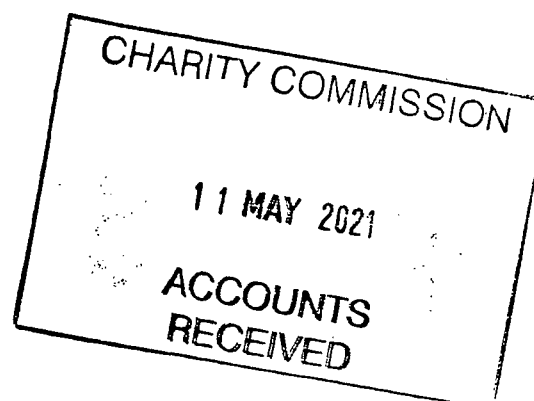


Charity Commission
PO Box 211
Bootle
L20 7YX



Cymdeithas Rheilffordd Eryri accounts.





Report of the Trustees and
Financial Statements for the Year Ended 31 December 2020
for
Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

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

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Contents of the Financial Statements
for the Year Ended 31 December 2020

	Page
Report of the Trustees	1 to 10
Report of the Independent Auditors	11 to 13
Statement of Financial Activities	14
Balance Sheet	15 to 16
Notes to the Financial Statements	17 to 28

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

Report of the Trustees
for the Year Ended 31 December 2020

The trustees of Cymdeithas Rheilffordd Eryri (the Society), who are also directors of the Society for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

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

The Society continues to support acquisition of assets to understand the historical context of the original railway operation and its relation and relevance to its environment and community. The acquisition of the Nantlle map in 2016 is an example of this policy.

The Society provides a wide range of opportunities for volunteers, encouraging their involvement, providing training and development opportunities as well as a forum for a sharing of skills and experience. Activities are designed to engage with volunteers across the age spectrum.

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

The Society also supports activities that provide opportunities for the local community and local business to participate in and benefit from.

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

Report of the Trustees
for the Year Ended 31 December 2020

OBJECTIVES AND ACTIVITIES

Objectives and aims

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

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

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

- (a) To support and promote the activities of the WHR by providing practical and financial support in all aspects of the construction, maintenance and operation of the WHR including the acquisition and holding of shares, debentures and other securities therein,
- (b) To purchase, hire, take on loan or otherwise acquire railway engines, rolling stock and railway equipment generally and to undertake or assist in the maintenance, repair, renovation, restoration and operation of any such vehicles and equipment, and to promote and encourage the retention, preservation and operation of any such vehicles and equipment as aforesaid and to provide facilities for the public to observe such vehicles and equipment and to assist in their preservation and operation where feasible,
- (c) To purchase, lease or otherwise acquire real or personal property for any estate or interest or any rights, privileges or easements in respect of any property or rights whatsoever,
- (d) To construct, maintain, work and manage railways, permanent way, overhead lines, cables, power supplies, railway infrastructure, signal equipment, signals, markings, associated road furniture and ancillary equipment, to establish and maintain workshops and plant and to erect, alter and maintain any buildings, bridges and other structures,
- (e) To work in conjunction with, or join or affiliate to other institutions, societies and bodies in any part of the world whose aims are not inconsistent with the objects of the Society,
- (f) To promote and further the study of and research into the WHR and associated railways, railway engines and rolling stock, undertakings and other forms of transport and the historical, scientific, social and other aspects thereof, and to catalogue, collect, collate, publish and sell material and information of service or interest to the public in general calculated to promote the objects of the Society,
- (g) To take any gift of property, whether or not subject to any special trust, for one or more of the objects of the Society,
- (h) To receive money on deposit or loan or by grant, donation, or subscription, or to take steps by personal or written appeals, public meetings or otherwise to procure contributions to the funds of the Society,
- (i) To print and publish any newspapers, periodicals, books or leaflets and to operate car parks, book stalls, sales kiosks and refreshment rooms for the use and convenience of persons visiting any such vehicles and equipment as aforesaid and to sell or merchant any goods,
- (j) To purchase, lease or otherwise acquire, build, equip, maintain and manage hostels, hotels or railway sleeping carriages to provide accommodation for persons engaged in the preservation of such vehicles and equipment or in promoting any of the objects of the Society and to provide facilities incidental to such accommodation,
- (k) To hold or arrange or join in holding or arranging exhibitions, shows, displays, competitions or other functions or events for the purposes of the Society,
- (l) To effect and keep up any insurance against any risk, loss or liability to which the Society may be subject,
- (m) To invest the moneys of the Society not immediately required for its purposes in or at interest upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided,

