

TALYLLYN HOLDINGS LIMITED
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2020

COMPANY NUMBER: 00511996

CHARITY NUMBER: 1089053

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TALYLLYN HOLDINGS LIMITED
REPORT AND ACCOUNTS TO 31 JANUARY 2020
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TALYLLYN HOLDINGS LIMITED
REPORT AND ACCOUNTS TO 31 JANUARY 2020
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 2020
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, 2020. 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) (Charities SORP (FRS 102)).

PRINCIPAL ACTIVITY

The Objects of the Company include the preservation of the historic structures and equipment of the Talyllyn 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 Talyllyn 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 Talyllyn Railway.

The strategies employed to achieve these objectives are to:

- retain the beneficial ownership of all the shares in the Talyllyn Railway Company;
- control the Railway Company by the election of its Directors in accordance with established custom;
- raise money from individuals and organizations;
- make grants in accordance with its Objects;
- encourage volunteers on the Railway, in particular by the provision of accommodation;
- make loans to the Railway Company when required by exceptional circumstances.

ACHIEVEMENTS AND ACTIVITIES

2019 was another successful year for the Talyllyn Railway. Traffic improved slightly on the strong previous year despite more mixed weather, and income rose rather more. There was a rest from high-profile events but a great deal of work was undertaken to lay the foundations for future developments designed to keep the Railway in a strong position for decades to come.

Trefri, once the home of Edward Thomas and John Parry, became available early in the year. More important than its historical links is its situation, immediately South of Wharf Station and on the only side not bounded by highways or Network Rail. The Company's reserves, built up mainly by legacies, enabled the property's purchase to be completed on 9th. October. Although the house is in good condition, a considerable sum will be required to adapt it for Talyllyn purposes, and late in the year it was let until funds could be raised and detailed plans drawn up. One input to these will be the results of a survey of volunteer accommodation needs which showed a desire for a variety of forms of lodging.

Much effort was also devoted to considering the best way to use the orchard at Pendre acquired in 2018. To restore reserves it was decided to sell the cottages which had been purchased in order to buy the land. Plans were also drawn up for a new shed at Wharf to house and display the original carriages. These projects cannot proceed without external funding and a fundraising consultancy has been involved to assist with finding grants. An Expression of Interest was prepared and submitted to the National Lottery Heritage Fund during November and received a qualified favourable response. A great deal of further work is required to succeed at the subsequent stages before a grant can be obtained.

At the end of the Railway's year we had heard little of a coronavirus, Covid-19, which had appeared in a faraway place of which we knew little. Only seven weeks later the Railway was forced to close all its public activities, furlough almost all of its employees and suspend practical volunteer work as the entire country entered a period of lockdown. 2020 would be only the second year since 1867 (the other was 1945) in which no passenger trains ran in early Summer.

In this dark scene, the generosity both of living donors and of those who left bequests to the Railway shone as a beacon of hope, and ensured the Railway would be there for the pleasure of future generations.

Traffic & Operating

The year ending 31st. January, 2020 saw 94,811 passenger journeys, an increase of 1.1% on the previous year. Public bookings rose 1.8% to 40,443. With some fare changes total traffic revenue increased by 9.5%.

Early in the twentieth century van No. 5 was equipped with ticket racks so that guards could easily issue tickets. In 1974 portable ticket cases were introduced which were returned to the Wharf booking office at the end of the day. 2019 saw smaller ticket boxes enter service for duties 1 and 2.

New "Marmoleum" flooring was installed in Abergynolwyn blockpost in April. This looks very much like traditional signal-box linoleum but is much more durable.

Over the year a large number of training events were held for operating volunteers, and for under-16s to prepare them for starting as volunteers. An online Personal Track Safety course and assessment were developed and had been successfully completed by over 400 people by the year-end.

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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 remains a key part of the business and is not easy to get right. The year's results show a slight reduction in turnover in both the Railway Shop and the refreshment rooms, but increased margins in both. A new full-time Shop co-ordinator has been focusing on developing the mail-order side of the business as well as eBay and these areas have started to develop.

