

Charity registration number 1092035

Company registration number 4331307 (England and Wales)

GWRYCH CASTLE PRESERVATION TRUST LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
PAGES FOR FILING WITH REGISTRAR

GWRYCH CASTLE PRESERVATION TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Dr M Baker
Miss J Rowlands
Mrs P Heap-Williams
Mr S Rowlands
Mr J Rye
Ms M Flaterly
The Rt.Hon G Mostyn

Secretary

Dr M Baker

Charity number

1092035

Company number

4331307

Registered office

Gwrych Castle
Llanddulas Road
Abergele
Conwy
LL22 8ET

Independent examiner

S Murray-Williams FCA
for and on behalf of
Harold Smith Chartered Accountants
St. Asaph Business Park
Denbighshire
LL17 0JA

GWRYCH CASTLE PRESERVATION TRUST LIMITED

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GWRYCH CASTLE PRESERVATION TRUST LIMITED

TRUSTEES TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the the trust's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The charity's objectives as stated in the Articles of Association are:

'To preserve for the benefit of the people of North Wales and of the Nation, the historical, architectural and constructional heritage that may exist in and around Gwrych Castle, Abergele, North Wales in buildings (including any building as defined in Section 336 of the Town & Planning Act 1990) of particular beauty or historical, architectural or constructional interest.'

In 1997 ASFOG (A Society for the Friends of Gwrych) was founded and in 2001 it changed its name to Gwrych Castle Preservation Trust, becoming a company limited by guarantee and a registered charity. The Trust was founded to raise awareness of Gwrych's plight and also to establish a solution for the conservation, restoration and sustainable future use of the Castle and estate. These three core aims are:

1. To restore the Castle to how it was during the ownership of the Lloyd, Hesketh and Dundonald families for public benefit. This means returning to the historic vision as shaped by three successive generations of the indigenous family who created and cared for Gwrych Castle and estate.
2. To provide public access to the Castle and gardens by opening Gwrych Castle and estate.
3. To advance the education of the public in the history and conservation of Gwrych Castle and estate.

Public Benefit

The Board of Trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission. Significant activities that we undertook during the period that demonstrate public benefit are set out below.

The Board of Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the the trust should undertake.

GWRYCH CASTLE PRESERVATION TRUST LIMITED

TRUSTEES TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance

A Year in Review

2021 saw the continuation of the global pandemic, a second season of the ITV Production of 'I'm A Celebrity' and the campaign of a local councillor to create footpaths through, and a village green on, the castle estate.

With the departure of ITV, and the ongoing pandemic easing slightly, trust staff set about getting the castle ready for allowing visitors in a safe manner. The one-way visitor route was retained as it had worked well previously, and signage was updated and improved over the course of the year. Volunteer groups were monitored to ensure all guidelines were followed and further training given where needed.

With the onset of summer, crowds flocked and the requirement for all site staff was to help manage the parking and ticket checking, to help the smooth operation of the visitor experience.

We had had continued support from our regular volunteers, many of which make up our gardening team and others that help with events, such as ghost hunts and our major annual events. We have had great success with different agencies who send volunteers our way, such as local disability care homes and the woodland walks team reforming.

Initially, it was uncertain whether ITV would be returning to the estate for a second year, with the decision being relayed last minute. The Castle and estate closed to the public again at the start of September, to allow preparations for the show. The hire continued through to early 2022 to allow for de-rigging of set pieces and studios.

This second hire by ITV has not only pushed the castle's rescue years ahead again, but it will enable a much-improved visitor experience that takes the public into the heart of the main house. Even with the reduced opening of around 5 months through the year, we were able to welcome 98,573 visitors to the castle, up from 15,379 in 2020.

ITV again produced an adapted version of "I'm A Celebrity..." live on ITV from the castle in November and December 2021, which saw 12 celebrities take part in a raft of trials and challenges. Danny Miller was crowned King of the Castle after spending three weeks battling the elements.

Many of the businesses again took part in welcoming the television show to the castle and wider community, with shopfront displays and floodlighting the main gates once again sponsored by Abergele Town Council.

With the closure of the castle to the public for filming, work attention was moved to the Formal Gardens, as ITV were not particularly using that area. This enabled trust staff to maintain a presence during the show.

During this time, trust staff carried out crucial restoration works to the Writing Tower, applying traditional plaster back to the walls.

Due to the Castle and estate being essentially a building site, with movement of heavy goods vehicles and other plant, there is security presence 24/7 to ensure safety.

