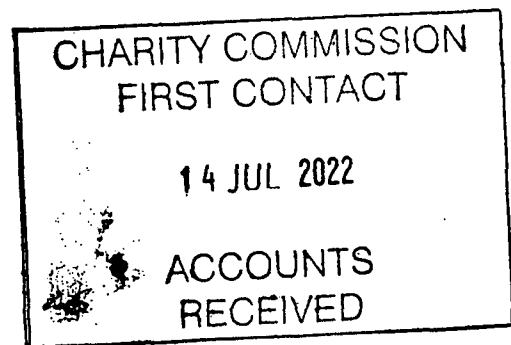


THE FFESTINIOG AND WELSH HIGHLAND RAILWAYS TRUST

TRUSTEES' REPORT AND ACCOUNTS

For the year ended 31 December 2021



TRUSTEES' REPORT AND ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2021

PROFILE

A Festiniog Railway Trust was created in 1954 when the late Mr. Alan Pegler provided the funds to acquire a controlling interest in The Festiniog Railway Company (the "Company") and arranged for stock to be transferred directly to it from the previous shareholders. The aim of the Trust was for the future of that renowned railway to be secure in well-disposed hands in perpetuity. The Trust was subsequently reconstituted and registered as a charity on 10 November 1964 and has among its stated aims the encouragement and support of charitable purposes connected with railways, particularly the Ffestiniog Railway *.

The Trustees are appointed under a scheme approved by the Charity Commissioners and incorporated in an amended Trust Deed dated 30 September 1998. With the approval of the Charity Commission, the Trust Deed was further amended on 5 October 2012 to change the name of the Trust to The Ffestiniog and Welsh Highland Railways Trust, Ymddiriedolaeth Rheilffyrdd Ffestiniog ac Eryri in Welsh, and to make a number of administrative changes; further administrative changes were made on 15 April 2016. Running the Trust is an entirely voluntary, unpaid activity. Normally the Trustees meet formally three times a year.

The Trust does not normally initiate charitable work but responds to requests from other interested bodies for grants in pursuit of its charitable aims. Trust income is primarily from gifts and legacies. The Trustees are pleased to receive proposals for fund raising but fund raising in the name of the Trust may only be undertaken with the explicit prior agreement of the Trust.

The Trust owns the great majority of all classes of issued share capital and debentures of the Company and nominates the Company's Directors. As well as operating the Ffestiniog Railway since its inception in 1836, the Company has re-instated and operates the once derelict Welsh Highland Railway which shares the Ffestiniog Railway's Harbour Station at Porthmadog and runs to Dinas Junction and has extended it to Caernarfon.

A very considerable collection of artefacts, records and ephemera concerning the railways exists but is no longer required directly for its operation and maintenance. This constitutes a most important and historically significant record, resource and responsibility. The Trustees have for many years overseen the care and continued safe storage of these items, and their maintenance where appropriate. Although constraints of finance and space mean it is not currently possible to mount any permanent display, the complete pre 1954 archive is now available at Gwynedd Archives at Caernarfon. The Company formed Ffestiniog Railway Heritage Limited, renamed Ffestiniog and Welsh Highland Railways Heritage Limited in 2013, to oversee the care of these special items, to ensure their protection and to enhance their value to the community. The Directors of Ffestiniog and Welsh Highland Railways Heritage Limited are nominated by the Trustees.

A trading company, Ffestiniog Railway Holdings Limited, is wholly owned by the Trust. It exploits commercial opportunities, notably the Ffestiniog Travel business, that are not legally possible for the Company.

** The spelling of 'Festiniog' in the Company's name is legally correct and reflects contemporary Welsh usage in 1832 when the Company was created by Act of Parliament. However, the Trust and the Company have now adopted the current Welsh spelling of 'Ffestiniog' in day to day usage and this is used throughout the remainder of this Profile and the Trustees' Report.*

TRUSTEES' REPORT AND ACCOUNTS

YEAR ENDED 31 DECEMBER 2021

CONTENTS	PAGE
LEGAL AND ADMINISTRATIVE DETAILS	3
TRUSTEES' REPORT	4-8
REPORT OF THE INDEPENDENT AUDITORS	9-11
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES	12
CONSOLIDATED BALANCE SHEET	13
CONSOLIDATED CASH FLOW STATEMENT	14
NOTES TO THE FINANCIAL STATEMENTS	15-29

LEGAL AND ADMINISTRATIVE DETAILS

Office	Harbour Station, Porthmadog Gwynedd LL49 9NF
Registered Charity Number	239904
Secretary:	R D Holton Soprano Fleecy Court Chapel Green Napton-on-the-Hill CV47 8PA
Legal Advisor	R J L Stones 91 Linden Way London N14 4NG
Treasurer:	J D Scarisbrick 9 Chatham Road Old Trafford Manchester M16 0DR
Bankers	NatWest Bank plc PO Box 877 31 Cheapside London EC2V 6HT CAF Bank (Charities Aid Foundation) 25 Kings Hill Avenue West Mailing Kent ME19 4TA

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2021

Trustees:

Dr J D C A Prideaux CBE (Chairman); R Broyd OBE; Dr D R Gwyn;
Dr DW Roberts MBE; ML Smith.

The Trustees present their report and the accounts for the year ended 31 December 2021.

Statement of Trustees' Responsibilities

The Trustees 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).