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.

In Pendre's historic workshops, locomotive No. 7 *Tom Rolt* had a ten-year overhaul completed in eleven months to a high standard. Locomotive No. 1 *Talylyn* was dismantled ready for its ten-year overhaul, the cylinders were sent away for liners to be fitted and work commenced on small component overhaul.

Fitting-out of the unit on Pendre Industrial Estate was completed and work continued on the first new open carriage. Two open-coach bodies and floors were rebuilt. Carriage bogie overhauls continued. Roof recovering, with new flexible rubber materials, was undertaken on a further carriage. After abortive attempts to find someone in the Tywyn area to undertake it, the body of ex-Corris Railway carriage, No. 17, was sent to Stanegate Restorations and Replicas Limited of Haltwhistle for rebuilding and was nearing completion at the year-end. Meanwhile two local volunteers have begun rebuilding ex-Corris van No. 6.

The motor trolley, which had been out of use since severe damage in 2008, returned to the Railway in June having been rebuilt by volunteers at a member's works in Wellingborough.

Brynglas cattle creep and the adjacent level crossing were renewed, all materials being fabricated in house. Track was relayed in the Abergynolwyn area and the siding at Nant Gwernol, a total of 26 lengths; at Pendre the ash road point was renewed and siding relayed.

There was continuing support for the three Outdoor Weeks, despite increasing interest in Long Weekend working parties. It was pleasing to see more new faces coming to work during the year. The re-sleepering programme continues to be successful thanks to the support of volunteers, although their age profile gives some cause for concern.

In March, solar photovoltaic panels were installed on the roof of the new building at Wharf. They started generating electricity straight away but the first payment from the "feed-in tariff" was not received for ten months. The former slaughterhouse had a concrete floor and gates installed enabling the building maintenance department to move into it.

The woodyard wall adjacent to the locomotive shed was rebuilt in slate, similar to the original.

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.

The External Safety Audit concentrated on the Safety Management System (SMS) and the recommendations are being incorporated into a new version.

The annual review of accidents and incidents showed an increase in the number of accidents, primarily due to improvements in reporting minor cuts and burns. There was no change in the number of incidents. There was one reportable incident, the runaway of an engineering brake van. The Regulatory Authorities required details but took no further action. Most incidents were near misses and have been used at relevant seminars and meetings to reinforce safety messages. The number of door related incidents remained the same.

Prompted by accidents on the National Network, a review of the risks of passengers leaning out of windows was carried out. Warnings are now printed on tickets and more prominent notices have been placed in carriages. The droplight stops are being raised in the "Tisdale" carriages and the new opens will have additional bars.

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TRUSTEES' REPORT

Heritage

The Heritage Working Group has been busy on a number of fronts over the past twelve months. The Group has produced a draft comprehensive heritage strategy for the Railway.

Since 2012, the Slate Industry of North Wales has been on the "Tentative List" of U.N.E.S.C.O. to become a World Heritage Site. The Talyllyn Railway would be its Southern hub. Just before the end of the Company's year, the D.C.M.S. submitted a formal nomination for this to be the U.K.'s next Site and only the fourth in Wales. The Group is working on required documentation which would also support grant applications to fund the new developments at Wharf and Pendre. This includes a Conservation Management Statement for the Railway and also a Conservation Management Plan for the line. At Wharf there has been some progress on plans for showing how slate was transhipped from the narrow to the standard gauge.

Work on other projects has also been undertaken. The replacement "Gate to Adventure" is now in place. Great progress has been made at Tŷ Dŵr, both with excavating the remains of the original watering point and with drawing up plans for the reconstruction. The work on the cattle creep at Brynglas has led to a significant change in our understanding of the early history of the line there, and this will be reflected in an on-site display.

We are also working on ideas for managing our archives, including digitizing them and making them more widely available for people to see for themselves.

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 Talyllyn 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 Talyllyn Railway Company it provides employment in the area, including that of two apprentices learning valuable skills, 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 economic advantages to their local areas.