With the show nearing an end and everything packing up, Trust staff were charged with the duty of ensuring the estate was returned to its previous condition. This was to ensure the estate would be ready for public reopening once ITV had fully vacated.

GWRYCH CASTLE PRESERVATION TRUST LIMITED

TRUSTEES TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Resilient Heritage Project Progress

2021 saw the continuation of the global pandemic, a second season of the ITV Production of 'Im A Celebrity' and the campaign of a local errant councillor to create footpaths through and a village green on the castle estate. This had a dramatic effect on the progress of the Resilient Heritage project meaning the original date for the completion of September 2020 had to be extended by 12 months, this was approved and afforded by the National Lottery Heritage Fund. The following consultant reports were completed and submitted to the NLHF Investment Manager for initial review in Nov 2021, the reports being: The Business Plan to carry the castle through the next 25 years - David Clarke Associates; The Options Appraisal, Master plan and Conservation Statement- Chambers Conservation Ltd; The Visitor Experience and Outline Activity Plan - Headland Design Associates. The RH Staff plan to make the organisation resilient in the present and prepared for the future was also significantly completed in 2021.

From these plans the RH Project Team estimated that the overall costs of the plans to see the castle restored and self-sustaining as a visitor attraction are currently estimated at 30 million. The scale and cost of implementing the full master plan, the estimated 30 million would be beyond the scope of one project, so the business plan looked at a fundable project that both addressed the most urgent heritage conservation concerns and delivered an engaging visitor offer. Phase 1 of the project would include: Structural stabilisation of the Castle; Roofing the Castle; Reintroducing floors to the Castle, including lift foundation; Reinstating windows to the Castle; Improving access drive and car parking; Installing a visitor welcome hut; Providing public and staff toilets; Restoring the coach house to provide a café and making safe paths, walls and drops in the immediate landscape. This would have a Gross project cash total £9,778,21 and a Gross project value of £10,478,213 it remains a first phase in a longer plan to reinvigorate the entire Castle and estate, with a probable two further packages of similar value in the years ahead.

The end of 2021 saw the start of the process of pulling together the Completion Report, a significant piece of work to be completed by RH Project Manager and Administrator. This should be completed for the submission of the Resilient Heritage project to the NLHF for funding consideration in Q3 of 2022.

Events

There were no seasonal events held in 2021 due to the ongoing Coronavirus pandemic and government guidance restricting organised activities. As restrictions did ease slightly, the trust was able to host an in-house ghost hunt with half capacity in May, and then with regular capacity resuming during the months of June to August for an overall total of 102 attendees. No further hunts were conducted from September due to the estate hire by ITV taking up to the end of 2021.

Community Engagement

Community engagement has been central to the work of the trust since its inception in 1997. Volunteering at Gwrych Castle is becoming increasingly popular, and all are welcome and essential to the operation of the castle. The range of volunteer roles vary from historical research, assisting in front-of-house duties at the Visitor Centre and the castle shop in Abergele, gardening, and conducting guided tours of the estate.

The use of social media platforms has proved extremely effective for bringing in a wide spectrum of visitors. There is also a vigorous and flourishing following on Facebook and Instagram, particularly with Facebook where the Castle's official page achieved over 94,668 followers and 91,424 likes in 2021.

GWRYCH CASTLE PRESERVATION TRUST LIMITED

TRUSTEES TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

The focus during the first half of 2021 was to retain the followers gained from the exposure during 2020's I'm A Celebrity. This was done by creating engaging content and creating raffles and giveaways to increase our following and visitor numbers.

The second half of the year saw a dramatic increase due to the announcement that I'm A Celebrity was returning. It was important to ensure that we worked with ITV collaboratively, this resulted in Gwrych Castle being featured on I'm A Celebrity's mobile app, being included and tagged in their social media posts and having ITV and I'm A Celebrity to refer to the castle as Gwrych Castle, and not I'm A Celebrity Castle.