Charity Law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the group for the year. In preparing those financial statements the Trustees are required to:

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

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and regulations made thereunder. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Objectives and activities

The objectives of the Trust are "such charitable purposes connected with railways as the Trustees determine". In selecting particular purposes the Trustees are required to especially bear in mind charitable purposes connected with the Festiniog Railway Company.

The Trustees fulfil these aims primarily by activities aimed at the charitable purpose of advancing heritage. These include:

- providing funding to support the continued operation of the Ffestiniog Railway and the reconstructed Welsh Highland Railway;
- holding a controlling interest in the Company to ensure that it continues to operate in accordance with the Trust's objectives, and to enable it to oversee the preservation of historic rolling stock, archives and other artefacts relating to the railways.

Principal activities and review of the year

There was continuing disruption caused by the Corona virus pandemic in 2021. However, lessons learned living with the Corona virus pandemic and associated restrictions during the 2020 operating season were applied to achieve efficient operation of the railways. The measures taken by the Company included cost control through a change in the operating model leading to movement of fewer empty seats on trains and a significant reduction in the paid workforce. With

a fourfold increase in traffic receipts compared to 2020, and continuing loan and grant support from the Trust and supporting societies, the Company made an operating surplus of £755,124 in 2021 (2020 £3,509). The Trustees are grateful for the continuing hard work of staff and volunteers which has enabled an operating surplus in 2021 despite the difficult trading conditions.

All such surplus funds are re-invested in basic expenditure on maintenance or routine capital projects on the infrastructure of the Company. The Company continues to make progress in achieving its 'sustainable railway' goal. Major long-term infrastructure investments included the new three-road carriage shed at Boston Lodge works. This now enables a further thirty carriages to be kept under cover reducing maintenance costs in future years.

Garratt locomotive 130 and carriage 2048 entered service on the Welsh Highland Railway and the stone portals on the new Moelwyn Tunnel were completed to round off work started as part of the deviation project in the 1970's. Thanks are due to the sponsors whose generosity made these developments possible.

The Board of Ffestiniog and Welsh Highland Railways Heritage Limited continued to be responsible for appraising and advising the Company Board on proposed heritage projects. Monitoring the condition of heritage rolling stock was continued during the year.

The historic workshops at Boston Lodge continued to produce excellent work on the maintenance, repair and full rebuilding of historic rolling stock. The skills and quality of design and craftsmanship of the workshop staff are known far and wide and are a long-term benefit to the organisation. In addition to the routine maintenance of the railways' own vehicles the workshops also carry out work for external customers. During 2021 building of the new double Fairlie locomotive, *James Spooner*, continued. A replica Pickering third class brake carriage for our sister railway, the Welsh Highland Heritage Railway, was completed and delivered.

The Trust welcomes donations and legacies. In 2021 £811,643 (2020 £858,458) was received from donations, legacies, gift aid on these where applicable and investment income. The amount varies from year to year but over the last five years it has received an average of £770,115.7. During the same period governance costs have averaged £17,505 of the amount received. About two thirds of this are fundraising costs and of the remainder the majority are audit costs. Administration costs are minimal as all the Trustees and Officers of the Trust are unpaid and do not charge for their expenses.

The General Fund of the Trust supports the Trust's general charitable purposes including the Trust's heritage and archive responsibilities. In addition to the General Fund, the Trust maintains several restricted funds for various more specific charitable purposes where donors wish to support a particular project.

A highlight of 2021 was the inscription of the Ffestiniog Railway from Porthmadog to Blaenau as a UNESCO World Heritage site (part of The Slate Landscape of Northwest Wales).

Furthermore, in 2021, the Company received a substantial National Lottery Heritage Fund (NLHF) grant for the Interpretation and Boston Lodge Works Project. A condition of this grant was provision of matching funding from the Trust and other related bodies.

Overall the Trust awarded grants of £415,248 (2020:£ 1,099,719) in 2021.

Public benefit

In planning their activities, the Trustees have due regard to the guidance on public benefit issued by the Charity Commission.

The Ffestiniog Railway is of enormous significance both for the world-wide development of narrow-gauge railways and for the industrial history of North Wales. The railway retains much of its original infrastructure and architecture, which includes its original works at Boston Lodge, and continues to operate motive power and other rolling stock of outstanding historical and technical interest. As well as retaining its original 1832 statutory form, the Company has business and technical archives dating from its inception. The restoration of the Welsh Highland Railway has reconstituted another major part of the narrow-gauge network historically proposed for the region.

Preservation of this heritage in the form of the two operational railways provides an educational and recreational resource which benefits the community as a whole. Much of the historic rolling stock is still in use in public service and visible to all. In addition to the historic artefacts on display at Porthmadog, the historic pre 1954 archives are deposited with Gwynedd Archives in Caernarfon and are freely available as a resource for researchers. The railways run through (and provide access to) the Glaslyn Landscape of Historical Significance and the Snowdonia National Park. Recognition of the contribution to public benefit made by the railway has come from the (2021) inscription of the Porthmadog-Blaenau section as a UNESCO World Heritage site (part of The Slate Landscape of Northwest Wales) and the award of a NLHF grant for the Interpretation and Boston Lodge Works Project.

The Company reaches out to the local community by sponsoring and participating in local events and by providing resources and work experience for local schools.

The average monthly number of persons employed by the Company during 2021 was 66 full time and eight part time staff. An additional six staff were employed by Ffestiniog Holdings Ltd. The railways employed an average of 28 seasonal workers each week during 2021.