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

Report of the Trustees
for the Year Ended 31 December 2020

- (n) To borrow and raise money and accept money on deposit and to secure or discharge any debt or obligation of or binding on the Society in any manner and in particular (without prejudice to the generality of the foregoing) by mortgages of or charges upon all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Society by the creation and issue of securities,
- (o) To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments,
- (p) Subject to such consents as may be required by law to sell, let, lend, mortgage, dispose of or turn to account all or any of the property or assets of the Society with a view to the furtherance of its objects,
- (q) To establish and support or to aid (by way of gift, loan or otherwise) in the establishment and support of any associations or institutions and to subscribe or guarantee money for purposes calculated to further the objects of the Society,
- (r) To apply for and take all necessary steps to obtain statutory or other powers or privileges required or deemed to be expedient for the furtherance of the objects and work of the Society and to defray the costs and expenses involved,
- (s) To do all such other lawful things as will further the attainment of the above objects or any of them.

Significant activities

The Society is the official supporters' body for the project to rebuild, maintain, and operate the WHR, a narrow gauge railway between Caernarfon and Porthmadog which closed in the 1930s. The operating company for the WHR is the Festiniog Railway Company (the Company). The Society members are playing a leading part in the maintenance, development and operation of the WHR.

The most significant proportion of the Society's work involves sponsoring projects around the railway. These range from the more obvious things such as the restoration of the locomotives such as NG15 No134, together with the maintenance and improvement of the track, through to the less glamorous tasks such as the construction of station signs and other furniture.

Volunteers

The Society continued to make a significant volunteer contribution across all aspects of the WHR, through regular weekday and weekend working groups or directly with the Company's departments subject to the restrictions imposed by coronavirus and associated regulations.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

With the exclusion of the exceptional coronavirus related support provided, the Society donated £61,343 to the Company in 2020 (2019: £159,443) as part of its objective to promote and support the WHR, and this included £25,000 from the coronavirus appeal. The donations during 2020 of course mostly relating to smaller projects that were able to proceed and to the specific coronavirus appeal.

In January 2020 the Society lent £150,000 to the Company to assist with the Company's usual need for cash in the winter months. In April, after lockdown, and when it was apparent that the Company would not be able to trade normally in 2020 due to coronavirus, a further £250,000 was lent. These loans are interest free.

Later in the year the Society agreed to convert £35,744 of this support to grants, this being so as to reimburse costs incurred by the Company in connection with essential maintenance the Society anticipates conversion of a further £123,140 into grants in respect of locomotive and tamper maintenance in the course of 2021, reducing the total indebtedness to £241,116.

Fundraising activities

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

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

Report of the Trustees
for the Year Ended 31 December 2020

FINANCIAL REVIEW

Principal funding sources

The Society's total fund balance at the end of 2020 was £672,196 (2019: £581,095).

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

	<u>2020</u>	<u>2019</u>
Adults	969	1,065
Families	956	1,249
Juniors	5	5
Students	8	11
Life members	422	422
Associate Life members	34	34
Total	2,394	2,786

As can be seen, the overall fee paying membership decreased slightly in 2020 as compared with 2019, and this is believed to be attributable to the coronavirus pandemic.

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

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

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

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

Report of the Trustees
for the Year Ended 31 December 2020

FINANCIAL REVIEW

Reserves policy

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

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

Unrestricted funds

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

Designated funds

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

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

Restricted funds

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

As at the end of 2020 the Society's main funds stood at:

Restricted funds

	<u>2020</u>	<u>2019</u>
NG15 project	£22,496	£22,298
K1 project	£31,991	31,324

Designated funds

	<u>2020</u>	<u>2019</u>
Historical railway assets fund	£700	£700
Station View property fund	£225,374	225,374
Station View maintenance fund	£7,910	£3,868
NG15 project contingency fund	£90,000	£90,000
Smaller project allocation fund;	£41,779	£29,412
NGG16 boiler appeal	£8,710	£8,701
Third class saloon appeal fund	£88,619	£49,139
Dinas facilities contingency fund	£5,225	£119,109
Coronavirus appeal fund	£3,259	£-

Uncommitted funds

	<u>2020</u>	<u>2019</u>
Uncommitted funds (free reserve)	£146,133	£1,170

The Society's free reserve for the year is the Society's available and unallocated funds. Before the 31 December 2020, the Society had contingently agreed to commit £123,140 as detailed under charitable activities, page 3, with any remaining excess being available to respond to cope with unexpected events such as an unplanned request for urgent support from the railway or a sudden but sustained fall in income.

