

Northern Ireland Railways Company Limited
Regulatory Financial Statements
52 weeks ended 30 March 2025

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Regulatory Accounts 52 weeks ended 30 March 2025

Contents

	Page
Basis of Preparation	1
Report of Factual Findings	5
Review of Activities	8
Income Statement	13
Extract from Balance Sheet Net of Impairment	15
Notes to the Balance Sheet Extract	16

Northern Ireland Railways Company Limited

Regulatory Accounts 52 weeks ended 30 March 2025

Basis of Preparation

The Regulatory Accounts have been prepared on such a basis as to comply with the requirements of the Office of Rail and Road (ORR) and in particular, Statutory Rule 2016 No. 420 'The Railways Infrastructure (Access, Management and Licensing of Railway Undertakings) Regulations (Northern Ireland) 2016'.

These regulatory accounts show the separation of Northern Ireland Railways Company Limited into its Infrastructure Manager (IM) and Railways Undertaking (RU) and have been computed as follows:

Source data

The regulatory accounts are based on the management accounts, as adjusted, of Northern Ireland Railways Company Limited for the 52 weeks ended 30 March 2025 to operating profit level. These regulatory accounts do not include the accounting adjustments for derivatives and pensions which are reflected in the statutory accounts of Northern Ireland Railways Company Limited. The Infrastructure assets have been extracted from the trial balance of Northern Ireland Railways Company Limited before the accounting adjustments for derivatives and pensions. There is no requirement to adjust for debtors/creditors/cash.

The accounting adjustments for derivatives and pensions are not reflected in these Regulatory Accounts. The work required to separate these adjustments into IM and RU would be too resource intensive and would have limited value to these Regulatory Accounts. The Company has discussed this treatment with the ORR who are content that these Regulatory Accounts meet the legislative requirements.

Turnover

Turnover for the Infrastructure Manager comprises track access charges levied to the Railway Undertaking and other third parties.

Turnover for the Railway Undertaking is all other turnover recognised in the management accounts of Northern Ireland Railways Company Limited (NIR). Public Service Obligation is spread pro rata to Infrastructure Manager and Railway Undertaking in accordance with unfunded net depreciation, or where there is a shortfall in funding in the year, this is spread pro rata based on loss before PSO.

Operating Costs

Operating costs for the Infrastructure Manager comprise its share of the Infrastructure division and Projects division as shown in the NIR management accounts. These are allocated to the infrastructure manager on the basis of:

- Allocation of time spent by specified operational personnel carrying out infrastructure manager duties, based on informed estimates of time allocation.

Northern Ireland Railways Company Limited
Regulatory Accounts 52 weeks ended 30 March 2025

- This allocation has resulted in 44% of operating costs (31 March 2024: 43%) allocated to IM and 56% of operating costs (31 March 2024: 57%) allocated to RU.

Engineering Costs

Allocation of engineering divisional costs relevant to infrastructure duties, estimated at 5% of engineering division costs excluding fuel and engineering income as shown below:

	2024/25	2023/24
	£'000	£'000
Total engineering division costs	35,259	32,439
Deduct fuel and income	(9,886)	(9,637)
Net engineering costs	25,373	22,802
Allocated to:		
Infrastructure Manager (5%) of net engineering costs	1,269	1,140
Railway undertaking	33,990	31,299
Total engineering costs	35,259	32,439

Overhead costs

Overhead costs for the Infrastructure Manager comprise the relevant % of Infrastructure and Projects labour as a % of total NIR labour applied to overhead costs per the management accounts.

Overhead costs for the Railway Undertaking comprise all other overhead costs shown in the management accounts.

Northern Ireland Railways Company Limited
Regulatory Accounts 52 weeks ended 30 March 2025

Overhead costs (continued)

	2024/25	2023/24
	£'000	£'000
Total overhead costs	10,990	10,074
Allocated to		
Infrastructure Manager %	41.6%	43.2%
Railway Undertaking %	58.4%	56.8%
	£'000	£'000
Infrastructure Manager	4,569	4,353
Railway Undertaking	6,421	5,721
Total overhead costs	10,990	10,074

Reconciliation to Northern Ireland Railways Company Limited Statutory accounts

Financial Review

A summary of key financial results is set out in the table below.