The NLHF Project at Boston Lodge includes provision of dedicated resources to further volunteer activity in interpretation of the railway's impact on the community (both historically and currently) and will create apprenticeship positions covering works administration, project management and interpretation.

The direct benefit from the railway's activities to the local community, which is classified as an economically disadvantaged area, is estimated to be some £6m per annum, to which needs to be added the indirect benefits accruing to local employers and other businesses.

Academic research in 2008 concluded that the total economic impact of the railway on Gwynedd was between £8,192,700 and £9,261,400 per annum and supported between 334 and 375 full time posts in the region. Thus, the total benefit to Gwynedd was estimated to be some £15m per annum. This is believed to have now increased to over £20m per annum following completion of the restoration of the Welsh Highland. The railway, thus, contributes significantly to the local economy and maintains skills that are important to the conservation of its industrial heritage.

Structure, governance and management

The Charity was registered on 4 March 1966, as charity number 239904. In 2005 The Charity Commission agreed to the informal use of 'Ymddiriedolaeth Rheilffyrdd Ffestiniog', as its name in Welsh. On 5 October 2012, with the approval of the Charity Commission, the Trust's name was changed to The Ffestiniog and Welsh Highland Railways Trust, Ymddiriedolaeth Rheilffyrdd Ffestiniog ac Eryri in Welsh, and a number of administrative changes were made to the Trust Deed. Further such minor changes to the Trust Deed were made on 15 April 2016. The change of name recognises the importance of both the Ffestiniog and the Welsh Highland Railways and their complementary relationship.

The relationships between the Trust and the Company are governed by the Trust Deed. The Trust's position as majority shareholder of the Company is supplemented by a Memorandum of Understanding between the Trust and the Company, dated 26 July 2010, which replaced an earlier Memorandum of 31 July 2003.

Trustees are appointed for five years under a scheme approved by the Charity Commission in 1998, with subsequent amendments, which is reflected in the Trust Deed. Trustees may be reappointed for further terms under the same scheme.

Retiring Trustees may be appointed as Emeritus Trustees for a period of three years. They are not Trustees but may attend meetings of the Trust by invitation in order to make their experience available to the Trust. In 2021 the Trust had no Emeritus Trustees.

The Trustees met formally on three occasions during the year. Individual Trustees and Officers attended numerous other meetings and functions throughout the year, sometimes virtually.

The Trust has no employees. All work by the Trustees and Officers and a large proportion of work on the Railways, is undertaken by some 1,000 unpaid volunteers. It is not practicable to quantify

this very large, and essential, contribution.

The Trustees confirm that the charity has complied with current statutory requirements, its Trust Deed and the principles of the Charities SORP (FRS 102).

Risk management

The Trustees conduct an annual review of

- the principal risks and uncertainties that affect the charity
- the measures in place to mitigate those risks identified in the annual review; and measures to minimise or manage (so far as reasonably practicable) any potential impact on the charity should those risks materialise.

The Trustees continue to consider that the principal risk to the Trust is the failure to meet its primary objective of ensuring the continued operation of the Ffestiniog Railway and the reconstructed Welsh Highland Railway. The Trust's operating subsidiaries maintain their own risk management policies which are reviewed annually. The Trust receives regular reports from all the subsidiaries; any areas of concern are highlighted in them. Health and safety is the key area of operational risk for the Company and consequently an annual review on this is commissioned from a third party.

Grant making policy

The Trustees' policy is that all grants are made against an approved and budgeted capital project and must be approved by the Trustees. Grants payable are accounted for when a constructive obligation has been entered into. The value of such grants unpaid at the year-end is accrued.

Investment policy

Apart from its holdings of shares and stock of the Company, the investments of the Trust are largely limited to securities donated to the Trust which are held to generate income and / or the opportunity for gains.

The Company provides substantial social benefits as explained in the section on "Public Benefit" above. However the Trust has not made, and has no plans to make, any "social investment" as defined in the Charities SORP.

Pay policy for senior staff

All Trustees give their time freely and no Trustee, or Trust official, received remuneration in the year.

Impact of Corona virus

In addition to impacts described elsewhere in this report, Ffestiniog Holdings' travel business continued to be severely limited during 2021. A loan of £50,000 from the Trust enabled a continuation of trading. There are encouraging signs for trade to start to recover towards pre-pandemic levels in 2022.

The Company undertook a number of externally funded engineering contracts for work at Boston Lodge which provided valuable additional revenue.

A grant of £750,000 in respect of cash flow losses was received by the Company from The Welsh Government in 2021.

Emergency loans by the Trust to the Company have been repaid or converted to grants. Additionally, the Company has repaid the Government Business Interruption Loan received in 2020.

Reserves

The Trustees have reviewed the reserves of the Trust and consider that unrestricted funds are sufficient to meet the Trust's commitments and other foreseeable calls on its funds. The reserve levels of the charity are monitored to ensure they are sufficient.

At 31 December 2021, total consolidated reserves were £8,366,293 (2020: £7,328,869) of which £810,581 (2020 £835,347) were in restricted funds.

On behalf of the Trustees

Trustee (Sign and Print Name) Date : 16 June 2022

D. W. ROBERTS

REPORT OF THE INDEPENDENT AUDITORS

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE FFESTINIOG AND WELSH HIGHLAND RAILWAYS TRUST

Opinion

We have audited the financial statements of The Ffestiniog and Welsh Highland Railways Trust (the 'company') for the year ended 31 December 2021 which comprise the Income Statement, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss 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 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 directors' 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 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors but does not include the financial statements and our Report of the 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 Directors for the financial year for which the financial statements are prepared is consistent with financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in your 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 directors; remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors 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 directors determine 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 a Report of the 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 gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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 Auditors.

