVID, with overall income just short of 2019 figures.

The Minibash team have completed a very thorough refurbishment of the exterior of Penrhyn hostel which was paid for by the Society. The next step will be to review and upgrade the internal facilities.

It is pleasing to report a small increase in the total membership of the Society from 4,830 to a year figure of 4,971. The proportion of life membership remains consistent at around 34% of the total population, whilst the increase in the year is from families and full members.

#### **Financial review**

The Society has had a record financial year, with overall funds increasing by £713,666 whilst also seeing donations to the Festiniog Railway Company of £506,725.

Income is dominated by further significant legacies, which in this year totalled just over £1,000,000, on top of over £782,000 last year. The primary legacies have been in respect of Stations (£500,000) and infrastructure (£432,585). We have already been able to support projects from these generous amounts, committing to the resurfacing of Blaenau Station platform and reroofing of both Tan y Grisiau goods shed and Glan y Pwll workshop. These legacies will allow the the Society to support many more projects including the plans at TyB Station House, Lottie's Cottage and Blaenau Ffestiniog Station.

In addition to the substantial legacies, subscriptions income and donations have remained strong. We have also seen a big pickup in interest income to £25,901 as a combination of the larger amounts on bank deposit and the higher interest rates now in play. Going forward into 2024 we expect to see a further significant increase in interest as we implement a new investment strategy.

Expenditure has remained similar to previous years and, as in previous years, the contributions to the Festiniog Railway Company remain the biggest part. Included in the donations are the conversion of the remaining amount of the COVID loan (initially £400,000) of £91,804 to grants. In addition, £175,851 of general funds were paid over in respect of the NLHF project at Boston Lodge.

Projects supported from the restricted funds include the above mentioned reroofings, rebuilding the access wall to Tan y Bwlch station, work on Tan y Bwlch station house, Penrhyn station building and locos Linda and Kerr Stuart 4415.

# FFESTINIOG RAILWAY SOCIETY

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

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#### *Reserves policy*

The Society's policy is to maintain an adequate reserve so as to enable it to discharge its charitable objectives and meet its ongoing day to day requirements. This being the case, the trustees consider that twelve months of general fund expenditure is an appropriate level of reserve to meet the day-to-day running costs of the charity including maintaining production of the in-house magazine and support for the running of the volunteer hostels, with this amounting to a sum of £95,000.

The main need of course is to hold sufficient reserves for its core objective of supporting the Ffestiniog Railway, which includes collecting unrestricted, designated and restricted funds for a number of projects, administering and collecting moneys from the annual appeals as well as raising and maintaining sufficient general funds to meet its obligations for committed charitable objects. As at the end of 2023, the Society's main funds stood at:

Restricted funds: £2,480,068 (2022: £1,657,865)

The restricted funds held by the charity are only available for use on specific projects which are taken forward as resources become available to the Festiniog Railway Company. A detailed analysis of these projects is disclosed in note 17 of the financial statements.

General funds: £551,597 (2022: 660,134)

The Society's 'free' reserve for the year being a surplus of £551,597 (2022: a surplus of £660,134).

#### Fundraising

The year has seen the continuance of the appeal to raise funds to support the Boston Lodge project – whilst not as successful as hoped for, this is still providing a significant contribution to the Society's ability to fund our share of the project.

The on trains envelope appeal transitioned to supporting the Prince fund and its return to service in 2025. With other donations, this raised a further £37,790 during the current year, putting the fund at £82,865 and in the position to consider the commencement of work – Prince was the first working steam loco in preservation nearly 70 years ago.

Other loco appeals currently underway include Mountaineer, where the fund is now at a respectable £51,505 and Linda, where the appeal exceeded the £60,000 target and went on to achieve £107,649 (which will cover new cylinders that will be required in the near term).

#### **Plans for future periods**

Subsequent to the year end, the Society agreed to convert the remaining balance of the COVID loan that was instigated in 2020. This remaining balance of £91,804 was converted into substantial grants to the Festiniog Railway Company which has been reflected in the 2023 financial year.