	Profit before tax	
	2025	2024
	£m	£m
Per Statutory Accounts	3.0	2.0
IAS 19 pension adjustment	(3.9)	(3.0)
Derivatives	1.6	(0.4)
Pro Forma	<u>0.7</u>	<u>(1.4)</u>

Note 1 – *Pro forma profit before tax is stated after deducting pension contributions paid to NILGOS pension scheme but before any adjustments required in accordance with International Accounting Standard No.19 'Retirement Benefits' and derivatives.*

Northern Ireland Railways Company Limited
Regulatory Accounts 52 weeks ended 30 March 2025

Financial Review (continued)

Turnover is significantly above last year reflecting growth in cross border travel and additional DfI revenue support for rail Public Service Obligation (PSO) granted this year, together with Shared Island funding from Department of Transport in the Republic of Ireland (DoT) to fund the Belfast-Dublin hourly service.

Pro forma loss before tax has improved significantly from last year due to increased DfI funding.

Assets

The assets of the Infrastructure Manager have been extracted from the management accounts as follows:

1. Tangible fixed assets owned by the infrastructure division.
2. Unamortised capital grant on tangible fixed assets owned by the infrastructure division.
3. Infrastructure stocks (net of provision for obsolescence).

The assets of the Railway Undertaking have been extracted from the management accounts as follows:

1. Tangible fixed assets of the Railway Undertaking are total tangible fixed assets of Northern Ireland Railways Company Limited less assets owned by the infrastructure division.
2. Unamortised capital grants of the Railway Undertaking are total unamortised grants of Northern Ireland Railways Company Limited less unamortised grants owned by the infrastructure division.
3. Total stock less stock owned by the infrastructure division (net of provision for obsolescence).

13 August 2025

The Directors
Northern Ireland Railways Company Limited
22 Great Victoria Street
Belfast
BT2 7LX

The Office of Rail and Road
1 Kemble Street
London
WC2B 4AN

Dear Sir/Madam

NORTHERN IRELAND RAILWAYS COMPANY LIMITED AND THE OFFICE OF RAIL AND ROAD (“THE COMPANY”)

ACCOUNTANTS’ REPORT OF FACTUAL FINDINGS

We have performed the procedures agreed with you and enumerated below with respect to Northern Ireland Railways Company Limited the provision of financial information included in the Northern Ireland Railways Company Limited regulatory disclosures.

Our engagement was undertaken in accordance with International Standard on Related Services 4400 applicable to agreed-upon-procedures engagements. The procedures were performed solely to assist you with the provision of financial information included in the Northern Ireland Railways Company Limited regulatory disclosures:

We report our factual findings below:

Procedure	Finding
1 Confirmation as to whether Northern Ireland Railways has clearly documented policies for the preparation of the regulatory disclosures including policies for the allocation of financial information between the railway undertaking (“RU”) and the infrastructure manager (“IM”).	With respect to the procedure we found no exceptions.

2 Confirm that the amounts of income and expenditure used in the calculation have been correctly extracted from the underlying accounting records. The auditor is not required to form a view about the quality of the underlying accounting records.	With respect to the procedure we found no exceptions.
3 Confirm that the allocation of financial information is performed in accordance with aforementioned policies for the allocation of financial information between the IM and the RU.	With respect to the procedure we found no exceptions.
4 Confirm that there has been appropriate internal review at an appropriate level of seniority of whether Northern Ireland Railway's actual calculations are consistent with stated processes and policies.	With respect to the procedure we found no exceptions.
5 Confirm that the sub-totals and totals in the disclosures down cast and cross cast.	With respect to the procedure we found no exceptions.
6 Confirm that the regulatory disclosures reconcile to the statutory accounts.	With respect to the procedure we found no exceptions.

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing (UK) or International Standards on Review Engagements 2400, we do not express any assurance.