Use of our report

This report is made solely to the 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 company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Martin Steven Barrett (Senior Statutory Auditor)
for and on behalf of Williams Denton Cyf
Chartered Certified Accountants
Statutory Auditors
13 Trinity Square
Llandudno
United Kingdom
Conwy
LL30 2RB

Date: 16/6/2022

The Ffestiniog and Welsh Highland Railways Trust
Consolidated Statement of Financial Activities
(including consolidated income and expenditure account)
for year ending 31 December 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 2021 £	Total funds 2020 £
Income:					
Donations and legacies	4	368,894	442,043	810,938	857,558
<i>Income from other trading activities:</i>					
Commercial trading operations	6	4,531,266.00	-	4,531,266	2,265,118
Investment income	7	922.00	-	922	6,362
Other Income	6	1,258,353.00	-	1,258,353	2,661,487
Total income		6,159,435	442,043	6,601,479	5,790,525
Expenditure					
<i>Costs of raising funds:</i>					
Commercial trading operations	6/10	5,381,363	-	5,381,363	5,176,837
<i>Expenditure on charitable activities:</i>					
Grants committed	8	39,881	375,367	415,248	1,099,718
Total expenditure		5,421,244	375,367	5,796,611	6,276,555
Net income/(expenditure) and net movement in funds for the year		738,191	66,676	804,868	(486,032)
Transfers between funds		400,622	(400,622)	-	-
Other recognised gains/(losses)					
Gains/(losses) on investment assets		-	(91,443)	(91,443)	143,489
Actuarial gains/(losses) on defined benefit pension schemes		324,000	-	324,000	162,000
Net movement in funds		1,462,813	(425,389)	1,037,425	(504,543)
Reconciliation of funds					
Total funds brought forward		6,493,520	835,347	7,328,868	7,833,411
Total funds carried forward		7,956,333	409,958	8,366,293	7,328,868

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

The Ffestiniog and Welsh Highland Railways Trust
Consolidated Balance Sheet
for year ending 31 December 2021

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Fixed assets					
Tangible Assets	16	37,531,204	38,270,914	97,362	98,643
Investments	17	246,359	337,802	277,705	369,148
Total fixed assets		37,777,563	38,608,716	375,067	467,791
Current assets					
Stock and WIP	18	470,789	1,251,565	-	-
Debtors	19	550,977	593,964	94,175	246,004
Cash at bank and in hand		3,421,269	3,497,364	1,438,981	853,187
Total current assets		4,443,035	5,342,893	1,533,156	1,099,191
Liabilities					
Creditors falling due within 1 year	20	1,360,756	2,426,988	83,521	42,150
Net Current assets		3,082,279	2,915,905	1,449,635	1,057,041
Total assets less current liabilities		40,859,842	41,524,621	1,824,701	1,524,832
Creditors: falling due after more than 1 year	22	30,634,186	32,193,107	-	-
Defined benefit pension scheme liability	25	406,000	83,000	-	-
Net assets		10,631,656	9,414,514	1,824,701	1,524,832
The funds of the charity:	26				
Unrestricted income funds		7,956,333	6,493,521	1,414,743	689,383
Restricted income funds		409,958	835,347	409,958	835,347
Non-controlling interest		2,265,364	2,085,646	-	-
Total charity funds		10,631,656	9,414,514	1,824,701	1,524,730

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes at page 15 to 29 form part of these accounts.

Signed.....

Trustee..... *D. W. ROBERTS*

Date:..... *16 June 2022*

The Ffestiniog and Welsh Highland Railways Trust
Statement of Cash Flows and Consolidated Statement of Cash Flows
for year ending 31 December 2021

	Year ended 31/12/2021	Year ended 31/12/2020
	£	£
Net incoming resources before revaluations	804,868	(375,976)
Investment income less interest payable	(922)	(6,362)
Depreciation	1,441,918	1,422,684
Pension fund non-cash movement	323,000	(5,000)
(Profit) / Loss on disposal of assets	(39,509)	-
Loss on Investments	85,922	(127,412)
(Increase) / decrease in debtors	42,987	63,474
(Increase) / decrease in stock	780,776	(240,935)
Increase / (decrease) in creditors	(1,058,938)	597,318
Increase / (decrease) in deferred income	(1,558,921)	354,437
Cash from operations	821,181	1,682,227

CASH FLOW STATEMENT

Net cash inflow from operating activities	821,181	1,809,640
Returns on investments and servicing of finance	-	-
Cash Flows from investing activities		
(Gain)/Loss on investments	-	143,489
Purchase of investments	(223,778)	-
Disposal of investments	229,299	151,500
Capital expenditure and financial investment	(802,544)	(6,968,806)
Proceeds on disposal of assets	51,934	6,144,499
Taxation		
Tax paid	-	-
Cash flows from financing activities		
Repayment of interest free loan	-	-
Repayment of bank loan	-	-
Cancellation of Debenture Stock	-	-
Increase/(decrease) in cash and cash equivalents in the year	76,092	1,280,322

Reconciliation of net cash flow to movement in net cash and liquid resources

Increase/(Decrease) in cash in the year	76,092	1,152,911
Cash and liquid resources at 1 January	3,496,037	2,343,126
Cash and liquid resources as at 31 December	3,572,129	3,496,037

Reconciliation of net cash flow to movement in net debt

Change in cash in year	76,092	1,152,911
Net movement on loans	-	-
Net debt at 1 January	2,942,786	1,789,875
Net debt at 31 December	3,018,878	2,942,786

Analysis of net cash and liquid resources

	At 01/01/21	Movement in year	At 31/12/21
	£	£	£
Cash at bank and in hand	3,497,364	(76,095)	3,421,269
Bank overdraft	(1,327)	(9,601)	(10,928)
	3,496,037	(85,696)	3,410,341

Notes on the accounts

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

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) and the Companies Act 2006.