#### **Structure, governance and management**

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

# FFESTINIOG RAILWAY SOCIETY

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

|                    |                           |
|--------------------|---------------------------|
| Mr G Bond          |                           |
| Mr J P Bowley      | (Appointed 10 June 2023)  |
| Mr G Cole          |                           |
| Mr R D Bentley     | (Appointed 29 April 2023) |
| Mr C M Tucker      |                           |
| Ms C M Knowles     |                           |
| Mr L Graham-Taylor |                           |
| Dr A F Tucker      |                           |
| Mr N C Smith       |                           |
| Mr D R Jones       |                           |
| Mr P J Hawkins     |                           |
| Mr S G Miller      | (Resigned 29 April 2023)  |

### *Recruitment and appointment of trustees*

All trustees are elected for a period of 3 years and have to stand for re-election every three years if continuing. This election happens at the AGM. Even if someone is co-opted during the year, they still have to formally stand at the next election.

### *Induction and training of trustees*

As part of their induction, new Board members are made aware of their responsibilities as board members. The induction includes an introduction to the objectives, scope and policies of the charitable funds. Charity commission information on trustee responsibility and copies of the previous year's annual report and accounts are provided.

### *Relationship with third parties*

At the year end the Society holds five ordinary shares and one preference share in the Festiniog Railway Company, which have all been bequeathed to the Society. This constitutes a minority share and does not give any control to the Society. The Society makes grants to the Festiniog Railway Company as part of the pursuance of the main activities of the Society.

The Society also has the right to nominate to the Ffestiniog Railway Trustees for appointment one place on the Board of the Festiniog Railway Company as part of a reciprocal arrangement.

The Society interacts with area and functional groups, which have the common aims of supporting the Ffestiniog Railway.

### *Risk management*

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

### *Relationship with related parties*

The trustees consider the only key management personnel of the charity to be the board of trustees, who are in charge of directing, controlling, running and operating the charity on a day-to-day basis. Details of the trustees' remuneration, expenses and related party transactions are disclosed in a note to the accounts.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Champion Accountants LLP be reappointed as auditor of the company will be put at a General Meeting.

# FFESTINIOG RAILWAY SOCIETY

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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The Trustees' report was approved by the Board of Trustees.

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Chairman

Date: ..... 16 MARCH 2024



# **FFESTINIOG RAILWAY SOCIETY**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 30 SEPTEMBER 2023***

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The trustees, who are also the directors of Ffestiniog Railway Society for the purpose of company law, are responsible for preparing the Trustees' Report 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# FFESTINIOG RAILWAY SOCIETY

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF FFESTINIOG RAILWAY SOCIETY

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#### Opinion

We have audited the financial statements of Ffestiniog Railway Society (the 'charity') for the year ended 30 September 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 30 September 2023 and of its incoming resources and application of resources, 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# FFESTINIOG RAILWAY SOCIETY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF FFESTINIOG RAILWAY SOCIETY

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#### **Responsibilities of trustees**

As explained more fully in the statement of Trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

#### **Extent to which the audit is considered capable of detecting irregularities, including fraud**

The responsibility for the prevention and detection of irregularities, including fraud, lies with the trustees and with those charged with governance. The objectives of our audit in respect of irregularities and fraud are to assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient, appropriate audit evidence regarding the assessed risks and to respond appropriately to fraud or suspected fraud identified during the audit.

#### **Audit procedures**

We determine significant applicable laws and regulations through discussion with those charged with governance and our own knowledge of the industry and design audit procedures to help identify instances of non-compliance with those laws and regulations that may have a material effect on the financial statements.

Our approach is to consider the legal and regulatory frameworks directly applicable to the financial statements reporting framework ((FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK; the nature of the industry; the business performance and the key drivers for management remuneration; the control environment and the procedures in place to address identified risks, including management override, non-compliance with laws and regulations and to prevent and detect fraud or irregularity. We communicate identified laws and regulations throughout our team and remain alert to any indications of non-compliance throughout the audit.

Our procedures are designed to provide reasonable assurance that the financial statements are free from material misstatement or error and include: enquiries of management and of staff in key compliance functions; review of minutes of meetings of those charged with governance; review and testing of manual journals and significant transactions outside the normal course of business; review of financial statement disclosures and testing to supporting documentation; performance of analytical procedures.

