VALE OF RHEIDOL RAILWAY LIMITED

England & Wales · Charity number 1076037

Details

Other names	CRODALL LIMITED, VALE OF RHEIDOL RAILWAY LTD
Status	Registered
Legal form	Charitable company
Company number	02188631
Registered	1999-06-16
Register	View on the Charity Commission register

Contact

Address	Vale Of Rheidol Railway Park Avenue Aberystwyth Dyfed SY23 1PG
Phone	01970625819
Website	www.rheidolrailway.co.uk

Activities

Objects: “(i) To advance the education of the public and to promote research (including the publication of the useful results of such research) in matters concerning narrow gauge railways including, but not limited to, the narrow gauge railway in the County of Cardigan and which extends from Aberystwyth to Devils Bridge and is known as the Vale of Rheidol Railway and of other railways or tramways which are or may be worked or operated in conjunction or connection therewith and (without prejudice to the generality of the foregoing) matters concerning the history, buildings, tramways, rolling stock, machinery and equipment, the historical operation, the restoration and the current operation of the Vale of Rheidol Railway; (ii) For the public benefit to provide or assist in the provision of facilities for the recreation and other leisure time operation in the interest of social welfare and with the object of improving conditions of life including, but not limited to, the provision of facilities connected with the Vale of Rheidol Railway, its restoration, maintenance and operation and facilities for pedestrian access to the countryside through which the Vale of Rheidol runs; and(iii) The establishment maintenance and support of museums or other institutions partly or wholly devoted to the preservation and public display of railway equipment and relics of historic educational or operational interest.”

Activities: The principal activity is operation of a narrow guage railway line as a working museum.

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Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** CEREDIGION (OLD COUNTY CARDIGANSHIRE)
- Ceredigion

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£2,064,740	£1,931,271	£15,407,717	35
2023-12-31	£2,371,692	£1,871,092	£13,607,246	37
2022-12-31	£11,136,279	£1,306,685	£13,254,096	40
2021-12-31	£1,634,355	£824,817	£3,424,503	40
2020-12-31	£348,126	£487,578	-	-

Trustees

Name	Role	Appointed
Dr Clive Richard Higgs		2016-09-01
Jonathan Nichol McKie		2025-06-06
PHILIP JOHN NEVILLE ELLIS		
Patrick Keef		2023-07-28

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VALE OF RHEIDOL RAILWAY LIMITED

England & Wales - Charity number 1076037

Accounts

REGISTERED COMPANY NUMBER: 02188631 (England and Wales)
REGISTERED CHARITY NUMBER: 1076037

Financial Statements

for the Year Ended 31 December 2024

for

Vale of Rheidol Railway Limited

Ashmole & Co
9 Broad Street
Llandovery
Carmarthenshire
SA20 0AR

Vale of Rheidol Railway Limited

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Vale of Rheidol Railway Limited

Report of the Trustees
for the Year Ended 31 December 2024

The trustees who are also directors of the charitable parent company for the purposes of the Companies Act 2006, present their report with the financial statements of the charitable parent company and its subsidiary (the 'group') for the year ended 31 December 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Vale of Rheidol Railway Limited

Report of the Trustees
for the Year Ended 31 December 2024

OBJECTIVES AND ACTIVITIES

The Charity's main objectives are :

"To advance the education of the public and to promote research (including the publication of the useful results of such research) in matters concerning narrow gauge railways including but not limited to the narrow gauge railway in the county of Ceredigion which extends from Aberystwyth to Devil's Bridge and is known as the Vale of Rheidol Railway and of other railways or tramways which are or may be worked or operated in conjunction therewith and matters concerning the history, buildings, tramways, rolling stock, machinery and equipment, the historical operation, the restoration and current operation of the Vale of Rheidol Railway".

The above objectives include a minor amendment to the main objects of the Charity made in 2023 with Charity Commission approval enabling the Charity to advance the education of the public in narrow-gauge railways in a geographical area wider than the County of Ceredigion.

The achievement of the objectives will further the Charity's purposes by ensuring future community interest in the railway. By growing the presence and increasing visitor numbers the Charity is able to educate as many members of the public as possible in the narrow-gauge railway.

All Trustees and senior persons remain focused on the objectives of the Charity.

Objectives, strategies and activities

The charitable company's principal activity is the provision of a working museum by the operation of a narrow-gauge railway line together with associated station and maintenance facilities between Aberystwyth and Devil's Bridge in the county of Ceredigion.

In 2024 the railway carried 42,100 passengers (passenger numbers in 2023 were 41,918). Its open months for carrying passengers were from late March through to early November with trains running every day and four trains a day in the high season. In addition, the railway operated a small number of charter trains.

Working in conjunction with an events promoter and Rail Events / Warner Brothers the railway hosted the first Polar Express train ride event to be held in Wales. The Great Western Railway shed became the setting of the North Pole. Passengers travelled in the railway's heritage carriages with Garratt steam locomotive No60 operating throughout the event which totalled 65 performances. The event took place in December and attracted an additional 9,000 passengers to the railway.

The Ffestiniog Railway's locomotive 'Palmerston' spent the majority of the year at the railway, returning to the railway initially hired in by the original company in 1912. Initially on display and then returned to traffic by the workshops. This enabled it to operate a number of additional workings during summer 2024 including guided heritage trains which proved very popular.

The railway participated in a Bike vs Train event with Afan cycles with cyclists attempting to reach Devil's Bridge ahead of the train.

A Steam Festival event was held over the August bank holiday weekend with locomotives No 7, No 8, NGG13 No 60, Wren 3114, Margaret and Palmerston all in steam. The Gwalior Pacific locomotive No 762 was on display for the first time at the event.

During the year locomotives Wren 3114 and Margaret from the museum collection were both in steam in use on Driver Experience trains.

The Charity continues its programme of maintenance and renovation of locomotives and carriages operating on the route and in 2024 this included a full rebuild of a one closed carriage, the refurbishment of the wagon fleet including fitting a new discharge system to the South African Railways ballast hopper.

Construction was completed on the Great Western Railway locomotive shed and this opened on 25th March 2024 as a new narrow gauge railway museum marketed as part of the visitor experience as "The Engine Shed." The facility allows visitors to view the works of the charity including a number of locomotives from the Vale of Rheidol museum collection.

Admission is complimentary for railway passengers.

A number of large exhibits have taken centre stage in the new display, this includes standard gauge locomotive 9017, known as the "Dukedog" by kind loan arrangement with the Bluebell Railway. This is particularly fitting as it was regularly stabled in the building between the between 1938 and 1960.

The "Fire Queen", previously displayed at National Trust, Penrhyn Castle is an iconic Welsh narrow gauge locomotive dating from 1848 and is also on loan for display in the museum alongside a 4ft gauge carriage also from the Padarn Railway.

Two DeWinton locomotives Pendyffryn and Redstone arrived from the Brecon Mountain Railway for display.

The Isle of Man Railway carriage F68, restored at the Surrey workshops over a number of years was delivered to the museum and seen on public display for the first time.

A number of other exhibits from the Vale of Rheidol museum collection have also been seen on public display for the first time including the First World War Dick Kerr petrol electric locomotive and Couillet locomotive Sabero No 1 locomotive.

Locomotive No 9 Prince of Wales celebrated it's centenary in 2024 and whilst it was not in operable condition, it was kept on display throughout it's anniversary year.

A plaque was unveiled by the Railway Heritage Trust to commemorate the stone portico entrance from London Bridge Station – South Eastern Railway Offices which forms the entrance to the museum.

A launch event was held in the museum to celebrate the formal launch of the museum, this included a tape cutting ceremony by Steffan Roberts, Deputy Director for Tourism, Development and Sport and a special excursion with invited guests.

A number of special events used the Engine Shed as a venue including a community and family day, lunchtime music concerts with a number of bands and choirs, an evening concert with a full orchestra, a young engineers day, steam punk festival, poetry festival, model railway exhibition and a remembrance concert.

The railway held a reunion of former British Railway crews some had worked on the Dukedog locomotive during their career at Aberystwyth shed.

The railway won Best Attraction at Mid Wales Tourism Awards and was shortlisted in Steam Railway Magazine Readers Award. A number of news outlets ran the story that the Vale of Rheidol was named as the second most beautiful rail journey in Europe – just behind the Orient Express.

A new guidebook for the Vale of Rheidol Railway, will be ready for the 2025 season. A new book about "Collection X" the railway museum's collection (which will include all items inherited by the Charity from the estate of Peter Rampton), is aimed to be on sale in 2025. The railway published Ioan Lord's second book, "The Welsh Potosi" a history of mining in the hills above Aberystwyth – the railway transported the ore from Devil's Bridge to the port at Aberystwyth.

A group of photographers have continued their annual hire of a photographic charter train on the railway to enable heritage photographs of the railway to be taken in unusual and normally inaccessible locations.

Restoration work of narrow-gauge heritage locomotives and carriages has continued in the Charity's Surrey workshop. The restoration of a narrow-gauge Isle of Man Composite carriage F68 was completed and delivered for display in the new museum in in time for the museum's opening in March 2024. Work continues on the restoration of the Ruston Proctor paraffin locomotive. It is anticipated this will be completed in 2025 and delivered for display in the museum in Aberystwyth.

The Charity completed extending its storage facilities at Capel Bangor Station in Aberystwyth so that the collection of narrow-gauge locomotives and carriages inherited from the estate of Peter Rampton can be brought up to Aberystwyth from Surrey, giving 150m of additional storage tracks.

The Charity intends to commence a program of restoration work so that these inherited items can be displayed in the museum or operate on the Vale of Rheidol Railway route for passengers. Some exhibits will be carefully prepared for display in their preserved condition, others restored to full working order.

The Charity continued its 1 mile a year target of re-sleepering work on the track, which will continue for the next four years to keep the railway track work in good and safe working order.

Negotiation and legalities continues with the Brecon Mountain Railway Co preparing for the purchase of the assets and bringing the operation under the umbrella of the Charity. It is hoped to conclude the process sometime in 2025.

A category red storm hit Mid Wales in December bringing with it considerable disruption to the local area and power outages. This led to a full day of cancelled Polar Express trains and over 100 trees down across the railway mainly between Capel Bangor and Devil's Bridge.

In March 2024 a blocked culvert at the Horseshoe bend caused a washout of the track on the curve. This required the railway to be slewed across and a major effort to get the line fit for the passage of trains at the start of the season.

A programme of development at Devil's Bridge station has started to bring the facilities up to date.

Public benefit

The Vale of Rheidol Railway operates to demonstrate the operation of a Victorian narrow-gauge railway for the benefit of the public.

The railway is open to all members of the public. The public can benefit from and see the preserved locomotives and rolling stock in operation. Various fare concessions are also available including discounts for children and large groups and both single and return journeys are available.

Accessible toilets facilities are in both Aberystwyth and Devil's Bridge. All trains have accessible areas, with one accessible open carriage with ramp access and a larger wheelchair bay and one First/Guard carriage has an enclosed larger wheel chair bay with ramp access on each train.

Dogs are welcome to travel with passengers in third class for a small charge as are guide dogs in first class and third class for a small charge.

The public further benefits from the opening of the new narrow-gauge railway museum in the Great Western Railway locomotive shed in Aberystwyth.

The Trustees confirm that they have complied with the requirements of section 17 Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Social investments

The Charity invests in staff training to ensure vital in the running of the railway and restoration of heritage engines and carriages are not lost. In 2024 it had a monthly average of 35 employees.

All employees benefit from internal training in their roles as well as external job specific skills training as required, a large number are trained first aiders with Defibrillators now on all station sites and trains. Recent examples of training are manual handling, working at heights, chain sawing, spraying and digital marketing.

OBJECTIVES AND ACTIVITIES

Volunteers

The Charity uses volunteers where practicable and has seen great success in providing volunteers with roles which provide a sense of achievement and fulfilment.

Volunteers have been very active with gardening activities at Aberystwyth station as well as other garden areas up the line.

Apprenticeships

There are a number of apprentices working at the Charity which is something that is hoped to continue and grow in the future.

Apprentices learn skills in engineering and restoration of heritage engines and carriages in the Charity's workshop in Aberystwyth, as well as guarding and firing on operating trains.

The Charity currently has 2 engineering apprentices.

Out of the 14 apprentices recruited between 2012 and 2023, we have 2 current apprentices and 7 have been retained and work full time at the railway. 5 others had been retained but have since in time moved on to pastures new

ACHIEVEMENT AND PERFORMANCE

Key non-financial performance indicators

Success is measured in passenger numbers, as if these continue to grow the Charity can clearly display that it is reaching more people to further its objectives.

FINANCIAL REVIEW

Investment policy

The trustees' investment powers are governed by the Memorandum and Articles of Association.

Financial risk management

The board of trustees has overall responsibility to review the significant risks to which the group is exposed and set up systems to alleviate such risks.

Principal funding sources

The Charity is principally funded by train fares and public donations to the railway and associated Gift Aid that can be claimed from this. It is also funded by various grants as and when these can be applied for and awarded. The Charity is also supported by its parent charity entity the Phyllis Rampton Narrow Gauge Railway Trust.

Grants

The Charity continues to apply for all grants to which it could be entitled to ensure it remains well funded and can continue to work towards its objectives.

The Charity has been supported by the Phyllis Rampton Narrow Gauge Railway Trust (the Charity's parent entity) particularly in funding restoration work on engines and carriages.

Report of the Trustees
for the Year Ended 31 December 2024

Legacy
Peter John Rampton, the founder of the Phyllis Rampton Narrow Gauge Railway Trust (the charity's immediate parent) died on 3 July 2019. Some of the assets inherited from his estate have been sold in 2024 to generate funds to be reinvested to achieve the group's charitable objectives. Further sales are anticipated in 2025. There are also a number of heritage assets arrived in the year for display in the new museum and the Charity aims to restore others for the museum and/or for operation of the railway

Reserves policy
The Charity's main activity is the operation of a narrow-gauge steam railway. The railway is a working museum which charges fares to passengers in order to maintain its income.

The operating costs consist of train running costs, wages, and the maintenance of track, locomotives, rolling stock and buildings.

The cost structure of setting up, financing and operating a railway are of such magnitude that it is anticipated that the railway will always be able to spend more money on running costs, maintenance, improvement and development, than it can reasonably be expected to raise from fares, donation and other sundry income.

At the present time the trustees do not therefore expect to generate long-term or medium-term reserves. Any reserves which may be generated during a financial period are expected to be attributed to a future maintenance or development project.

The Charity will be reviewing its reserves policy in 2025 when it is anticipated that the Charity will have completed further sales of assets inherited from the estate of Peter John Rampton.

As at 31 December 2024 total funds amounted to £15,407,717 (2023 : £13,607,246).
There were no restricted funds as at the year ended 31 December 2024 nor 31 December 2023.
Total endowment fund amounted to £633,650 as at the year ended 31 December 2024 and 31 December 2023.
Total free reserves as at 31 December 2024 amounted to £6,077,125 (2023: £971,325)

Going concern
The Trustees are of the opinion that the charitable company is a going concern.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Vale of Rheidol Railway Limited is a charitable company limited by shares incorporated on 4 November 1987. The charitable company was established under a Memorandum of Association which set out the objects and power of the Charity and is governed under its Articles of Association.

Induction and training of new trustees

All the Trustees of the Charity are Directors for the purposes of company law. There is no limit on how long the Trustees are allowed to serve. The Charity seeks to recruit new trustees with the aim of ensuring that the balance of skills and experience held by the Board of Trustees is maintained and relevant to the objectives of the Charity.

Induction and training of Trustees

Prior to their appointment, prospective trustees are provided with copies of the main documents relating to the Charity which set out the operation framework of the Charity including the Memorandum and Articles, the financial position and controls as set out in the latest financial statements.
Prospective new trustees are invited to attend a number of Board meetings of the Trustees and of the Charity's parent entity where they have an opportunity to discuss the operation of the Charity and future plans and objectives can be explained to them. Prospective trustees are also provided with copies of the Charity Commissions Guidance - "The essential trustee what you need to know, what you need to do" and "Charity Trustee: what's involved".
Prior to their formal appointment prospective new trustees are also required to complete the Charity Commission's Trustee Eligibility Declaration and HMRC's Fit and Proper Person Declaration.

Management

The day to day running of the group is delegated to Llyr ap Iolo. However, the ultimate responsibility and decision-making lies with the Board of Trustees.

The Board of Trustees has met at regular intervals throughout 2024 to monitor the activities of the Charity and ensure its objectives are achieved.

Arrangements for setting remuneration of key personnel

There is one remunerated Trustee, Llyr ap Iolo, which the Charity Commission consented to, and who is excluded from Board Meetings reviewing his remuneration.

Subsidiary undertaking

The Charity holds the entire issued share capital of 100 Ordinary shares of £1 each in Vale of Rheidol Trading Limited, a company incorporated in England and Wales, Company Number 09146470. Registered office: Park Avenue, Aberystwyth, Ceredigion, SY23 1PG. The company carries out trading activities with the purpose of raising money for donation to the charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
02188631 (England and Wales)

Registered Charity number
1076037

Registered office
Park Avenue
Aberystwyth
Ceredigion
SY23 1PG

Trustees
L Ap Iolo
P J N Ellis
Dr C R Higgs
P M Keef
S Langer
J.N McKie (appointed 06/06/25)

Auditors
Ashmole & Co
9 Broad Street
Llandovery
Carmarthenshire
SA20 0AR

Bankers
Royal Bank of Scotland
10 North Street
Guildford
GU1 4AQ

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

Solicitors
Stevens & Bolton LLP
Wey House
Farnham Road
Guildford
Surrey
GU1 4YD

Hugh James LLP
Two Central Square
Cardiff
CF10 1FF

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

In so far as the trustees are aware:

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

AUDITORS

The auditors, Ashmole & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 4th SEPT 2025 and signed on its behalf by:

.....
Patrick Keef - Chair

Report of the Independent Auditors to the Trustees of Vale of Rheidol Railway Limited

Opinion

We have audited the financial statements of Vale of Rheidol Railway Limited (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 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 group's affairs as at 31 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 group 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 group'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.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the group has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of
Vale of Rheidol Railway Limited

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable parent 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 parent 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 parent company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
We have been appointed as auditors 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 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:

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are concluded in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

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

- nature of the group and the sector in which it operates.
- the legal and regulatory framework in which the group operates, and in particular those laws and regulations that directly affect the financial statements or have a fundamental effect on operations eg Charities Act 2011, health and safety legislation.
- results of enquiries of management and those charged with governance
- any matters identified relating to
- the group's policies and procedures for identifying, evaluating and complying with laws and regulations, and whether there were any known instances of non compliance.
- detecting and responding to the risks of fraud and whether there is any knowledge of actual, suspected or alleged fraud.
- the internal controls established to mitigate risks of fraud or non compliance with laws and regulations.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are SORP FRS102, and the Companies Act 2006. We performed audit procedures to detect non-compliance which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The audit engagement team identified the risk of management override of controls as an area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business.