Facebook

31 December 2020

Likes: 76,629

Followers: 79,189

31 December 2021

Likes: 91,424

Followers: 94,668

Instagram

December 2020

Followers: 19,000

December 2021

Followers 25,600

Twitter

December 2020

Followers: 5,000

December 2021

Followers: 9,250

The volunteer base numbered over 110 during 2021. These volunteers assisted at all levels with supporting the objectives and aims of the Trust, at the Castle and in the community. In addition, there were many sporadic volunteers assisting over the year. Some of the volunteer engagement in 2021 includes: -

- Delivering historic lectures for community groups in North Wales, with two remote talks undertaken throughout 2021 for the Gwynedd Family History Society and Colwyn Bay Rotary Club.
- Specialist guided tours in English and Welsh, of the Castle and gardens, to engage with an emerging local history network. In total 54 guests attended over 5 guided tours.
- Volunteers have undertaken extensive research at the following repositories; National Library of Wales, Aberystwyth; Royal Commission on the Ancient and Historical Monuments of Wales, Aberystwyth; Denbighshire Records Office, Ruthin; Flintshire Records Office, Hawarden; Conwy Records Office, Llandudno; and Gwynedd Records Office, Caernarfon.

To further community involvement in the history and conservation of Gwrych Castle and its estate, the trust has been bolstered by partnering with local disability care homes, and restarting the woodland walks volunteer team led by Chris Keeting.

The Trust continues to work with key groups, including our Annual Pass holders. Pass holders are afforded free entry to the Visitor Route and discounts for ticketed events and the number has increased to 934 during 2021, up from 870 in 2020.

GWRYCH CASTLE PRESERVATION TRUST LIMITED

TRUSTEES TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Fundraising

Fundraising is and will remain an on-going part of running Gwrych Castle. A major funding application was submitted to the National Lottery Heritage Fund, under the Resilient Heritage strand, in December 2018. This grant was awarded in April 2019 and has been crucial in giving the Trust the resources and specialist advice needed, to identify and meet the challenges that now lie ahead with owning one of Britain's most important buildings at risk. In the time since the Resilient Heritage application was successful, the trust has carried out more consultation with local people, neighbours, town and County Council members and colleagues, Welsh Government, CADW, the amenity societies including the Georgian Group, and with many specialists in the care for and preservation of these historic buildings.

The trust has taken specialist advice from experts such as Marcus Binney of SAVE Britain's Heritage to help understand the ways in which the trust can practically develop the project, including organisational and business development consultants, structural engineers, and heritage building specialists. This has helped to develop a comprehensive approach to ensure that the resulting masterplan is: -

- Rooted in local ambitions and enthusiasm.
- Inclusive of volunteers, supporters, neighbours, stakeholders, and partners.
- Reflects the character and significance of the estate and celebrates the heritage of the Castle.
- A prioritised and detailed route map for the Trusts' journey over the years ahead.
- Costed, and with its risks and challenges understood.
- Supported by a plan to secure resources for implementation in phases.
- Sustainable through imaginative, sensitive and robust forecasts of the income and costs.
- Accessible to all, physically, intellectually and with relevance to people's lives now.
- Capable of clear detailed monitoring and evaluation, so lessons are learned from the progression, and the Trust is able to offer those lessons to others facing similar challenges.

In 2021, the Trust have researched and considered the conservation challenges, considered options, set priorities, strengthened governance and management, begun to understand the long-term financial sustainability of operations and care of the estate, and have started to secure the funds to implement the masterplan. The trustees, staff, and volunteers are confident in the future of the castle, and all are working enthusiastically to fulfil the trust's charitable aims, and to show that the confidence placed in the trust by funders, the local community, and all who have supported the project, was well placed.

After the announcement that "I'm a Celeb..." would be returning to Wales, the trust again saw a significant boost to revenues generated by self-guided tours and merchandise sales. The estate was only open to the public from May to August, with three months at the end of the year additionally running a shop in the town. During the five months the estate was open to the public, the trust saw 84,948 visitors.

GWRYCH CASTLE PRESERVATION TRUST LIMITED

TRUSTEES TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

It is the policy of the the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the the trust's current activities while consideration is given to ways in which additional funds may be raised. During the uncertainty which 2020 has brought, the Trustees now consider a Cash Reserve equivalent to between six- and twelve-month's expenditure is required. This level of reserves has been maintained throughout the latter part of the year.

The trustees has assessed the major risks to which the the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is a company limited by guarantee, governed by its Memorandum and Articles of Association. The liability of each member is limited to £1.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr M Baker

Miss J Rowlands

Mrs P Heap-Williams

Mr S Rowlands

Mr J Rye

Ms M Flaterly

The Rt.Hon G Mostyn

The Trust is managed by the Board of Trustees, consisting of at least 6 Trustees and no more than 8, who work through the committees listed below and meet as a Board quarterly. Trustees oversee and review from a strategic point the direction and operations of the Trust. Staff action the proposals put forward by the Trustees and report back accordingly.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

GWRYCH CASTLE PRESERVATION TRUST LIMITED

TRUSTEES TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

The Trust is managed by the Board of Trustees, consisting of at least 6 Trustees and no more than 8, who work through the committees listed below and meet as a Board quarterly. Trustees oversee and review from a strategic point the direction and operations of the Trust. Staff action the proposals put forward by the Trustees and report back accordingly.