FINANCIAL REVIEW

The 2019–2020 year was one of mixed financial fortunes, but in many ways a positive one that saw reasonable progress. Of course, since then events have taken a massive turn with the Railway being unable to operate from late March 2020 until a limited service could resume in early August.

The Talyllyn Railway Company, the subsidiary which undertakes most of the Objects of the charity, increased passenger numbers in the year; much improved traffic revenue more than offset substantially reduced contributions from Shop and Catering activities. Both areas remain strongly profitable, and Gross Margins have slightly improved, but both have seen a plateau in growth and ever increasing costs. The budget for 2019–2020 sought to address some of these issues, but given present events this will now be delayed.

In anticipation of a strong year in 2020 various decisions were made in the final quarter of 2019–2020 on maintenance and other areas increasing the spend in a deliberate way over the winter period. This, as would be expected, impacted on the overall results but put the Railway in a much better position to move forward and be better presented.

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 2019 year this brought an additional £74,337 (2018: £64,312) in Gift Aid income and £37,481 (2018: £30,779) through the additional 10% donation. Take up of Gift Aided donation fares was at 66.8% (2018: 68.6%) for the year and donation fares without Gift Aid 23.6% (2018: 20.5%). The £111,818 (2018: £95,091) of additional income is offset by the value of the 15% vouchers given to those donating their fares and redeemed in the Shop or Café. Those redeemed had a face value of £56,311 (2018: £45,626), although the cost of servicing these vouchers is approximately half this due to the margins made on the goods sold. Changes to this scheme are being experimented with in the new year.

Overall, the Railway Company shows an operating deficit (Combined Income) of £72,241 in the year compared to £51,740 in the previous year. This is then further reduced by donations and a £65,000 grant from the Society.

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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. Holdings cash reserves at the end of the year stood at £342,655, this despite the purchase of *Trefri* in the year at a total cost of £361,237. 33 Frankwell Street was sold after the year-end, and a buyer has been found for number 34. Members' loans were sought to help maintain a suitable reserve, and £60,000 was received through this route. Grants have been made in the year to cover costs relating to the following items, amongst others: the building of new Open Carriages (including facilities for constructing several) £56,812; the rebuild of Carriage No. 17 £14,608; and the employment of staff £70,699.

Events since the date of these accounts have clearly been dramatic and are reported on elsewhere. It is pleasing to note that the generosity of members through the appeal; increasing receipts of legacies; considerable work to gain any grants available; and careful management have put the Talylyn in a position that might be the envy of many other heritage railways. We have good positive reserves, and with very careful cost management we can have confidence we will see our way through this crisis until we are able to operate again. However, the likely effect despite this is that our reserves will be very heavily depleted which will inevitably have an impact on our ability to push forward with any ambitious capital plans in the near term.

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 Talylyn 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 *Trefri* and believed that this expenditure left them adequate. Following the year-end, the unforeseeable requirements resulting from the Covid-19 pandemic have required some recourse to reserves but they remain adequate to cover future demands which it is reasonable to anticipate.

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 2019 but the Trustees considered it still appropriate.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Talylyn 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, 31st. August, 2001 and 31st. May, 2019. 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 Talylyn Railway Preservation Society. The Board met seven times during the year and considered the financial position at each meeting.

Trustees

The Trustees who served during the year to 31 January 2020 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 rôle 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.

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.

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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 (2018: £Nil). It has no paid employees.

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. A safeguarding policy is in force.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Talylyn 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 proposed 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 22/08/2020 and signed on its behalf by:



 Chair of Trustees

TALYLLYN HOLDINGS LIMITED
REPORT AND ACCOUNTS TO 31 JANUARY 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES

Opinion

We have audited the financial statements of Talyllyn Holdings Limited (the 'charitable Company') for the year ended 31 January 2020 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 parent charitable Company's affairs as at 31 January 2020 and of the group's 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.

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.