The Ffestiniog and Welsh Highland Railways Trust 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 note(s).

b) Group financial statements

The results of the trust's subsidiary undertakings, all of which are incorporated in the United Kingdom and have year ends of 31 December, are consolidated on a line by line basis in the Statement of Financial Activities (SOFA). Detailed information on their trading is incorporated in note 6 to these accounts. Capital grants made by the Trust to subsidiary companies are expenses in the SOFA and disclosed within deferred capital contributions in the balance sheet as the Trustees do not regard such sums as being properly funds of the charity.

c) Incoming Resources

Income is recognised when the charity has the entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

d) Donated services and facilities

The charity received help and support in the form of voluntary assistance. Voluntary assistance is not included in the accounts. It is not possible to quantify the amount of such assistance.

e) Interest receivable

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

Notes on the accounts

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

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) and the Companies Act 2006.

The Ffestiniog and Welsh Highland Railways Trust 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 note(s).

b) Group financial statements

The results of the trust's subsidiary undertakings, all of which are incorporated in the United Kingdom and have year ends of 31 December, are consolidated on a line by line basis in the Statement of Financial Activities (SOFA). Detailed information on their trading is incorporated in note 6 to these accounts. Capital grants made by the Trust to subsidiary companies are expenses in the SOFA and disclosed within deferred capital contributions in the balance sheet as the Trustees do not regard such sums as being properly funds of the charity.

c) Incoming Resources

Income is recognised when the charity has the entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

d) Donated services and facilities

The charity received help and support in the form of voluntary assistance. Voluntary assistance is not included in the accounts. It is not possible to quantify the amount of such assistance.

e) Interest receivable

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

k) Stock

Stocks and work in progress are valued at lower of cost, including appropriate overhead expenses and net realisable value.

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Financial instruments

The trust 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.

p) Pensions

On 1st May 2014 the group established two new auto enrolment group personal pension schemes (AE). Employer and employee contributions to these schemes are made in accordance with the rates laid down by government legislation and are charged in the year in which they arise. The FRS 17 liability in respect of the defined benefit scheme has been included in the financial statements.

2 Legal Status of the Trust

The Trust is an unincorporated charity and operated under a trust deed.

3 The summary financial performance of the charity alone

	2021 £	2020 £
Donations and Legacies	810,938	857,555
Investment Income	705	900
	811,643	858,455
Expenditure on charitable activities	420,230	1,099,718
Net Income/(Expense)	391,413	(241,263)
Other recognised gains/(losses) on investment assets	(91,443)	143,489
Total funds brought forward	1,524,731	1,622,505
Total funds carried forward	1,824,701	1,524,731
Represented by:		
Restricted Income funds	409,958	835,347
Unrestricted Income funds	1,414,743	689,383
	1,824,701	1,524,730

4 Income from donations and legacies

	2021 £	2020 £
Donations		
Gifts	70,423	112,228
Donations	496,627	696,348
Legacies	243,888	48,985
	810,938	857,561

5. Income from charitable activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Incoming Resources		
Donations and gifts	368,894	114,485
Legacies	-	-
Subtotal: Incoming resources from generated funds	368,894	114,485
Investment Income	705	900
Subtotal: Incoming resources for generating funds	705	900
Total Income from charitable events	369,600	115,385

6. Income earned from other activities

The Trust has two principal trading subsidiaries which are incorporated in the UK. The Festiniog Railway Company (in which the Trust has a controlling interest in each category of share) owns and operates the Ffestiniog and Welsh Highland Light Railway in North Wales. Ffestiniog Railway Holdings Ltd is a wholly owned subsidiary and trades as a travel and ticket agency and tour operator. A summary of their trading results (net of inter-company trading) is shown below. Accounts for both companies have been audited. Those for Ffestiniog Railway Holdings Ltd have been filed at Companies House and those for The Festiniog Railway Company are available on request from Harbour Station, Porthmadog, Gwynedd, LL49 9NF. In addition, The Festiniog Railway Company has three wholly owned subsidiaries, Welsh Highland Light Railway Ltd and Welsh Highland Railway Construction Ltd (both incorporated in the UK), which are involved in the revival of the Welsh Highland Railway and Ffestiniog Railway Heritage Limited which has had no trading activity during the period. Ffestiniog Futures Limited holds £250 of Festiniog Railway Company ordinary stock, of which some is jointly owned with others: in all cases, ownership will eventually revert to the company.