Had we performed additional procedures or had we performed an audit or review of amounts in accordance with International Standards on Auditing (UK) or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Our work was based solely on the information provided by the Company and was carried out on the assumption that the information provided to us was reliable and, in all material respects, accurate and complete. We did not subject the information and explanations provided to checking or verification procedures except to the extent expressly stated. This is normal practice when carrying out such agreed-upon procedures, but contrasts significantly with, for example, an audit. Even audit work provides no guarantee that fraud will be detected.



You will therefore understand that the procedures were not designed to and are not likely to reveal fraud or misrepresentation by the Company employees or any external parties. Accordingly we cannot accept responsibility for detecting fraud or misrepresentation (whether by the Company employees or by external parties).

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. This report relates only to the items specified above and does not extend to any other financial information or financial statements of the Company, taken as a whole. To the fullest extent permitted by law, we do not accept or assume responsibility for anyone other than the Company for our work, for this report, or for the statements we have made.

Yours faithfully,

Grant Thornton NI LLP

Grant Thornton (NI) LLP

13 August 2025

Northern Ireland Railways Company Limited

Regulatory Accounts 52 weeks ended 30 March 2025

Review of Activities

Our trains operate over 300 miles of track including many bridges, level crossings and signals. We continue to routinely inspect and efficiently maintain this infrastructure to high technical, operational and safety standards. Capital funding, from DfI for fleet investments and for our infrastructure maintenance and upgrades is required to maintain this infrastructure.

Key Achievements 2024-25

Rail Fleet - Enterprise

In late October 2024 we commenced an hourly Enterprise train service between Belfast Grand Central station and Dublin's Connolly station, with funding provided by the Shared Island fund. Fifteen services now operate in each direction between Belfast and Dublin from Mondays to Saturdays, up from eight each way previously, and eight each way on Sundays (up from six each way previously). This increased level of service offers more choice and flexibility for customers between the two cities and for those that travel to/from interim stations.

The enhanced connectivity brings many benefits for business, retail and tourism, help tackle the climate emergency and provide a boost to the thriving all-island economy.

Translink and Iarnród Éireann are also actively working on an Enterprise fleet replacement programme.

York Street Train Station Transformation

The new high quality, sustainable train station at York Street in North Belfast opened in April 2024. The new station provides modern, more accessible facilities for passengers with better links to walking and cycling. Externally the area has been transformed with high quality landscaping and a new public realm area.

With connectivity also enhanced, this station now is a key gateway to access the new Ulster University campus and the planned City Quays development and is vital for the regeneration of the local area.

Opening of Belfast Grand Central Station

In September 2024 we welcomed the bus operational opening of Belfast Grand Central Station, shortly followed by the rail opening in mid-October 2024. Feedback from customers and visitors has been very positive.

This hugely important NI Executive Flagship project, funded by the Department for Infrastructure, will bring about a step change in public transport. It is now a major integrated transport gateway to Belfast and Northern Ireland, enhancing local and international connectivity with rail, bus and coach connections across Northern Ireland and beyond. Belfast Grand Central Station is a landmark location, offering an enhanced user experience for over 20 million customer journeys every year.

Key Achievements 2024-25 (continued)

Opening of Belfast Grand Central Station (continued)

This transformation will help to encourage more people to choose more sustainable travel choices, tackling the climate emergency and creating a cleaner, healthier region for everyone. With a clear focus on active travel, the streets adjoining the station will include allocation of road space to pedestrians and cyclists including the provision of more than 200 spaces for cycle parking.

Weavers Cross

In August 2022 we welcomed Belfast City Council's decision to approve plans for Weavers Cross, a significant transport-led regeneration project around the site of the new Belfast Grand Central station, which promises to bring circa 1.5 million square feet of mixed-use space to a strategic location in central Belfast.

The long-term redevelopment presents an opportunity to unlock £1bn of additional spend in the economy and to create a legacy of wider regeneration of surrounding areas of the city.

Workplace Diversity and Inclusion – Silver Diversity Mark Awarded

Translink was awarded the Silver Diversity Mark in 2022, for advancing Diversity and Inclusion in the Workplace by the awarding body Diversity Mark NI Ltd. Annual progress reports submitted in 2023 and again in 2024 allowed us to retain the Charter Mark certification. To retain the Charter Mark, the assessors reviewed the submission to ensure continued progress against Translink's plan addressing gender, disability, race and ethnicity.