TALYLLYN HOLDINGS LIMITED

REPORT AND ACCOUNTS TO 31 JANUARY 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES

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 6 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.


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.

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: 25/8/2020

TALYLLYN HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JANUARY 2020
(Including the Income and Expenditure Account)

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
INCOME					
Donations, subscriptions and legacies	2	506,291	16,071	522,362	246,329
Income from charitable activities					
Railway		604,660	-	604,660	550,850
Income from other trading activities					
Shop		160,951	-	160,951	162,447
Catering		370,348	-	370,348	374,158
Other Income		5,256	-	5,256	4,019
Income from investments					
Bank interest		2,231	-	2,231	3,240
Exceptional item	3	-	-	-	358,383
Total income		1,649,737	16,071	1,665,808	1,699,426
EXPENDITURE					
Expenditure on raising funds					
Commercial trading operations	4	466,665	-	466,665	449,077
Expenditure on charitable activities	4	816,428	112,205	928,633	859,742
Total expenditure		1,283,093	112,205	1,395,298	1,308,819
Net movement in funds		366,644	(96,134)	270,510	390,607
Funds balances brought forward		1,131,788	1,221,440	2,353,228	1,962,621
Transfer of fund balances		(30,055)	30,055	-	-
Fund balances carried forward		1,468,377	1,155,361	2,623,738	2,353,228

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 13 to 23 form an integral part of these financial statements

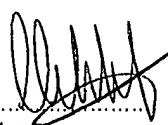
TALYLLYN HOLDINGS LIMITED


CONSOLIDATED BALANCE SHEET AS AT 31 JANUARY 2020

	Notes	£	2020 £	2019 £
FIXED ASSETS				
Tangible fixed assets	10		1,791,209	1,449,894
Heritage assets	11		373,307	380,603
			<u>2,164,516</u>	<u>1,830,497</u>
CURRENT ASSETS				
Stocks and stores	13	116,747		52,074
Debtors and prepayments	14	124,932		27,032
Cash at bank		<u>365,322</u>		<u>527,116</u>
		607,001		606,222
CREDITORS: Amounts falling due within one year	15	<u>(147,779)</u>		<u>(83,491)</u>
NET CURRENT ASSETS			459,222	522,731
NET ASSETS			<u>2,623,738</u>	<u>2,353,228</u>
FUND BALANCES				
Restricted funds	17		1,155,361	1,221,440
Unrestricted funds	17		1,468,377	1,131,788
			<u>2,623,738</u>	<u>2,353,228</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 22/03/2020 and signed by:


David Ventry

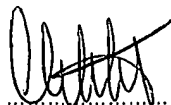

Elisabeth Mann

TALYLLYN HOLDINGS LIMITED
BALANCE SHEET AS AT 31 JANUARY 2020


	Notes	£	2020 £	2019 £
FIXED ASSETS				
Tangible fixed assets	10		643,417	290,423
			<u>643,417</u>	<u>290,423</u>
CURRENT ASSETS				
Debtors and prepayments	14	93,668		7,373
Cash at bank		<u>342,655</u>		<u>479,885</u>
		436,323		487,258
CREDITORS: Amounts falling due within one year	15	<u>(74,187)</u>		<u>(14,183)</u>
NET CURRENT ASSETS			362,136	473,075
NET ASSETS			<u>1,005,553</u>	<u>763,498</u>
FUND BALANCES				
Restricted funds			31,343	59,097
Unrestricted funds			974,210	704,401
			<u>1,005,553</u>	<u>763,498</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 22/08/2020 and signed by:



 David Ventry



 Elisabeth Mann

TALYLLYN HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS

	2020 £	2019 £
Reconciliation of net movement in funds to new cash flow from operating activities		
Net movement in funds	270,510	390,607
Depreciation	70,056	54,810
Decrease/(increase) in stock	(64,673)	19,019
Decrease/(increase) in debtors	(97,900)	8,156
Increase/(decrease) in creditors	64,288	(325,963)
Bank interest receivable	(2,231)	(3,240)
Net cash used in operating activities	240,050	143,389
Cashflow from investing activities		
Bank interest received	2,231	3,240
Acquisition of tangible assets	(404,075)	(347,304)
	(401,844)	(344,064)
Change in cash and cash equivalents for the year	(161,794)	(200,675)
Cash and cash equivalents at the beginning of the year	527,116	727,791
Cash and cash equivalents at the end of the year	365,322	527,116

TALYLLYN HOLDINGS LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 2020

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) – (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.