Report of the Independent Auditors to the Trustees of
Vale of Rheidol Railway Limited

In addition to the above, our procedures included:
- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations
- enquires of management and those charged with governance concerning actual and potential litigation and claims
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud
- review of minutes of committee meetings
- written representations

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

Use of our report
This report is made solely to the group'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 group's trustees 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 group and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Ashmole & Co

Ashmole & Co
Chartered Certified Accountants and Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
9 Broad Street
Llandovery
Carmarthenshire
SA20 0AR

Date: 18/09/2025

Vale of Rheidol Railway Limited

Consolidated Statement of Financial Activities
for the Year Ended 31 December 2024

	Notes	Unrestricted fund	Restricted fund	Endowment fund	31.12.24 Total funds	31.12.23 Total funds
		£	£	£	£	£
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	473,894	-	-	473,894	544,335
Charitable activities						
Railway	5	1,079,833	-	-	1,079,833	1,105,478
Other trading activities	3	440,449	-	-	440,449	545,301
Investment income	4	65,689	-	-	65,689	2,315
Other income		4,875	-	-	4,875	3,875
Total		2,064,740	-	-	2,064,740	2,201,304
EXPENDITURE ON						
Raising funds	6	288,249	-	-	288,249	284,548
Charitable activities	7					
Railway		1,643,022	-	-	1,643,022	1,586,544
Total		1,931,271	-	-	1,931,271	1,871,092
Net gains on investments		1,273	-	-	1,273	2,088
NET INCOME		134,742	-	-	134,742	332,300
Other gains on fixed assets		1,665,729	-	-	1,665,729	170,388
NET MOVEMENT IN FUNDS		1,800,471	-	-	1,800,471	502,688
RECONCILIATION OF FUNDS						
Total funds brought forward		12,973,596	-	633,650	13,607,246	13,104,558
TOTAL FUNDS CARRIED FORWARD		14,774,067	-	633,650	15,407,717	13,607,246

The notes form part of these financial statements

Vale of Rheidol Railway Limited

Consolidated Balance Sheet
31 December 2024

	Notes	Unrestricted fund	Restricted fund	Endowment fund	31.12.24 Total funds	31.12.23 Total funds
		£	£	£	£	£
FIXED ASSETS						
Tangible assets	14	5,598,804	-	-	5,598,804	13,272,816
Heritage assets	15	3,708,200	-	633,650	4,341,850	4,543,792
Investments	16	-	-	-	-	69,935
Investment property	16	4,632,147	-	-	4,632,147	-
		13,939,151	-	633,650	14,572,801	17,886,543
CURRENT ASSETS						
Stocks	17	114,811	-	-	114,811	108,913
Debtors	18	441,710	-	-	441,710	220,947
Cash at bank and in hand	19	5,629,436	-	-	5,629,436	762,916
		6,185,957	-	-	6,185,957	1,092,776
CREDITORS						
Amounts falling due within one year	20	(108,832)	-	-	(108,832)	(121,451)
NET CURRENT ASSETS		6,077,125	-	-	6,077,125	971,325
TOTAL ASSETS LESS CURRENT LIABILITIES		20,016,276	-	633,650	20,649,926	18,857,868
CREDITORS						
Amounts falling due after more than one year	21	(5,242,209)	-	-	(5,242,209)	(5,250,622)
NET ASSETS		14,774,067	-	633,650	15,407,717	13,607,246
FUNDS	23					
Unrestricted funds					14,774,067	12,973,596
Endowment funds					633,650	633,650
TOTAL FUNDS					15,407,717	13,607,246

All the group's activities derive from continuing operations during the above two periods.

The notes form part of these financial statements

Vale of Rheidol Railway Limited

Charity Balance Sheet
31 December 2024

	Notes	Unrestricted fund	Restricted fund	Endowment fund	31.12.24 Total funds	31.12.23 Total funds
		£	£	£	£	£
FIXED ASSETS						
Tangible assets	14	5,598,804	-	-	5,598,804	13,272,816
Heritage assets	15	3,708,200	-	633,650	4,341,850	4,543,792
Investments	16	-	-	-	-	69,935
Investment property	16	4,632,147	-	-	4,632,147	-
Subsidiary investment	27	100	-	-	100	100
		13,939,251	-	633,650	14,572,901	17,886,643
CURRENT ASSETS						
Stocks	17	22,336	-	-	22,336	5,660
Debtors	18	623,589	-	-	623,589	534,278
Cash at bank and in hand	19	5,536,033	-	-	5,536,033	538,638
		6,181,958	-	-	6,181,958	1,078,576
CREDITORS						
Amounts falling due within one year	20	(104,933)	-	-	(104,933)	(107,351)
NET CURRENT ASSETS		6,077,025	-	-	6,077,025	971,225
TOTAL ASSETS LESS CURRENT LIABILITIES		20,016,276	-	633,650	20,649,926	18,857,868
CREDITORS						
Amounts falling due after more than one year	21	(5,242,209)	-	-	(5,242,209)	(5,250,622)
NET ASSETS		14,774,067	-	633,650	15,407,717	13,607,246
FUNDS	23					
Called up share capital					100	100
Unrestricted funds					14,773,967	12,973,496
Endowment funds					633,650	633,650
TOTAL FUNDS					15,407,717	13,607,246

The notes form part of these financial statements

Balance Sheet - continued
31 December 2024

The charitable parent company and its subsidiaries ('the group') is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2024.
The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.
The trustees acknowledge their responsibilities for

(a) ensuring that the group 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 group 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 group.

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

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 9th SEPT 2025 and were signed on its behalf by:

Patrick Keef - Chair

The notes form part of these financial statements

Vale of Rheidol Railway Limited

Consolidated Cash Flow Statement
for the Year Ended 31 December 2024

	Notes	31.12.24 £	31.12.23 £
Cash flows from operating activities			
Cash generated from operations	1	(7,700)	236,106
Net cash provided by operating activities		(7,700)	236,106
Cash flows from investing activities			
Purchase of tangible fixed assets		(535,297)	(593,140)
Purchase of heritage assets		(280)	(53,966)
Purchase of fixed asset investments		(2,338)	(3,388)
Sale of tangible fixed assets		5,269,109	218,587
Sale of heritage assets		12,204	12,065
Sale of fixed asset investments		73,546	-
Interest received		65,689	2,315
Net cash used in investing activities		4,882,633	(417,527)
Cash flows from financing activities			
Loan repayments in year		(8,413)	197,723
Capital repayments in year		-	298
Net cash provided by financing activities		(8,413)	198,021
Change in cash and cash equivalents in the reporting period		4,866,520	16,600
Cash and cash equivalents at the beginning of the reporting period		762,916	746,316
Cash and cash equivalents at the end of the reporting period		5,629,436	762,916

The notes form part of these financial statements

Notes to the Cash Flow Statement for the Year Ended 31 December 2024

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

	31.12.24	31.12.23
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	1,800,471	502,688
Adjustments for:		
Depreciation charges	163,799	56,745
Losses on investments	(1,273)	(2,088)
(Profit)/loss on disposal of fixed assets	(1,665,729)	(170,388)
Interest received	(65,689)	(2,315)
Increase in stocks	(5,899)	(10,909)
(Increase)/decrease in debtors	(220,761)	(299,825)
Decrease in creditors	(12,619)	162,198
Net cash provided by operations	(7,700)	236,106

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.24	Cash flow	At 31.12.24
	£	£	£
Net cash			
Cash at bank and in hand	762,916	4,866,520	5,629,436
	762,916	4,866,520	5,629,436
Debt			
Finance leases	-	-	-
Debts falling due after 1 year	(5,250,622)	8,413	(5,242,209)
	(5,250,622)	8,413	(5,242,209)
Total	(4,487,706)	4,874,933	387,227

The notes form part of these financial statements

1. ACCOUNTING POLICIES

The financial statements of the charitable company and its subsidiary, 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 2015)', 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, as modified by the revaluation of certain assets.

Preparation of consolidated financial statements

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 December 2024.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a surplus after tax for the financial year of £1,800,471 (2023: £502,688)

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries in the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measure initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the new fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Inter-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interest consists of the amount of those interests at the date of the original business combined and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributable to non-controlling interest even if this results in the non-controlling interest having a deficit balance.

Going Concern

The group's activities and future plans are set out in the Trustees Report. The Trustees have assessed the charity's ability to continue as a going concern taking into account the financial impacts of Covid-19. The Trustees have considered several factors in forming their conclusions as to whether the use of the going concern basis is appropriate in preparing these financial statements, including cash reserves, liquidity and anticipated demand for services.

The organisation has considerable financial resources together with the continued support of its ultimate parent, a charitable trust. As a consequence, the Trustees believe that the organisation is well placed to manage its business risks successfully.

continued...

The Trustees have a reasonable expectation that the group has adequate resources to continue operating successfully for the foreseeable future. For these reasons they continue to adopt the going concern basis of accounts preparation.

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. Deferred income represents monies received for periods in the future and consequently released to income during the relevant period.

Grants Receivable
Grants are recognised then the group has an entitlement to the funds and any conditions linked to the grant have been met. Where performance conditions are attached to the grant income is only recognised to the extent that the charity has provided the specified goods and services. Capital grants are recorded in the Statement of Financial Activities in the year of receipt.

Donations
Donations are accounted when received by the charity. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either these conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Investment income
Investment income is recognised at the time the investment income is receivable. Investment return of Fixed Asset Investment Bond Accumulation Funds is not shown as investment income but is reflected in the price of each unit and therefore reflected in the market value of the units at the year-end date.

Turnover is recorded net of any applicable VAT.

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
These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities
Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.

Support Costs
Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per Capita. Staff costs by time spend and other costs by their usage.

continued...

Governance costs
These include the costs attributable to the charities' compliance with constitutional and statutory requirements, including audit, strategic management and trustees expenses.

Tangible fixed assets
Individual fixed assets of any value are initially recorded as cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Work completed in the restoration of assets is funded by surpluses from the Vale of Rheidol Railway Limited and grants from its ultimate parent, Phyllis Rampton Narrow Gauge Railway Trust.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset Class	Depreciation method and rate
Land and buildings	Buildings that are under considerable maintenance are not depreciated, others are at rates from 7 to 50years straight line basis.
Plant and machinery	10% or 20% or 25% straight line basis
Motor vehicles	20% straight line basis
Civil engineering and track	2% straight line basis on track only

Woodland is not subject to depreciation

Heritage assets
Owing to the unique nature of heritage assets, the cost of obtaining valuations would be onerous compared with the corresponding benefits to the charitable company and the users of the financial statements. The heritage assets are therefore shown at original cost and are not depreciated as the trustees are of the opinion that all heritage assets have an indefinite life. The objective of heritage assets is to display them in the proposed museum. As much documentation as to the provenance of heritage assets is obtained and retained by the charitable company. Access to the assets is carefully managed in order for preservation. The trustees review the list of heritage assets on an annual basis for impairment. Any impairment identified is recognised in the financial statements at the year end.

Fixed asset investments
Fixed asset investments, other than programme related investments, are included at the market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cot, and are charged or credited to the statement of Financial Activities un the period of disposal.

Unrealised gains and losses represent the movement in the market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at year end.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Current asset investments
Current asset investments represent funds invested in a term investment for a period of less than 12 months to maturity.

Financial instruments
The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

continued...

1. ACCOUNTING POLICIES - continued

Stocks
Stock is valued at the lower of cost and estimated selling price less cost to complete and sell, after due regard for obsolete and slow moving stock. Cost in determined using the first-in, first-out method (FIFO).

Taxation
The charity is considered to pass the tests set out in paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pension costs and other post-retirement benefits
The group 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.

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.

Endowment funds represent contributions and bequests where the contributor has noted that the monies should be kept as capital. The income has been used in accordance with the terms of the endowments and included in the statement of financial activities.

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

continued...

2. DONATIONS AND LEGACIES

	31.12.24	31.12.23
	£	£
Gifts	-	-
Donations	473,894	544,335
	473,894	544,335

3. OTHER TRADING ACTIVITIES

	31.12.24	31.12.23
	£	£
Rental income	4,156	5,302
Solar income	6,063	9,290
Surrey income	49,432	64,927
Management charge	10,200	10,200
Vale of Rheidol Trading Ltd	370,598	455,582
	440,449	545,301

4. INVESTMENT INCOME

	31.12.24	31.12.23
	£	£
Current asset investment income	65,689	2,315

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.12.24	31.12.23
		£	£
Train fares	Railway	817,226	694,317
Car park	Railway	31,051	11,912
Museum	Railway	14,456	-
Special events	Railway	67,655	-
Grants	Railway	149,445	399,249
		1,079,833	1,105,478

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

	31.12.24	31.12.24
	£	£
Visit Wales Grant	-	194,249
Railway Heritage Trust	-	105,000
Coastal Community Grant	-	100,000
Phyllis Rampton Narrow Gauge Railway Trust	149,445	-
	149,445	399,249

continued...

6. RAISING FUNDS

	31.12.24	31.12.23
	£	£
Portfolio management	259	519
Vale of Rheidol Trading Ltd	287,990	284,029
	288,249	284,548

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 8)	Totals
	£	£	£
Railway	837,336	805,686	1,643,022

Direct Costs

		31.12.24	31.12.23
		£	£
Train/building/track costs	Railway	485,555	437,878
Maintenance	Railway	43,637	43,285
Fuel	Railway	58,010	133,509
Wages	Railway	250,134	219,609
		837,336	834,281

8. SUPPORT COSTS

	Management	Governance costs	31.12.24 Totals
	£	£	£
Wages	198,918	-	198,918
Depreciation & impairment	185,019	-	185,019
Bank charges	15,201	-	15,201
General expenses	182,911	-	182,911
Heat & light	24,309	-	24,309
Insurance	77,285	-	77,285
Legal & prof	101,148	-	101,148
Audit & accountancy	-	13,125	13,125
Professional fees	-	2,699	2,699
Trustee meetings	-	5,072	5,072
	784,790	20,896	805,686

	Management	Governance costs	31.12.23 Totals
	£	£	£
Wages	145,388	-	145,388
Depreciation	56,745	-	56,745
Bank charges	14,451	-	14,451
General expenses	385,419	-	385,419
Heat & Light	23,551	-	23,551
Insurance	74,093	-	74,093
Audit & accountancy	-	12,500	12,500
Professional fees	-	29,793	29,793
Trustee meetings	-	2,786	2,786
	699,647	45,079	744,726

Included within governance costs is auditors' fee amounting to £8,750 for the charitable parent company (2023: £8,333)

continued...

9. NET INCOME/(EXPENDITURE)

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

	31.12.24	31.12.23
	£	£
Auditors' fee	11,340	10,800
Auditors' fee for non audit work	5,670	5,400
Depreciation - owned assets	163,799	56,745
Surplus/(deficit) on disposal of fixed assets	(1,665,729)	(170,388)

10. TRUSTEES' REMUNERATION AND BENEFITS

During the year the group made the following transactions with trustees:

Mr L AP Lolo received remuneration of £77,400 (2023: £71,000) during the year.

The charity made employer pension contributions on behalf of Mr L AP Lolo amounting to £1,321 (2023: £1,321)

The remuneration was agreed at board level and approval obtained by the Charity Commission. Remuneration was paid by the Vale of Rheidol Railway Ltd.

No trustees have received any other benefits from the charity during the year.

During the year, Mr Llyr Ap Lolo received remuneration of £35,000 (net of VAT) for work done in relation to the sale of properties connected with the Estate of Peter Rampton. Payment in respect of these services are considered outside the scope of ordinary duties as an employee and trustee, and paid for by the Vale of Rheidol Railway Ltd.

Trustees' expenses

Four trustees received travel expenses of £2,657 for the year ended 31 December 2024 (2023: £591)

11. STAFF COSTS

	31.12.24	31.12.23
	£	£
Wages and salaries	885,086	795,515
Social security costs	70,518	54,684
Employers Pension	17,314	15,198
	972,918	865,397

Staff Categories

The number of staff employed by the charity during the year was as follows:	31.12.24	31.12.23
Operation of the railway	31	33
Administration and support	4	5
	35	37

The number of employees whose emoluments fell within the following bands was:

	31.12.24	31.12.23
£70,001-80,000	1	1

continued...

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted fund	Endowment fund	Total funds
	£	£	£	£
INCOME AND ENDOWMENTS FROM				
Donations and legacies	544,335	-	-	544,335
Charitable activities				
Railway	1,105,478	-	-	1,105,478
Other trading activities	545,301	-	-	545,301
Investment income	2,315	-	-	2,315
Other income	3,875	-	-	3,875
Total	2,201,304	-	-	2,201,304
EXPENDITURE ON				
Raising Funds	284,548	-	-	284,548
Charitable activities				
Railway	1,586,544	-	-	1,586,544
Total	1,871,092	-	-	1,871,092
Net gain on investments	2,088	-	-	2,088
NET INCOME	332,300	-	-	332,300
Other gain on fixed assets	170,388	-	-	170,388
Net movement in funds	502,688	-	-	502,688
RECONCILIATION OF FUNDS				
Total funds brought forward	12,470,908	-	633,650	13,104,558
TOTAL FUNDS CARRIED FORWARD	12,973,596	-	633,650	13,607,246

continued...

13. PRIOR YEAR ADJUSTMENT

There were no prior year adjustment in relation to the year ended 31 December 2023.

14. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 January 2024	13,018,398	1,323,572	9,800	14,351,770
Additions	520,923	14,374	-	535,297
Reclassification from heritage	190,018			190,018
Disposals	(3,594,365)	(21,305)	-	(3,615,670)
Reclassified as investment property	(4,632,147)	-	-	(4,632,147)
At 31 December 2024	5,502,827	1,316,641	9,800	6,829,268
DEPRECIATION				
At 1 January 2024	263,326	813,669	1,960	1,078,955
Charge for year	107,981	53,858	1,960	163,799
Elim on disposal		(12,290)		(12,290)
At 31 December 2024	371,307	855,237	3,920	1,230,464
NET BOOK VALUE				
At 31 December 2024	5,131,520	461,404	5,880	5,598,804
At 31 December 2023	12,755,073	509,903	7,840	13,272,816

15. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 January 2024	4,543,792
Additions	280
Disposals	(12,204)
Reclassified as freehold	(190,018)
At 31 December 2024	4,341,850
NET BOOK VALUE	
At 31 December 2024	4,341,850
At 31 December 2023	4,543,792

Heritage assets are all held by Vale of Rheidol Railway Ltd.

continued...

16. FIXED ASSET INVESTMENTS

	Listed investments £	Investment Property £	Totals £
MARKET VALUE			
At 1 January 2024	69,935	-	69,935
Additions	2,338	-	2,338
Reclassified from freehold	-	4,632,147	4,632,147
Sales proceeds	(73,546)	-	(73,546)
Revaluation movement	1,273	-	1,273
At 31 December 2024	-	4,632,147	4,632,147
NET BOOK VALUE			
At 31 December 2024	-	4,632,147	4,632,147
At 31 December 2023	69,935	-	69,935

The charity has investments in Evelyn and Ruffer representing Nil (2023: 80%) and Nil (2023: 20%) respectively of the total investment portfolio.

Fixed asset investments have been recognised at their market value as at the balance sheet date. The investments have been revalued and any gain or loss in their value has been recognised in the Statement of Financial Activities.

The cost of the investments is as follows:

	2024 £	2023 £
Historical cost of investments as at 31 December	-	65,023

There were no investment assets outside the UK.

Listed investments were valued on an open market basis on 31 December 2024 by the London Stock Exchange.

All listed investments and investment property is owned by Vale of Rheidol Railway Ltd.

17. STOCKS

	31.12.24 £ Group	1.12.23 £ Group	31.12.24 £ Charity	31.12.23 £ Charity
Stock	114,811	108,913	22,336	5,660

continued...

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24 £ Group	31.12.23 £ Group	31.12.24 £ Charity	31.12.23 £ Charity
Trade Debtors	111,165	111,798	83,244	1,098
Other Debtors	200,000	-	200,000	-
Amounts owed by group undertakings	-	-	327,951	499,085
VAT	6,560	16,764	11,944	33,645
Prepayments	450	450	450	450
WIP	123,535	91,935	-	-
	441,710	220,947	623,589	534,278

19. CASH AT BANK AND IN HAND

	31.12.24 £ Group	31.12.23 £ Group	31.12.24 £ Charity	31.12.23 £ Charity
Cash on hand	6,978	5,207	6,978	5,207
Cash at bank	5,622,458	752,861	5,529,055	528,583
Cash per investment portfolio	-	4,848	-	4,848
	5,629,436	762,916	5,536,033	538,638

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24 £ Group	31.12.23 £ Group	31.12.24 £ Charity	31.12.23 £ Charity
Trade creditors	2,320	28,256	2,306	17,857
Social security and other creditors	89,502	76,995	89,502	76,994
Accrued expenses	17,010	16,200	13,125	12,500
	108,832	121,451	104,933	107,351

continued...

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

	31.12.24	31.12.23
	£	£
Loans (see note 22)	5,242,209	5,250,622

22. LOANS

	31.12.24	31.12.23	31.12.24	31.12.23
	£	£	£	£
	Group	Group	Charity	Charity
Other Loans falling due after 1 year	5,242,209	5,250,622	5,242,209	5,250,622

Other loans represent an amount due to the immediate parent company. There is currently no requirement to repay this outstanding amount.

23. MOVEMENT IN FUNDS

	At 1.1.24	Prior year adjustment	Net movement in funds	At 31.12.24
	£	£	£	£
Unrestricted funds				
General fund	12,973,596	-	1,800,471	14,774,067
Endowment funds				
Endowment fund	633,650	-	-	633,650
TOTAL FUNDS	13,607,246	-	1,800,471	15,407,717

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	2,064,740	(1,931,271)	1,667,002	1,800,471
TOTAL FUNDS	2,064,740	(1,931,271)	1,667,002	1,800,471

continued...

23. 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	12,470,907	502,688	-	12,973,596
Restricted funds				
Restricted fund	-	-	-	-
Endowment funds				
Endowment fund	633,650	-	-	633,650
TOTAL FUNDS	13,104,558	502,688	-	13,607,246

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	2,371,692	(1,871,092)	2,088	502,688
TOTAL FUNDS	2,371,692	(1,871,092)	2,088	502,688

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

	At 1.1.23 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.12.24 £
Unrestricted funds					
General fund	12,470,908	-	2,303,159	-	14,774,067
Restricted funds					
Restricted fund	-	-	-	-	-
Endowment funds					
Endowment fund	633,650	-	-	-	633,650
TOTAL FUNDS	13,104,558	-	2,303,159	-	15,407,717

continued...

23. 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	4,436,432	(3,802,363)	1,669,090	2,303,159
TOTAL FUNDS	4,436,432	(3,802,363)	1,669,090	2,303,159

24. ULTIMATE PARENT COMPANY

The company's immediate parent is Phyllis Rampton Narrow Gauge Railway Trust, Charity no. 292240. Registered office address: Vale of Rheidol Railway, Park Avenue, Aberystwyth, Ceredigion, SY23 1PG.

These financial statements are available upon request from the registered office or the Charity Commission.

25. RELATED PARTY DISCLOSURES

During the financial year the wife of one of the trustees was paid a remuneration of £400 (2023: Nil) to attend trustee meetings, record detailed notes and write the minutes of every meeting to be circulated to all trustees. The specific remuneration was agreed by the board of trustees and is considered a fair and reasonable amount in respect of the time and travel commitment.
Note 10 refers in detail to the additional remuneration received by Mr Llyr ap Iolo in respect of additional work undertaken outside of his role as an employee and trustee.

26. FUNDS

The endowment fund relates to assets from British Rail at 1st April 1989.

27. SUBSIDIARY UNDERTAKINGS

The Charity holds the entire issued share capital of 100 Ordinary shares of £1 each in Vale of Rheidol Trading Limited, a company incorporated in England and Wales, Company number 09146470. Registered office: Park Avenue, Aberystwyth, Ceredigion, SY23 1PG. The company carries out trading activities with the purpose of raising money for donation to the charity.

Summary profit and loss account:	Year Ended 31.12.24 £	Year Ended 31.12.23 £
Income	370,598	455,582
Cost of sales	(370,598)	(455,582)
Profit for the financial period	-	-
The assets and liabilities of the subsidiary were:		
Current assets	337,333	530,166
Creditors	(337,233)	(530,066)
Aggregate share capital and reserves	100	100

VALE OF RHEIDOL RAILWAY LIMITED

England & Wales - Charity number 1076037

Accounts

REGISTERED COMPANY NUMBER: 02188631 (England and Wales)
REGISTERED CHARITY NUMBER: 1076037

Financial Statements

for the Year Ended 31 December 2023

for

Vale of Rheidol Railway Limited

Ashmole & Co
9 Broad Street
Llandovery
Carmarthenshire
SA20 0AR

Vale of Rheidol Railway Limited

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for the Year Ended 31 December 2023

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Vale of Rheidol Railway Limited

Report of the Trustees
for the Year Ended 31 December 2023

The trustees who are also directors of the charitable parent company for the purposes of the Companies Act 2006, present their report with the financial statements of the charitable parent company and its subsidiary (the 'group') for the year ended 31 December 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Vale of Rheidol Railway Limited

Report of the Trustees
for the Year Ended 31 December 2023

OBJECTIVES AND ACTIVITIES

The Charity's main objectives are :

"To advance the education of the public and to promote research (including the publication of the useful results of such research) in matters concerning narrow gauge railways including but not limited to the narrow gauge railway in the county of Ceredigion which extends from Aberystwyth to Devil's Bridge and is known as the Vale of Rheidol Railway and of other railways or tramways which are or may be worked or operated in conjunction therewith and matters concerning the history, buildings, tramways, rolling stock, machinery and equipment, the historical operation, the restoration and current operation of the Vale of Rheidol Railway".

The above objectives include a minor amendment to the main objects of the Charity made in 2023 with Charity Commission approval enabling the Charity to advance the education of the public in narrow-gauge railways in a geographical area wider than the County of Ceredigion.

The achievement of the objectives will further the Charity's purposes by ensuring future community interest in the railway. By growing the presence and increasing visitor numbers the Charity is able to educate as many members of the public as possible in the narrow-gauge railway.

All Trustees and senior persons remain focused on the objectives of the Charity.

Objectives, strategies and activities

The charitable company's principal activity is the provision of a working museum by the operation of a narrow-gauge railway line together with associated station and maintenance facilities between Aberystwyth and Devil's Bridge in the county of Ceredigion.

In 2023 the railway carried 41,918 passengers (passenger numbers in 2022 were 44,386). Its open months for carrying passengers are March through to November with trains running every day and four trains a day in the high season.

The Charity continues its programme of maintenance and renovation of locomotives and carriages operating on the route and in 2023 this included the following carried out in the Aberystwyth workshop:

* The completion of the renovation of a second First Class Carriage No 11 which was put into passenger carrying service. This has enabled every passenger train to have the option of a first-class carriage which has been fully booked on many trains.
* The suspension in both First Class carriages (No 11 and 12) has also been improved.
* Carriage No 4 has been in the workshop for a complete overhaul and will re-enter service for passengers in 2024.
* The frames of Carriage No 16 have been blasted and steelwork renewed. The plan is to use the chassis to build a replica heritage carriage based on the original 1902 design.
* Locomotive No 7 has been repainted in Great Western Railway livery as seen in the 1940s and 1950s.
* Locomotive No 8 has been repainted in British Railways black.
* The paint workshop completed the painting set of seven carriages now carrying the British Railways 'blood and custard' livery of the1950s.

The Charity will further advance the education of the public with a new narrow gauge railway museum in the Great Western Railway shed at Aberystwyth. The official opening of the new museum is scheduled for Spring 2024 where it will be open daily exhibiting part of the Charity's locomotive and rolling stock collection. The museum opened for two preview days with free entry in the October half term holiday and attracted 300 visitors.

The Charity purchased a Ford Model T car adapted to run on a narrow-gauge railway, a replica of a line inspection vehicle which operated on the Maine 2 railway system in the USA. This will be displayed in the new museum.
A new signal box for Aberystwyth was constructed in January 2023 similar to the old signal box at the old Smithfield level crossing.

A new Booking Office building opened in March 2023 housing a new booking hall, new shop, offices and a staff room. Externally matching the brickwork on our workshop building, it features period railway features inside and out.

Three new books were commissioned in the year: a new guidebook for the Vale of Rheidol Railway, ready for the 2025 season. A new book about "Collection X" the railway museum's collection (which will include all items inherited by the Charity from the estate of Peter Rampton), aiming to be on sale Christmas 2024, and a new history book for the railway aiming to be on sale Christmas 2025.

A group of photographers have continued their annual hire of a photographic charter train on the railway to enable heritage photographs of the railway to be taken in unusual and normally inaccessible locations.

Restoration work of narrow-gauge heritage locomotives and carriages has continued in the Charity's Surrey workshop. In August 2023 the Dick Kerr locomotive arrived from Surrey for display in the new museum. The restoration of a narrow-gauge Isle of Man Composite carriage F68 is due to be completed and delivered for display in the new museum in spring 2024. Work continues on restoration of the Ruston Proctor paraffin locomotive.

The Charity proposes to extend its storage facilities at Capel Bangor Station in Aberystwyth so that the collection of narrow-gauge locomotives and carriages inherited from the estate of Peter Rampton can be brought up to Aberystwyth from Surrey. The Charity intends to commence a program of restoration work so that these can be displayed in the museum or operate on the Vale of Rheidol Railway route for passengers. Some exhibits will be carefully prepared for display in their preserved condition, others restored to full working order.

The Charity continued its 1 mile a year target of re-sleepering work on the track, which will continue for the next five years to keep the railway track work in good and safe working order.

Negotiation and legalities continues with the Brecon Mountain Railway Co preparing for the purchase of the assets and bringing the operation under the umbrella of the Charity. It is hoped to conclude the process sometime in 2024.

Public benefit
The Vale of Rheidol Railway operates to demonstrate the operation of a Victorian narrow-gauge railway for the benefit of the public.

The railway is open to all members of the public. The public can benefit from and see the preserved locomotives and rolling stock in operation. Various fare concessions are also available including discounts for children and large groups and both single and return journeys are available.

Accessible toilets facilities are in both Aberystwyth and Devil's Bridge. All trains have accessible areas, with one accessible open carriage with ramp access and a larger wheelchair bay and one First/Guard carriage has an enclosed larger wheel chair bay with ramp access on each train.

Dogs are welcome to travel with passengers in third class for a small charge as are guide dogs in first class and third class for a small charge.

The public will further benefit from the opening of the new narrow-gauge railway museum in the Great Western Railway locomotive shed in Aberystwyth - official opening scheduled to be Spring 2024.

The Trustees confirm that they have complied with the requirements of section 17 Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Social investments
The Charity invests in staff training to ensure vital in the running of the railway and restoration of heritage engines and carriages are not lost. In 2023 it had a monthly average of 37 employees.

All employees benefit from internal training in their roles as well as external job specific skills training as required, a large number are trained first aiders with Defibrillators now on all station sites and trains. Recent examples of training are manual handling, working at heights, chain sawing, spraying and digital marketing.

OBJECTIVES AND ACTIVITIES

Volunteers

The Charity uses volunteers where practicable and has seen great success in providing volunteers with roles which provide a sense of achievement and fulfilment.

Volunteers have been very active with gardening activities at Aberystwyth station as well as other garden areas up the line. 19 benches from the stations and halts were taken to Capel Bangor for painting in the winter.

Apprenticeships

There are a number of apprentices working at the charity which is something that is hoped to continue and grow in the future.

Apprentices learn skills in engineering and restoration of heritage engines and carriages in the Charity's workshop in Aberystwyth, as well as guarding and firing on operating trains.

The Charity currently has 2 engineering apprentices recruited in September 2023 on a 3 year program, the last wave of apprentices completed their courses in June 2023.

Out of the 15 apprentices recruited between 2012 and 2023, we have 2 current apprentices and 6 have been retained and work full time at the railway. 5 others had been retained but have since in time moved on to pastures new.

ACHIEVEMENT AND PERFORMANCE

Key non-financial performance indicators

Success is measured in passenger numbers, as if these continue to grow the Charity can clearly display that it is reaching more people to further its objectives.

FINANCIAL REVIEW

Investment policy

The trustees' investment powers are governed by the Memorandum and Articles of Association.

Financial risk management

The board of trustees has overall responsibility to review the significant risks to which the group is exposed and set up systems to alleviate such risks.

Principal funding sources

The Charity is principally funded by train fares and public donations to the railway and associated Gift Aid that can be claimed from this. It is also funded by various grants as and when these can be applied for and awarded. The Charity is also supported by its parent charity entity the Phyllis Rampton Narrow Gauge Railway Trust.

Grants

The Charity continues to apply for all grants to which it could be entitled to ensure it remains well funded and can continue to work towards its objectives.

In 2023 the Charity received a grant of £194,249 from Visit Wales, the final payment for the Wales to the World project and £105,000 from the Railway Heritage Trust for the assembly/erection of the South Eastern Railway Tooley Street offices portico as a new entrance to the museum hall.

The Charity has been supported by the Phyllis Rampton Narrow Gauge Railway Trust (the Charity's parent entity) particularly in funding restoration work on engines and carriages.

Legacy
Peter John Rampton, the founder of the Phyllis Rampton Narrow Gauge Railway Trust (the charity's immediate parent) died on 3 July 2019. Some of the assets inherited from his estate as shown on the group's Balance Sheet will be sold to generate funds to be reinvested to achieve the group's charitable objectives. There are also a number of heritage assets which the group plans to place in the new Museum and aims to restore others for the Museum and/or for operation of the railway.

Reserves policy
The Charity's main activity is the operation of a narrow-gauge steam railway. The railway is a working museum which charges fares to passengers in order to maintain its income.

The operating costs consist of train running costs, wages, and the maintenance of track, locomotives, rolling stock and buildings.

The cost structure of setting up, financing and operating a railway are of such magnitude that it is anticipated that the railway will always be able to spend more money on running costs, maintenance, improvement and development, than it can reasonably be expected to raise from fares, donation and other sundry income.

At the present time the trustees do not therefore expect to generate long-term or medium-term reserves. Any reserves which may be generated during a financial period are expected to be attributed to a future maintenance or development project.

As at 31 December 2023 total funds amounted to £13,607,246 (2022 restated: £13,104,558).
There were no restricted funds as at the year ended 31 December 2023 nor 31 December 2022.
Total endowment fund amounted to £633,650 as at the year ended 31 December 2023 and 31 December 2022.
Total free reserves as at 31 December 2023 amounted to £971,325 (2022: £806,487)

Going concern
The Trustees are of the opinion that the charitable company is a going concern.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Vale of Rheidol Railway Limited is a charitable company limited by shares incorporated on 4 November 1987. The charitable company was established under a Memorandum of Association which set out the objects and power of the Charity and is governed under its Articles of Association.

Induction and training of new trustees

All the Trustees of the Charity are Directors for the purposes of company law. There is no limit on how long the Trustees are allowed to serve. The Charity seeks to recruit new trustees with the aim of ensuring that the balance of skills and experience held by the Board of Trustees is maintained and relevant to the objectives of the Charity.
Patrick Keef was appointed an additional Trustee during the year and brings further engineering expertise to the Board.