We are very proud to have reached the high standards required for the Silver Diversity Mark. This accreditation is important to us as it not only acknowledges our achievements so far but demonstrates our ongoing commitment to enhancing diversity and inclusion in Translink, where all employees can feel valued, safe and respected.

We are a people business, and we understand the benefits of having a diverse and inclusive culture in terms of attracting and retaining the best talent, better business decision making and helping us to understand our customers better.

Key Achievements 2024-25 (continued)

Ticketing progress and plans

In August 2024 we completed our roll out of contactless payments on all Ulsterbus and Goldline services across Northern Ireland, enabling faster boarding and an enhanced customer experience. Passengers can now choose contactless payments on all bus and train journeys across the network enhancing integration, convenience and payment flexibility.

This quick, easy and secure payment option allows passengers to seamlessly purchase tickets using a variety of methods, including contactless payments through smart devices such as mobile phones and watches, as well as credit or debit cards.

In October 2024 we reached one million customers registered for a Translink contactless payment account.

There has also been continued significant growth in the use of mobile ticketing on all bus and rail services with our 'mLink' mobile app.

In January 2025 we announced the roll out of new self-serve ticket vending machines (TVMs) at bus stations across the network, and to additional Park and Ride locations. The new technology makes it faster, easier and more convenient for passengers to buy their bus ticket before they travel.

This follows the successful introduction of TVMs at all train stations and Glider stops as well as other key locations including the two Belfast Airports, marking a further step in the implementation of Translink's digital-led Future Ticketing System, a strategic project to enhance the customer experience and to support passenger growth.

Park & Ride and Bus Priority Measures

Translink is working with DfI to develop the first Carbon Action Plan for transport in NI. The ongoing investment made in the development of Park & Ride facilities, coupled with the provision of more extensive bus priority and enhanced integration of active travel and public transport, will play a significant role in efforts to reduce the carbon emissions generated by transport.

A major enhancement to the park and ride facilities in Moira received approval from Lisburn & Castlereagh City Council's Planning Committee. As part of its proposals, Translink will provide an additional, secure 400+ space car park, close to Moira train station, to help facilitate access to the public transport network for a greater number of travellers. Construction of this facility will commence in mid- 2025.

These elements will also be key enablers for change within the emerging Transport Plans and Local Development Plans being produced by DfI and councils, respectively. A whole system approach, including new fleet, ticketing, passenger information, service planning and infrastructure, will provide the basis for more people to choose sustainable transport.

Key Achievements 2024-25 (continued)

Rail Infrastructure Improvements

Translink has continued to invest in its rail infrastructure in order to enhance the safety and reliability of the network. In parallel with the opening of Belfast Grand Central Station, the first phase of the Northern Ireland Regional Operating Centre (NIROC) was completed. NIROC is a modern control hub that integrates signalling, traffic management, and incident response systems to oversee and optimize real-time train operations on Translink's Network which is being delivered over multiple phases. This new signalling control centre (NIROC) has been constructed at Lanyon Station and covers from north of Lisburn to south of City Hospital, including the new Belfast Grand Central Station.

Advance works have also commenced as part of the latest phase of Coleraine to Derry~Londonderry Track Renewals, alongside design and development work in preparation for the main development phase. The project is essential to maintain operational performance while protecting and where possible, future-proofing the railway network in the area.

Other track, signalling and bridge works to safeguard the existing network were undertaken in the year as well as the continuation of the work to build a comprehensive register of all infrastructure assets with the completion of the structural examinations.

During the year, feasibility studies on network expansion projects related to the All-Island Strategic Rail Review including the reopening of the Antrim-Knockmore, Portadown to Armagh and the Portadown to Derry~Londonderry lines have been progressed.

Progress towards Translink's net zero targets has continued across Translink's property estate and a programme to decarbonise the rail network has commenced.