We are not responsible for preventing non-compliance and due to the inherent limitations of an audit, as described above, the audit cannot be relied upon to detect all instances of non-compliance with laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# FFESTINIOG RAILWAY SOCIETY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF FFEISTINIOG RAILWAY SOCIETY

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#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Susan Harris*

Susan Harris MA ACA (Senior Statutory Auditor)  
for and on behalf of Champion Accountants LLP

*19 March 2024*

Chartered Accountants  
Statutory Auditor

2nd Floor Refuge House  
33-37 Watergate Row  
Chester  
CH1 2LE

Champion Accountants LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# FFESTINIOG RAILWAY SOCIETY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

|   |       | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>2023<br>£ | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ |
|---|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
|   | Notes |                                    |                                  |                    |                                    |                                  |                    |
| <b>Income from:</b>                       |       |                                    |                                  |                    |                                    |                                  |                    |
| Donations and legacies                    | 3     | 122,716                            | 1,021,900                        | 1,144,616          | 150,273                            | 800,389                          | 950,662            |
| Charitable activities                     | 4     | 144,748                            | -                                | 144,748            | 137,552                            | -                                | 137,552            |
| Investments                               | 5     | 6,457                              | 19,444                           | 25,901             | 791                                | 392                              | 1,183              |
| <b>Total income</b>                       |       | <b>273,921</b>                     | <b>1,041,344</b>                 | <b>1,315,265</b>   | <b>288,616</b>                     | <b>800,781</b>                   | <b>1,089,397</b>   |
| Charitable activities                     | 6     | 382,458                            | 219,141                          | 601,599            | 320,645                            | 43,996                           | 364,641            |
| <b>Net income/(expenditure)</b>           |       | <b>(108,537)</b>                   | <b>822,203</b>                   | <b>713,666</b>     | <b>(32,029)</b>                    | <b>756,785</b>                   | <b>724,756</b>     |
| Transfers between funds                   |       | -                                  | -                                | -                  | (10,615)                           | 10,615                           | -                  |
| <b>Net movement in funds</b>              |       | <b>(108,537)</b>                   | <b>822,203</b>                   | <b>713,666</b>     | <b>(42,644)</b>                    | <b>767,400</b>                   | <b>724,756</b>     |
| <b>Reconciliation of funds:</b>           |       |                                    |                                  |                    |                                    |                                  |                    |
| Fund balances at 1 October 2022           |       | 660,134                            | 1,657,865                        | 2,317,999          | 702,778                            | 890,465                          | 1,593,243          |
| <b>Fund balances at 30 September 2023</b> |       | <b>551,597</b>                     | <b>2,480,068</b>                 | <b>3,031,665</b>   | <b>660,134</b>                     | <b>1,657,865</b>                 | <b>2,317,999</b>   |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# FFESTINIOG RAILWAY SOCIETY

## BALANCE SHEET

AS AT 30 SEPTEMBER 2023

|  | Notes | 2023<br>£        | £                | 2022<br>£        | £                |
|--|-------|------------------|------------------|------------------|------------------|
| <b>Fixed assets</b>  |       |                  |                  |                  |                  |
| Tangible assets  | 11    |                  | 3                |                  | 3                |
| Investments  | 12    |                  | 6                |                  | 6                |
|  |       |                  | <u>9</u>         |                  | <u>9</u>         |
| <b>Current assets</b>  |       |                  |                  |                  |                  |
| Debtors  | 13    | 92,841           |                  | 1,079,336        |                  |
| Cash at bank and in hand                                       |       | 3,081,002        |                  | 1,450,618        |                  |
|  |       | <u>3,173,843</u> |                  | <u>2,529,954</u> |                  |
| <b>Creditors: amounts falling due within one year</b>          | 14    | 70,603           |                  | 145,608          |                  |
|  |       | <u>70,603</u>    |                  | <u>145,608</u>   |                  |
| Net current assets   |       |                  | 3,103,240        |                  | 2,384,346        |
| <b>Total assets less current liabilities</b>                   |       |                  | 3,103,249        |                  | 2,384,355        |
| <b>Creditors: amounts falling due after more than one year</b> | 15    |                  | (71,584)         |                  | (66,356)         |
| <b>Net assets</b>  |       |                  | <u>3,031,665</u> |                  | <u>2,317,999</u> |
| <b>The funds of the charity</b>                                |       |                  |                  |                  |                  |
| Restricted income funds  | 17    | 2,480,068        |                  | 1,657,865        |                  |
| Unrestricted funds   |       | 551,597          |                  | 660,134          |                  |
|  |       | <u>3,031,665</u> |                  | <u>2,317,999</u> |                  |