Induction and training of Trustees

Prior to their appointment, prospective trustees are provided with copies of the main documents relating to the Charity which set out the operation framework of the Charity including the Memorandum and Articles, the financial position and controls as set out in the latest financial statements.
Prospective new trustees are invited to attend a number of Board meetings of the Trustees and of the Charity's parent entity where they have an opportunity to discuss the operation of the Charity and future plans and objectives can be explained to them. Prospective trustees are also provided with copies of the Charity Commissions Guidance - "The essential trustee what you need to know, what you need to do" and "Charity Trustee: what's involved".
Prior to their formal appointment prospective new trustees are also required to complete the Charity Commission's Trustee Eligibility Declaration and HMRC's Fit and Proper Person Declaration.

Management

The day to day running of the group is delegated to Llyr ap Iolo. However, the ultimate responsibility and decision-making lies with the Board of Trustees.

The Board of Trustees has met at regular intervals throughout 2023 to monitor the activities of the Charity and ensure its objectives are achieved.

Arrangements for setting remuneration of key personnel

There is one remunerated Trustee, Llyr ap Iolo, which the Charity Commission consented to, and who is excluded from Board Meetings reviewing his remuneration.

Subsidiary undertaking

The Charity holds the entire issued share capital of 100 Ordinary shares of £1 each in Vale of Rheidol Trading Limited, a company incorporated in England and Wales, Company Number 09146470. Registered office: Park Avenue, Aberystwyth, Ceredigion, SY23 1PG. The company carries out trading activities with the purpose of raising money for donation to the charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
02188631 (England and Wales)

Registered Charity number
1076037

Registered office
Park Avenue
Aberystwyth
Ceredigion
SY23 1PG

Trustees
L Ap Iolo
P J N Ellis
Dr C R Higgs
P M Keef (appointed 28.7.23)
S Langer

Auditors
Ashmole & Co
9 Broad Street
Llandovery
Carmarthenshire
SA20 0AR

Bankers
Royal Bank of Scotland
10 North Street
Guildford
GU1 4AQ

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

Solicitors
Stevens & Bolton LLP
Wey House
Farnham Road
Guildford
Surrey
GU1 4YD

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

In so far as the trustees are aware:

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

AUDITORS

The auditors, Ashmole & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on .....26/9/24..... and signed on its behalf by:

.....
L Ap Iolo - Trustee

Report of the Independent Auditors to the Trustees of Vale of Rheidol Railway Limited

Opinion

We have audited the financial statements of Vale of Rheidol Railway Limited (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 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 group's affairs as at 31 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 group 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 group'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.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the group has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of Vale of Rheidol Railway Limited

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable parent 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 parent 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 parent company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 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:

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

- nature of the charity and the sector in which it operates.
- the legal and regulatory framework in which the charity operates, and in particular those laws and regulations that directly affect the financial statements or have a fundamental effect on operations eg Charities Act 2011, health and safety legislation.
- results of enquiries of management and those charged with governance
- any matters identified relating to
- the charity's policies and procedures for identifying, evaluating and complying with laws and regulations, and whether there were any known instances of non compliance.
- detecting and responding to the risks of fraud and whether there is any knowledge of actual, suspected or alleged fraud.
- the internal controls established to mitigate risks of fraud or non compliance with laws and regulations.

As a result of performing the above, we did not identify any key audit matters related to potential risk of fraud or non compliance with laws and regulations.

In addition to the above, our procedures included:
- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations
- enquires of management and those charged with governance concerning actual and potential litigation and claims
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud
- review of minutes of committee meetings
- written representations

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 Trustees of
Vale of Rheidol Railway Limited

Use of our report

This report is made solely to the group'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 group's trustees 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 group and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Ashmole & Co

Ashmole & Co
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
9 Broad Street
Llandovery
Carmarthenshire
SA20 0AR

Date: 26/09/2024

Vale of Rheidol Railway Limited

Consolidated Statement of Financial Activities for the Year Ended 31 December 2023

	Notes	Unrestricted fund £	Restricted fund £	Endowment fund £	31.12.23 Total funds £	31.12.22 Total funds as restated £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	544,335	-	-	544,335	10,034,859
Charitable activities	5					
Railway		1,105,478	-	-	1,105,478	751,682
Other trading activities	3	545,301	-	-	545,301	564,702
Investment income	4	2,315	-	-	2,315	16,526
Other income		174,263	-	-	174,263	3,367
Total		2,371,692	-	-	2,371,692	11,371,136
EXPENDITURE ON						
Raising funds	6	519	-	-	519	-
Charitable activities	7					
Railway		1,586,544	-	-	1,586,544	1,456,325
Trading		284,029			284,029	234,856
Total		1,871,092	-	-	1,871,092	1,691,181
Net gains on investments		2,088	-	-	2,088	-
NET INCOME		502,688	-	-	502,688	9,679,955
RECONCILIATION OF FUNDS						
Total funds brought forward						
As previously reported		12,620,547	-	633,650	13,254,197	3,424,603
Prior year adjustment	13	(149,639)	-	-	(149,639)	-
As restated		12,470,908	-	633,650	13,104,558	3,424,603
TOTAL FUNDS CARRIED FORWARD		12,973,596	-	633,650	13,607,246	13,104,558

The notes form part of these financial statements

Vale of Rheidol Railway Limited

Consolidated Balance Sheet
31 December 2023

	Notes	Unrestricted fund	Restricted fund	Endowment fund	31.12.23 Total funds	31.12.22 Total funds as restated
		£	£	£	£	£
FIXED ASSETS						
Tangible assets	14	13,272,816	-	-	13,272,816	12,784,620
Heritage assets	15	3,910,142	-	633,650	4,543,792	4,501,891
Investments	16	69,935	-	-	69,935	64,459
		17,252,893	-	633,650	17,886,543	17,350,970
CURRENT ASSETS						
Stocks	17	108,913	-	-	108,913	98,004
Debtors	18	220,947	-	-	220,947	101,568
Cash at bank and in hand	19	762,916	-	-	762,916	746,317
		1,092,776	-	-	1,092,776	945,889
CREDITORS						
Amounts falling due within one year	20	(121,451)	-	-	(121,451)	(139,402)
NET CURRENT ASSETS		971,325	-	-	971,325	806,487
TOTAL ASSETS LESS CURRENT LIABILITIES		18,224,218	-	633,650	18,857,868	18,157,457
CREDITORS						
Amounts falling due after more than one year	21	(5,250,622)	-	-	(5,250,622)	(5,052,899)
NET ASSETS		12,973,596	-	633,650	13,607,246	13,104,558
FUNDS	24					
Unrestricted funds					12,973,596	12,470,908
Endowment funds					633,650	633,650
TOTAL FUNDS					13,607,246	13,104,558

All the group's activities derive from continuing operations during the above two periods.

The notes form part of these financial statements

Vale of Rheidol Railway Limited

Charity Balance Sheet
31 December 2023

	Notes	Unrestricted fund	Restricted fund	Endowment fund	31.12.23 Total funds	31.12.22 Total funds as restated
		£	£	£	£	£
FIXED ASSETS						
Tangible assets	14	13,272,816	-	-	13,272,816	12,784,620
Heritage assets	15	3,910,142	-	633,650	4,543,792	4,501,891
Investments	16	70,035	-	-	70,035	64,559
		17,252,993	-	633,650	17,886,643	17,351,070
CURRENT ASSETS						
Stocks	17	5,660	-	-	5,660	5,660
Debtors	18	534,278	-	-	534,278	381,131
Cash at bank and in hand	19	538,638	-	-	538,638	551,874
		1,078,576	-	-	1,078,576	938,665
CREDITORS						
Amounts falling due within one year	20	(107,351)	-	-	(107,351)	(132,278)
NET CURRENT ASSETS		971,225	-	-	971,225	806,487
TOTAL ASSETS LESS CURRENT LIABILITIES		18,224,218	-	633,650	18,857,868	18,157,457
CREDITORS						
Amounts falling due after more than one year	21	(5,250,622)	-	-	(5,250,622)	(5,052,899)
NET ASSETS		12,973,596	-	633,650	13,607,246	13,104,558
FUNDS	24					
Called up share capital					100	100
Unrestricted funds					12,973,496	12,470,808
Endowment funds					633,650	633,650
TOTAL FUNDS					13,607,246	13,104,558

The charitable parent company and its subsidiaries ('the group') is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2023.
The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.
The trustees acknowledge their responsibilities for

(a) ensuring that the group 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 group 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 group.

The notes form part of these financial statements

Balance Sheet - continued
31 December 2023

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

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 ..... 26/9/24 ..... and were signed on its behalf by:

.....
L Ap Iorwo - Trustee

The notes form part of these financial statements

Vale of Rheidol Railway Limited

Consolidated Cash Flow Statement
for the Year Ended 31 December 2023

	Notes	31.12.23 £	31.12.22 as restated £
Cash flows from operating activities			
Cash generated from operations	1	236,106	9,803,708
Net cash provided by operating activities		236,106	9,803,708
Cash flows from investing activities			
Purchase of tangible fixed assets		(593,140)	(8,999,337)
Purchase of heritage assets		(53,966)	(1,210,872)
Purchase of fixed asset investments		(3,388)	(13,340)
Sale of tangible fixed assets		218,587	117,833
Sale of heritage assets		12,065	7,049
Sale of fixed asset investments		-	2,082
Interest received		2,315	16,526
Net cash used in investing activities		(417,527)	(10,080,059)
Cash flows from financing activities			
Loan repayments in year		197,723	252,217
Capital repayments in year		298	(975)
Net cash provided by financing activities		198,021	251,242
Change in cash and cash equivalents in the reporting period		(16,600)	(25,109)
Cash and cash equivalents at the beginning of the reporting period		746,316	771,425
Cash and cash equivalents at the end of the reporting period		746,316	746,316

The notes form part of these financial statements

Notes to the Cash Flow Statement for the Year Ended 31 December 2023

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

	31.12.23	31.12.22 as restated
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	505,988	9,679,955
Adjustments for:		
Depreciation charges	56,745	55,973
Losses on investments	(2,088)	-
(Profit)/loss on disposal of fixed assets	(170,388)	16,450
Interest received	(2,315)	(16,526)
	-	3,692
Increase in stocks	(10,909)	(10,357)
(Increase)/decrease in debtors	(299,825)	(2,765)
Decrease in creditors	158,898	77,286
Net cash provided by operations	236,106	9,803,708

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.23	Cash flow	At 31.12.23
	£	£	£
Net cash			
Cash at bank and in hand	746,316	(16,600)	762,916
	746,316	(16,600)	762,916
Debt			
Finance leases	298	(298)	-
Debts falling due after 1 year	(5,052,899)	(197,723)	(5,250,622)
	(5,052,601)	(198,021)	(5,250,622)
Total	(4,306,285)	(181,241)	(4,487,706)

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Statement of compliance
The financial statements have been prepared in accordance with 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))(issues in October 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Basis of preparing the financial statements
Vale of Rheidol Railway Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Preparation of consolidated financial statements
The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 December 2023.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a profit after tax for the financial year of £502,688 (2022 restated: £9,679,955)

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries in the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measure initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the new fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Inter-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interest consists of the amount of those interests at the date of the original business combined and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributable to non-controlling interest even if this results in the non-controlling interest having a deficit balance.

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.

Grants Receivable
Grants are recognised then the group has an entitlement to the funds and any conditions linked to the grant have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

continued...

Gifts in kind
Gifts in kind are recognised in different ways dependent on how they are used by the charity.

(i)Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
(ii)Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
(iii)Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

Donations
Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either these conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities
Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.

Governance costs
These include the costs attributable to the charities' compliance with constitutional and statutory requirements, including audit, strategic management and trustees expenses.

Tangible fixed assets
Individual fixed assets of any value are initially recorded as cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Work completed in the restoration of assets is funded by surpluses from the Vale of Rheidol Railway Limited and loans from Phyllis Rampton Narrow Gauge Railway Trust.

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

Plant and machinery	- at variable rates
Motor vehicles	- 20% straight line basis

Heritage assets
Owing to the unique nature of heritage assets, the cost of obtaining valuations would be onerous compared with the corresponding benefits to the charitable company and the users of the financial statements. The heritage assets are therefore shown at original cost and are not depreciated. The objective of heritage assets is to display them in the proposed museum. As much documentation as to the provenance of heritage assets is obtained and retained by the charitable company. Access to the assets is carefully managed in order for preservation.

continued...

1. ACCOUNTING POLICIES - continued

Stocks
Stock is valued at the lower of cost and estimated selling price less cost to complete and sell, after due regard for obsolete and slow moving stock. Cost in determined using the first-in, first-out method (FIFO).

Taxation
the charity is considered to pass the tests set out in paragraph 1 Schedule 6 of the Finance Act 2010 and therefore is meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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.

Fixed asset investments
Fixed asset investments, other than programme related investments, are included at the market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cot, and are charged or credited to the statement of Financial Activities un the period of disposal.

Unrealised gains and losses represent the movement in the market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at year end.

Trade Debtors
Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established then there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings
Borrowings are classified as current liabilities unless the charity had an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

continued...

2. DONATIONS AND LEGACIES

	31.12.23	31.12.22 as restated
	£	£
Gifts	-	9,250,055
Donations	544,335	784,804
	544,335	10,034,859

3. OTHER TRADING ACTIVITIES

	31.12.23	31.12.22 as restated
	£	£
Rental income	5,302	5,292
Book income	-	(1,600)
Solar income	9,290	3,723
Surrey income	64,927	249,637
Management charge	10,200	10,200
Vale of Rheidol Trading Ltd	455,582	297,450
	545,301	564,702

4. INVESTMENT INCOME

	31.12.23	31.12.22 as restated
	£	£
Current asset investment income	2,315	16,526

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.12.23	31.12.22 as restated
		£	£
Train fares	Railway	694,317	751,682
Car park	Railway	11,912	-
Grants	Railway	399,249	-
		1,105,478	751,682

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

	31.12.23	31.12.22 as restated
	£	£
Visit Wales Grant	194,249	-
Railway Heritage Trust	105,000	-
Coastal Community Grant	100,000	-
	399,249	-

continued...

6. RAISING FUNDS

Investment management costs

	31.12.23	31.12.22 as restated
	£	£
Portfolio management	519	-

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 8)	Totals
	£	£	£
Railway	1,118,827	752,265	1,871,092

8. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Railway	707,186	45,079	752,265

Included within governance costs is auditors' fee amounting to £8,333 for the charitable parent company (2022: £6,656) and £2,467 for the subsidiary (2022: £3,388)

9. NET INCOME/(EXPENDITURE)

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

	31.12.23	31.12.22 as restated
	£	£
Auditors' fee	10,800	6,656
Auditors' fee for non audit work	5,400	3,388
Depreciation - owned assets	56,745	55,972
Surplus/(deficit) on disposal of fixed assets	(170,388)	16,450

10. TRUSTEES' REMUNERATION AND BENEFITS

During the year the group made the following transactions with trustees:

Mr L AP Lolo received remuneration of £71,000 (2022: £68,000) during the year.

The charity made employer pension contributions on behalf of Mr L AP Lolo amounting to £1,321 (2022: £1,321)

The remuneration was agreed at board level and approval obtained for the Charity Commission.

No trustees have received any other benefits from the charity during the year.

continued...

10. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

One trustee received travel expenses of £591 for the year ended 31 December 2023 (2022: Nil)

11. STAFF COSTS

	31.12.23	31.12.22
	£	£
Wages and salaries	795,515	795,066
Social security costs	54,684	61,519
Employers Pension	15,198	13,036
	865,397	869,621

Staff Categories

The number of staff employed by the charity during the year was as follows:	31.12.23	31.12.22
Operation of the railway	33	35
Administration and support	4	5
	37	40

The number of employees whose emoluments fell within the following bands was:

	31.12.23	31.12.22
£60,001-70,000	-	2
£70,001-80,000	1	-

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted fund	Endowment fund	Total funds as restated
	£	£	£	£
INCOME AND ENDOWMENTS FROM				
Donations and legacies	10,034,859	-	-	10,034,859
Charitable activities				
Railway	751,682	-	-	751,682
Other trading activities	564,702	-	-	564,702
Investment income	16,526	-	-	16,526
Other income	3,367	-	-	3,367
Total	11,371,136	-	-	11,371,136
EXPENDITURE ON				
Charitable activities				
Railway	1,691,181	-	-	1,691,181
NET INCOME	9,679,955	-	-	9,679,955

continued...

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund	Restricted fund	Endowment fund	Total funds as restated
	£	£	£	£
Transfers between funds	651,551	(651,551)	-	-
Net movement in funds	10,331,506	(651,551)	-	9,679,955
RECONCILIATION OF FUNDS				
Total funds brought forward	2,139,402	651,551	633,650	3,424,603
TOTAL FUNDS CARRIED FORWARD	12,470,908	-	633,650	13,104,558

13. PRIOR YEAR ADJUSTMENT

Prior year adjustment made for duplication errors on debtors for £149,639.

14. TANGIBLE FIXED ASSETS

	Freehold property	Plant and machinery	Motor vehicles	Totals
	£	£	£	£
COST				
At 1 January 2023	12,482,109	1,314,921	9,800	13,806,830
Additions	584,489	8,651	-	593,140
Disposals	(48,199)	-	-	(48,199)
At 31 December 2023	13,018,399	1,323,572	9,800	14,351,771
DEPRECIATION				
At 1 January 2023	263,326	758,884	-	1,022,210
Charge for year	-	54,785	1,960	56,745
At 31 December 2023	263,326	813,669	1,960	1,078,955
NET BOOK VALUE				
At 31 December 2023	12,755,073	509,903	7,840	13,272,816
At 31 December 2022	12,218,783	556,037	9,800	12,784,620

15. HERITAGE ASSETS

	Total
	£
MARKET VALUE	
At 1 January 2023	4,501,891
Additions	53,966
Disposals	(12,065)
At 31 December 2023	4,543,792
NET BOOK VALUE	
At 31 December 2023	4,543,792
At 31 December 2022	4,501,891

continued...

16. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2023	64,459
Additions	3,388
Revaluations	2,088
At 31 December 2023	69,935
NET BOOK VALUE	
At 31 December 2023	69,935
At 31 December 2022	64,459

There were no investment assets outside the UK.