Northern Ireland Railways Company Limited
Regulatory Accounts 52 weeks ended 30 March 2025

Capital Investment

Capital expenditure	2025	2024
	£m	£m
Trains	16.2	16.8
Land and buildings	26.6	26.0
Infrastructure	49.8	88.8
Other	14.0	10.7
Total	106.6	142.3
KPIs		
Fleet size – rolling stock sets	45	45

Expenditure of £16.2m on trains includes the overhaul of the Class 3000, Class 4000 and Enterprise trains, the progression of the Class 3000 and 4000 Mid Life Refresh projects and the progression of the Enterprise Fleet Replacement project which is a joint project with Iarnród Éireann and which is being supported by PeacePlus funding from the EU.

Land and buildings additions of £26.6m includes £5.7m on Lisburn Area Renewals and York Street Station Redevelopment (£4.2m), Platform Extensions at Adelaide, Platform & Station Signage Structural Remedial Works, Platform Strengthening at Coleraine, University, Tree Management, Lineside Fencing and other enhancements were progressed. Land was also purchased to allow for the expansion of the park and ride facilities at Ballymoney.

Infrastructure expenditure of £49.8m includes £9.2m on Northern Ireland Rail Operating Centre Phase 1 (NIROC), £6.4m on Track Condition Retention and Off Track Improvement works, £4.2m on Coleraine to Derry~Londonderry Track Renewals Phase 3, £3.2m on Dargan to Yorkgate Track Renewals, £2.8m on the Minor Bridge Works Programme and £1.8m on Structures Examination and Assessment Programme, and other infrastructure improvements.

Other capital expenditure totalling £14.0m includes £1.9m for the Rail Validation System replacement, £1.7m for the Emergency Lighting Upgrade, £1.2m for the Future Ticketing System, £0.9m for Cross Border Digital Improvements, £0.9m for Electrical System Replacement at NIR Halts, and £0.8m for Operational Telephone System Upgrade at Coleraine Signalling Control Centre.

Northern Ireland Railways Company Limited
Regulatory Accounts 52 weeks ended 30 March 2025

Income Statement

	52 weeks ended 30 March 2025		
	Infrastructure Manager £'000	Railway Undertaking £'000	TOTAL £'000
Turnover excluding PSO	9,780	64,151	73,931
PSO	35,700	26,066	61,766
Total Turnover	45,480	90,217	135,697
Operating costs	(39,121)	(49,791)	(88,912)
Engineering costs	(1,269)	(33,991)	(35,260)
Net contribution	5,090	6,435	11,525
Overheads	(4,569)	(6,421)	(10,990)
Net depreciation	(408)	(63)	(471)
Operating profit/(loss) before impairment	113	(49)	64
Impairment credit	268	12	280
Operating profit/(loss) after impairment	381	(37)	344
Other operating income	-	383	383
Operating profit	381	346	727

Northern Ireland Railways Company Limited
Regulatory Accounts 52 weeks ended 30 March 2025

Income Statement

	53 weeks ended 31 March 2024		
	Infrastructure Manager £'000	Railway Undertaking £'000	TOTAL £'000
Turnover excluding PSO	9,782	56,720	66,502
PSO	30,500	25,031	55,531
Total Turnover	40,282	81,751	122,033
Operating costs	(35,264)	(45,879)	(81,143)
Engineering costs	(1,140)	(31,299)	(32,439)
Net contribution	3,878	4,573	8,451
Overheads	(4,353)	(5,721)	(10,074)
Net depreciation	(433)	(71)	(504)
Operating loss before impairment	(908)	(1,219)	(2,127)
Impairment credit	208	261	469
Operating loss after impairment	(700)	(958)	(1,658)
Other operating income	-	247	247
Operating loss	(700)	(711)	(1,411)

Northern Ireland Railways Company Limited
Regulatory Accounts 52 weeks ended 30 March 2025

Extract from Balance Sheet Net of Impairment

		As at 30 March 2025		
	Note	Infrastructure Manager £'000	Railway Undertaking £'000	TOTAL £'000
Tangible fixed assets	1/2	616,832	185,219	802,051
Deferred government grants	3/4	(617,322)	(187,649)	(804,971)
Stocks		6,057	3,190	9,247
TOTAL		5,567	760	6,327