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 September 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 16 March 2024

Trustee

Company registration number 00542449 (England and Wales)

# FFESTINIOG RAILWAY SOCIETY

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

|   | Notes | 2023<br>£ | £         | 2022<br>£ | £         |
|---|-------|-----------|-----------|-----------|-----------|
| <b>Cash flows from operating activities</b>         |       |           |           |           |           |
| Cash generated from operations                      | 21    |           | 1,604,483 |           | 384,569   |
| <b>Investing activities</b>                         |       |           |           |           |           |
| Investment income received                          |       | 25,901    |           | 1,183     |           |
| <b>Net cash generated from investing activities</b> |       |           | 25,901    |           | 1,183     |
| <b>Net cash used in financing activities</b>        |       |           | -         |           | -         |
| <b>Net increase in cash and cash equivalents</b>    |       |           | 1,630,384 |           | 385,752   |
| Cash and cash equivalents at beginning of year      |       |           | 1,450,618 |           | 1,064,866 |
| <b>Cash and cash equivalents at end of year</b>     |       |           | 3,081,002 |           | 1,450,618 |

# FFESTINIOG RAILWAY SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

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#### 1 Accounting policies

##### Charity information

Ffestiniog Railway Society is a private company limited by guarantee incorporated in England and Wales. The registered office is Harbour Station, Porthmadog, Gwynedd, LL49 9NF.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Society that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.



# FFESTINIOG RAILWAY SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

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#### 1 Accounting policies

(Continued)

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

- Annual membership relating to 3/12 of the membership income is deferred until the subsequent period.
- Advanced membership receipts are deferred and released in the period to which they relate.
- Diamond Jubilee Appeal income is received for a 5-year membership period and is deferred and apportioned accordingly.
- Life and associated life membership income is deferred and amortised over a 10-year period, which is commensurate to the policy adopted by other similar organisations.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

In order for donations to meet this recognition criteria, agreements in principle to provide funding for proposed projects are not recognised until valid expense claims are made to the Society, discussed by its board and approved for release.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                     |                              |
|---------------------|------------------------------|
| Plant and equipment | 20% per annum straight line. |
| Office equipment    | 20% per annum straight line. |
| Society films       | 20% per annum straight line. |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

# FFESTINIOG RAILWAY SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

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### 1 Accounting policies

(Continued)

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Taxation

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

#### 1.11 Concessionary loans to the Festiniog Railway Company

As part of its response to the restrictions imposed due to the Coronavirus outbreak, the Society set forth a plan to support the Company through this unprecedented challenge. As part of this, a loan of £250,000 was made to the Company in April 2020, which was then followed by a further £150,000 at the beginning in July 2020.

Both these loans were treated as being repayable on demand and are interest free. Since their initial drawdown by the Company, repayments have been made either through the conversion of balances to notional donations for work carried out on certain projects, or through 'cash' repayments. There is a separate loan advanced to the Festiniog Railway Company of £27,000 to cover cashflow timing differences between projects being undertaken and funds being claimed from the Society.

In line with the provisions within the accounting standards, these loans are recognised initially at cost, with repayments or conversions to grants being recognised in the relevant periods.

