

TALYLLYN HOLDINGS LIMITED
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2019



COMPANY NUMBER: 00511996

CHARITY NUMBER: 1089053

TALYLLYN HOLDINGS LIMITED
REPORT AND ACCOUNTS TO 31 JANUARY 2019
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TALYLLYN HOLDINGS LIMITED
REPORT AND ACCOUNTS TO 31 JANUARY 2019
REFERENCE AND ADMINISTRATIVE INFORMATION

Directors and Trustees

R.G.W. Jones
E.J. Mann
D.J. Mitchell
D.H.W Poulson
C.K. Theobald
D.G. Ventry

Company Secretary

J.S. Robinson

Registered Office

Wharf Station
Tywyn
Gwynedd
LL36 9EY

Auditors

McBrides Accountants LLP
Nexus House
Cray Road
Sidcup
Kent
DA14 5DA

TALYLLYN HOLDINGS LIMITED
REPORT AND ACCOUNTS TO 31 JANUARY 2019
TRUSTEES' REPORT

INTRODUCTION

The Trustees, who are also the Directors of the Company for the purposes of the Companies Act, submit their Annual Report and Financial Statements for the year ended 31st. January, 2019. The consolidated financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the 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 1st. January, 2015) — (Charities SORP (FRS 102)).

PRINCIPAL ACTIVITY

The Objects of the Company include the preservation of the historic structures and equipment of the Talylyn Railway and the promotion of public knowledge of and access to them. To this end it is the beneficial owner of all the shares in the Talylyn Railway Company and the owner or lessee of various assets peripheral to that ownership. The principal activity of the subsidiary is that of operating and maintaining the Talylyn Railway.

The strategies employed to achieve these objectives are to:

- retain the beneficial ownership of all the shares in the Talylyn Railway Company;
- control the Railway Company by the election of its Directors in accordance with established custom;
- raise money from individuals and organizations, but not employ fundraising companies;
- make grants in accordance with its Objects;
- encourage volunteers on the Railway, in particular by the provision of accommodation;
- make short-term loans to the Railway Company when required by exceptional circumstances.

ACHIEVEMENTS AND ACTIVITIES

By almost every criterion, 2018 was a good year for the Talylyn Railway. Traffic and income rose and the weather was generally kind.

The centenary of the construction of our locomotive No. 6 Douglas was also that of the Royal Air Force which owned it for most of its pre-preservation life. In February we were pleased to welcome the Lord Lieutenant of Gwynedd, Mr. Edmund Bailey, the Welsh Minister for Culture, Tourism and Sport, Lord Elis-Thomas, representatives of the R.A.F. and members of the Royal Air Forces Association to launch the engine in a R.A.F. "Traffic Blue" livery with roundels. The major celebration, however, took place in June in the presence of the Air Officer Wales, Air Commodore Adrian Williams. The Right Reverend Andrew John, Bishop of Bangor, blessed the locomotive and the new vicar of Tywyn, the Reverend Doctor Ruth Hansford, assisted. Wharf station also displayed a full-size replica Spitfire. A few days later R.A.F. Cosford hosted the return match when Douglas attracted great attention at the annual air show there.

Sir Peter Hendy, the Chairman of Network Rail, visited the Railway again in June to name diesel locomotive No. 11 Trecwn after its former home at the Royal Naval Armaments Depot in South Wales. The occasion also marked the return of No. 3 Sir Haydn after an absence from traffic of seven years culminating in an extensive overhaul at the Vale of Rheidol Railway's works at Aberystwyth.

Over many years the Railway has enquired from time to time about the orchard opposite Pendre Blockpost. It is the only remaining undeveloped land adjacent to Pendre and the building of houses on it would certainly have been detrimental to the Railway's environment. However, the ownership was obscure and reports indicated that there was no wish to sell. At the end of October, two terraced cottages in Frankwell Street were advertised with the orchard land divided between them. The Trustees considered that purchasing these properties was important to furthering the Objects of the charity and, having taken professional advice, that any financial risk was limited. Thanks principally to a number of generous legacies in recent years Talylyn Holdings was in a position to proceed without delay and completion was achieved on 23rd. January.

TALYLLYN HOLDINGS LIMITED
REPORT AND ACCOUNTS TO 31 JANUARY 2019
TRUSTEES' REPORT

Traffic & Operating

The year ending 31st. January, 2019 saw 93,822 passenger journeys, an increase of 6.9% on the previous year. Public bookings rose 8.9% to 39,710 and total traffic revenue by 15.9%.

Following the installation of an Electronic Point of Sale system in the refreshment room at Abergynolwyn the sale of tickets there, rather than by the Station Master, was brought in during the Autumn. This had the advantage of enabling passengers to Gift Aid their fares much more easily. However, there were some practical difficulties at busy times and some Traffic staff felt that it downgraded their role. At the year-end trials were still under way to find a smooth way of working.