		As at 31 March 2024		
	Note	Infrastructure Manager £'000	Railway Undertaking £'000	TOTAL £'000
Tangible fixed assets	1/2	437,688	196,583	634,271
Deferred government grants	3/4	(437,456)	(199,152)	(636,608)
Stocks		6,598	2,741	9,339
TOTAL		6,830	172	7,002

These financial statements were approved and authorised for issue and were signed on its behalf by:



Ronan O'Doherty
Chief Financial Officer
13 August 2025

Northern Ireland Railways Company Limited
Regulatory Accounts 52 weeks ended 30 March 2025

Notes to the balance sheet extract

1. Tangible Fixed Assets Infrastructure Manager

	Long Leasehold buildings £'000	Permanent way signalling and bridges £'000	Rolling stock £'000	Motor Vehicles Plant and equipment £'000	Total £'000
Cost or valuation:					
At 31 March 2024	229,393	728,317	-	28,733	986,443
Additions	24,242	49,796	-	6,425	80,463
Disposals	(793)	(192)	-	(331)	(1,316)
Net Group transfers	70,423	91,213	73	6,952	168,661
At 30 March 2025	323,265	869,134	73	41,779	1,234,251
Depreciation:					
At 31 March 2024	225,602	306,980	-	16,173	548,755
Charge for period	2,304	33,178	2	6,967	42,451
Provision for impairment	27,038	189	-	21	27,248
Disposals	(511)	(94)	-	(331)	(936)
Net Group transfers	-	-	-	(99)	(99)
At 30 March 2025	254,433	340,253	2	22,731	617,419
Net book value At 30 March 2025	68,832	528,881	71	19,048	616,832
At 31 March 2024	3,791	421,337	-	12,560	437,688

Northern Ireland Railways Company Limited
Regulatory Accounts 52 weeks ended 30 March 2025

Notes to the balance sheet extract (continued)

2. Tangible Fixed Assets Railway Undertaking

	Long Leasehold buildings £'000	Permanent way signalling and bridges £'000	Rolling stock £'000	Motor Vehicles Plant and equipment £'000	Total £'000
Cost or valuation:					
At 31 March 2024	17,643	-	372,584	71,644	461,871
Additions	2,343	-	16,227	7,560	26,130
Disposals	(41)	-	-	(393)	(434)
Net Group transfers	(1,668)	-	(73)	(7,584)	(9,325)
At 30 March 2025	18,277	-	388,738	71,227	478,242
Depreciation:					
At 31 March 2024	17,643	-	213,093	34,552	265,288
Charge for period	-	-	21,920	5,149	27,069
Provision for impairment	654	-	260	154	1,068
Disposals	(20)	-	-	(390)	(410)
Net Group transfers	-	-	-	8	8
At 30 March 2025	18,277	-	235,273	39,473	293,023
Net book value At 30 March 2025	-	-	153,465	31,754	185,219
At 31 March 2024	-	-	159,491	37,093	196,583

3. Deferred Income Infrastructure Manager

	Deferred government grants	
	2025 £'000	2024 £'000
At start of period	437,456	372,128
Grants receivable	81,434	118,144
Transferred to Group undertaking	168,822	(1,200)
Write off/disposals	(843)	(211)
Transferred to profit and loss account:		
In respect of depreciation	(42,258)	(25,375)
In respect of impairment of assets	(27,289)	(26,030)
At end of period	<u>617,322</u>	<u>437,456</u>

Northern Ireland Railways Company Limited
Regulatory Accounts 52 weeks ended 30 March 2025

Notes to the balance sheet extract (continued)

4. Deferred Income Railway Undertaking

	Deferred government grants	
	2025	2024
	£'000	£'000
At start of period	199,152	197,299
Grants receivable	26,075	24,319
Transferred to Group undertaking	(9,399)	1,618
Write off/disposals	(83)	(9)
Transferred to profit and loss account:		
In respect of depreciation	(27,048)	(23,818)
In respect of impairment of assets	(1,048)	(257)
At end of period	<u>187,649</u>	<u>199,152</u>