#### 1.12 Voluntary assistance

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

### 2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# FFESTINIOG RAILWAY SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 3 Income from donations and legacies

|                     | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>2023<br>£ | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ |
|---------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Donations and gifts | 25,703                             | 74,674                           | 100,377            | 52,039                             | 43,731                           | 95,770             |
| Legacies receivable | 70,283                             | 932,585                          | 1,002,868          | 32,411                             | 750,000                          | 782,411            |
| Gift Aid            | 26,730                             | 14,641                           | 41,371             | 65,823                             | 6,658                            | 72,481             |
|                     | <u>122,716</u>                     | <u>1,021,900</u>                 | <u>1,144,616</u>   | <u>150,273</u>                     | <u>800,389</u>                   | <u>950,662</u>     |

### 4 Income from charitable activities

|                         | Charitable<br>activities<br>2023<br>£ | Charitable<br>activities<br>2022<br>£ |
|-------------------------|---------------------------------------|---------------------------------------|
| Subscription income     | 117,847                               | 114,045                               |
| Hostel income           | 21,228                                | 15,819                                |
| Magazine income         | 4,804                                 | 5,043                                 |
| Sundry income           | 869                                   | 2,645                                 |
|                         | <u>144,748</u>                        | <u>137,552</u>                        |
| <b>Analysis by fund</b> |                                       |                                       |
| Unrestricted funds      | <u>144,748</u>                        | <u>137,552</u>                        |

### 5 Income from investments

|                     | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>2023<br>£ | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ |
|---------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Interest receivable | <u>6,457</u>                       | <u>19,444</u>                    | <u>25,901</u>      | <u>791</u>                         | <u>392</u>                       | <u>1,183</u>       |

# FFESTINIOG RAILWAY SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 6 Expenditure on charitable activities

|   | Charitable<br>activities<br>2023<br>£ | Charitable<br>activities<br>2022<br>£ |
|---|---------------------------------------|---------------------------------------|
| <b>Direct costs</b>                                       |                                       |                                       |
| Donations to Ffestiniog Railway Company                   | 506,725                               | 256,782                               |
| Hostel expenses   | 50,279                                | 55,750                                |
| Magazine productions costs                                | 27,410                                | 34,464                                |
| Registry expenses   | 2,205                                 | 3,552                                 |
| Sundry expenses   | 3,231                                 | 4,196                                 |
| Postage and printing costs                                | 1,872                                 | -                                     |
|   | <u>591,722</u>                        | <u>354,744</u>                        |
| <b>Share of support and governance costs (see note 7)</b> |                                       |                                       |
| Support   | 2,377                                 | 2,937                                 |
| Governance  | 7,500                                 | 6,960                                 |
|   | <u>601,599</u>                        | <u>364,641</u>                        |
| <b>Analysis by fund</b>                                   |                                       |                                       |
| Unrestricted funds  | 382,458                               | 320,645                               |
| Restricted funds  | 219,141                               | 43,996                                |
|   | <u>601,599</u>                        | <u>364,641</u>                        |

### 7 Support costs allocated to activities

|                          | 2023<br>£    | 2022<br>£    |
|--------------------------|--------------|--------------|
| Finance costs            | 2,377        | 2,937        |
| Governance costs         | 7,500        | 6,960        |
|                          | <u>9,877</u> | <u>9,897</u> |
| <b>Analysed between:</b> |              |              |
| Charitable activities    | <u>9,877</u> | <u>9,897</u> |

### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

# FFESTINIOG RAILWAY SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 9 Employees

The average monthly number of employees during the year was:

|       | 2023<br>Number | 2022<br>Number |
|-------|----------------|----------------|
| Total | -              | -              |

There were no employees whose annual remuneration was more than £60,000.

### 10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

### 11 Tangible fixed assets

|                                    | Plant and<br>equipment<br>£ | Office<br>equipment<br>£ | Society films<br>£ | Total<br>£ |
|------------------------------------|-----------------------------|--------------------------|--------------------|------------|
| <b>Cost</b>                        |                             |                          |                    |            |
| At 1 October 2022                  | 1,100                       | 1,536                    | 409                | 3,045      |
| At 30 September 2023               | 1,100                       | 1,536                    | 409                | 3,045      |
| <b>Depreciation and impairment</b> |                             |                          |                    |            |
| At 1 October 2022                  | 1,099                       | 1,535                    | 408                | 3,042      |
| At 30 September 2023               | 1,099                       | 1,535                    | 408                | 3,042      |
| <b>Carrying amount</b>             |                             |                          |                    |            |
| At 30 September 2023               | 1                           | 1                        | 1                  | 3          |
| At 30 September 2022               | 1                           | 1                        | 1                  | 3          |