As usual there was a substantial programme of training sessions for operating volunteers. Progress was also made with preparing training materials which could be accessed online. The review of the Rule Book and other operating documents continued.

Shop and Catering

The Shop and Catering activities of the Talylyn Railway Company are important in generating a surplus to further the charitable objectives of Talylyn Holdings. Secondary spend in our Shop and Refreshment Rooms remains a key aspect of our trading. 2017 results were not quite matched last year; within a similar overall figure, the Shop increased its surplus but that for Catering was reduced.

Engineering

The Company's Object of the preservation, restoration, maintenance and protection of the structures, rolling stock, plant, equipment and artefacts of the Talylyn Railway is largely an engineering activity carried out by the Talylyn Railway Company with the aid of grants from the Company. The year under review saw the Engineering Department consolidate following the staff changes that took place in 2017.

Pendre's historic workshops saw locomotive No. 7 Tom Rolt in for major work to its running gear as well as unexpected work on the boiler. The ten-yearly overhaul of locomotive No. 1 Talylyn commenced with the boiler being removed and sent to the Mid-Hants Railway where two volunteers who are employed there are undertaking the work. The mechanical work will commence once No. 7 is completed. The normal winter maintenance was undertaken on the remainder of the fleet. Carriages were not neglected, with bogie overhauls continuing and the commencement of work on the new open carriages at a unit on the Industrial Estate. Repainting and overhaul of our existing carriages was also undertaken.

Work again continued on the programme of re-sleepering and relaying with a total of 39 lengths of re-sleepering undertaken over the winter on the Extension, together with 11 lengths of complete renewal at Dolgoch. The hedgelaying teams continued to improve the view from the trains, with the flail-mower also in action undertaking the annual cut of the hedges and grass. Our tree management team also undertook much work to mitigate the risk of trees falling on to the Railway. General maintenance of our permanent way and structures was also undertaken.

The Signal & Telephone team installed the Electric Key Token system between Abergynolwyn and Nant Gwernol, which involved significant alterations at both locations. Much work is being undertaken to develop forward plans for the Engineering Department looking at what resources will be required in the future.

TALYLLYN HOLDINGS LIMITED**REPORT AND ACCOUNTS TO 31 JANUARY 2019****TRUSTEES' REPORT****Health & Safety**

The Talylyn Railway Company has stringent obligations under Health & Safety law and appropriate attention to these is essential for it to continue to operate the Talylyn Railway and thereby fulfil the Company's Objects. Progress in closing out actions from the External Safety Audit has been good with most completed and plans in place to deal with the others.

The annual review of accidents and incidents showed an increase in the number of incidents, primarily due to improvements in the reporting of minor incidents. There was one reportable incident, a signal passed at danger by a short distance. The Regulatory Authorities required details but took no further action. There was an increase in the number of door related incidents, but these were of a minor nature, and there is evidence of distraction of Guards being a significant factor. There was a small reduction in the number of accidents, all of which were minor.

KEY PERFORMANCE INDICATORS

The Company is committed to self-evaluation, measuring the organisation both internally and externally. Financial information is presented to the Trustees at every meeting.

PUBLIC BENEFIT

The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the Company's aims and objects and in planning future activities of the group. We consider that the group carries out its charitable activities for the benefit of the general public. The Company makes grants primarily to ensure the survival of the Talylyn Railway which was the earliest narrow-gauge railway constructed with the use of steam haulage and the carriage of passengers envisaged from the outset. The Company also makes grants to individuals who volunteer on the Railway and benefit educationally from the experience and undertakes some direct educational work. Through the Talylyn Railway Company it provides employment in the area and aims to reach out to the local community, for example by participating in local events and providing work experience for schools and colleges. Research in North Wales and elsewhere shows that heritage railways provide significant advantages to the economy of the areas in which they operate.

FINANCIAL REVIEW

Last year was one of huge change in the financial reporting of the Railway following some very significant changes in accounting policies and the need to undertake a full financial audit for the first time in many years.

This year has been much quieter and the Audit has passed relatively easily and in good time. During the year specialist tax advice was sought about the very long standing and significant balance owed by the Talylyn Railway Company to the Talylyn Railway Preservation Society. At the end of last year this stood at £358,383 the majority of which went back many tens of years and was created by accounting practices at that time. Based on the advice received the Society's Council therefore resolved that it would donate the entire balance to the Railway Company at January, 2019 thereby clearing this item.

As reported elsewhere, the Talylyn Railway Company, the subsidiary which undertakes most of the Objects of the charity, had a very strong year with increased passengers and significant increases in income across most areas of its operation. However, as has been the trend for many years, the impact of this was offset to a greater extent by increasing costs. Nevertheless, the operating loss saw a good reduction in the year over the prior year.