Tallylyn 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

The trustees have considered the position of the charity, especially in light of the enforced closure of the railway during the COVID-19 pandemic. During March 2020, in response to the COVID-19 outbreak, the government ordered the nation into strict lockdown meaning the railway was to remain closed during this period until further notice. All measures have been taken to reduce the ongoing costs of the charity and to protect its reserves including taking advantage of government schemes such as the Job Retention Scheme. An appeal was launched for donations in light of the lack of trading income and public response was positive. With the railway reopened on a restricted basis from early August and the continued support of our donors, the trustees have confidence that the charity remains a going concern for the foreseeable future.

b) Group accounts

The financial statements consolidate the results of the charity and its wholly owned subsidiary (Tallylyn 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 Tallylyn 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.

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.

TALYLLYN HOLDINGS LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 2020

1. ACCOUNTING POLICIES (Continued)

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 from 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 2019/20 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.

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

i) Heritage assets

The items included within heritage assets relate to the Talyllyn 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

TALYLLYN HOLDINGS LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 2020

1. ACCOUNTING POLICIES (Continued)

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.

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 2020

2. ANALYSIS OF INCOMING RESOURCES

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
General donations and legacies	493,510	16,071	509,581	233,372
Tax recoverable	12,781	-	12,781	12,957
	<u>506,291</u>	<u>16,071</u>	<u>522,362</u>	<u>246,329</u>

3. EXCEPTIONAL ITEM

During the prior 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.

4. CHARITABLE EXPENSES

	Raising funds	Governance	Charitable activities	Total 2020	Total 2019
Staff costs (Note 7)	220,413	-	431,208	651,621	583,700
Support costs (Note 5)	16,162	-	320,997	337,159	327,822
Cost of goods sold	230,090	-	-	230,090	238,653
Railway operating costs	-	-	163,403	163,403	145,638
Auditors' remuneration for all services	-	13,025	-	13,025	13,006
	<u>466,665</u>	<u>13,025</u>	<u>915,608</u>	<u>1,395,298</u>	<u>1,308,819</u>

5. SUPPORT COSTS

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Rent, Rates and Insurance	30,313	-	30,313	22,781
Electricity, Water and Gas	45,648	-	45,648	49,009
Printing and Stationery	6,728	-	6,728	8,878
Advertising and Publicity	50,240	-	50,240	64,813
Postage and Telephone	15,605	-	15,605	16,950
Bank and Credit Card charges	12,220	-	12,220	12,508
Cleaning and first aid	14,869	-	14,869	9,242
Accountancy software & systems	18,150	-	18,150	12,540
Legal Fees	6,557	-	6,557	145
HR Consultancy	600	-	600	857
HRA subscription & meeting expenses	1,763	-	1,763	1,469
Grants payable	436	-	436	1,271
Staff dinner	1,702	-	1,702	1,642
Messroom supplies and free staff/volunteer drinks	2,726	-	2,726	2,698
Refuse collection and disposal	8,386	-	8,386	8,401
Premises Licences	250	-	250	334
Security and Alarm	5,937	-	5,937	4,294
Consumables and disposables	6,752	-	6,752	8,047
Computer Running Expenses	19,089	-	19,089	15,483
Miscellaneous	19,132	-	19,132	31,650
Depreciation	70,056	-	70,056	54,810
	<u>337,159</u>	<u>-</u>	<u>337,159</u>	<u>327,822</u>