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

Report of the Trustees
for the Year Ended 31 December 2020

FUTURE PLANS

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

The Society has prepared and adopted a business plan which was designed to last until the end of 2020. The Board has since appointed a Vision Group, which is conducting, but at this time, has not completed, a wide ranging review of the Society's affairs; therefore the current business plan has been extended until the conclusion of this review.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Society is controlled by its governing document, the Memorandum & Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006 and is a registered charity as defined by the Charities Act 2011.

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

Board meetings, recruitment and appointments

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

Cymdeithas Rheilffordd Eryri

also known as

Welsh Highland Railway Society (Registered number: 03157171)

Report of the Trustees

for the Year Ended 31 December 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

TRUSTEES (DIRECTORS)

Dafydd Thomas

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

Ian King

- Deputy Chairman
- Liaison with the Company, the Trust, subsidiary companies and the FRS
- NG15 project
- Gift Aid claims
- Society representative on the Trust's Diamond Jubilee Appeal committee
- Treasurer until 12 September 2020 finance, accounts, tax returns & liaison with auditors
- Finance Director from 13 September 2020

Charles McKenzie - Resigned 12 September 2020

- Finance Director
- Statutory obligations of registered charity
- Society business plans
- Membership: membership committee chairman, Membership Secretary Richard Watson

Elwyn Jones

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

Neil McMaster

- Area & Special Interest Groups: liaison with Groups' chairmen
- Platform benches
- NG15 project expenditure regulator until 12 September 2020
- Adopt a station scheme
- Risk Management

Peter Randall - Deceased 19 October 2020

- NG15 project management
- Liaison with the Company for NG15, K1 & other rolling stock projects

David Firth

- Events

Alun Tomlinson - Resigned 13 March 2020

- Liaison with the Company's volunteer manager
- Training

Mark Gardner

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

Steven Harris - Appointed 12 September 2020

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

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

Report of the Trustees-
for the Year Ended 31 December 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Megan Smith - Appointed 12 September 2020

- Volunteers
- Vision Group

OFFICERS

Alastair Wilkinson - to 12 September 2020

Charles McKenzie - from 12 September 2020

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

Richard Watson

- Membership Secretary.

Bob Zeepvat

- Editor of The Snowdon Ranger.

Gareth Haulfryn-Williams

- Archivist.

Stephen Cheeseman

- Assistant Treasurer to 12 September 2020
- Treasurer from 12 September 2020
- Finance, accounts, tax returns & liaison with auditors

Dave Kent

- President.

Cedric Lodge

- Vice President.

Stuart McNair

- Vice President.

Wider network

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

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

RELATED PARTY, REMUNERATION AND EXPENSES POLICY

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

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

Report of the Trustees
for the Year Ended 31 December 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

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

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03157171 (England and Wales)

Registered Charity number

1094938

Registered office

Station View

Dinas

Caernarfon

Gwynedd

LL54 5UB

Society Secretary

Mr T C I McKenzie

Senior Statutory Auditor

Mr. I. Williams

Auditors

Dunn & Ellis Cyf Statutory Auditors

St David's Building

Lombard Street

Porthmadog

Gwynedd

LL49 9AP

Bankers

Barclays Bank plc

Leicester

LE87 2BB

CAF Bank Limited

25 Kings Hill Avenue

Kings Hill

West Malling

Kent

ME19 4JQ

EVENTS SINCE THE END OF THE YEAR

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

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

Report of the Trustees
for the Year Ended 31 December 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Cymdeithas Rheilffordd Eryri also known as Welsh Highland Railway Society for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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

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

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

In so far as the trustees are aware:

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

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

AUDITORS

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

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

Approved by order of the board of trustees on 28th March 2021 and signed on its behalf by:

T.C. I McKenzie
Mr T C I McKenzie – Society Secretary

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

Opinion

We have audited the financial statements of Cymdeithas Rheilffordd Eryri also known as Welsh Highland Railway Society (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

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

We conduct the audit in line with ISAs (UK), which include procedures to consider (based on the control environment, governance structure and circumstances encountered during the audit), the potential likelihood of fraud, illegal acts and non-compliance occurring.