	Ffestiniog Railway Holdings Ltd £	The Festiniog Railway Company £	Ffestiniog Railway Heritage Ltd and Ffestiniog Futures Limited £	Welsh Highland Light Railway Limited £	Welsh Highland Railway Construction Ltd £	2021 Total £	2020 Total £
Turnover	114,451	4,390,380	(100)	(1)	(2)	4,426,379	2,265,118
Cost of sales	(106,535)	(3,519,024)	-	-	-	(3,625,558)	(2,644,915)
Gross Profit	7,916	871,356	(100)	(1)	(2)	879,170	(301,448)
Administration expenses	(305,884)	(1,354,982)	-	-	-	(1,660,866)	(2,693,567)
Other operating income	102,458	1,564,844	-	-	-	1,667,302	2,661,487
Net interest receivable/(payable)	217	-	-	-	-	217	5,462
Net Profit/(Loss)	(195,293)	1,081,219	(100)	(1)	(2)	885,823	328,067
FRS 17 actuarial gain/(loss)	-	-	-	-	-	-	-
Tax on profit on ordinary activities	-	-	-	-	-	-	-
Minority interest in profits of subsidiary	-	179,720	-	-	-	179,720	356
Profits/(losses) attributable to the Trust	(195,293)	1,260,939	(100)	(1)	(2)	1,065,543	327,711
	(195,293)	1,260,939	(100)	(1)	(2)	1,065,543	327,711

7 Investment Income

Some of the group's investment income of £217 (2020: £5,462) arises from money held in the trading subsidiaries.

8 Analysis of expenditure on charitable events

	General Fund £	Kyrat Fund £	LYD £	Michael Seymour Fund £	P5 £	Workshop £	Emergency Appeal £	Total £
Grants	39,881	139,720	3,257	-	231,109	-	-	413,967
Sundries	350	-	-	-	-	-	-	350
Total	40,231	139,720	3,257	-	231,109	-	-	414,317

Expenditure on charitable activities was £399,178 (2020:£1,084,988) of which £44,811 was unrestricted (2020:£297,118).

9 Summary analysis of expenditure and related income for charitable activities

This table shows the cost of the main charitable activities and the sources of income directly to support those activities.

	General Fund £	Kyrat Fund £	LYD £	Michael Seymour Fund £	P5 £	Workshop £	Emergency Appeal £	Total £
Direct grant support	39,881	139,720	3,257	-	231,109	1,281	-	415,248
Net cost funded from donations and legacies	39,881	139,720	3,257	-	231,109	1,281	-	415,248

Welsh Highland Railway Fund

Grants committed and paid in the year relate to construction and track works. The amount committed at the year end relates to construction works.

General Fund

The grants committed and paid during the year were mainly funding the continuing programme to restore more of the Ffestiniog Railway's historical carriages.

The grants remaining committed at the year end were for the restoration of some of the Ffestiniog Railway's carriages and improvements to historical buildings on the Ffestiniog Railway.

10 Analysis of governance and support costs

The Trust initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with governance costs are apportioned between the four key charitable activities undertaken (see note 8) in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

Analysis of support and governance costs

	General support £	Governance function £	Total £	Basis of apportionment
Sundry Expenses	-	350	350	Invoiced
Auditors Remuneration	-	4,320	4,320	57.50%
Fund raising costs	21,052	-	21,052	Invoiced
Total	21,052	4,670	25,722	

Support and governance costs are £25,722 (2020:£19,534).

11 Net Income/(expenditure) for the year

	2021 £	2020 £
This is stated after charging:		
Depreciation	1,440,637	1,421,402
Release of grants against depreciation	(288,604)	(288,604)
Audit fees	4,320	4,320
Leasehold Amortisation	1,281	1,281
	1,157,634	1,138,399

12 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2021 £	2020 £
Wages and salaries	2,221,296	2,537,831
Social security costs	176,988	193,236
Pension costs	46,397	54,402
	2,444,680	2,785,469

Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2019:£NIL)

13 Staff numbers

The average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2021 Number	2020 Number
Full Time	66	89
Part Time	8	8
Sesonal	28	19
	102	116

14 Related party transactions

The Ffestiniog and Welsh Highland Railways Trust has a controlling interest in the Festiniog Railway Company, and also owns all of the issued share capital of Ffestiniog Railway Holdings Ltd. During the year the trust made a number of grants for charitable purposes, all of which were in connection with the above mentioned companies. Further details of grants committed and paid during the year can be found in Note 8 to these accounts.

Further information concerning subsidiaries is provided in note 6.

15 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

16 Tangible fixed assets - charity (also comprising that of the group)

	Long leasehold land and buildings £	Plant machinery and motor vehicles £	Total £	Charity only Trust Long Leasehold Property £
Cost:				
As at 1 January 2021	10,851,804	41,713,624	52,565,428	126,825
Additions	364,024	340,635	704,659	
(Disposals)	(3,000)	(18,995)	(21,995)	
	<u>11,212,828</u>	<u>42,035,264</u>	<u>53,248,092</u>	<u>126,825</u>
Depreciation/Amortisation:				
As at 1 January 2021	(4,367,531)	(9,926,983)	(14,294,514)	(28,182)
Charge for the year	(423,225)	(1,018,693)	(1,441,918)	(1,281)
Depreciation on disposal	2,100	17,444	19,544	-
Eliminated on disposal	<u>(4,788,656)</u>	<u>(10,928,232)</u>	<u>(15,716,888)</u>	<u>(29,463)</u>
Net book value:				
As at 1 January 2021	<u>6,484,273</u>	<u>31,786,641</u>	<u>38,270,914</u>	<u>98,643</u>
As at 31 December 2021	<u>6,424,172</u>	<u>31,107,032</u>	<u>37,531,204</u>	<u>97,362</u>