None of the Trustees have any financial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

An Operations Board oversees Trust business and takes recommendations to The Trustees. The group comprise at least 2 Trustees along with staff. The Operations Group meets fortnightly on a Wednesday to review works and day to day running of the castle undertaken by The Trust.

All staff report to the Chairperson, or their respective manager.

The Trust has 8 staff:

- Estate Manager
- Deputy Estate Manager
- Estate Builder
- Project Manager
- Administrator
- Administrative Assistant
- General Assistant
- Visitor Experience Assistant

The Board of Trustees, as a group, have a comprehensive skill mix covering business development, property management, finance and financial planning, heritage interpretation, governance, company secretarial, activity planning, arts, architectural, and building conservation. The Trust also has a core of voluntary advisors to supplement the Trustees' knowledge base.

The Trustees report was approved by the Board of Trustees.



Dr M Baker

Trustee

Dated: 23 September 2022

GWRYCH CASTLE PRESERVATION TRUST LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF GWRYCH CASTLE PRESERVATION TRUST LIMITED

I report to the trustees on my examination of the financial statements of GWRYCH CASTLE PRESERVATION TRUST LIMITED (the the trust) for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the the trust (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the the trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the the trust's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act.

Independent examiner's statement

Since the the trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the the trust as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

S Murray-Williams FCA

for and on behalf of
Harold Smith Chartered Accountants
St. Asaph Business Park
Denbighshire
LL17 0JA

Dated: 23 September 2022

GWRYCH CASTLE PRESERVATION TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income and endowments from:</u>							
Donations and legacies	3	39,104	-	39,104	44,885	-	44,885
Charitable activities	4	923,470	-	923,470	577,450	-	577,450
Investments	5	-	-	-	116	-	116
Other income	6	2,541	-	2,541	5,731	-	5,731
Total income		965,115	-	965,115	628,182	-	628,182
<u>Expenditure on:</u>							
Raising funds	7	81,692	-	81,692	6,937	-	6,937
<u>Charitable activities</u>							
Charitable Expenditure	8	515,920	-	515,920	279,584	-	279,584
Total charitable expenditure		515,920	-	515,920	279,584	-	279,584
Total expenditure		597,612	-	597,612	286,521	-	286,521
Net income for the year/ Net movement in funds		367,503	-	367,503	341,661	-	341,661
Fund balances at 1 January 2021		400,583	1,093,000	1,493,583	58,922	1,093,000	1,151,922
Fund balances at 31 December 2021		768,086	1,093,000	1,861,086	400,583	1,093,000	1,493,583

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

GWRYCH CASTLE PRESERVATION TRUST LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	11		1,030,250		1,012,622
Heritage assets	12		15,560		8,060
			<u>1,045,810</u>		<u>1,020,682</u>
Current assets					
Stocks	13	50		50	
Debtors	14	334,125		-	
Cash at bank and in hand		553,164		474,650	
		<u>887,339</u>		<u>474,700</u>	
Creditors: amounts falling due within one year	15	(72,063)		(1,799)	
Net current assets			815,276		472,901
Total assets less current liabilities			<u>1,861,086</u>		<u>1,493,583</u>
Income funds					
Restricted funds			1,093,000		1,093,000
Unrestricted funds			768,086		400,583
			<u>1,861,086</u>		<u>1,493,583</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 23 September 2022



Dr M Baker
Trustee

Company registration number 4331307

GWRYCH CASTLE PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

GWRYCH CASTLE PRESERVATION TRUST LIMITED is a private company limited by guarantee incorporated in England and Wales. The registered office is Gwrych Castle, Llanddulas Road, Abergele, Conwy, LL22 8ET.

1.1 Accounting convention

The financial statements have been prepared in accordance with the the trust's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The the trust is a Public Benefit Entity as defined by FRS 102.

The the trust has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the the trust.