Cost or valuation at 31 December 2023 is represented by:

	Listed investments £
Valuation in 2023	69,935

If listed investments had not been revalued they would have been included at the following historical cost:

	31.12.23 £	31.12.22 as restated £
Cost	65,023	61,635

Listed investments were valued on an open market basis on 3 December 2023 by the London Stock Exchange.

17. STOCKS

	31.12.23 £ Group	1.12.22 £ Group as restated	31.12.23 £ Charity	31.12.22 £ Charity as restated
Stock	108,913	98,004	5,660	5,660

continued...

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23 £ Group	31.12.22 £ Group as restated	31.12.23 £ Charity	31.12.22 £ Charity as restated
Trade Debtors	111,798	56,649	1,098	10,426
Amounts owed by group undertakings	-	-	499,085	328,000
VAT	16,764	34,736	33,645	42,255
Prepayments	450	450	450	450
Other Debtors (WIP)	91,935	9,733	-	-
	220,947	101,568	534,278	381,131

19. CASH AT BANK AND IN HAND

	31.12.23 £ Group	31.12.22 £ Group as restated	31.12.23 £ Charity	31.12.22 £ Charity as restated
Cash on hand	5,207	6,333	5,207	6,333
Cash at bank	752,861	733,545	528,583	539,102
Cash per investment portfolio	4,848	6,439	4,848	6,439
	762,916	746,317	538,638	551,874

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23 £ Group	31.12.22 £ Group as restated	31.12.23 £ Charity	31.12.22 £ Charity as restated
Hire Purchase	-	(298)	-	(298)
Trade creditors	28,256	45,553	17,857	44,724
Social security and other creditors	76,995	78,367	76,994	78,369
Accrued expenses	16,200	15,780	12,500	9,483
	121,451	139,402	107,351	132,278

continued...

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

	31.12.23	31.12.22 as restated
	£	£
Loans (see note 22)	5,250,622	5,052,899

22. LOANS

	31.12.23 £ Group	31.12.22 £ Group as restated	31.12.23 £ Charity	31.12.22 £ Charity as restated
Other Loans falling due after 1 year	5,250,622	5,052,899	5,250,622	5,052,899

Other loans represent an amount due to the immediate parent company. There is currently no requirement to repay this outstanding amount.

23. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	31.12.23	31.12.22 as restated
	£	£
Net obligations repayable:		
Within one year	-	(298)

24. MOVEMENT IN FUNDS

	At 1.1.23 £	Prior year adjustment £	Net movement in funds £	At 31.12.23 £
Unrestricted funds				
General fund	12,620,547	(149,639)	502,688	12,973,596
Endowment funds				
Endowment fund	633,650	-	-	633,650
TOTAL FUNDS	13,254,197	(149,639)	502,688	13,607,246

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	2,371,692	(1,871,092)	2,088	502,688
TOTAL FUNDS	2,371,692	(1,871,092)	2,088	502,688

continued...

24. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	2,139,402	9,679,955	651,551	12,470,908
Restricted funds				
Restricted fund	651,551	-	(651,551)	-
Endowment funds				
Endowment fund	633,650	-	-	633,650
TOTAL FUNDS	3,424,603	9,679,955	-	13,104,558

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	11,371,136	(1,691,181)	9,679,955
TOTAL FUNDS	11,371,136	(1,691,181)	9,679,955

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

	At 1.1.22 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds					
General fund	2,139,402	-	10,182,643	651,551	12,973,596
Restricted funds					
Restricted fund	651,551	-	-	(651,551)	-
Endowment funds					
Endowment fund	633,650	-	-	-	633,650
TOTAL FUNDS	3,424,603	-	10,182,643	-	13,607,246

continued...

24. 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	13,223,943	(3,043,388)	2,088	10,182,643
TOTAL FUNDS	13,223,943	(3,043,388)	2,088	10,182,643

25. ULTIMATE PARENT COMPANY

The company's immediate parent is Phyllis Rampton Narrow Gauge Railway Trust, Charity no. 292240. Registered office address: Vale of Rheidol Railway, Park Avenue, Aberystwyth, Ceredigion, SY23 1PG.

These financial statements are available upon request from the registered office or the Charity Commission.

26. RELATED PARTY DISCLOSURES

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

27. FUNDS

The endowment fund relates to assets from British Rail at 1st April 1989.

28. SUBSIDIARY UNDERTAKINGS

The Charity holds the entire issued share capital of 100 Ordinary shares of £1 each in Vale of Rheidol Trading Limited, a company incorporated in England and Wales, Company number 09146470. Registered office: Park Avenue, Aberystwyth, Ceredigion, SY23 1PG. The company carries out trading activities with the purpose of raising money for donation to the charity.

Summary profit and loss account:	Year Ended 31.12.23 £	Year Ended 31.12.22 £
Income	455,582	297,450
Cost of sales	(455,582)	(297,450)
Profit for the financial period	-	-
The assets and liabilities of the subsidiary were:		
Current assets	530,166	342,743
Creditors	(530,066)	(342,643)
Aggregate share capital and reserves	100	100

VALE OF RHEIDOL RAILWAY LIMITED

England & Wales - Charity number 1076037

Accounts

Company registration number: 02188631

Charity registration number: 1076037

Vale of Rheidol Railway Limited

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 December 2022

MMO Limited
Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

Vale of Rheidol Railway Limited

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Vale of Rheidol Railway Limited

Reference and Administrative Details

Trustees	Dr C R H Higgs Mr L A Iolo Mr C S Langer Mr P J N Ellis
Charity Registration Number	1076037
Company Registration Number	02188631
	The charity is incorporated in England .
Registered Office	Park Avenue Aberystwth Ceredigion SY23 1PG
Principal Office	Park Avenue Aberystwth Ceredigion SY23 1PG
Auditor	MMO Limited Wellesley House 204 London Road Waterlooville Hampshire PO7 7AN
Bankers	Royal Bank of Scotland Guildford 10 North Street Guildford GU1 4AQ Santander Customer Service Centre Bootle Merseyside L30 4GB CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

Vale of Rheidol Railway Limited

Strategic Report for the Year Ended 31 December 2022

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 December 2022, in compliance with s414C of the Companies Act 2006.

Achievements and performance

Key non-financial performance indicators

Success is measured in passenger numbers, as if these continue to grow the charity can clearly display that it is reaching more people to further its objectives.

Financial review

Policy on reserves

The charity's main activity is the operation of a narrow gauge steam railway. The railway is a working museum which charges fares to passengers in order to maintain its income. The operating costs consist of train running costs, wages, and the maintenance of track, locomotive, rolling stock and buildings.

The cost structure of setting up, financing and operating a railway are of such a magnitude that it is anticipated that the railway will always be able to spend more money in running, maintaining and improvement and development, than it can reasonably be expected to raise from fares, donations and other sundry income.

The trustees do not therefore expect to generate long term or medium term reserves. Any reserves which may be generated during a financial period are expected to be attributed to a future maintenance or development project.

Principal funding sources

The charity is principally funded by train fares and public donations to the railway and the associated Gift Aid that can be claimed from this. It is also funded by various grants as and when these can be applied for and awarded. The charity is also financially supported by its parent the Phyllis Rampton Narrow Gauge Railway Trust.

The strategic report was approved by the trustees of the charity on 10/10/2023 and signed on its behalf by:

.....
Mr L A Iolo
Trustee

Vale of Rheidol Railway Limited

Trustees' Report

Vale of Rheidol Railway Limited

Trustees Report

The Trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2022.

Objectives and activities

Objects and aims

The charitable company's activity is the provision of a working museum by the operation of a narrow-gauge railway line and associated station and maintenance facilities between Aberystwyth and Devils Bridge, Ceredigion.

The charity's main objectives are:

> The provision of a working museum by operating as a narrow-gauge railway line and associated stations between Aberystwyth and Devils Bridge, Ceredigion; including its associated station, workshop and museum assets.
>
> To advance the education of the public and to promote research (including the publication of the useful results of such research) in matters concerning narrow gauge railways and in particular the narrow gauge railway in the County of Ceredigion which extends from Aberystwyth to Devils Bridge and is known as the Vale of Rheidol Railway and of other railways or tramways, rolling stock, machinery and equipment, the historical operations, the restoration and the current operation of the Vale of Rheidol Railway.

The achievement of the objectives will further the charity's purposes by ensuring future community interest in the railway. By growing the presence and increasing visitor numbers the charity is able to educate as many members of the public as possible. All Trustees and senior persons within the charity remain focused on the objectives of the charity.

Objectives, strategies and activities

In 2022 the railway carried 44,386 passengers (passenger numbers in 2021 were 42,690 - a shorter season post covid).

In April 2022 a newly restored Great Western Railway first class carriage was launched for operation on the railway. The restoration took fourteen months work to complete. The restoration follows the period design of the 1930s with all joinery and marquetry crafted in house at the charity's workshop. Seats were also crafted in traditional materials and techniques with cloth specially woven to a Great Western Railway period design. Top light windows depict a period first class carriage. In 2022 this first class carriage was available to be booked by the public on two journey times on train running days. In April 2022 work commenced on the restoration of an additional Great Western Railway first class carriage.

The charity's Bayer-Garratt locomotive, purchased in 2021, worked its full season on passenger trains in 2022.

This year has seen the start of the redevelopment of the charity's Great Western Railway loco shed into a new Railway Museum and function space in Aberystwyth, anticipated to be completed for opening to the public in late 2023/Spring 2024.

In July 2022 the charity purchased a locomotive – Jung No 1261 of 1908 0-6-2WTT Graf Schwerin Lowitz. It is a valuable and important additions to the charity's collection and will be available for viewing by the public in the new Museum.

Public benefit

The Vale of Rheidol Railway operates to demonstrate the operation of a Victorian narrow-gauge railway for the benefit of the public.

The railway is open to all members of the public. The public can benefit from and see the preserved locomotives and rolling stock in operation. Various fare concessions are also available on the railway including discounts for children and large groups and both single and return journey fares are available.

Disabled toilets are available in both Aberystwyth and Devil's Bridge. One open carriage with ramp access and a larger bay on each tarin set facilities disabled access on all train journeys. The newly restored first-class carriage has one enclosed disabled space available.

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Social investment policies

The charity invests in staff training to ensure vital skills in the running of the railway and restoration of heritage engines and carriages are not lost.

Apprenticeships

There are a number of apprentices working at the charity which is something that is hoped to continue and grow in the future.

Apprentices learn skills in engineering and restoration of heritage engines and carriages in the charity's workshop in Aberystwyth, as well as guarding and firing on operating trains.

Two new engineering apprentices were recruited in September 2022 and out of the eleven apprentices recruited between 2012 and 2021 seven have been retained and employed full time in the workshop.

Grants

The charity applies for all grants to which it could be entitled to ensure it remains well funded and can continue to work towards its objectives.

The charity received grants from Visit Wales and the Coastal Community Fund as a contribution to the development of Aberystwyth station to include the Great Western Railway loco shed in Aberystwyth into a heritage Railway Museum and event space.

The charity has been supported by the Phyllis Rampton Narrow Gauge Railway Trust (the charity's parent entity) in restoration work on engines and carriages and in improving public access to the railway in Aberystwyth.

Trustees' Report

Legacy

Peter John Rampton, the founder of the Phyllis Rampton Narrow Gauge Railway Trust (the charity's parent entity), died on 3 July 2019. His sister Ann Archer generously donated part of his estate to the charity including a number of heritage engines and rolling stock which were received in 2022. The charity plans to place a number of these in the new Museum and aims to restore other for the Museum and/or for operation of the railway.

Use of volunteers

The charity encourages the use of volunteers where practicable and has seen great success in providing volunteers with roles which provide a sense of achievement and fulfilment.

Going concern

The Trustees are of the opinion that the charitable company is a going concern.

Trustees and Offices

The Trustees and officers serving during the year and since the year end were as follows:

Trustees:

Dr C R H Higgs

Mr L A Iolo

Mr C S Langer

Mr P J N Ellis

Mr P Keef (appointed 28 July 2023)

Structure, governance and management

Nature of governing document

The Vale of Rheidol Railway Limited is a charitable company incorporated on 4 November 1987. The charitable company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association.

Recruitment and appointment of Trustees

All the Trustees of the charity are directors for the purposes of company law. There is no time limit on how long the Trustees are allowed to serve. The charity seeks to recruit new Trustees with the aim of ensuring that the balance of skills and experience held by the board of Trustees is maintained and relevant to the objectives of the charity.

Induction and training of Trustees

All the Trustees undergo an induction programme when joining the charity. The subjects covered are the obligations of Trustees; the main documents which set out the operation framework for the charity including the Memorandum and Articles; the financial position and controls as set out in the latest financial statements; future plans and objectives. New Trustees have a meeting all existing Trustees and are provided with copies of the Charity Commission's Guidance – "The essential Trustee: what you need to know, what you need to do" and "Charity Trustee: what's involved". New trustees are also required to complete the Charity Commission's Trustee Eligibility Declaration and HMRC's Fit and Proper Person Declaration.

Arrangements for setting key management personnel remuneration

There is one remunerated Trustee, for which consent was obtain from the Charity Commission. Aside from the Chief Executive R Gambrill, no other key personnel are remunerated by the charitable company.

Statement of trustees' responsibilities

The trustees (who are also the directors of Vale of Rheidol Railway Limited for the purposes 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the parent charitable company and the group 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 parent charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Vale of Rheidol Railway Limited

Trustees' Report

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 10/10/2022 and signed on its behalf by:

.....
Mr L A Iolo
Trustee

Independent Auditor's Report to the Members of Vale of Rheidol Railway Limited

Opinion

We have audited the financial statements of Vale of Rheidol Railway Limited (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Statement of Cash Flows 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 auditor's report 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.

Independent Auditor's Report to the Members of Vale of Rheidol Railway Limited

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matter 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 Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 (set out on page 6), the trustees 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor 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 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

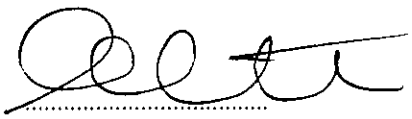
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Vale of Rheidol Railway Limited

Independent Auditor's Report to the Members of Vale of Rheidol Railway Limited

Use of our report

This report is made solely to the charitable parent company's trustees, 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 group'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 charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mrs Gillian McIntosh (Senior Statutory Auditor)
For and on behalf of MMO Limited, Statutory Auditor

Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

Date: 26/10/2023

Vale of Rheidol Railway Limited

Consolidated Statement of Financial Activities for the Year Ended 31 December 2022 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £
Income and Endowments from:					
Donations and legacies	3	10,097,452	-	-	10,097,452
Charitable activities	4	751,682	-	-	751,682
Other trading activities	5	267,252	-	-	267,252
Investment income	6	16,526	-	-	16,526
Other income	7	3,367	-	-	3,367
Total income		11,136,279	-	-	11,136,279
Expenditure on:					
Charitable activities	8	(1,306,685)	-	-	(1,306,685)
Total expenditure		(1,306,685)	-	-	(1,306,685)
Net income		9,829,594	-	-	9,829,594
Transfers between funds		651,551	(651,551)	-	-
Net movement in funds		10,481,145	(651,551)	-	9,829,594
Reconciliation of funds					
Total funds brought forward		2,139,301	651,551	633,650	3,424,502
Total funds carried forward	23	12,620,446	-	633,650	13,254,096

The notes on pages 17 to 38 form an integral part of these financial statements.

Vale of Rheidol Railway Limited

Consolidated Statement of Financial Activities for the Year Ended 31 December 2022 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2021 £
Income and Endowments from:					
Donations and legacies	3	1,078,213	-	-	1,078,213
Charitable activities	4	533,778	-	-	533,778
Other trading activities	5	19,189	-	-	19,189
Investment income	6	3,175	-	-	3,175
Total income		1,634,355	-	-	1,634,355
Expenditure on:					
Charitable activities	8	(824,817)	-	-	(824,817)
Total expenditure		(824,817)	-	-	(824,817)
Net income		809,538	-	-	809,538
Net movement in funds		809,538	-	-	809,538
Reconciliation of funds					
Total funds brought forward		1,329,764	651,551	633,650	2,614,965
Total funds carried forward	23	2,139,302	651,551	633,650	3,424,503

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 23.

Vale of Rheidol Railway Limited

(Registration number: 02188631)
Consolidated Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	12,784,620	3,975,538
Heritage assets	16	4,501,891	3,298,068
Investments		70,898	56,894
		17,357,409	7,330,500
Current assets			
Stocks	18	5,660	4,426
Debtors	19	530,770	418,861
Cash at bank and in hand	20	545,436	604,990
		1,081,866	1,028,277
Creditors: Amounts falling due within one year	21	(132,280)	(133,592)
Net current assets		949,586	894,685
Total assets less current liabilities		18,306,995	8,225,185
Creditors: Amounts falling due after more than one year	22	(5,052,899)	(4,800,682)
Net assets		13,254,096	3,424,503
Funds of the group:			
Endowment funds		633,650	633,650
Restricted income funds			
Restricted funds	23	-	651,551
Unrestricted income funds			
Unrestricted funds		12,620,446	2,139,302
Total funds	23	13,254,096	3,424,503

The financial statements on pages 12 to 38 were approved by the trustees, and authorised for issue on 19/10/2023 and signed on their behalf by:

.....
Mr L A Iolo
Trustee

The notes on pages 17 to 38 form an integral part of these financial statements.

Vale of Rheidol Railway Limited

(Registration number: 02188631)
Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	12,784,620	3,975,538
Heritage assets	16	4,501,891	3,298,068
Investments		70,998	56,994
		17,357,509	7,330,600
Current assets			
Stocks	18	5,660	4,426
Debtors	19	530,770	418,861
Cash at bank and in hand	20	545,436	604,990
		1,081,866	1,028,277
Creditors: Amounts falling due within one year	21	(132,280)	(133,592)
Net current assets		949,586	894,685
Total assets less current liabilities		18,307,095	8,225,285
Creditors: Amounts falling due after more than one year	22	(5,052,899)	(4,800,682)
Net assets		13,254,196	3,424,603
Funds of the charity:			
Endowment funds		633,650	633,650
Restricted income funds			
Restricted funds	23	-	651,551
Unrestricted income funds			
Called up share capital		100	100
Unrestricted funds		12,620,446	2,139,302
Total unrestricted funds		12,620,546	2,139,402
Total funds	23	13,254,196	3,424,603

The financial statements on pages 12 to 38 were approved by the trustees, and authorised for issue on 10/10/2023 and signed on their behalf by:

.....
Mr L A Iolo
Trustee

The notes on pages 17 to 38 form an integral part of these financial statements.