Our auditing procedures, including tests of the accounting records, will be limited to those considered necessary in the circumstances and will not by necessity uncover illegal acts, fraud, non-compliance with laws and regulations, intentional misstatements or errors, should any exist. The procedures used are not designed to test directly for fraudulent or illegal acts etc, nor will they necessarily detect such acts or recognise them as such, even if the effect of its consequences on the financial statements is material.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr. I. Williams (Statutory Auditor)

for and on behalf of
Dunn & Ellis Cyf Statutory Auditors
St David's Building
Lombard Street
Porthmadog
Gwynedd
LL49 9AP

Date: 12/04/2021

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2020

					31.12.20	31.12.19
	Notes	Unrestricted fund £	Unrestricted designated funds £	Restricted funds £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations, legacies & gift aid	3	74,688	7,096	1,310	83,094	138,687
Charitable activities	6					
Subscriptions & diamond appeal		88,602	-	-	88,602	88,817
Station View income		-	370	-	370	3,054
Coronavirus appeal		-	24,508	-	24,508	-
General appeals		-	14,088	4,722	18,810	27,541
Other trading activities	4	1,028	1	-	1,029	2,626
Investment income	5	52	26	41	119	345
Total		164,370	46,089	6,073	216,532	261,070
EXPENDITURE ON						
Raising funds	7	423	-	-	423	216
Charitable activities	8					
Donations to the Festiniog Railway Company		35,744	29,925	6,418	72,087	159,443
Printing, stationary, postage etc.		21,187	-	-	21,187	22,852
Coronavirus appeal		-	25,000	-	25,000	-
Station View costs		-	2,329	-	2,329	12,856
Governance and support		4,186	219	-	4,405	4,018
Total		61,540	57,473	6,418	125,431	199,385
NET INCOME/(EXPENDITURE)		102,830	(11,384)	(345)	91,101	61,685
Transfers between funds	17	42,133	(43,343)	1,210	-	-
Net movement in funds		144,963	(54,727)	865	91,101	61,685
RECONCILIATION OF FUNDS						
Total funds brought forward		1,170	526,303	53,622	581,095	519,410
TOTAL FUNDS CARRIED FORWARD		146,133	471,576	54,487	672,196	581,095

The notes form part of these financial statements

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

Balance Sheet
31 December 2020

					31.12.20	31.12.19
	Notes	Unrestricted fund £	Unrestricted designated funds £	Restricted funds £	Total funds £	Total funds £
FIXED ASSETS						
Tangible assets	12	-	226,074	-	226,074	226,074
CURRENT ASSETS						
Debtors	13	215,771	157,935	1,150	374,856	58,136
Investments	14	1	-	-	1	1
Cash at bank		<u>1,724</u>	<u>87,567</u>	<u>53,337</u>	<u>142,628</u>	<u>413,029</u>
		217,496	245,502	54,487	517,485	471,166
CREDITORS						
Amounts falling due within one year	15	(36,364)	-	-	(36,364)	(86,154)
NET CURRENT ASSETS		<u>181,132</u>	<u>245,502</u>	<u>54,487</u>	<u>481,121</u>	<u>385,012</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		181,132	471,576	54,487	707,195	611,086
CREDITORS						
Amounts falling due after more than one year	16	(34,999)	-	-	(34,999)	(29,991)
NET ASSETS		<u>146,133</u>	<u>471,576</u>	<u>54,487</u>	<u>672,196</u>	<u>581,095</u>

The notes form part of these financial statements

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

Balance Sheet - continued
31 December 2020

FUNDS

17

Unrestricted funds:

Uncommitted fund	146,133	1,170
------------------	---------	-------

Designated funds:

Historical railway assets fund	700	700
Station View property fund	225,374	225,374
Station View maintenance fund	7,910	3,868
NG15 contingency fund	90,000	90,000
Small project allocations fund	41,779	29,412
NGG16 boiler appeal fund	8,710	8,701
Third class saloon fund	88,619	49,139
Dinas facilities contingency fund	5,225	119,109
Coronavirus appeal fund	3,259	-

	617,709	527,473
--	---------	---------

Restricted funds:

NG15 project fund	22,496	22,298
K1 project fund	31,991	31,324

	54,487	53,622
--	--------	--------

TOTAL FUNDS

	672,196	581,095
--	---------	---------

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 28-03-21 and were signed on its behalf by:



 Mr D H Thomas - Trustee



 Mr R King - Trustee

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Notes to the Financial Statements
for the Year Ended 31 December 2020

1. STATUTORY INFORMATION

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

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

Income

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

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

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

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

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

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

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

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Expenditure

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

Charitable activities

One of the Society's main aims is to "support and promote the activities of the WHR by providing practical and financial support in all aspects of the construction, maintenance and operation of the Railway".