In a number of areas, the increases in costs were quite deliberate and discretionary, as the opportunity was taken to make purchases to improve efficiency and effectiveness particularly at Pendre. In addition, work to manage the declining condition of the carriage stock increased costs in this area.

TALYLLYN HOLDINGS LIMITED

REPORT AND ACCOUNTS TO 31 JANUARY 2019

TRUSTEES' REPORT

The critically important financial support provided by strong surpluses from the Catering and Shop operations continues to be positive. The Shop performance benefited from higher margins as well as sales, mainly due to no longer having to make further provision for slow or obsolete stocks. In Catering another strong year in terms of income growth, some 15.8%, was offset by many staffing issues through the year resulting in higher costs, together with slightly lower margins. However, the surplus is still the second highest ever, after last year's record breaking return.

Operating revenue continues to be boosted by the impact of Gift Aid on fares, introduced on 8th July 2013, this is now a very important component of our income. In the 2018 year this brought an additional £64,312 (2017: £56,448) in Gift Aid income and £30,779 (2017: £26,655) through the additional 10% donation. Take-up of Gift Aided donation fares was at 68.6% (2017: 69.4%) for the year and donation fares without Gift Aid 20.5% (2017: 19.5%). The £95,091 (2017: £83,103) of additional income is offset by the value of the 15% vouchers given to those donating their fares and redeemed in the Shop or cafés. Those redeemed had a face value of £45,626 (2017: £36,844), although the cost of servicing these vouchers is approximately half of this due to the margins made on the goods sold.

Overall the Railway Company shows an operating deficit (Combined Income) of £51,739 in the year compared to £73,444 in the previous year. This is then further reduced by donations and other income.

Talyllyn Holdings' funds continue to benefit through the receipt of a number of legacies and donations, and the continuing generosity of members through the monthly donations scheme. Cash reserves at the end of the year stood at £479,885. The purchase of 33 and 34 Frankwell Street and the orchard completed in January, 2019 at £241,557 being the reason for the reduction over earlier years. Grants were made in the year to cover costs on the following items, amongst others: Overhaul of locomotive No.3 £48,642; Costs relating to other locomotives £20,462; Lathe £5,100; Track and Lineside Materials and Equipment £24,018 and costs relating to the employment of staff to maintain historic equipment £45,128.

RESERVES POLICY

The Trustees continually review the financial performance and outlook and with the Railway Company's management consider the risks surrounding the Railway's core operating and trading activities. The Trustees are confident that they will continue to attract donations, legacies and grants to support the Railway Company's liabilities. The policy is to accumulate funds adequate to cover expenditure which cannot be accurately predicted, taking reasonable account of the Talyllyn Railway Company's strategic plans for renewal and enhancement, and to review the level of such reserves regularly. The Trustees considered the level of reserves when deciding to purchase the Frankwell Street properties and believe that this expenditure left adequate reserves to cover any plausible unforeseen requirements.

FUTURE PLANS

A Strategy for the Railway for ten years from 2014 was published in December, 2013 and updated in 2016 for the period to 2025. It was not practical to review this in detail in 2018 but the Trustees considered it still appropriate.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Talyllyn Holdings Limited was incorporated in 1952 under the Companies Acts as a Company Limited by Guarantee without share capital (Registration number: 511996) and is governed by its Memorandum and Articles of Association which were adopted on 3rd. October, 1952 and updated on 8th. December, 1973, 24th. February, 1996 and 31st. August, 2001. It was registered as a charity on 25th. October, 2001 with the Charity Commission for England and Wales (Registration number: 1089053). The ultimate controlling organization is the Talyllyn Railway Preservation Society. The Board met eight times during the year and considered the financial position at each meeting.

TALYLLYN HOLDINGS LIMITED
REPORT AND ACCOUNTS TO 31 JANUARY 2019
TRUSTEES' REPORT

Trustees

The Trustees who served during the year to 31 January 2019 are as follows:

Gareth Jones
Elisabeth Mann
David Mitchell
Daniel Poulson
Keith Theobald
David Ventry

Company Secretary: John Robinson
Chief Financial Officer: Garry Mumford

Recruitment and Appointment of New Trustees

Trustees are appointed in accordance with the Company's Articles of Association as approved by the Charity Commission. The majority of the Trustees are appointed by and from the Council of the Talylyn Railway Preservation Society and as such have considerable experience of working with the existing Trustees.

Induction and Training of Trustees

New Trustees are provided with information on their role and responsibilities as a Trustee, together with a copy of the Memorandum and Articles of Association and the latest Report and Financial Statements. Trustees are kept up to date as appropriate with developments within the charitable sector. A training session with a charity expert was held during October and further training will be organized where deemed appropriate.