Vale of Rheidol Railway Limited

Statement of Cash Flows for the Year Ended 31 December 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash income		9,829,594	809,538
Adjustments to cash flows from non-cash items			
Depreciation		55,972	88,596
Investment income	6	(16,526)	(3,175)
Financial instrument net (gains) losses through statement of financial activities		(1,183,682)	(448,591)
Loss on disposal of fixed assets held for the charity's own use	10	(16,450)	-
		8,668,908	446,368
Working capital adjustments			
Increase in stocks	18	(1,234)	-
Increase in debtors	19	(111,909)	(188,555)
Decrease in creditors	21	(337)	(30,998)
Decrease in deferred income	22	-	(24,749)
Net cash flows from operating activities		8,555,428	202,066
Cash flows from investing activities			
Interest receivable and similar income	6	16,526	3,175
Purchase of tangible fixed assets	15	(8,999,337)	(404,811)
Sale of tangible fixed assets		134,283	4,449
Purchase of investments		(19,778)	(16,773)
Sale of investments		2,082	4,601
Net cash flows from investing activities		(8,866,224)	(409,359)
Cash flows from financing activities			
Repayment of loans and borrowings	21	252,217	529,310
Repayment of capital element of finance leases and HP contracts		(975)	(2,897)
Net cash flows from financing activities		251,242	526,413
Net (decrease)/increase in cash and cash equivalents		(59,554)	319,120
Cash and cash equivalents at 1 January		604,990	285,870
Cash and cash equivalents at 31 December		545,436	604,990

The notes on pages 17 to 38 form an integral part of these financial statements.

Notes to the Financial Statements for the Year Ended 31 December 2022

1 Charity status

The charity is limited by share capital, incorporated in England .

The address of its registered office is:
Park Avenue
Aberystwth
Ceredigion
SY23 1PG

The principal place of business is:
Park Avenue
Aberystwth
Ceredigion
SY23 1PG

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation
Vale of Rheidol Railway Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Basis of consolidation
The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 December 2022.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a profit after tax for the financial year of £9,815,293 (2021 - £809,538).

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Gifts in kind

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

(i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
(ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
(iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets
Individual fixed assets of any value are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Work completed in the restoration of assets is funded by surpluses from the Vale of Rheidol Railway Limited and loans from the Phyllis Rampton Narrow Gauge Railway Trust.

Heritage assets
Owing to the unique nature of the heritage assets, the costs of obtaining valuations would be onerous compared with the corresponding benefits to the charitable company and the users of the financial statements. The heritage assets are therefore shown at original cost and are not depreciated. The objective of heritage assets is to display them in the proposed museum. As much documentation as to the provenance of heritage assets is obtained and retained by the charitable company. Access to the assets is carefully managed in order for preservation.

Depreciation and amortisation
Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and Buildings	Buildings that are under considerable maintenance are not depreciated, others are at rates from 7 to 50 years straight line
Plant and machinery	10% or 20% or 25% straight line
Motor vehicles	20% straight line
Civil engineering and track	2% straight line on track only

Fixed asset investments
Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Stock
Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors
Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings
Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);

2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and

3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the group.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument.
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Investments

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

3 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations from individuals	847,397	847,397
Gifts in kind	9,250,055	9,250,055
Total for 2022	10,097,452	10,097,452
Total for 2021	1,078,213	1,078,213

4 Income from charitable activities

	Unrestricted funds General £	Total funds £
	751,682	751,682
Total for 2022	751,682	751,682
Total for 2021	533,778	533,778

5 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading income;		
Other trading income	267,252	267,252
Total for 2022	267,252	267,252
Total for 2021	19,189	19,189

6 Investment income

	Unrestricted funds General £	Total funds £
Other income from fixed asset investments	16,526	16,526
Total for 2022	16,526	16,526
Total for 2021	3,175	3,175

7 Other income

	Unrestricted funds General £	Total funds £
Rental income	3,367	3,367
Total for 2022	3,367	3,367

8 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total funds £
Train costs		556,851	556,851
Staff costs		202,357	202,357
Allocated support costs	9	314,808	314,808
Governance costs	9	232,669	232,669
Total for 2022		1,306,685	1,306,685
Total for 2021		824,817	824,817

In addition to the expenditure analysed above, there are also governance costs of £232,669 (2021 - £235,130) which relate directly to charitable activities. See note 9 for further details.

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Staff costs		
Wages and salaries	132,036	132,036
Audit fees		
Audit of the financial statements	6,656	6,656
Legal fees	3,761	3,761
Marketing and publicity	17,794	17,794
Depreciation, amortisation and other similar costs	72,422	72,422
Total for 2022	232,669	232,669
Total for 2021	235,130	235,130

10 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022	2021
	£	£
Audit fees	6,656	11,304
Loss on disposal of fixed assets held for the group's own use	16,450	-
Depreciation of fixed assets	55,972	88,597

11 Trustees remuneration and expenses

During the year the group made the following transactions with trustees:

Mr L A Iolo
Mr L A Iolo received remuneration of £68,000 (2021: £55,000) during the year.

The remuneration was agreed at board level and approval obtained from the Charity Commission.

No trustees have received any other benefits from the charity during the year.

12 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	325,521	212,099
Other staff costs	8,872	6
	334,393	212,105

The monthly average number of persons (including senior management / leadership team) employed by the group during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Operation of the railway	35	35
Administration and support	5	5
	40	40

29 (2021 - 29) of the above employees participated in the Defined Contribution Pension Schemes.

The number of employees whose emoluments fell within the following bands was:

	2022 No
£60,001 - £70,000	2

13 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	6,656	11,304

14 Taxation

The group is a registered charity and is therefore exempt from taxation.

15 Tangible fixed assets

Group

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2022	3,660,469	1,281,307	-	4,941,776
Additions	8,821,640	36,447	141,250	8,999,337
Disposals	-	(2,833)	(131,450)	(134,283)
At 31 December 2022	12,482,109	1,314,921	9,800	13,806,830
Depreciation				
At 1 January 2022	263,326	702,912	-	966,238
Charge for the year	-	55,972	-	55,972
At 31 December 2022	263,326	758,884	-	1,022,210
Net book value				
At 31 December 2022	12,218,783	556,037	9,800	12,784,620
At 31 December 2021	3,397,143	578,395	-	3,975,538

Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2022	3,660,469	1,281,307	-	4,941,776
Additions	8,821,640	36,447	141,250	8,999,337
Disposals	-	(2,833)	(131,450)	(134,283)
At 31 December 2022	12,482,109	1,314,921	9,800	13,806,830
Depreciation				
At 1 January 2022	263,326	702,912	-	966,238
Charge for the year	-	55,972	-	55,972
At 31 December 2022	263,326	758,884	-	1,022,210
Net book value				
At 31 December 2022	12,218,783	556,037	9,800	12,784,620
At 31 December 2021	3,397,143	578,395	-	3,975,538

16 Heritage assets

Group

	Other heritage asset class 1 £	Total £
Cost		
At 1 January 2022	3,298,068	3,298,068
Additions	1,210,872	1,210,872
Disposals	(7,049)	(7,049)
At 31 December 2022	4,501,891	4,501,891
Depreciation		
At 31 December 2022	-	-
Net book value		
At 31 December 2022	4,501,891	4,501,891

Charity

	Other heritage asset class 1 £	Total £
Cost		
At 1 January 2022	3,298,068	3,298,068
Additions	1,210,872	1,210,872
Disposals	(7,049)	(7,049)
At 31 December 2022	4,501,891	4,501,891
Depreciation		
At 31 December 2022	-	-
Net book value		
At 31 December 2022	4,501,891	4,501,891

17 Fixed asset investments

Group

	2022 £	2021 £
Other investments	70,898	56,894

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 January 2022	56,894	56,894
Revaluation	(3,692)	(3,692)
Additions	19,778	19,778
Disposals	(2,082)	(2,082)
At 31 December 2022	70,898	70,898
Net book value		
At 31 December 2022	70,898	70,898
At 31 December 2021	56,894	56,894

Charity

	2022 £	2021 £
Other investments	70,898	56,894

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 January 2022	100	100
At 31 December 2022	100	100
Net book value		
At 31 December 2022	100	100
At 31 December 2021	100	100

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 January 2022	56,894	56,894
Revaluation	(3,692)	(3,692)
Additions	19,778	19,778
Disposals	(2,082)	(2,082)
At 31 December 2022	70,898	70,898
Net book value		
At 31 December 2022	70,898	70,898
At 31 December 2021	56,894	56,894

18 Stock

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Stocks	5,660	4,426	5,660	4,426

19 Debtors

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	160,065	41,473	160,065	41,473
Due from group undertakings	328,000	257,936	328,000	257,936
Prepayments	450	450	450	450
VAT recoverable	42,255	119,001	42,255	119,001
Other debtors	-	1	-	1
	530,770	418,861	530,770	418,861

20 Cash and cash equivalents

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Cash on hand	6,333	4,474	6,333	4,474
Cash at bank	539,103	600,516	539,103	600,516
	545,436	604,990	545,436	604,990

21 Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	44,724	57,742	44,724	57,742
Hire purchase and finance leases	(298)	677	(298)	677
Other taxation and social security	78,369	65,688	78,369	65,688
Accruals	9,485	9,485	9,485	9,485
	132,280	133,592	132,280	133,592

22 Creditors: amounts falling due after one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Other loans	5,052,899	4,800,682	5,052,899	4,800,682

23 Funds

Group

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2022 £
Unrestricted funds					
General					
General	2,139,302	11,136,279	(1,306,686)	651,551	12,620,446
Restricted funds					
Restricted	651,551	-	-	(651,551)	-
Endowment funds					
Expendable					
Endowment	633,650	-	-	-	633,650
	633,650	-	-	-	633,650
Total funds	3,424,503	11,136,279	(1,306,686)	-	13,254,096

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
Unrestricted funds				
General				
General	1,329,764	1,873,846	(1,064,308)	2,139,302
Restricted funds				
Restricted	651,551	-	-	651,551
Endowment funds				
Expendable				
Endowment	633,650	-	-	633,650
	633,650	-	-	633,650
Total funds	2,614,965	1,873,846	(1,064,308)	3,424,503

Charity

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2022 £
Unrestricted funds					
General					
Unrestricted	2,139,302	11,137,513	(1,307,920)	651,551	12,620,446
Restricted funds					
Restricted	651,551	-	-	(651,551)	-
Endowment funds					
Expendable					
Endowment	633,650	-	-	-	633,650
	633,650	-	-	-	633,650
Total funds	3,424,503	11,137,513	(1,307,920)	-	13,254,096

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
Unrestricted funds				
General				
Unrestricted	1,329,764	1,676,238	(866,700)	2,139,302
Restricted funds				
Restricted	651,551	-	-	651,551
Endowment funds				
Expendable				
Endowment	633,650	-	-	633,650
	633,650	-	-	633,650
Total funds	2,614,965	1,676,238	(866,700)	3,424,503

The specific purposes for which the funds are to be applied are as follows:

The endowment fund relates to assets from British Rail as at 1 April 1989.

24 Analysis of net funds

Group

	At 1 January 2022 £	At 31 December 2022 £
Cash at bank and in hand	604,990	604,990
Net debt	604,990	604,990

	At 1 January 2021 £	At 31 December 2021 £
Cash at bank and in hand	285,870	285,870
Net debt	285,870	285,870

25 Related party transactions

Group

Charity

26 Parent and ultimate parent undertaking

The company's immediate parent is Phyllis Rampton Narrow Gauge Railway Trust, incorporated in England.

These financial statements are available upon request from the registered office or the Charity Commission.

VALE OF RHEIDOL RAILWAY LIMITED

England & Wales - Charity number 1076037

Accounts

Company registration number: 02188631
Charity registration number: 1076037

Vale of Rheidol Railway Limited

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 December 2021

MMO Limited
Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

Vale of Rheidol Railway Limited

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Vale of Rheidol Railway Limited

Reference and Administrative Details

Trustees	Dr C R H Higgs Mr L A Iolo Mr C S Langer Mr P J N Ellis
Charity Registration Number	1076037
Company Registration Number	02188631
	The charity is incorporated in England .
Registered Office	Marwick Farm Loxhill Godalming Surrey GU8 4BE
Auditor	MMO Limited Wellesley House 204 London Road Waterlooville Hampshire PO7 7AN
Bankers	Royal Bank of Scotland Guildford 10 North Street Guildford GU1 4AQ Santander Customer Service Centre Bootle Merseyside L30 4GB

Vale of Rheidol Railway Limited

Strategic Report for the Year Ended 31 December 2021

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 December 2021, in compliance with s414C of the Companies Act 2006.

Achievements and performance

Key non-financial performance indicators

Success is measured in passenger numbers, as if these continue to grow the charity can clearly display that it is reaching more people to further its objectives.

Financial review

Policy on reserves

The charity's main activity is the operation of a narrow gauge steam railway. The railway is a working museum which charges fares to passengers in order to maintain its income. The operating costs consist of train running costs, wages, and the maintenance of track, locomotive, rolling stock and buildings.

The cost structure of setting up, financing and operating a railway are of such a magnitude that it is anticipated that the railway will always be able to spend more money in running, maintaining and improvement and development, than it can reasonably be expected to raise from fares, donations and other sundry income.

The trustees do not therefore expect to generate long term or medium term reserves. Any reserves which may be generated during a financial period are expected to be attributed to a future maintenance or development project.

Principal funding sources

The charity is principally funded by train fares and public donations to the railway and the associated Gift Aid that can be claimed from this. It is also funded by various grants as and when these can be applied for and awarded. The charity is also financially supported by its parent the Phyllis Rampton Narrow Gauge Railway Trust.

The strategic report was approved by the trustees of the charity on 15/8/2022 and signed on its behalf by:

.....
Mr L A Iolo
Trustee

Vale of Rheidol Railway Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2021.

Objectives and activities

Objects and aims

The charitable company's activity is the provision of a working museum by the operation of a narrow gauge railway line and associated station and maintenance facilities between Aberystwyth and Devils Bridge, Ceredigion.

The charity's main objectives are:

- The provision of a working museum by operating as a narrow gauge railway line and associated station between Aberystwyth and Devils Bridge, Ceredigion; including its associated station, workshop and museum assets.

- To advance the education of the public and to promote research (including the publication of the useful results of such research) in matters concerning narrow gauge railways and in particular the narrow gauge railway in the County of Ceredigion which extends from Aberystwyth to Devils Bridge and is known as the Vale of Rheidol Railway and of other railways or tramways which are or may be worked or operated in conjunction or connection herewith and (without prejudice to the generality of the foregoing) matters concerning the history, buildings, tramways, rolling stock, machinery and equipment, the historical operations, the restoration and the current operation of the Vale of Rheidol Railway.

The achievement of the objectives will further the charity's purposes by ensuring future community interest in the railway. By growing the presence and increasing visitor numbers the charity is able to educate as many members of the public as possible. All Trustees and senior persons within the charity remain focused on the objectives of the charity.

Objectives, strategies and activities

This year has seen completion of the Weighbridge project. Access for all has been central to our carriage restoration program over the past year. Having successfully applied for and received funding from the coastal communities fund the railway has been busy restoring and converting two historic carriages to enable wheelchair access to the railway. New works have seen the Aberystwyth station site transformed into a replica of a 1930's station this has been partly funded by the welsh government. Staff training has continued with the addition of two new apprentices.

Public benefit

The Vale of Rheidol Railway operates to demonstrate the operation of a Victorian narrow gauge railway for the benefit of the public.

The railway is open to all members of the public. The public can benefit from and see the preserved locomotives and rolling stock in operation. They are available to be viewed on open days without charge. Various fare concessions are also available on the railway.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Social investment policies

The charity invests in staff training to ensure vital skills in the running of the railway are not lost.

There are a number of apprentices working at the charity which is something that is hoped to continue and grow in the future. This coming year the charity hopes to recruit two further apprentices to focus on carriage and wagon building.

Grant making policies

The charity applies for all grants to which it could be entitled to ensure it remains well funded and can continue to work towards its objectives.

Use of volunteers

The charity encourages the use of volunteers where practicable and has seen great success in providing volunteers with roles which provide a sense of achievement and fulfilment.

Going concern

The Trustees are of the opinion that the charitable company is a going concern.

Trustees and Officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Dr C R H Higgs
	Mr L A Iolo
	Mr C S Langer
	Mr P J N Ellis

Structure, governance and management

Nature of governing document

The Vale of Rheidol Railway Limited is a charitable company incorporated on 4 November 1987. The charitable company was established under a Memorandum of Association which established the objects and powers of the company, and is governed under its Articles of Association.

Recruitment and appointment of trustees

All the Trustees' of the charity are directors for the purposes of company law. There is no time limit on how long the Trustees are allowed to serve. The company seeks to recruit Trustees with the range of knowledge necessary to operate a railway and meet its objectives.

Induction and training of trustees

All the Trustees undergo an induction programme when joining the charity. The subjects covered are the obligations of Trustees; the main documents which set out the operation framework for the charity including the Memorandum and Articles; the financial position and controls as set out in the latest financial statements; future plans and objectives.

Arrangements for setting key management personnel remuneration

There is one remunerated Trustee, which is allowed by the governing document. Aside from the Chief Executive R Gambrill, no other key personnel are remunerated by the charitable company.

Important non-adjusting events after the financial period

Following the death of PJ Rampton, The Vale of Rheidol Railway Limited is due to receive assets from his estate. The interim estate accounts prepared by Stevens & Bolton dated 29 June 2022 values the estate due to the company as £10,076,698.

Vale of Rheidol Railway Limited

Trustees' Report

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Vale of Rheidol Railway Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 15/08/2022 and signed on its behalf by:

.....
Mr L A Iolo
Trustee

Vale of Rheidol Railway Limited

Independent Auditor's Report to the Members of Vale of Rheidol Railway Limited

Opinion

We have audited the financial statements of Vale of Rheidol Railway Limited (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 auditor's report 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.