### 12 Fixed asset investments

|                                       | Unlisted<br>investments<br>£ |
|---------------------------------------|------------------------------|
| <b>Cost or valuation</b>              |                              |
| At 1 October 2022 & 30 September 2023 | 6                            |
| <b>Carrying amount</b>                |                              |
| At 30 September 2023                  | 6                            |
| At 30 September 2022                  | 6                            |

# FFESTINIOG RAILWAY SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 12 Fixed asset investments

(Continued)

There were no investment assets outside the UK.

The above figures consist of:

a. The Festiniog Railway Company 100 5% preference shares of £10 each - at cost - £1

b. 5 ordinary shares of £1 each - at cost - £5

In the opinion of the trustees, the market value of the shares is similar to their cost.

### 13 Debtors

|                                      | 2023<br>£     | 2022<br>£        |
|--------------------------------------|---------------|------------------|
| Amounts falling due within one year: |               |                  |
| Gift aid debtors                     | 34,706        | 77,633           |
| Other debtors                        | 58,135        | 1,001,703        |
|                                      | <u>92,841</u> | <u>1,079,336</u> |

### 14 Creditors: amounts falling due within one year

|                 | Notes | 2023<br>£     | 2022<br>£      |
|-----------------|-------|---------------|----------------|
| Deferred income | 16    | 41,109        | 45,586         |
| Trade creditors |       | -             | 3,042          |
| Other creditors |       | 21,994        | 90,020         |
| Accruals        |       | 7,500         | 6,960          |
|                 |       | <u>70,603</u> | <u>145,608</u> |

### 15 Creditors: amounts falling due after more than one year

|                 | Notes | 2023<br>£     | 2022<br>£     |
|-----------------|-------|---------------|---------------|
| Deferred income | 16    | <u>71,584</u> | <u>66,356</u> |

### 16 Deferred income

|                                       | 2023<br>£      | 2022<br>£      |
|---------------------------------------|----------------|----------------|
| Arising from Subscriptions in Advance | <u>112,693</u> | <u>111,942</u> |

Deferred income is included in the financial statements as follows:

# FFESTINIOG RAILWAY SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

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| 16                                  | Deferred income                      | (Continued)    |                |
|-------------------------------------|--------------------------------------|----------------|----------------|
|                                     |                                      | 2023           | 2022           |
|                                     |                                      | £              | £              |
| Deferred income is included within: |                                      |                |                |
|                                     | Current liabilities                  | 41,109         | 45,586         |
|                                     | Non-current liabilities              | 71,584         | 66,356         |
|                                     |                                      | <u>112,693</u> | <u>111,942</u> |
| Movements in the year:              |                                      |                |                |
|                                     | Deferred income at 1 October 2022    | 111,942        | 102,417        |
|                                     | Released from previous periods       | (45,586)       | (33,159)       |
|                                     | Resources deferred in the year       | <u>46,337</u>  | <u>42,684</u>  |
|                                     | Deferred income at 30 September 2023 | <u>112,693</u> | <u>111,942</u> |