Related Parties

Trustees are obliged to disclose any related parties or conflicts of interest and may not take part in any vote at meetings which involves decisions being made in respect of agreements or otherwise with these parties.

Key Management Personnel

The charity considers its key management personnel to be the Trustees, the Company Secretary and the Chief Financial Officer. The Trustees and Officers are all volunteers and receive no remuneration from the Company; no Trustee was reimbursed expenses in the year (2017: £Nil). It has no paid employees. The Company took steps in 2018 to ensure that all the Trustees and the Chief Financial Officer were not disqualified from serving under the new rules made by the Charity Commission for England and Wales which came into force from 1st. August.

Risk Management

The Trustees are confident that the major financial and non-financial risks faced by the organization are being suitably managed with systems and procedures in place to address and mitigate these risks. The charity's risks are managed by careful maintenance of its fixed assets, conservative investment of funds in hand and only making grants from those funds.

TALYLLYN HOLDINGS LIMITED
REPORT AND ACCOUNTS TO 31 JANUARY 2019
TRUSTEES' REPORT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Tallylyn Holdings Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as we are aware:

- There is no relevant audit information of which the charitable Company's and group's auditor is 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 auditor is aware of that information.

The Trustees reserve the right on a voluntary basis under Companies Act Section 454 to amend these financial statements if they subsequently prove to be defective.

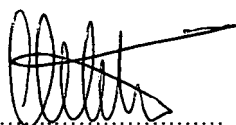
AUDITORS

A resolution to reappoint McBrides Accountants LLP as auditors will be made at the Annual General Meeting in accordance with Section 485 of the Companies Act 2006.

SMALL COMPANY EXEMPTIONS

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

This report was approved by the Board of Trustees on 10 August 2019 and signed on its behalf by:



Chair of Trustees

TALYLLYN HOLDINGS LIMITED

REPORT AND ACCOUNTS TO 31 JANUARY 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES

Opinion

We have audited the group and parent Company financial statements of Tallylyn Holdings Limited (the 'charitable Company') for the year ended 31 January 2019 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cashflows 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 in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the charitable Company's affairs as at 31 January 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

TALYLLYN HOLDINGS LIMITED**REPORT AND ACCOUNTS TO 31 JANUARY 2019****INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES****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 Trustees' report, which includes the directors' report prepared for Company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report 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 charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 5 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.

TALYLLYN HOLDINGS LIMITED

REPORT AND ACCOUNTS TO 31 JANUARY 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES

Auditor's responsibilities for the audit of the financial statements

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable Company and the charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Warren (Senior Statutory Auditor)

For and on behalf of McBrides Accountants LLP, Statutory Auditor

Nexus House

Cray Road

Sidcup

Kent

DA14 5DA

Date: 12/8/19

TALYLLYN HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JANUARY 2019
(Including the Income and Expenditure Account)

	Notes	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
INCOME					
Donations, subscriptions and legacies	2	202,588	43,741	246,329	228,865
Income from charitable activities					
Railway		550,850	-	550,850	466,282
Income from other trading activities					
Shop		162,447	-	162,447	154,621
Catering		374,158	-	374,158	322,981
Other Income		4,019	-	4,019	11,600
Income from investments					
Bank interest		3,240	-	3,240	2,291
Exceptional item	3	358,383	-	358,383	-
Total income		1,655,685	43,741	1,699,426	1,186,640
EXPENDITURE					
Expenditure on raising funds					
Commercial trading operations	4	449,077	-	449,077	391,765
Expenditure on charitable activities	4	819,788	39,954	859,742	755,200
Total expenditure		1,268,865	39,954	1,308,819	1,146,965
Net movement in funds		386,820	3,787	390,607	39,675
Funds balances brought forward		744,968	1,217,653	1,962,621	1,922,946
Transfer of fund balances		-	-	-	-
Fund balances carried forward		1,131,788	1,221,440	2,353,228	1,962,621

All the above results are derived from continuing activities. There are no other gains or losses other than those shown above.

The notes on pages 15 to 26 form an integral part of these financial statements

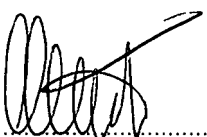
TALYLLYN HOLDINGS LIMITED


CONSOLIDATED BALANCE SHEET AS AT 31 JANUARY 2019

	Notes	£	2019 £	2018 £
FIXED ASSETS				
Tangible fixed assets	10		1,449,894	1,233,512
Heritage assets	11		380,603	304,491
			<u>1,830,497</u>	<u>1,538,003</u>
CURRENT ASSETS				
Stocks and stores	13	52,074		71,093
Debtors and prepayments	14	27,032		35,188
Cash at bank		<u>527,116</u>		<u>727,791</u>
		606,222		834,072
CREDITORS: Amounts falling due within one year	15	<u>(83,491)</u>		<u>(409,454)</u>
NET CURRENT ASSETS			522,731	424,618
NET ASSETS			<u>2,353,228</u>	<u>1,962,621</u>
FUND BALANCES				
Restricted funds	17		1,221,440	1,217,653
Unrestricted funds	17		1,131,788	744,968
			<u>2,353,228</u>	<u>1,962,621</u>

Under the Companies Act 2006, s454, on a voluntary basis, the directors can amend these financial statements if they subsequently prove to be defective.