It does this through the allocation of its incoming resources to specific projects currently being undertaken for the WHR and when the funds are required on a specified project, the Society makes a donation from the relevant fund.

Support costs

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

Tangible fixed assets

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

Freehold property

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

The requirements are that a tangible fixed asset, less its residual value, must be depreciated on a systematic basis over its useful economic life; however the trustees are of the view that the property has a high residual value, which will remove the need for depreciation to be charged. Instead, an annual impairment review will be undertaken and a full revaluation will be carried out on a rolling 5 year basis, with the next revaluation being due to be reported in the 31 December 2022 financial statements.

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

The historical railway assets

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

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

Taxation

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

Fund accounting

Funds held by the Society are either:

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds

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

Designated funds

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

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

Restricted funds

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

Concessionary loans to the company

In 2020, as part of its response to the Coronavirus outbreak, the Society lent £250,000 to the Company. This being in addition to the £150,000 lent to the Company at the beginning of 2020.

Both these loans are repayable on 30 September 2023 and are interest free.

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

Voluntary assistance

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

3. DONATIONS, LEGACIES & GIFT AID

	31.12.20	31.12.19
	£	£
Donations and legacies	54,436	113,518
Annual gift aid claims	24,688	25,169
Gift aid - coronavirus appeal	<u>3,970</u>	<u>-</u>
	<u>83,094</u>	<u>138,687</u>

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

4. OTHER TRADING ACTIVITIES

	31.12.20	31.12.19
	£	£
Sales	848	361
Advertising revenue	180	1,285
Miscellaneous income	1	980
	<u>1,029</u>	<u>2,626</u>

5. INVESTMENT INCOME

	31.12.20	31.12.19
	£	£
Deposit account interest	<u>119</u>	<u>345</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	31.12.20	31.12.19
	£	£
Annual subscriptions	76,520	77,155
Life membership	8,650	8,178
Diamond appeal	3,432	3,484
Station View income	370	3,054
Coronavirus appeal	24,508	-
NG15 income	4,210	3,936
K1 income	512	619
Third class saloon	<u>14,088</u>	<u>22,986</u>
	<u>132,290</u>	<u>119,412</u>

7. RAISING FUNDS

Other trading activities

	31.12.20	31.12.19
	£	£
Purchases	<u>423</u>	<u>216</u>

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Donations to the Festiniog Railway Company	72,087
Printing, stationary, postage etc.	21,187
Coronavirus appeal	25,000
Station View costs	<u>2,329</u>
	<u>120,603</u>

9. AUDITORS' REMUNERATION

	31.12.20 £	31.12.19 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	2,320	2,110
Fees payable to the charity's auditors for other services:		
Preparation of accounts	<u>1,100</u>	<u>1,000</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

The trustees all give their time freely and there were no trustees' remuneration or other benefits received neither for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid neither for the year ended 31 December 2020 nor for the year ended 31 December 2019.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – 2019 SoFA
 (Breakdown of the 2019 column from page 15)

	Unrestricted fund £	Unrestricted designated funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations, legacies & gift aid	132,103	5,533	1,051	138,687
Charitable activities				
Subscriptions & diamond appeal	88,817	-	-	88,817
Station View income	-	3,054	-	3,054
General appeals	-	22,986	4,555	27,541
Other trading activities	2,626	-	-	2,626
Investment income	<u>126</u>	<u>99</u>	<u>120</u>	<u>345</u>
Total	223,672	31,672	5,726	261,070
EXPENDITURE ON				
Raising funds	216	-	-	216
Charitable activities				