Independent Auditor's Report to the Members of Vale of Rheidol Railway Limited

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion 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 Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 (set out on page 6), the trustees 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 charity or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Vale of Rheidol Railway Limited

Auditor 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 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

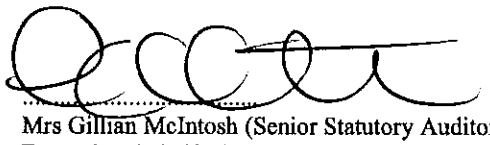
A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Vale of Rheidol Railway Limited

Independent Auditor's Report to the Members of Vale of Rheidol Railway Limited

Use of our report

This report is made solely to the charitable parent company's trustees, 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 group'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 charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mrs Gillian McIntosh (Senior Statutory Auditor)
For and on behalf of MMO Limited, Statutory Auditor

Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

Date: 26/09/2022

Vale of Rheidol Railway Limited

Consolidated Statement of Financial Activities for the Year Ended 31 December 2021 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2021 £
Income and Endowments from:					
Donations and legacies	3	1,216,446	-	-	1,216,446
Charitable activities	4	533,778	-	-	533,778
Other trading activities	5	120,447	-	-	120,447
Investment income	6	3,175	-	-	3,175
Total income		1,873,846	-	-	1,873,846
Expenditure on:					
Raising funds	7	(181,487)	-	-	(181,487)
Charitable activities	8	(866,011)	-	-	(866,011)
Other expenditure	9	(16,810)	-	-	(16,810)
Total expenditure		(1,064,308)	-	-	(1,064,308)
Net income		809,538	-	-	809,538
Net movement in funds		809,538	-	-	809,538
Reconciliation of funds					
Total funds brought forward		1,329,764	651,551	633,650	2,614,965
Total funds carried forward	24	2,139,302	651,551	633,650	3,424,503

The notes on pages 15 to 36 form an integral part of these financial statements.

Vale of Rheidol Railway Limited

Consolidated Statement of Financial Activities for the Year Ended 31 December 2021 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2020 £
Income and Endowments from:					
Donations and legacies	3	376,441	-	-	376,441
Charitable activities	4	11,931	-	-	11,931
Other trading activities	5	(42,890)	-	-	(42,890)
Investment income	6	2,644	-	-	2,644
Total income		348,126	-	-	348,126
Expenditure on:					
Raising funds	7	(77,623)	-	-	(77,623)
Charitable activities	8	(409,955)	-	-	(409,955)
Total expenditure		(487,578)	-	-	(487,578)
Net expenditure		(139,452)	-	-	(139,452)
Net movement in funds		(139,452)	-	-	(139,452)
Reconciliation of funds					
Total funds brought forward		1,469,216	651,551	633,650	2,754,417
Total funds carried forward	24	1,329,764	651,551	633,650	2,614,965

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 24.

Vale of Rheidol Railway Limited

(Registration number: 02188631)
Consolidated Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	16	3,975,538	3,663,772
Heritage assets	17	3,298,068	2,832,182
Investments		56,894	62,017
		7,330,500	6,557,971
Current assets			
Stocks	19	87,647	83,883
Debtors	20	55,558	42,499
Cash at bank and in hand	21	771,426	390,968
		914,631	517,350
Creditors: Amounts falling due within one year	22	(19,846)	(165,385)
Net current assets		894,785	351,965
Total assets less current liabilities		8,225,285	6,909,936
Creditors: Amounts falling due after more than one year	23	(4,800,682)	(4,294,871)
Net assets		3,424,603	2,615,065
Funds of the group:			
Endowment funds		633,650	633,650
Restricted income funds			
Restricted funds	24	651,551	651,551
Unrestricted income funds			
Called up share capital		100	100
Unrestricted funds		2,139,302	1,329,764
Total unrestricted funds		2,139,402	1,329,864
Total funds	24	3,424,603	2,615,065

The financial statements on pages 11 to 36 were approved by the trustees, and authorised for issue on ..... and signed on their behalf by:

.....
Mr L A Iolo
Trustee

The notes on pages 15 to 36 form an integral part of these financial statements.

Vale of Rheidol Railway Limited

(Registration number: 02188631)
Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	16	3,975,538	3,663,772
Heritage assets	17	3,298,068	2,832,182
Investments		56,994	62,117
		7,330,600	6,558,071
Current assets			
Stocks	19	4,426	4,426
Debtors	20	299,859	216,715
Cash at bank and in hand	21	604,990	285,870
		909,275	507,011
Creditors: Amounts falling due within one year	22	(14,591)	(155,146)
Net current assets		894,684	351,865
Total assets less current liabilities		8,225,284	6,909,936
Creditors: Amounts falling due after more than one year	23	(4,800,682)	(4,294,871)
Net assets		3,424,602	2,615,065
Funds of the charity:			
Endowment funds		633,650	633,650
Restricted income funds			
Restricted funds	24	651,551	651,551
Unrestricted income funds			
Called up share capital		100	100
Unrestricted funds		2,139,301	1,329,764
Total unrestricted funds		2,139,401	1,329,864
Total funds	24	3,424,602	2,615,065

The financial statements on pages 11 to 36 were approved by the trustees, and authorised for issue on 15/08/2022 and signed on their behalf by:

.....
Mr L A Iolo
Trustee

The notes on pages 15 to 36 form an integral part of these financial statements.

1 Charity status

The charity is limited by share capital, incorporated in England .

The address of its registered office is:
Marwick Farm
Loxhill
Godalming
Surrey
GU8 4BE

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation
Vale of Rheidol Railway Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Basis of consolidation
The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 December 2021.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a loss after tax for the financial year of £809,537 (2020 - loss of £139,451).

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs
Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs
These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation
The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets
Individual fixed assets of any value are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Work completed in the restoration of assets is funded by surpluses from the Vale of Rheidol Railway Limited and loans from the Phyllis Rampton Narrow Gauge Railway Trust.

Heritage assets
Owing to the unique nature of the heritage assets, the costs of obtaining valuations would be onerous compared with the corresponding benefits to the charitable company and the users of the financial statements. The heritage assets are therefore shown at original cost and are not depreciated. The objective of heritage assets is to display them in the proposed museum. As much documentation as to the provenance of heritage assets is obtained and retained by the charitable company. Access to the assets is carefully managed in order for preservation.

Depreciation and amortisation
Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and Buildings	Buildings that are under considerable maintenance are not depreciated, others are at rates from 7 to 50 years straight line
Plant and machinery	10% or 20% or 25% straight line
Motor vehicles	20% straight line
Civil engineering and track	2% straight line on track only

Fixed asset investments
Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Stock
Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors
Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings
Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Foreign exchange
Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);

2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and

3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the group.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument.
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Investments

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

3 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations from individuals	501,194	501,194
Legacies	138,233	138,233
Gift aid reclaimed	96,389	96,389
Grants, including capital grants;		
Government grants	480,630	480,630
Total for 2021	1,216,446	1,216,446
Total for 2020	376,441	376,441

4 Income from charitable activities

	Unrestricted funds General £	Total funds £
	533,778	533,778
Total for 2021	533,778	533,778
Total for 2020	11,931	11,931

5 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading income;		
Other trading income	19,189	19,189
Other income from other trading activities	101,258	101,258
Total for 2021	120,447	120,447
Total for 2020	(42,890)	(42,890)

6 Investment income

	Unrestricted funds General £	Total funds £
Other income from fixed asset investments	3,175	3,175
Total for 2021	3,175	3,175
Total for 2020	2,644	2,644

7 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £
Costs of goods sold		181,487	181,487
Total for 2021		181,487	181,487
Total for 2020		77,623	77,623

8 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total funds £
Train costs		323,761	323,761
Staff costs		126,167	126,167
Allocated support costs	10	186,183	186,183
Governance costs	10	229,900	229,900
Total for 2021		866,011	866,011
Total for 2020		409,955	409,955

In addition to the expenditure analysed above, there are also governance costs of £229,900 (2020 - £167,002) which relate directly to charitable activities. See note 10 for further details.

9 Other expenditure

	Note	Unrestricted funds General £	Total funds £
Depreciation, amortisation and other similar costs		16,810	16,810
Total for 2021		16,810	16,810

10 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Staff costs		
Wages and salaries	85,939	85,939
Audit fees		
Audit of the financial statements	11,304	11,304
Legal fees	43,533	43,533
Marketing and publicity	5,757	5,757
Depreciation, amortisation and other similar costs	71,787	71,787
Other governance costs	11,580	11,580
Total for 2021	229,900	229,900
Total for 2020	167,002	167,002

11 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2021 £	2020 £
Audit fees	11,304	4,443
Depreciation of fixed assets	88,597	64,747

12 Trustees remuneration and expenses

During the year the group made the following transactions with trustees:

Mr L A Iolo

Mr L A Iolo received remuneration of £55,000 (2020: £53,333) during the year.

No trustees have received any other benefits from the charity during the year.

13 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	212,099	86,647
Other staff costs	7	10
	212,106	86,657

The monthly average number of persons (including senior management / leadership team) employed by the group during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Operation of the railway	35	35
Administration and support	5	5
	40	40

29 (2020 - 29) of the above employees participated in the Defined Contribution Pension Schemes.

No employee received emoluments of more than £60,000 during the year.

14 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	11,304	4,443

15 Taxation

The group is a registered charity and is therefore exempt from taxation.

16 Tangible fixed assets

Group

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2021	3,272,848	1,268,566	4,541,414
Additions	392,070	12,741	404,811
Disposals	(4,449)	-	(4,449)
At 31 December 2021	3,660,469	1,281,307	4,941,776
Depreciation			
At 1 January 2021	227,341	650,301	877,642
Charge for the year	35,985	52,611	88,596
At 31 December 2021	263,326	702,912	966,238
Net book value			
At 31 December 2021	3,397,143	578,395	3,975,538
At 31 December 2020	3,045,507	618,265	3,663,772

Charity

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2021	3,272,848	1,268,566	4,541,414
Additions	392,070	12,741	404,811
Disposals	(4,449)	-	(4,449)
At 31 December 2021	3,660,469	1,281,307	4,941,776
Depreciation			
At 1 January 2021	227,341	650,301	877,642
Charge for the year	35,985	52,611	88,596
At 31 December 2021	263,326	702,912	966,238
Net book value			
At 31 December 2021	3,397,143	578,395	3,975,538
At 31 December 2020	3,045,507	618,265	3,663,772

17 Heritage assets

Group

	Other heritage asset class 1 £	Total £
Cost		
At 1 January 2021	2,832,182	2,832,182
Additions	465,886	465,886
At 31 December 2021	3,298,068	3,298,068
Depreciation		
At 31 December 2021	-	-
Net book value		
At 31 December 2021	3,298,068	3,298,068

Charity

	Other heritage asset class 1 £	Total £
Cost		
At 1 January 2021	2,832,182	2,832,182
Additions	465,886	465,886
At 31 December 2021	3,298,068	3,298,068
Depreciation		
At 31 December 2021	-	-
Net book value		
At 31 December 2021	3,298,068	3,298,068

18 Fixed asset investments

Group

	2021 £	2020 £
Other investments	56,894	62,017

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 January 2021	62,017	62,017
Revaluation	(17,295)	(17,295)
Additions	16,773	16,773
Disposals	(4,601)	(4,601)
At 31 December 2021	56,894	56,894
Net book value		
At 31 December 2021	56,894	56,894
At 31 December 2020	62,017	62,017

Charity

	2021 £	2020 £
Other investments	56,894	62,017

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 January 2021	100	100
At 31 December 2021	100	100
Net book value		
At 31 December 2021	100	100
At 31 December 2020	100	100

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 January 2021	62,017	62,017
Revaluation	(17,295)	(17,295)
Additions	16,773	16,773
Disposals	(4,601)	(4,601)
At 31 December 2021	56,894	56,894
Net book value		
At 31 December 2021	56,894	56,894
At 31 December 2020	62,017	62,017

19 Stock

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Stocks	87,647	83,883	4,426	4,426

20 Debtors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	45,375	32,314	41,473	5,237
Due from group undertakings	-	-	257,936	211,026
Prepayments	450	450	450	450
Other debtors	9,733	9,735	-	2
	55,558	42,499	299,859	216,715

21 Cash and cash equivalents

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Cash on hand	4,474	3,555	4,474	3,555
Cash at bank	766,952	387,413	600,516	282,315
	771,426	390,968	604,990	285,870

22 Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	58,529	13,234	57,742	12,066
Hire purchase and finance leases	677	3,574	677	3,574
Other taxation and social security	65,688	54,376	65,688	54,376
VAT grant repayable	(120,828)	(10,857)	(119,001)	(13,591)
Other creditors	-	88,028	-	87,986
Accruals	15,780	15,780	9,485	9,485
Deferred income	-	1,250	-	1,250
	19,846	165,385	14,591	155,146

23 Creditors: amounts falling due after one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Other loans	4,800,682	4,271,372	4,800,682	4,271,372
Deferred income	-	23,499	-	23,499
	4,800,682	4,294,871	4,800,682	4,294,871

24 Funds

Group

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
Unrestricted funds				
General				
General	1,329,764	1,873,846	(1,064,308)	2,139,302
Restricted funds				
Restricted	651,551	-	-	651,551
Endowment funds				
Expendable				
Endowment	633,650	-	-	633,650
	633,650	-	-	633,650
Total funds	2,614,965	1,873,846	(1,064,308)	3,424,503

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted funds				
General				
General	1,469,215	257,679	(397,130)	1,329,764
Restricted funds				
Restricted	651,551	-	-	651,551
Endowment funds				
Expendable				
Endowment	633,650	-	-	633,650
	633,650	-	-	633,650
Total funds	2,754,416	257,679	(397,130)	2,614,965

Charity

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
Unrestricted funds				
General				
Unrestricted	1,329,764	1,676,237	(866,700)	2,139,301
Restricted funds				
Restricted	651,551	-	-	651,551
Endowment funds				
Expendable				
Endowment	633,650	-	-	633,650
	633,650	-	-	633,650
Total funds	2,614,965	1,676,237	(866,700)	3,424,502

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted funds				
General				
Unrestricted	1,469,215	257,679	(397,130)	1,329,764
Restricted funds				
Restricted	651,551	-	-	651,551
Endowment funds				
Expendable				
Endowment	633,650	-	-	633,650
	633,650	-	-	633,650
Total funds	2,754,416	257,679	(397,130)	2,614,965

The specific purposes for which the funds are to be applied are as follows:

The endowment fund relates to assets from British Rail as at 1 April 1989.

Restricted funds include grants received from the Welsh Assembly Government for the ongoing running costs of the shed and workshop. New restricted funds this year relate to the Trackwork claim which was unspent as the year end.

25 Analysis of net funds

Group

	At 1 January 2021	At 31 December 2021
	£	£
Cash at bank and in hand	390,968	390,968
Net debt	390,968	390,968

	At 1 January 2020	At 31 December 2020
	£	£
Cash at bank and in hand	234,786	234,786
Net debt	234,786	234,786

26 Parent and ultimate parent undertaking

The company's immediate parent is Phyllis Rampton Narrow Gauge Railway Trust, incorporated in England.

These financial statements are available upon request from the registered office or the Charity Commission.

27 Non-adjusting events after the financial period

Following the death of PJ Rampton, The Vale of Rheidol Railway Limited is due to receive assets from his estate. The interim estate accounts prepared by Stevens & Bolton dated 29 June 2022 values the estate due to the company as £10,076,698.

VALE OF RHEIDOL RAILWAY LIMITED

England & Wales - Charity number 1076037

Accounts

Company registration number: 02188631
Charity registration number: 1076037

Vale of Rheidol Railway Limited

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 December 2020

MMO Limited
Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

Vale of Rheidol Railway Limited

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Vale of Rheidol Railway Limited

Reference and Administrative Details

Trustees	Dr C R H Higgs Mr L A Iolo Mr C S Langer Mr P J N Ellis
Principal Office	Park Avenue Aberystwth Ceredigion SY23 1PG
Registered Office	Marwick Farm Loxhill Godalming Surrey GU8 4BE
	The charity is incorporated in England .
Company Registration Number	02188631
Charity Registration Number	1076037
Bankers	Royal Bank of Scotland Guildford 10 North Street Guildford GU1 4AQ
	Santander Customer Service Centre Bootle Merseyside L30 4GB
Auditor	MMO Limited Wellesley House 204 London Road Waterlooville Hampshire PO7 7AN

Vale of Rheidol Railway Limited

Strategic Report for the Year Ended 31 December 2020

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 December 2020, in compliance with s414C of the Companies Act 2006.

Achievements and performance

Key non-financial performance indicators

Success is measured in passenger numbers, as if these continue to grow the charity can clearly display that it is reaching more people to further its objectives.

Financial review

Policy on reserves

The charity's main activity is the operation of a narrow gauge steam railway. The railway is a working museum which charges fares to passengers in order to maintain its income. The operating costs consist of train running costs, wages, and the maintenance of track, locomotive, rolling stock and buildings.

The cost structure of setting up, financing and operating a railway are of such a magnitude that it is anticipated that the railway will always be able to spend more money in running, maintaining and improvement and development, than it can reasonably be expected to raise from fares, donations and other sundry income.

The trustees do not therefore expect to generate long term or medium term reserves. Any reserves which may be generated during a financial period are expected to be attributed to a future maintenance or development project.

Principal funding sources

The charity is principally funded by train fares and public donations to the railway and the associated Gift Aid that can be claimed from this. It is also funded by various grants as and when these can be applied for and awarded. The charity is also financially supported by its parent the Phyllis Rampton Narrow Gauge Railway Trust.

The strategic report was approved by the trustees of the charity on 23/09/21 and signed on its behalf by:

.....
Mr L A Iolo
Trustee

Vale of Rheidol Railway Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2020.

Trustees

Dr C R H Higgs

Mr L A Iolo

Mr C S Langer

Mr P J N Ellis

Objectives and activities

Objects and aims

The charitable company's activity is the provision of a working museum by the operation of a narrow gauge railway line and associated station and maintenance facilities between Aberystwyth and Devils Bridge, Ceredigion.