17 Investments

	Listed £	Unlisted £	Total £	Charity only		
				Listed £	Unlisted £	Total £
Group and Trust						
Cost or valuation:						
At 1 January 2021	337,797	5	337,802	337,797	31,351	369,148
Purchase of new	223,778	-	223,778	223,778	-	223,778
Disposals	(229,299)	-	(229,299)	(229,299)	-	(229,299)
Revaluation	(85,922)	-	(85,922)	(85,922)	-	(85,922)
Impairment	-	-	-	-	-	-
At 31 December 2021	246,354	5	246,359	246,354	31,351	277,705

The aggregate market value of the listed investments (all of which are listed on a recognised stock exchange) was as follows:

	2021 £	2020 £
General Fund (cost £9,869)	18,434	18,434
Restricted Funds:		
Kyral Fund (cost £90,607)	227,920	319,363
	<u>246,354</u>	<u>337,797</u>

The unlisted investments of the Trust are disclosed fully in the balance sheet of the Trust on page 8. The listed investment are held to provide an investment return.

18 Stock and WIP

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Stock	226,221	267,678	-	-
WIP	244,568	983,887	-	-
	<u>470,789</u>	<u>1,251,565</u>	<u>-</u>	<u>-</u>

19 Debtors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	246,587	123,930	-	-
Other debtors	129,912	319,566	50,000	215,000
Taxation and social security	44,276	31,037	44,276	31,004
Prepayments and	-	-	-	-
Accrued income	130,202	119,431	-	-
	<u>550,977</u>	<u>593,964</u>	<u>94,276</u>	<u>246,004</u>

20 Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bank loan	10,928	1,327	-	-
Trade creditors	509,672	248,420	-	-
Other creditors	563,127	1,889,002	83,521	42,150
Accruals and deferred income	208,328	248,234	-	-
Taxation and social	-	-	-	-
Security costs	68,701	40,005	-	-
Corporation tax	-	-	-	-
	1,360,756	2,426,988	83,521	42,150

Deferred capital contributions are gifts and grants received by the Trust's subsidiary companies in respect of capital expenditure incurred by them.

21 Deferred income

	Group	Charity
	£	£
Balance as at 1 January 2021	248,234	-
Movement in year	39,906	-
Balance as at 31 December 2021	208,328	-

22 Creditors: amounts falling due after more than one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Deferred capital contributions	30,618,426	31,427,347	-	-
Bank Loan	-	750,000	-	-
Ffestiniog Railway 4% debenture stock	15,760	15,760	-	-
	30,634,186	32,193,107	-	-

23 Contingent Liabilities

The assets of one of the subsidiary companies of Trust, Welsh Highland Light Railway Ltd, are secured by way of a debenture being a fixed and floating charge in favour of The Millennium Commission as one of the conditions for that body providing funding for the rebuilding of the Welsh Highland Railway from Caernarfon to Rhyd Ddu. The legal agreement between the company and The Millennium Commission gives the Commission the power to take over the assets of the company in the event the company fails to reinstate the railway and commence passenger operations on terms agreed with The Millennium Commission.

Residual claims amounting to £164,000, relating to the construction of Phase 4 of the Welsh Highland Railway, have been received from contractors. The company disputes these claims and is of the view that nothing further is payable in respect of those contracts. At the present time it is not possible to quantify the eventual outcome of these claims.

24 Capital Commitment

The subsidiary entities had at 31 December 2021 nil (2020: nil) capital commitments contracted for but not provided for.

25 Pensions

One of the subsidiary companies of the Trust has put in place pension provisions for its staff.

Until 31 October 2001, the subsidiary company operated a funded defined benefit pension scheme providing benefits based on the final remuneration. The assets of that scheme are held separately from those of the company in an independently administered fund. The funding of the scheme is assessed in accordance with the advice of a qualified actuary on the basis of triennial valuations. This scheme was closed as a fully paid scheme on 31 October 2001. There are 34 deferred members of the scheme. As the scheme is closed, under the projected unit method the current service cost will increase as members approach retirement.

A full actuarial valuation was carried out as at 1 December 2017 and updated to 31 December 2021. All valuations were by a qualified independent actuary.

Employee Benefit Obligations

	2021 £	2020 £
Present value of funded obligations	(2,161,000)	(2,338,000)
Fair value of scheme assets	2,567,000	2,420,000
Present value of unfunded obligations	406,000	82,000
Unrecognised past service cost	-	-
Deficit	406,000	82,000
Related deferred tax asset	-	-
Net liability	406,000	82,000

Amounts in the balance sheet

Liabilities	-	-
Assets	406,000	82,000
Net liability	406,000	82,000

No account has been taken of any related deferred tax asset. The pension scheme assets did not include any shares issued by the subsidiary company or property occupied by the subsidiary company.