# FFESTINIOG RAILWAY SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

|                            | At 1 October<br>2022 | Incoming<br>resources | Resources<br>expended | Transfers | At 30<br>September<br>2023 |
|----------------------------|----------------------|-----------------------|-----------------------|-----------|----------------------------|
|                            | £                    | £                     | £                     | £         | £                          |
| Heritage Fund              | 7,139                | 476                   | -                     | -         | 7,615                      |
| Volunteer Hostels' Fund    | 1,554                | 13                    | -                     | -         | 1,567                      |
| Minffordd Station          | 3,356                | 557                   | -                     | -         | 3,913                      |
| Tan y Bwlch Station        | 28                   | 807                   | -                     | -         | 835                        |
| Kids Week                  | 6,895                | 122                   | -                     | -         | 7,017                      |
| Lineside Vehicle           | 25,513               | 6,902                 | -                     | -         | 32,414                     |
| Hugh Napier                | 1,455                | 29                    | -                     | -         | 1,485                      |
| England Locos              | 45,075               | 37,790                | -                     | -         | 82,865                     |
| Linda                      | 73,176               | 14,866                | (45,481)              | -         | 42,562                     |
| Mountaineer                | 37,773               | 13,732                | -                     | -         | 51,505                     |
| Kerr Stuart diesel 4415    | 20,062               | 3,930                 | (13,265)              | -         | 10,726                     |
| James Spooner              | 61,371               | 2,701                 | -                     | -         | 64,072                     |
| Vintage Carriages          | 78,385               | 739                   | -                     | -         | 79,124                     |
| Stations                   | 750,000              | 510,266               | (15,247)              | -         | 1,245,019                  |
| LAG drains                 | 1,852                | 17                    | (566)                 | -         | 1,304                      |
| Archives                   | 8,497                | 769                   | -                     | -         | 9,266                      |
| Waggon Tracks              | 942                  | 243                   | -                     | -         | 1,185                      |
| Permanent way              | 136,560              | 1,905                 | -                     | -         | 138,465                    |
| Heritage Buildings         | 354,705              | 10,981                | (9,425)               | -         | 356,261                    |
| Infrastructure             | -                    | 432,585               | (110,998)             | -         | 321,588                    |
| Health & Safety and Others | 43,527               | 1,913                 | (24,159)              | -         | 21,281                     |
|                            | <u>1,657,865</u>     | <u>1,041,344</u>      | <u>(219,141)</u>      | <u>-</u>  | <u>2,480,068</u>           |



# FFESTINIOG RAILWAY SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 17 Restricted funds

(Continued)

| Previous year:             | At 1 October<br>2021 | Incoming<br>resources | Resources<br>expended | Transfers     | At 30<br>September<br>2022 |
|----------------------------|----------------------|-----------------------|-----------------------|---------------|----------------------------|
|                            | £                    | £                     | £                     | £             | £                          |
| Heritage Fund              | 7,000                | 86                    | -                     | 53            | 7,139                      |
| Volunteer Hostels' Fund    | 1,553                | 1                     | -                     | -             | 1,554                      |
| Minffordd Station          | 3,212                | 274                   | (73)                  | (57)          | 3,356                      |
| Tan y Bwlch Station        | 2,193                | 1,283                 | (1,965)               | (1,483)       | 28                         |
| Kids Week                  | 9,885                | 405                   | (3,445)               | 50            | 6,895                      |
| Lineside Vehicle           | 24,997               | 516                   | -                     | -             | 25,513                     |
| Hugh Napier                | 765                  | 451                   | -                     | 239           | 1,455                      |
| England Locos              | 22,770               | 19,839                | -                     | 2,466         | 45,075                     |
| Linda                      | 89,542               | 513                   | (20,120)              | 3,241         | 73,176                     |
| Mountaineer                | 17,944               | 17,135                | -                     | 2,694         | 37,773                     |
| Kerr Stuart diesel 4415    | 29,718               | 2,392                 | (12,638)              | 590           | 20,062                     |
| James Spooner              | 57,652               | 2,879                 | -                     | 840           | 61,371                     |
| Vintage Carriages          | 82,040               | 52                    | (3,707)               | -             | 78,385                     |
| Stations                   | -                    | 750,000               | -                     | -             | 750,000                    |
| LAG drains                 | 4,200                | 2                     | (1,826)               | (524)         | 1,852                      |
| Archives                   | 7,539                | 693                   | -                     | 265           | 8,497                      |
| Waggon Tracks              | 941                  | 1                     | -                     | -             | 942                        |
| Permanent way              | 135,224              | 1,335                 | -                     | 1             | 136,560                    |
| Heritage Buildings         | 354,213              | 486                   | -                     | 6             | 354,705                    |
| Health & Safety and Others | 39,077               | 2,438                 | (222)                 | 2,234         | 43,527                     |
|                            | <u>890,465</u>       | <u>800,781</u>        | <u>(43,996)</u>       | <u>10,615</u> | <u>1,657,865</u>           |