The charity's main objectives are:

- The provision of a working museum by operating as a narrow gauge railway line and associated station between Aberystwyth and Devils Bridge, Ceredigion; including its associated station, workshop and museum assets.

- To advance the education of the public and to promote research (including the publication of the useful results of such research) in matters concerning narrow gauge railways and in particular the narrow gauge railway in the County of Ceredigion which extends from Aberystwyth to Devils Bridge and is known as the Vale of Rheidol Railway and of other railways or tramways which are or may be worked or operated in conjunction or connection herewith and (without prejudice to the generality of the foregoing) matters concerning the history, buildings, tramways, rolling stock, machinery and equipment, the historical operations, the restoration and the current operation of the Vale of Rheidol Railway.

The achievement of the objectives will further the charity's purposes by ensuring future community interest in the railway. By growing the presence and increasing visitor numbers the charity is able to educate as many members of the public as possible. All Trustees and senior persons within the charity remain focused on the objectives of the charity.

Objectives, strategies and activities

This year has seen completion of the Weighbridge project. Access for all has been central to our carriage restoration program over the past year. Having successfully applied for and received funding from the coastal communities fund the railway has been busy restoring and converting two historic carriages to enable wheelchair access to the railway. New works have seen the Aberystwyth station site transformed into a replica of a 1930's station this has been partly funded by the welsh government. Staff training has continued with the addition of two new apprentices.

Trustees' Report

Public benefit

The Vale of Rheidol Railway operates to demonstrate the operation of a Victorian narrow gauge railway for the benefit of the public.

The railway is open to all members of the public. The public can benefit from and see the preserved locomotives and rolling stock in operation. They are available to be viewed on open days without charge. Various fare concessions are also available on the railway.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Social investment policies

The charity invests in staff training to ensure vital skills in the running of the railway are not lost.

There are a number of apprentices working at the charity which is something that is hoped to continue and grow in the future. This coming year the charity hopes to recruit two further apprentices to focus on carriage and wagon building.

Grant making policies

The charity applies for all grants to which it could be entitled to ensure it remains well funded and can continue to work towards its objectives.

Use of volunteers

The charity encourages the use of volunteers where practicable and has seen great success in providing volunteers with roles which provide a sense of achievement and fulfilment.

Going concern

The Trustees are of the opinion that the charitable company is a going concern.

Structure, governance and management

Nature of governing document

The Vale of Rheidol Railway Limited is a charitable company incorporated on 4 November 1987. The charitable company was established under a Memorandum of Association which established the objects and powers of the company, and is governed under its Articles of Association.

Recruitment and appointment of trustees

All the Trustees' of the charity are directors for the purposes of company law. There is no time limit on how long the Trustees are allowed to serve. The company seeks to recruit Trustees with the range of knowledge necessary to operate a railway and meet its objectives.

Induction and training of trustees

All the Trustees undergo an induction programme when joining the charity. The subjects covered are the obligations of Trustees; the main documents which set out the operation framework for the charity including the Memorandum and Articles; the financial position and controls as set out in the latest financial statements; future plans and objectives.

Arrangements for setting key management personnel remuneration

There is one remunerated Trustee, which is allowed by the governing document. Aside from the Chief Executive R Gambrill, no other key personnel are remunerated by the charitable company.

Vale of Rheidol Railway Limited

Trustees' Report

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Vale of Rheidol Railway Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 23/9/21 and signed on its behalf by:

.....
Mr L A Iolo
Trustee

Independent Auditor's Report to the Members of Vale of Rheidol Railway Limited

Opinion

We have audited the financial statements of Vale of Rheidol Railway Limited (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2020 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 auditor's report 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.

Independent Auditor's Report to the Members of Vale of Rheidol Railway Limited

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion 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 Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 (set out on page 6), the trustees 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 charity or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Vale of Rheidol Railway Limited

Auditor's 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 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.

Use of our report

This report is made solely to the charitable parent company's trustees, 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 group'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 charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mrs Gillian McIntosh (Senior Statutory Auditor)
For and on behalf of MMO Limited, Statutory Auditor

Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

Date: 29/09/2021

Vale of Rheidol Railway Limited

Consolidated Statement of Financial Activities for the Year Ended 31 December 2020 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2020 £
Income and Endowments from:					
Donations and legacies	3	296,505	-	-	296,505
Charitable activities	4	11,931	-	-	11,931
Other trading activities	5	37,046	-	-	37,046
Investment income	6	2,644	-	-	2,644
Total income		348,126	-	-	348,126
Expenditure on:					
Raising funds	7	(77,623)	-	-	(77,623)
Charitable activities	8	(409,955)	-	-	(409,955)
Total expenditure		(487,578)	-	-	(487,578)
Net expenditure		(139,452)	-	-	(139,452)
Net movement in funds		(139,452)	-	-	(139,452)
Reconciliation of funds					
Total funds brought forward		1,469,213	651,551	633,650	2,754,414
Total funds carried forward	23	1,329,761	651,551	633,650	2,614,962

The notes on pages 14 to 36 form an integral part of these financial statements.

Vale of Rheidol Railway Limited

Consolidated Statement of Financial Activities for the Year Ended 31 December 2020 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2019 £
Income and Endowments from:					
Donations and legacies	3	838,826	-	-	838,826
Charitable activities	4	564,901	-	-	564,901
Other trading activities	5	241,235	-	-	241,235
Total income		1,644,962	-	-	1,644,962
Expenditure on:					
Raising funds	7	(339,677)	-	-	(339,677)
Charitable activities	8	(1,089,464)	-	-	(1,089,464)
Total expenditure		(1,429,141)	-	-	(1,429,141)
Net income		215,821	-	-	215,821
Net movement in funds		215,821	-	-	215,821
Reconciliation of funds					
Total funds brought forward		1,253,392	651,551	633,650	2,538,593
Total funds carried forward	23	1,469,213	651,551	633,650	2,754,414

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2019 is shown in note 23.

Vale of Rheidol Railway Limited

(Registration number: 02188631)
Consolidated Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	15	3,501,037	3,275,602
Heritage assets	16	3,293,262	3,293,262
Investments		62,017	59,373
		6,856,316	6,628,237
Current assets			
Stocks	18	83,883	46,710
Debtors	19	42,497	64,426
Cash at bank and in hand	20	390,968	234,786
		517,348	345,922
Creditors: Amounts falling due within one year	21	(463,731)	(58,279)
Net current assets		53,617	287,643
Total assets less current liabilities		6,909,933	6,915,880
Creditors: Amounts falling due after more than one year	22	(4,294,871)	(4,161,366)
Net assets		2,615,062	2,754,514
Funds of the group:			
Endowment funds		633,650	633,650
Restricted income funds			
Restricted funds	23	651,551	651,551
Unrestricted income funds			
Called up share capital		100	100
Unrestricted funds		1,329,761	1,469,213
Total unrestricted funds		1,329,861	1,469,313
Total funds	23	2,615,062	2,754,514

The financial statements on pages 10 to 36 were approved by the trustees, and authorised for issue on 23/9/21 and signed on their behalf by:

.....
Mr L A Iolo
Trustee

The notes on pages 14 to 36 form an integral part of these financial statements.

Vale of Rheidol Railway Limited

(Registration number: 02188631)
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	15	3,501,037	3,275,602
Heritage assets	16	3,293,262	3,293,262
Investments		62,117	59,473
		6,856,416	6,628,337
Current assets			
Stocks	18	4,426	4,426
Debtors	19	216,713	135,750
Cash at bank and in hand	20	285,870	183,243
		507,009	323,419
Creditors: Amounts falling due within one year	21	(453,489)	(35,875)
Net current assets		53,520	287,544
Total assets less current liabilities		6,909,936	6,915,881
Creditors: Amounts falling due after more than one year	22	(4,294,871)	(4,161,367)
Net assets		2,615,065	2,754,514
Funds of the charity:			
Endowment funds		1,329,764	1,469,213
Restricted income funds			
Restricted funds	23	651,551	651,551
Unrestricted income funds			
Called up share capital		100	100
Unrestricted funds		633,650	633,650
Total unrestricted funds.		633,750	633,750
Total funds	23	2,615,065	2,754,514

The financial statements on pages 10 to 36 were approved by the trustees, and authorised for issue on 22/9/21 and signed on their behalf by:

.....

Mr L A Iolo
Trustee

The notes on pages 14 to 36 form an integral part of these financial statements.

1 Charity status

The charity is limited by share capital, incorporated in England .

The address of its registered office is:
Marwick Farm
Loxhill
Godalming
Surrey
GU8 4BE

The principal place of business is:
Park Avenue
Aberystwth
Ceredigion
SY23 1PG

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation
Vale of Rheidol Railway Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Basis of consolidation
The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 December 2020.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a loss after tax for the financial year of £139,451 (2019 - loss of £215,821).

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs
Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs
These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation
The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets
Individual fixed assets of any value are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Work completed in the restoration of assets is funded by surpluses from the Vale of Rheidol Railway Limited and loans from the Phyllis Rampton Narrow Gauge Railway Trust.

Heritage assets
Owing to the unique nature of the heritage assets, the costs of obtaining valuations would be onerous compared with the corresponding benefits to the charitable company and the users of the financial statements. The heritage assets are therefore shown at original cost and are not depreciated. The objective of heritage assets is to display them in the proposed museum. As much documentation as to the provenance of heritage assets is obtained and retained by the charitable company. Access to the assets is carefully managed in order for preservation.

Depreciation and amortisation
Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and Buildings	Buildings that are under considerable maintenance are not depreciated, others are at rates from 7 to 50 years straight line
Plant and machinery	10% or 20% or 25% straight line
Motor vehicles	20% straight line
Civil engineering and track	2% straight line on track only

Fixed asset investments
Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Stock
Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors
Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings
Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Foreign exchange
Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);

2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and

3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the group.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument.
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Investments

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

3 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations from individuals	13,826	13,826
Legacies	149,431	149,431
Grants, including capital grants;		
Government grants	133,248	133,248
Total for 2020	296,505	296,505
Total for 2019	838,826	838,826

4 Income from charitable activities

	Unrestricted funds General £	Total funds £
	11,931	11,931
Total for 2020	11,931	11,931
Total for 2019	564,901	564,901

5 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading income;		
Other trading income	16,094	16,094
Other income from other trading activities	20,952	20,952
Total for 2020	37,046	37,046
Total for 2019	241,235	241,235

6 Investment income

	Unrestricted funds General £	Total funds £
Other income from fixed asset investments	2,644	2,644
Total for 2020	2,644	2,644

7 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £
Costs of goods sold		77,623	77,623
Total for 2020		77,623	77,623
Total for 2019		339,677	339,677

8 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total funds £
Train costs		76,453	76,453
Staff costs		15,599	15,599
Allocated support costs	9	150,901	150,901
Governance costs	9	167,002	167,002
Total for 2020		409,955	409,955
Total for 2019		1,089,464	1,089,464

In addition to the expenditure analysed above, there are also governance costs of £167,002 (2019 - £277,004) which relate directly to charitable activities. See note 9 for further details.

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Staff costs		
Wages and salaries	71,058	71,058
Audit fees		
Audit of the financial statements	4,443	4,443
Legal fees	3,050	3,050
Marketing and publicity	13,504	13,504
Depreciation, amortisation and other similar costs	64,747	64,747
Other governance costs	10,200	10,200
Total for 2020	167,002	167,002
Total for 2019	277,004	277,004

10 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2020 £	2019 £
Audit fees	4,443	5,709
Depreciation of fixed assets	64,747	64,747

11 Trustees remuneration and expenses

During the year the group made the following transactions with trustees:

Mr L A Iolo
Mr L A Iolo received remuneration of £53,333 (2019: £53,333) during the year.

No trustees have received any other benefits from the charity during the year.

12 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	86,647	313,619
Other staff costs	10	5,251
	86,657	318,870

The monthly average number of persons (including senior management team) employed by the group during the year expressed as full time equivalents was as follows:

	2020 No	2019 No
Operation of the railway	35	35
Administration and support	5	6
	40	41

29 (2019 - 29) of the above employees participated in the Defined Contribution Pension Schemes.

No employee received emoluments of more than £60,000 during the year.

13 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	4,443	5,709

14 Taxation

The group is a registered charity and is therefore exempt from taxation.

15 Tangible fixed assets

Group

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2020	2,822,988	1,244,339	4,067,327
Additions	-	290,182	290,182
At 31 December 2020	2,822,988	1,534,521	4,357,509
Depreciation			
At 1 January 2020	186,820	604,905	791,725
Charge for the year	34,012	30,735	64,747
At 31 December 2020	220,832	635,640	856,472
Net book value			
At 31 December 2020	2,602,156	898,881	3,501,037
At 31 December 2019	2,636,168	639,434	3,275,602

Charity

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2020	2,822,988	1,244,339	4,067,327
Additions	-	290,182	290,182
At 31 December 2020	2,822,988	1,534,521	4,357,509
Depreciation			
At 1 January 2020	186,820	604,905	791,725
Charge for the year	34,012	30,735	64,747
At 31 December 2020	220,832	635,640	856,472
Net book value			
At 31 December 2020	2,602,156	898,881	3,501,037
At 31 December 2019	2,636,168	639,434	3,275,602

16 Heritage assets

Group

	Other heritage asset class 1 £	Total £
Cost		
At 1 January 2020	3,293,262	3,293,262
At 31 December 2020	3,293,262	3,293,262
Depreciation		
At 31 December 2020	-	-
Net book value		
At 31 December 2020	3,293,262	3,293,262

Charity

	Other heritage asset class 1 £	Total £
Cost		
At 1 January 2020	3,293,262	3,293,262
At 31 December 2020	3,293,262	3,293,262
Depreciation		
At 31 December 2020	-	-
Net book value		
At 31 December 2020	3,293,262	3,293,262

17 Fixed asset investments

Group

	2020 £	2019 £
Other investments	62,017	59,373

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 January 2020	59,373	59,373
Revaluation	10,489	10,489
Additions	5,666	5,666
Disposals	(13,511)	(13,511)
At 31 December 2020	62,017	62,017
Net book value		
At 31 December 2020	62,017	62,017
At 31 December 2019	59,373	59,373

Charity

	2020 £	2019 £
Other investments	62,017	59,373

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 January 2020	100	100
At 31 December 2020	100	100
Net book value		
At 31 December 2020	100	100
At 31 December 2019	100	100

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 January 2020	59,373	59,373
Revaluation	10,489	10,489
Additions	5,666	5,666
Disposals	(13,511)	(13,511)
At 31 December 2020	62,017	62,017
Net book value		
At 31 December 2020	62,017	62,017
At 31 December 2019	59,373	59,373

18 Stock

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Stocks	83,883	46,710	4,426	4,426

19 Debtors

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Trade debtors	32,314	31,698	5,237	2,688
Due from group undertakings	-	-	211,026	110,067
Prepayments	450	450	450	450
Other debtors	9,733	32,278	-	22,545
	42,497	64,426	216,713	135,750

20 Cash and cash equivalents

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Cash on hand	3,555	4,859	3,555	4,859
Cash at bank	387,413	229,927	282,315	178,384
	390,968	234,786	285,870	183,243

21 Creditors: amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	13,234	26,318	12,066	21,565
Hire purchase and finance leases	3,574	7,989	3,574	7,989
Other taxation and social security	54,376	64,994	54,376	64,994
VAT grant repayable	(10,857)	(52,762)	(13,591)	(66,413)
Other creditors	386,374	-	386,329	-
Accruals	15,780	10,490	9,485	6,490
Deferred income	1,250	1,250	1,250	1,250
	463,731	58,279	453,489	35,875

22 Creditors: amounts falling due after one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Other loans	4,271,372	4,137,867	4,271,372	4,137,867
Other creditors	-	-	-	1
Deferred income	23,499	23,499	23,499	23,499
	4,294,871	4,161,366	4,294,871	4,161,367

23 Funds

Group

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted funds				
General				
General	1,469,213	348,126	(487,578)	1,329,761
Restricted funds				
Restricted	651,551	-	-	651,551
Endowment funds				
Expendable				
Endowment	633,650	-	-	633,650
	633,650	-	-	633,650
Total funds	2,754,414	348,126	(487,578)	2,614,962

Notes to the Financial Statements for the Year Ended 31 December 2020

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Balance at 31 December 2019 £
Unrestricted funds				
General				
General	1,253,392	1,644,962	(1,429,141)	1,469,213
Restricted funds				
Restricted	651,551	-	-	651,551
Endowment funds				
Expendable				
Endowment	633,650	-	-	633,650
	633,650	-	-	633,650
Total funds	2,538,593	1,644,962	(1,429,141)	2,754,414

Charity

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted funds				
General				
Unrestricted	633,650	-	-	633,650
Restricted funds				
Restricted	651,551	-	-	651,551
Endowment funds				
Expendable				
Endowment	1,469,213	348,126	(487,575)	1,329,764
	1,469,213	348,126	(487,575)	1,329,764
Total funds	2,754,414	348,126	(487,575)	2,614,965

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Balance at 31 December 2019 £
Unrestricted funds				
General				
Unrestricted	633,650	-	-	633,650
Restricted funds				
Restricted	651,551	-	-	651,551
Endowment funds				
Expendable				
Endowment	1,253,392	1,644,962	(1,429,141)	1,469,213
	1,253,392	1,644,962	(1,429,141)	1,469,213
Total funds	2,538,593	1,644,962	(1,429,141)	2,754,414

The specific purposes for which the funds are to be applied are as follows:

The endowment fund relates to assets from British Rail as at 1 April 1989.

Restricted funds include grants received from the Welsh Assembly Government for the ongoing running costs of the shed and workshop. New restricted funds this year relate to the Trackwork claim which was unspent as the year end.

24 Analysis of net funds

Group

	At 1 January 2020 £	At 31 December 2020 £
Cash at bank and in hand	234,786	234,786
Net debt	234,786	234,786

	At 1 January 2019 £	At 31 December 2019 £
Cash at bank and in hand	322,304	322,304
Finance leases and hire purchase contracts	(27,769)	(27,769)
Net debt	294,535	294,535

25 Parent and ultimate parent undertaking

The company's immediate parent is Phyllis Rampton Narrow Gauge Railway Trust, incorporated in England.

These financial statements are available upon request from the registered office or the Charity Commission.