The accounts were approved by the Board of Trustees on 10th AUGUST 2019 and signed by:


David Ventry


Keith Theobald

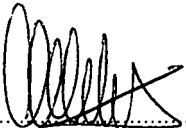
The notes on pages 15 to 26 form an integral part of these financial statements


TALYLLYN HOLDINGS LIMITED
BALANCE SHEET AS AT 31 JANUARY 2019

	Notes	£	2019 £	2018 £
FIXED ASSETS				
Tangible fixed assets	10		290,423	49,884
			<u>290,423</u>	<u>49,884</u>
CURRENT ASSETS				
Debtors and prepayments	14	7,373		4,996
Cash at bank		<u>479,885</u>		<u>702,373</u>
		487,258		707,369
CREDITORS: Amounts falling due within one year	15	<u>(14,183)</u>		<u>(13,000)</u>
NET CURRENT ASSETS			473,075	694,369
NET ASSETS			<u>763,498</u>	<u>744,253</u>
FUND BALANCES				
Restricted funds			59,097	14,284
Unrestricted funds			704,401	729,969
			<u>763,498</u>	<u>744,253</u>

Under the Companies Act 2006, s454, on a voluntary basis, the directors can amend these financial statements if they subsequently prove to be defective.

The accounts were approved by the Board of Trustees on 10th AUGUST 2019, and signed by:


 David Ventry


 Keith Theobald

TALYLLYN HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS

	2019 £	2018 £
Reconciliation of net movement in funds to new cash flow from operating activities		
Net movement in funds	390,607	39,675
Depreciation	54,810	45,995
Decrease/(increase) in stock	19,019	(4,209)
Decrease/(increase) in debtors	8,156	6,675
Increase/(decrease) in creditors	(325,963)	25,456
Bank interest receivable	(3,240)	(2,291)
Net cash used in operating activities	143,389	111,301
Cashflow from investing activities		
Bank interest received	3,240	2,291
Acquisition of tangible assets	(347,304)	(109,797)
	(344,064)	(107,506)
Change in cash and cash equivalents for the year	(200,675)	3,795
Cash and cash equivalents at the beginning of the year	727,791	723,996
Cash and cash equivalents at the end of the year	527,116	727,791

The notes on pages 15 to 26 form an integral part of these financial statements

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JANUARY 2019

1. ACCOUNTING POLICIES

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)) and applicable regulations.

The financial statements have been prepared to show a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The following are the accounting policies which have been applied in dealing with material items:

a) Going concern

It is the opinion of the Trustees that the use of the going concern basis of accounting is appropriate because:

- there are no material uncertainties relating to events or conditions that may cast significant doubt about the ability of the charity to continue as a going concern;
- there is reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

b) Group accounts

The financial statements consolidate the results of the charity and its wholly owned subsidiary (Talylyn Railway Company) on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because Talylyn Holdings Limited has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

c) Funds structure

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed.

Further details of each fund are disclosed in the notes.

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JANUARY 2019

1. ACCOUNTING POLICIES (Continued)

d) Incoming resources

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

Voluntary income is recognised when they have been communicated in writing with notification of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfillment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the bank.

e) Resources expended

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 settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities. For more information on this allocation refer to the note below.

f) Allocation of support and governance costs

Support costs and governance costs have been differentiated between other costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

Governance costs and support costs relating to charitable activities have been apportioned appropriately. The allocation of support and governance costs is analysed in the notes.

g) Reserves

The regular, unrestricted income is sufficient to cover the day to day running of the charity.

The agreed reserve policy for 2018/19 was to have available a minimum of £500,000 to £900,000 in unrestricted funds. Based on the risk profile of the income and expenditure, this was deemed an appropriate amount to cover any sudden increases in expenditure, or decreases in income.

Any unrestricted funds held over and above this are regularly monitored with the intention of using them to forward the charity's objectives.

The reserve policy is regularly assessed by the Trustees for appropriateness.

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JANUARY 2019

1. ACCOUNTING POLICIES (Continued)

h) Tangible fixed assets

All assets costing more than £1,000 are capitalised at cost.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognized as impairments. Impairment losses are recognised in the Consolidated Statement of Financial Activities.