### 18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

|                | At 1 October<br>2022 | Incoming<br>resources | Resources<br>expended | Transfers       | At 30<br>September<br>2023 |
|----------------|----------------------|-----------------------|-----------------------|-----------------|----------------------------|
|                | £                    | £                     | £                     | £               | £                          |
| General funds  | <u>660,134</u>       | <u>273,921</u>        | <u>(382,458)</u>      | <u>-</u>        | <u>551,597</u>             |
| Previous year: | At 1 October<br>2021 | Incoming<br>resources | Resources<br>expended | Transfers       | At 30<br>September<br>2022 |
|                | £                    | £                     | £                     | £               | £                          |
| General funds  | <u>702,778</u>       | <u>288,616</u>        | <u>(320,645)</u>      | <u>(10,615)</u> | <u>660,134</u>             |

# FFESTINIOG RAILWAY SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 19 Analysis of net assets between funds

|   | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>2023<br>£ |
|---|------------------------------------|----------------------------------|--------------------|
| <b>Fund balances at 30 September 2023 are represented by:</b> |                                    |                                  |                    |
| Tangible assets   | 3                                  | -                                | 3                  |
| Investments   | 6                                  | -                                | 6                  |
| Current assets/(liabilities)                                  | 623,172                            | 2,480,068                        | 3,103,240          |
| Long term liabilities   | (71,584)                           | -                                | (71,584)           |
|   | <u>551,597</u>                     | <u>2,480,068</u>                 | <u>3,031,665</u>   |
|   |                                    |                                  |                    |
|   | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ |
| <b>Fund balances at 30 September 2022 are represented by:</b> |                                    |                                  |                    |
| Tangible assets   | 3                                  | -                                | 3                  |
| Investments   | 6                                  | -                                | 6                  |
| Current assets/(liabilities)                                  | 726,481                            | 1,657,865                        | 2,384,346          |
| Long term liabilities   | (66,356)                           | -                                | (66,356)           |
|   | <u>660,134</u>                     | <u>1,657,865</u>                 | <u>2,317,999</u>   |

### 20 Related party transactions

As stated in the principal activities section of the trustees' report, the purpose of the company is to support the restoration of the Ffestiniog Railway. For many years, there has been an arrangement whereby the company nominated one director onto the board of The Festiniog Railway Company and that company nominated a person to sit on the board of this company. At the start of the year, Sam Miller was the Society nominee. From the 15th June 2023, Sam Miller stood down and was replaced by Graham Cole. Neither Sam Miller or Graham Cole received any benefit from the Society during the year.

During the year, the Ffestiniog Railway Society made donations totalling £506,725 (2022: £256,782) to The Festiniog Railway Company. The makeup of which being made up of current year donations amounting to £414,921 (2022: £205,793), a conversion of the COVID support loan of £91,804 (2022: £nil) and year end accruals amounting to £nil (2022: £50,989).

The Society also had transactions with related groups and the FR Co during the year, and at the year end the Festiniog Railway Company amount owed to the Society stood at £27,000 (2022: £118,804), with this amount being included within debtors on the balance sheet. The Society also retained funds on behalf of the Dee & Mersey and FR Heritage groups, with the total held within creditors amounting to £21,994 (2022: £21,962).

# FFESTINIOG RAILWAY SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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| 21 | Cash generated from operations                                    | 2023<br>£        | 2022<br>£      |
|----|---|------------------|----------------|
|    | Surplus for the year  | 713,666          | 724,756        |
|    | Adjustments for:  |                  |                |
|    | Investment income recognised in statement of financial activities | (25,901)         | (1,183)        |
|    | Movements in working capital:                                     |                  |                |
|    | Decrease/(increase) in debtors                                    | 986,495          | (394,730)      |
|    | (Decrease)/increase in creditors                                  | (70,528)         | 55,726         |
|    | Increase in deferred income                                       | 751              | 9,525          |
|    | <b>Cash generated from operations</b>                             | <b>1,604,483</b> | <b>394,094</b> |

## 22 Analysis of changes in net funds

The charity had no material debt during the year.