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Unrestricted designated funds £	Restricted funds £	Total funds £
Donations to the Festiniog Railway Company	-	118,263	41,180	159,443
Printing, stationary, postage etc.	22,852	-	-	22,852
Station View costs	-	12,856	-	12,856
Governance and support	<u>4,018</u>	<u>-</u>	<u>-</u>	<u>4,018</u>
Total	<u>27,086</u>	<u>131,119</u>	<u>41,180</u>	<u>199,385</u>
NET INCOME/(EXPENDITURE)	196,586	(99,447)	(35,454)	61,685
Transfers between funds	<u>(212,701)</u>	<u>212,701</u>	<u>-</u>	<u>-</u>
Net movement in funds	(16,115)	113,254	(35,454)	61,685
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>17,285</u>	<u>413,049</u>	<u>89,076</u>	<u>519,410</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>1,170</u></u>	<u><u>526,303</u></u>	<u><u>53,622</u></u>	<u><u>581,095</u></u>

12. TANGIBLE FIXED ASSETS

	Freehold property £	Dinas signal box sign £	Model Locomotive £	Nantlle map £	Totals £
COST					
At 1 January 2020 and 31 December 2020	<u>225,374</u>	<u>375</u>	<u>100</u>	<u>225</u>	<u>226,074</u>
NET BOOK VALUE					
At 31 December 2020	<u>225,374</u>	<u>375</u>	<u>100</u>	<u>225</u>	<u>226,074</u>
At 31 December 2019	<u>225,374</u>	<u>375</u>	<u>100</u>	<u>225</u>	<u>226,074</u>

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

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

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

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

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

13. DEBTORS

	31.12.20	31.12.19
	£	£
Amounts falling due within one year:		
Other debtors	371	3,242
Annual gift aid claims	5,860	25,131
Bequests	3,002	29,763
Coronavirus appeal (gift aid)	1,367	-
Company loans *	<u>123,140</u>	<u>-</u>
	<u>133,740</u>	<u>58,136</u>
Amounts falling due after more than one year:		
Company loans	<u>241,116</u>	<u>-</u>
Aggregate amounts	<u>374,856</u>	<u>58,136</u>

* The Society has contingently agreed to convert this £123,140 of the Company loan to a grant during 2021.

14. CURRENT ASSET INVESTMENTS

	31.12.20	31.12.19
	£	£
Festiniog Railway Company share	<u>1</u>	<u>1</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Accrued Festiniog Railway Company donations	-	53,622
Other creditors	4,051	3,726
Deferred income	<u>32,313</u>	<u>28,806</u>
	<u>36,364</u>	<u>86,154</u>

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Notes to the Financial Statements -- continued
for the Year Ended 31 December 2020

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

	31.12.20	31.12.19
	£	£
Accruals and deferred income	<u>34,999</u>	<u>29,991</u>

17. MOVEMENT IN FUNDS

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

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

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

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in 2019 funds

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
Unrestricted funds				
Uncommitted fund	17,285	196,586	(212,701)	1,170
Historical railway assets fund	700	-	-	700
Station View property fund	225,374	-	-	225,374
Station View maintenance fund	7,670	(9,802)	6,000	3,868
NG15 contingency fund	70,000	-	20,000	90,000
Small project allocations fund	25,008	(11,926)	16,330	29,412
Gwyrfaï carriage appeal fund	60,622	(91,296)	30,674	-
NGG16 boiler appeal fund	23,675	(14,974)	-	8,701
Third class saloon fund	-	28,551	20,588	49,139
Dinas facilities contingency fund	-	-	119,109	119,109
	430,334	97,139	-	527,473
Restricted funds				
NG15 project fund	58,572	(36,274)	-	22,298
K1 project fund	30,504	820	-	31,324
	89,076	(35,454)	-	53,622
TOTAL FUNDS	<u>519,410</u>	<u>61,685</u>	<u>-</u>	<u>581,095</u>

Comparative net movement in 2019 funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Uncommitted fund	223,672	(27,086)	196,586
Station View maintenance fund	3,054	(12,856)	(9,802)
Small project allocations fund	1	(11,927)	(11,926)
Gwyrfaï carriage appeal fund	40	(91,336)	(91,296)
NGG16 boiler appeal fund	26	(15,000)	(14,974)
Third class saloon fund	28,551	-	28,551
	255,344	(158,205)	97,139
Restricted funds			
NG15 project fund	4,906	(41,180)	(36,274)
K1 project fund	820	-	820
	5,726	(41,180)	(35,454)
TOTAL FUNDS	<u>261,070</u>	<u>(199,385)</u>	<u>61,685</u>