Tangible fixed assets are measured at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Land and buildings	Over 50 years
Plant, machinery, fixtures & fittings	Over 10 years
Commercial operations, office and IT	Over 5 years

Land and buildings are held at cost with no depreciation charged due to the high residual value of the building, which would result in any charge being immaterial.

i) Heritage assets

The items included within heritage assets relate to the Talylyn Railway and were acquired by the charity in accordance with its aim to preserve and maintain the railway.

Heritage assets are measured at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Permanent way and infrastructure	Over 40 years
Locomotives	Over 20 years
Rolling stock	Over 40 years

j) Stock

Stocks consist of goods to be sold in the shop and café as well as engineering and consumable items for use on the railway and are valued at the lower of cost and net realizable value.

At each reporting date, stocks are assessed for impairment. If stocks are impaired, the impairment loss is recognized immediately in the Statement of Financial Activities.

k) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JANUARY 2019

1. ACCOUNTING POLICIES (Continued)**l) Cash at bank and in hand**

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

m) 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 transaction value.

n) Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as financial assets or financial liabilities. The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value.

o) Funds

The general fund comprises those monies, which may be used to meet charitable objectives at the discretion of the Trustees.

The restricted fund represents those monies that can only be used for a particular purpose within the objectives of the charity. Restrictions arise when specified by the donor or when funds are raised for a particular restricted purpose.

p) Key judgements and estimations

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2019

2. ANALYSIS OF INCOMING RESOURCES

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
General donations and legacies	189,631	43,741	233,372	212,562
Tax recoverable	12,957	-	12,957	16,303
	<u>202,588</u>	<u>43,741</u>	<u>246,329</u>	<u>228,865</u>

3. EXCEPTIONAL ITEM

During the year there was a one-off exceptional donation from The Talylyn Railway Preservation Society to The Talylyn Railway Company of £358,383 to clear the intercompany balance at the previous year end. Further explanation of this transaction can be found in The Trustee's Report, page 4.

4. CHARITABLE EXPENSES

	Raising funds	Governance	Charitable activities	Total 2019	Total 2018
Staff costs (Note 7)	189,838	-	393,862	583,700	527,903
Support costs (Note 5)	20,586	-	307,236	327,822	269,547
Cost of goods sold	238,653	-	-	238,653	216,381
Railway operating costs	-	-	145,638	145,638	120,134
Auditors remuneration	-	13,006	-	13,006	13,000
	<u>449,077</u>	<u>13,006</u>	<u>846,736</u>	<u>1,308,819</u>	<u>1,146,965</u>

5. SUPPORT COSTS

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
Rent, Rates and Insurance	22,781	-	22,781	20,108
Electricity, Water and Gas	49,009	-	49,009	34,905
Printing and Stationery	8,878	-	8,878	9,580
Advertising and Publicity	64,813	-	64,813	58,276
Postage and Telephone	16,950	-	16,950	13,141
Bank and Credit Card charges	12,508	-	12,508	7,768
Cleaning and first aid	9,242	-	9,242	11,368
Accountancy software & systems	12,540	-	12,540	13,850
Legal Fees	145	-	145	(6,255)
HR Consultancy	857	-	857	1,379
HRA subscription & meeting expenses	1,469	-	1,469	734
Grants payable	1,271	-	1,271	-
Staff dinner	1,642	-	1,642	1,583
Messroom supplies and free staff/volunteer drinks	2,698	-	2,698	2,679
Refuse collection and disposal	8,401	-	8,401	9,100
Premises Licences	334	-	334	292
Security and Alarm	4,294	-	4,294	3,524
Consumables and disposables	8,047	-	8,047	2,880
Computer Running Expenses	15,483	-	15,483	11,523
Miscellaneous	31,650	-	31,650	27,117
Depreciation	54,810	-	54,810	45,995
	<u>327,822</u>	<u>-</u>	<u>327,822</u>	<u>269,547</u>

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2019

6. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted 2018 £	Restricted 2018 £	Total 2018 £
Donations, subscriptions and legacies	176,913	51,952	228,865
Income from charitable activities			
Railway	466,282	-	466,282
Income from other trading activities			
Shop	154,621	-	154,621
Catering	322,981	-	322,981
Other income	11,600	-	11,600
Income from investments	2,291	-	2,291
TOTAL INCOME	1,134,688	51,952	1,186,640
Expenditure on raising funds			
Commercial trading operations	391,765	-	391,765
Expenditure on charitable activities	724,110	31,090	755,200
TOTAL EXPENDITURE	1,115,875	31,090	1,146,965
Net movement in funds	18,813	20,862	39,675

7. STAFF COSTS

	2019 £	2018 £
Wages & salaries	500,182	455,219
National insurance	31,681	29,727
Pension costs	24,281	22,127
Other costs (Travelling and training costs etc)	27,556	20,830
	583,700	527,903

No employee earned over £60,000 (including taxable benefits but excluding employer pension contributions) during the year.