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2020

6. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
Donations, subscriptions and legacies	202,588	43,741	246,329
Income from charitable activities			
Railway	550,850	-	550,850
Income from other trading activities			
Shop	162,447	-	162,447
Catering	374,158	-	374,158
Other income	4,019	-	4,019
Income from investments	3,240	-	3,240
Exceptional item	358,383	-	358,383
TOTAL INCOME	1,655,685	43,741	1,699,426
Expenditure on raising funds			
Commercial trading operations	449,077	-	449,077
Expenditure on charitable activities	819,788	39,954	859,742
TOTAL EXPENDITURE	1,268,865	39,954	1,308,819
Net movement in funds	386,820	3,787	390,607

7. STAFF COSTS

	2020 £	2019 £
Wages & salaries	562,381	500,182
National insurance	33,674	31,681
Pension costs	26,666	24,281
Other costs (Travelling and training costs etc)	28,900	27,556
	651,621	583,700

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:

	2020	2019
Catering	23	19
Engineering	11	10
Shop	4	3
Railway operations and administration	7	7
	45	39

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 2020

9. FEES FOR AUDIT OF ACCOUNTS

	2020 £	2019 £
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 £	Motor vehicles £	Commercial operations, Office and IT £	Total £
Cost					
Brought forward	1,809,770	103,575	-	14,463	1,927,808
Additions	361,237	14,979	9,250	10,811	396,277
Disposals	-	-	-	-	-
Carried forward	<u>2,171,007</u>	<u>118,554</u>	<u>9,250</u>	<u>25,274</u>	<u>2,324,085</u>
Depreciation					
Brought forward	457,229	18,844	-	1,841	477,914
Charge	38,589	11,730	463	4,180	54,962
Elimination on disposal	-	-	-	-	-
Carried forward	<u>495,818</u>	<u>30,574</u>	<u>463</u>	<u>6,021</u>	<u>532,876</u>
NBV at 31 January 2020	<u>1,675,189</u>	<u>87,980</u>	<u>8,787</u>	<u>19,253</u>	<u>1,791,209</u>
NBV at 31 January 2019	<u>1,352,541</u>	<u>84,731</u>	<u>-</u>	<u>12,622</u>	<u>1,449,894</u>

CHARITY

	Land & buildings £	Total £
Cost		
Brought forward	292,459	292,459
Additions	361,237	361,237
Disposals	-	-
Carried forward	<u>653,696</u>	<u>653,696</u>
Depreciation		
Brought forward	2,036	2,036
Charge	8,243	8,243
Elimination on disposal	-	-
Carried forward	<u>10,279</u>	<u>10,279</u>
NBV at 31 January 2020	<u>643,417</u>	<u>643,417</u>
NBV at 31 January 2019	<u>290,423</u>	<u>290,423</u>

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2020

11. HERITAGE ASSETS

GROUP

	Permanent way and infrastructure £	Locomotives & rolling stock £	Total £
Cost			
Brought forward	181,641	216,354	397,995
Additions		7,798	7,798
Disposals	-	-	-
Carried forward	181,641	224,152	405,793
Depreciation			
Brought forward	8,432	8,960	17,392
Charge	4,541	10,553	15,094
Elimination on disposal	-	-	-
Carried forward	12,973	19,513	32,486
NBV at 31 January 2020	168,668	204,639	373,307
NBV at 31 January 2019	173,209	207,394	380,603

Summary analysis of Heritage Asset transactions

	2020	2019	2018	2017
Additions				
Assets purchased - development	7,798	87,883	93,663	-
Total additions	7,798	87,883	93,663	-
Amortisation				
Assets purchased - development	15,094	11,771	5,621	-
Sub total	15,094	11,771	5,621	-

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2020

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:

	2020 £	2019 £
Turnover	1,276,700	1,231,963
Exceptional item	-	358,383
Cost of sales	(1,042,404)	(965,736)
Gross profit	234,296	624,610
Administrative expenses	(303,937)	(308,404)
Net loss	(69,641)	316,206
Retained earnings brought forward	-	-
Donation from Talylyn Railway Preservation Society	65,000	42,178
Retained earnings carried forward	(4,641)	358,384

13. STOCKS

	2020 £	2019 £
Fuel & consumables	5,150	1,983
Maintenance and Work-in-Progress	82,589	24,614
Goods for resale	29,008	25,477
	116,747	52,074

The cost of stocks recognised as an expense in the year amounted to £230,749 (2019: £238,653).