Cymdeithas Rheilffordd Eryri
also known as
Welsh Highland Railway Society

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

17. MOVEMENT IN FUNDS - continued

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

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
Uncommitted fund	17,285	299,416	(170,568)	146,133
Historical railway assets fund	700	-	-	700
Station View property fund	225,374	-	-	225,374
Station View maintenance fund	7,670	(11,760)	12,000	7,910
NG15 contingency fund	70,000	-	20,000	90,000
Small project allocations fund	25,008	(41,749)	58,520	41,779
NGG16 boiler appeal fund	23,675	(14,965)	-	8,710
Third class saloon fund	-	45,680	42,939	88,619
Dinas facilities contingency fund	-	-	5,225	5,225
Coronavirus appeal fund	-	3,259	-	3,259
	<u>369,712</u>	<u>279,881</u>	<u>(31,884)</u>	<u>617,709</u>
Restricted funds				
NG15 project fund	58,572	(37,286)	1,210	22,496
K1 project fund	30,504	1,487	-	31,991
	<u>89,076</u>	<u>(35,799)</u>	<u>1,210</u>	<u>54,487</u>
TOTAL FUNDS	<u>519,410</u>	<u>152,786</u>	<u>-</u>	<u>672,196</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Uncommitted fund	388,042	(88,626)	299,416
Station View maintenance fund	3,425	(15,185)	(11,760)
Small project allocations fund	103	(41,852)	(41,749)
NGG16 boiler appeal fund	35	(15,000)	(14,965)
Third class saloon fund	45,680	-	45,680
Coronavirus appeal fund	28,478	(25,219)	3,259
	<u>465,763</u>	<u>(185,882)</u>	<u>279,881</u>
Restricted funds			
NG15 project fund	10,312	(47,598)	(37,286)
K1 project fund	1,487	-	1,487
	<u>11,799</u>	<u>(47,598)</u>	<u>(35,799)</u>
TOTAL FUNDS	<u>477,602</u>	<u>(324,816)</u>	<u>152,786</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

17. MOVEMENT IN FUNDS - continued

Unrestricted Funds

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

Designated Funds

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

Station View Capital Fund

This represents the historical acquisition cost of Station View and its capital value is subject to periodical revaluations.

Historical Railway Assets

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

NGG16 boiler

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

Third class saloon

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

Smaller Projects Allocation

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

Station View Property Fund

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

NG15 Project Contingency

Funds allocated by the trustees to support restoration of NG15 locomotive number 134. This fund is separate from the NG15 Restricted Fund but has the same purpose.

Dinas Facilities Contingency

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

Coronavirus Appeal

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

Restricted Funds

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

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

17. MOVEMENT IN FUNDS - continued

<u>NG15</u>	Funds held to support restoration of NG15 locomotive number 134. This fund is separate from the NG15 Designated Fund but has the same purpose.
<u>K1</u>	Funds held to support restoration and maintenance of the prototype Beyer Garratt locomotive K1. The locomotive is presently at Statfold Barn and no call has been made on this fund for the work done there. No immediate call on this fund is anticipated.

18. RELATED PARTY DISCLOSURES

Other than donations made in line with the objectives of the charity, there were no related party transactions for the year ended 31 December 2020 or December 2019.

19. POST BALANCE SHEET EVENTS

As part of its response to the coronavirus outbreak and the restrictions put in place during March 2020, the Society authorised that a loan facility of £250,000 be made available to the Company. This amount to come out of the Society's accumulated cash reserves, with this being in addition to a loan of £150,000 which was made to the Company at the beginning of 2020 (A similar loan of £150,000 was made to the Company during 2019 which was repaid by 31 December 2019). Both loans repayable on 30 September 2023.

As at the 31 December 2020, the amount outstanding as a result of the financial support provided amounted to £364,256, with the reduction from the original amount being the £35,744 which was, following discussions between the Society board and the Company, released as a grant for costs incurred on a number of agreed projects.

Additionally, at the end of 2020, the Society has contingently agreed to convert a further £123,140 of the financial loan support into a grant, but as the total costs related to these projects are not expected to be incurred until the spring of 2021, this amount is deemed to be a 2021 budget item.

20. ULTIMATE CONTROLLING PARTY

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

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

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