The average number of employees during the year was as follows:

	2019	2018
Catering	19	16
Engineering	10	10
Shop	3	3
Railway operations and administration	7	7
	39	36

It should be noted that the average number of employees includes all employees regardless of hours worked and is not stated on a full time equivalent basis. The numbers are therefore highly distorted by seasonal staff working short hours.

8. TRANSACTIONS WITH TRUSTEES

The trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind.

During the year no trustee received any remuneration or expenses.

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2019

9. FEES FOR AUDIT OF ACCOUNTS

	2019 £	2018 £
Independent auditor's fees	9,000	9,000
	<u>9,000</u>	<u>9,000</u>

10. FIXED ASSETS

GROUP

	Land & buildings £	Plant, machinery, fixtures & fittings £	Commercial operations, Office and IT £	Total £
Cost				
Brought forward	1,568,213	98,475	1,699	1,668,387
Additions	241,557	5,100	12,764	259,421
Disposals	-	-	-	-
Carried forward	<u>1,809,770</u>	<u>103,575</u>	<u>14,463</u>	<u>1,927,808</u>
Depreciation				
Brought forward	425,865	8,699	311	434,875
Charge	31,364	10,145	1,530	43,039
Elimination on disposal	-	-	-	-
Carried forward	<u>457,229</u>	<u>18,844</u>	<u>1,841</u>	<u>477,914</u>
NBV at 31 January 2019	<u>1,352,541</u>	<u>84,731</u>	<u>12,622</u>	<u>1,449,894</u>
NBV at 31 January 2018	<u>1,142,348</u>	<u>89,776</u>	<u>1,388</u>	<u>1,233,512</u>

CHARITY

	Land & buildings £	Total £
Cost		
Brought forward	50,902	50,902
Additions	241,557	241,557
Disposals	-	-
Carried forward	<u>292,459</u>	<u>292,459</u>
Depreciation		
Brought forward	1,018	1,018
Charge	1,018	1,018
Elimination on disposal	-	-
Carried forward	<u>2,036</u>	<u>2,036</u>
NBV at 31 January 2019	<u>290,423</u>	<u>290,423</u>
NBV at 31 January 2018	<u>49,884</u>	<u>49,884</u>

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2019

11. HERITAGE ASSETS

GROUP

	Permanent way and infrastructure £	Locomotives & rolling stock £	Total £
Cost			
Brought forward	161,420	148,692	310,112
Additions	20,221	67,662	87,883
Disposals	-	-	-
Carried forward	181,641	216,354	397,995
Depreciation			
Brought forward	3,996	1,625	5,621
Charge	4,436	7,335	11,771
Elimination on disposal	-	-	-
Carried forward	8,432	8,960	17,392
NBV at 31 January 2019	173,209	207,394	380,603
NBV at 31 January 2018	157,424	147,067	304,491

12. INVESTMENTS

Charity

Shares in
group
undertakings
£

Cost

-

Talylyn Railway Company undertakes the trading activities of the group. The parent charity owns 100% of the ordinary share capital of this subsidiary, which is held between the directors individually. Its principal purpose is the running and maintenance of the Talylyn Railway.

A summary of the trading results is shown below:

	2019 £	2018 £
Turnover	1,231,962	1,061,149
Exceptional item	358,383	-
Cost of sales	(965,736)	(862,628)
Gross profit	624,609	198,521
Administrative expenses	(308,404)	(263,073)
Net loss	316,205	(64,552)
Retained earnings brought forward	-	-
Donation from Talylyn Railway Preservation Society	42,178	64,552
Retained earnings carried forward	358,383	-

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2019

13. STOCKS

	2019 £	2018 £
Fuel & consumables	1,983	4,475
Maintenance	24,614	25,463
Goods for resale	25,477	41,155
	<u>52,074</u>	<u>71,093</u>

The cost of stocks recognised as an expense in the year amounted to £238,653 (2018: £218,807).

14. DEBTORS

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Trade debtors	-	2,787	-	-
Prepayments and other debtors	27,032	32,401	1,534	-
Amounts due to group undertakings	-	-	5,839	4,996
	<u>27,032</u>	<u>35,188</u>	<u>7,373</u>	<u>4,996</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Trade creditors	46,325	40,603	-	-
Accruals & deferred income	35,237	29,482	13,000	13,000
Other creditors	637	41	1,183	-
Taxation and social security	(4,348)	(12,796)	-	-
Amounts due to related parties	5,640	352,124	-	-
	<u>83,491</u>	<u>409,454</u>	<u>14,183</u>	<u>13,000</u>