14. DEBTORS

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade debtors	694	-	-	-
Prepayments and other debtors	124,238	27,032	85,378	1,534
Amounts due to group undertakings	-	-	8,290	5,839
	124,932	27,032	93,668	7,373

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2020

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade creditors	56,333	46,325	-	-
Accruals & deferred income	32,764	35,237	13,000	13,000
Other creditors	61,547	637	61,187	1,183
Taxation and social security	(11,566)	(4,348)	-	-
Amounts due to related parties	8,701	5,640	-	-
	<u>147,779</u>	<u>83,491</u>	<u>74,187</u>	<u>14,183</u>

16. DEFERRED INCOME

	£
Brought forward at 1 February 2019	10,865
Amount released to income earned from charitable activities	(4,663)
Amounts released to income earned from trading activities	(537)
Amounts deferred in the year for charitable activities	2,251
Amounts deferred in the year for trading activities	288
	<u>8,204</u>

17. FUNDS

Statement of funds - current year

	Balance at 1 February 2019 £	Income £	Transfer £	Expenditure £	Balance at 31 January 2020 £
Unrestricted funds					
General funds	1,077,784	1,649,737	(30,055)	(1,283,093)	1,414,373
Designated funds	54,004				54,004
Restricted funds					
Wharf Building	1,062,118			(30,346)	1,031,772
Development fund	1,671		(1,671)		-
Loco. No.3 "Sir Haydn" Appeal	100,224			(7,977)	92,247
Tracksiders Fund	628				628
Open Carriages Appeal	22,157	2,930	31,726	(56,813)	-
Toby the Trolley appeal	1,645			(1,645)	-
Corris Carriage appeal	15,407	8,907		(14,609)	9,705
Ty Dwr Appeal	828	649			1,477
2018 AGM Strimmers Etc.	698			(379)	319
2019 AGM Carriage Heating	-	2,585			2,585
Graham Guilford Fund	16,064	1,000		(436)	16,628
	<u>1,221,440</u>	<u>16,071</u>	<u>30,055</u>	<u>(112,205)</u>	<u>1,155,361</u>
	<u>2,353,228</u>	<u>1,665,808</u>	<u>-</u>	<u>(1,395,298)</u>	<u>2,623,738</u>

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2020

The designated unrestricted fund is allocated funds towards the Wharf Building restricted fund.

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 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 grant	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 Guildford 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

Analysis of funds between net assets - current year

	Fixed Assets £	Net Current Assets £	Long Term Liabilities £	Total £
Unrestricted funds	1,132,744	335,633	-	1,468,377
Restricted funds	1,031,772	123,589	-	1,155,361
Carried forward	2,164,516	459,222	-	2,623,738

TALYLLYN HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2020

Analysis of funds between net assets - prior 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>

18. 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 charitable activities, as it falls within the various exemptions available to registered charities.

19. RELATED PARTY TRANSACTIONS

During the year the group received a donation from The Talyllyn Railway Preservation Society of £225,108 (2019: £42,178).

20. MEMBERS' LIABILITY

Talyllyn 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.

21. ULTIMATE CONTROLLING PARTY

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

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

23. POST BALANCE SHEET EVENTS

At the time of approval of the accounts in August 2020, the Covid-19 pandemic has put the country into lockdown with restrictions now beginning to be lifted. During the lockdown period the railway has been unable to operate however the trustees do not believe this to have a significant long term impact on the entity's ability to continue as a going concern. The decisions of the trustees at this time are based upon ensuring that business continues whilst at the same time safeguarding the health and well-being of employees.