25 Pensions (Continued)

Amounts recognised in the Consolidated Statement of Financial Activities

	2021 £	2020 £
Current service cost	-	-
Interest on obligation	-	(5,000)
Expected return on scheme assets	(119,000)	291,000
Past service cost	(15,000)	(11,000)
Losses / (gains) on curtailments and settlements	(190,000)	(113,000)
Total	<u>(324,000)</u>	<u>162,000</u>

Actual return on scheme assets	219,000	159,000
--------------------------------	---------	---------

Changes in the present value of the Defined Benefit Obligation

Opening defined benefit obligation	2,338,000	2,056,000
Service Cost	-	-
Interest Cost	28,000	42,000
Actuarial losses / (gains)	(133,000)	280,000
Losses / (gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed on business combinations	-	-
Exchange difference on foreign schemes	-	-
Benefits paid	<u>(72,000)</u>	<u>(40,000)</u>
Closed defined benefit obligation	<u>2,161,000</u>	<u>2,338,000</u>

Changes in the fair value of Plan Assets

Opening fair value of scheme assets	2,420,000	2,301,000
Expected return	29,000	46,000
Actuarial gains / (losses)	190,000	113,000
Assets distributed on settlements	-	-
Contributions by employer	-	-
Assets acquired in business combinations	-	-
Exchange difference on foreign schemes	-	-
Benefits paid	<u>(72,000)</u>	<u>(40,000)</u>
Closing fair value of scheme assets	<u>2,567,000</u>	<u>2,420,000</u>

25 Pensions (Continued)

On 1 May 2014 the subsidiary company established two new auto enrolment group personal pension schemes (AE Schemes), one for monthly paid employees and one for weekly paid employees. Employer and employee contributions to these schemes are made in accordance with the rates laid down by government legislation.

The subsidiary company retains a stakeholder pension scheme for any staff who wish to join a company pension scheme but are not eligible to join the AE schemes. There are no company contributions to that scheme.

	2021 £	2020 £
The pension charges in the group profit and loss account for the period were:		
Closed defined benefit scheme	38,293	30,088
Current money purchase scheme	8,104	24,314
	<u>46,397</u>	<u>54,402</u>

The above amounts including administration costs in relation to the defined benefit scheme.

	2021 £	2020 £
Amounts recognised in the statement of total recognised gains and losses:		
The present value of unfunded obligations	<u>(406,000)</u>	<u>(82,000)</u>

26 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Balance 1 January 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Transfers Between Funds £	Funds 31 December 2021 £
General Fund	689,386	369,544	(44,811)	-	400,622	1,414,743
Non Charitable Trading funds	5,804,134	5,789,891	(5,376,433)	324,000	-	6,541,592
	<u>6,493,521</u>	<u>6,159,435</u>	<u>(5,421,244)</u>	<u>324,000</u>	<u>400,622</u>	<u>7,956,333</u>

General fund The 'free reserves' after allowing for all designated funds.
Non Charitable Trading funds These are the funds of the subsidiary companies/

	Balance 1 January 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Transfers Between Funds £	Funds 31 December 2021 £
Endowment	5					5
Ffestiniog Railway Fund	62,677				(62,677)	-
Michael Seymour Fund	(842)				842	-
Kyral Fund	414,651	100,000	(139,720)	(91,443)	233	283,721
Workshop	98,643			(1,281)	2,562	99,924
Welsh Highland Rly	14,234				(14,234)	-
Lyd Fund	3,507	1,058	(3,257)			1,307
P5	193,630	248,812	(231,109)		(211,332)	-
C2 Fund	25,000	-				25,000
Emergency Fund	23,842	92,174	-	-	(116,016)	-
	<u>835,347</u>	<u>442,043</u>	<u>(374,086)</u>	<u>(92,724)</u>	<u>(400,622)</u>	<u>409,957</u>
Non-controlling interests	<u>2,085,646</u>	<u>179,720</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,265,366</u>
	<u>9,414,514</u>	<u>6,781,198</u>	<u>(5,795,330)</u>	<u>231,276</u>	<u>-</u>	<u>10,631,655</u>

Restricted fund descriptions

Ffestiniog Railway Fund

This fund was set up as a general fund focussed entirely on the Ffestiniog Railway to attract monies from donors who wished their donation to be used exclusively for the benefit of the Ffestiniog Railway.

Michael Seymour Fund

The charity acts as custodian trustee to the estate of the late Michael Seymour, and the fund is under the control of the executors of that estate.

Kyral Fund

This fund was created to accommodate donations from a Trustee who wished to maintain control over which projects his donations would support. Effectively, therefore, the Trust is custodian trustee of the monies in that fund.

Workshop Fund

During 1999 the Trust received grants and donations amounting to £126,825 in order to construct a carriage and wagon workshop for the restoration of historical vehicles at Boston Lodge. The workshop has been constructed on land held on a 99 year lease from The Ffestiniog Railway Company and the expenditure is being amortised over the period of the lease.

Welsh Highland Fund

This fund was created to receive donations intended solely to contribute to the costs of re-opening the Welsh Highland Railway from Caernarfon to Porthmadog. Monies are used primarily to support reconstruction of the infrastructure i.e. track bed, the track itself, bridges, stations, etc., although some specific donations have been or will be used to support construction of the new first class carriages for the railway. This fund also includes the Pullman Fund which is now included within this Fund.

Locomotive Funds

These restricted funds relate to the funds held for the construction and restoration of the locomotives noted above.

27 Analysis of group net assets between funds

	Fixed Assets £	Investments £	Other net current assets/ (liabilities) £	Creditors of more than one year £	Total £
General	-	49,780	1,364,963	-	1,414,743
Endowment	-	5	-	-	5
Ffestiniog Railway Fund	-	-	-	-	-
Michael Seymour Fund	-	-	-	-	-
Kyral Fund	-	227,920	55,801	-	283,721
Workshop	99,924	-	-	-	99,924
Welsh Highland Rly	-	-	-	-	-
P5 Sus Rail	-	-	-	-	-
Lyd Fund	-	-	1,307	-	1,307
C2 Fund	-	-	25,000	-	25,000
Emergency Appeal	-	-	-	-	-
Total	99,924	277,705	1,447,071	-	1,824,701