16. DEFERRED INCOME

	£
Brought forward at 1 February 2018	8,010
Amount released to income earned from charitable activities	(2,500)
Amounts released to income earned from trading activities	(316)
Amounts deferred in the year for charitable activities	5,069
Amounts deferred in the year for trading activities	602
	<u>10,865</u>

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2019

17. FUNDS

Statement of funds - current year

	Balance at 1 February 2018 £	Income £	Transfer £	Expenditure £	Balance at 31 January 2019 £
Unrestricted funds					
General funds	744,968	1,655,685	(54,004)	(1,268,865)	1,077,784
Designated funds	-	-	54,004	-	54,004
Restricted funds					
Wharf Building	1,092,464	-	-	(30,346)	1,062,118
Development fund	1,671	-	-	-	1,671
Loco. No.3 "Sir Haydn" Appeal	94,830	10,712	-	(5,318)	100,224
Tracksiders Fund	628	-	-	-	628
Open Carriages Appeal	9,079	13,078	-	-	22,157
Toby the Trolley appeal	1,645	-	-	-	1,645
Corris Carriage appeal	-	15,407	-	-	15,407
Ty Dwr Appeal	-	828	-	-	828
2018 AGM Strimmers Etc.	-	3,716	-	(3,018)	698
Graham Guilford Fund	17,336	-	-	(1,272)	16,064
	1,217,653	43,741	-	(39,954)	1,221,440
	1,962,621	1,699,426	-	(1,308,819)	2,353,228

The fund for the Wharf Building made possible the construction of a large building accommodating the Narrow Gauge railway Museum, Shop and Catering operations and offices, completed in 2005.

The appeal fund for Loco No.3 "Sir Haydn" contributed to the comprehensive rebuild and refurbishment of this historic locomotive which was completed in 2018.

The Graham Guilford Fund was created through a legacy from the late Graham Guilford to benefit young volunteers. It is now used and administered to provide grants to young people in order that they may spend time volunteering on the railway which might otherwise not be financially possible. It is boosted by new donations from time to time.

Statement of funds - prior year

	Balance at 1 February 2017 £	Income £	Expenditure £	Balance at 31 January 2018 £
Unrestricted funds				
General funds	726,155	1,134,688	(1,115,875)	744,968
Restricted funds				
Wharf Building grant	1,122,810	-	(30,346)	1,092,464
Development fund	1,671	-	-	1,671
Loco. No.3 "Sir Haydn" Appeal	54,127	40,703	-	94,830
Tracksiders Fund	628	-	-	628
Open Carriages Appeal	-	9,079	-	9,079
Toby the Trolley appeal	-	1,645	-	1,645
Graham Guildford Fund	17,555	525	(744)	17,336
	1,196,791	51,952	(31,090)	1,217,653
	1,922,946	1,186,640	(1,146,965)	1,962,621

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2019

17. FUNDS (Continued)

Analysis of funds between net assets - current year

	Fixed Assets £	Net Current Assets £	Long Term Liabilities £	Total £
Unrestricted funds	768,379	363,409	-	1,131,788
Restricted funds	1,062,118	159,322	-	1,221,440
Carried forward	<u>1,830,497</u>	<u>522,731</u>	<u>-</u>	<u>2,353,228</u>

Analysis of funds between net assets - prior year

	Fixed Assets £	Net Current Assets £	Long Term Liabilities £	Total £
Unrestricted funds	445,539	299,429	-	744,968
Restricted funds	1,092,464	125,189	-	1,217,653
Carried forward	<u>1,538,003</u>	<u>424,618</u>	<u>-</u>	<u>1,962,621</u>

18. FINANCIAL INSTRUMENTS

Categorisation of financial instruments

Group:

	2019 £	2018 £
Financial assets that are debt instruments measured at amortised cost	<u>1,500</u>	<u>2,698</u>
Financial liabilities measured at amortised cost	<u>63,974</u>	<u>401,240</u>

Company:

	2019 £	2018 £
Financial assets that are debt instruments measured at amortised cost	<u>1,500</u>	<u>14,829</u>

19. TAXATION

The railway company is recognised by HMRC as having a charitable purpose and therefore is not liable to income tax or corporation tax on income derived from, as it falls within the various exemptions available to registered charities.

20. RELATED PARTY TRANSACTIONS

During the year the group received a donation from The Talylyn Railway Preservation Society of £42,178 (2018: £64,552).

TALYLLYN HOLDINGS LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2019****21. MEMBERS' LIABILITY**

Talylyn Holdings Limited is a registered company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £5 towards the assets of the charitable company in the event of winding up.

22. ULTIMATE CONTROLLING PARTY

Talylyn Holdings Limited is controlled by the right of appointment of the majority of directors by the Talylyn Railway Preservation Society.

In the opinion of the Trustees there is no ultimate controlling party of the charity.