1.4 Incoming resources

Income is recognised when the the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the the trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

GWRYCH CASTLE PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	
Plant and equipment	- 20% per annum reducing basis
Fixtures and fittings	- 10% per annum reducing basis
Motor vehicles	- 20% per annum reducing basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.6 Impairment of fixed assets

At each reporting end date, the the trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

GWRYCH CASTLE PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

GWRYCH CASTLE PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	31,904	33,044
Membership fees	7,200	11,841
	<u> </u>	<u> </u>

4 Charitable activities

	Charitable Income	Charitable Income
	2021	2020
	£	£
Sales within charitable activities	82,904	13,735
Performance related grants	112,056	211,025
Open days and events	728,510	352,690
	<u> </u>	<u> </u>
	<u>923,470</u>	<u>577,450</u>

5 Investments

	Total	Unrestricted funds
	2021	2020
	£	£
Interest receivable	-	116
	<u> </u>	<u> </u>

6 Other income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Other income	199	17
HMRC Job Retention Scheme Grant	2,342	5,714
	<u> </u>	<u> </u>
	<u>2,541</u>	<u>5,731</u>

GWRYCH CASTLE PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Staging fundraising events	25,564	1,399
Printing and stationery	19,171	1,345
Advertising	3,353	1,319
Other fundraising costs	284	7
	<hr/>	<hr/>
Fundraising and publicity	48,372	4,070
	<hr/>	<hr/>
<u>Trading costs</u>		
Book publication and purchases	33,320	2,867
	<hr/>	<hr/>
	81,692	6,937
	<hr/> <hr/>	<hr/> <hr/>

8 Charitable activities

	Charitable Expenditure	Charitable Expenditure
	2021	2020
	£	£
Staff costs	138,490	116,039
Depreciation and impairment	3,889	1,940
Travel Expenses	5,441	4,859
Property repair and maintenance	212,390	53,908
Insurance	1,342	1,247
Bank charges	540	589
Research and project costs	1,371	1,610
Sundry expenses	15,671	1,603
Accountancy	3,108	2,257
Professional and consultancy fees	113,389	90,722
Light and heat	8,721	1,186
Telephone	882	442
Rates	455	1,167
Cleaning	3,216	1,687
Postage and carriage	1,015	328
Rent	6,000	-
	<hr/>	<hr/>
	515,920	279,584
	<hr/>	<hr/>
	515,920	279,584
	<hr/> <hr/>	<hr/> <hr/>

GWRYCH CASTLE PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the trust during the year.

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	8	8
	<u>8</u>	<u>8</u>
Employment costs	2021	2020
	£	£
Wages and salaries	136,606	114,511
Other pension costs	1,884	1,528
	<u>138,490</u>	<u>116,039</u>
	<u>138,490</u>	<u>116,039</u>

There were no employees whose annual remuneration was more than £60,000.

11 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2021	997,146	1,400	17,361	995	1,016,902
Additions	-	-	21,517	-	21,517
	<u>997,146</u>	<u>1,400</u>	<u>38,878</u>	<u>995</u>	<u>1,038,419</u>
At 31 December 2021	997,146	1,400	38,878	995	1,038,419
	<u>997,146</u>	<u>1,400</u>	<u>38,878</u>	<u>995</u>	<u>1,038,419</u>
Depreciation and impairment					
At 1 January 2021	-	453	3,469	358	4,280
Depreciation charged in the year	-	189	3,573	127	3,889
	<u>-</u>	<u>642</u>	<u>7,042</u>	<u>485</u>	<u>8,169</u>
At 31 December 2021	-	642	7,042	485	8,169
	<u>-</u>	<u>642</u>	<u>7,042</u>	<u>485</u>	<u>8,169</u>
Carrying amount					
At 31 December 2021	997,146	758	31,836	510	1,030,250
	<u>997,146</u>	<u>758</u>	<u>31,836</u>	<u>510</u>	<u>1,030,250</u>
At 31 December 2020	997,146	947	13,892	637	1,012,622
	<u>997,146</u>	<u>947</u>	<u>13,892</u>	<u>637</u>	<u>1,012,622</u>

GWRYCH CASTLE PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Heritage assets

	£
At 1 January 2021	8,060
Purchases	7,500
At 31 December 2021	15,560

13 Stocks

	2021 £	2020 £
Finished goods and goods for resale	50	50

14 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	334,125	-

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	(1,137)	359
Trade creditors	70,800	-
Accruals and deferred income	2,400	1,440
	72,063	1,799

16 Retirement benefit schemes

The trust operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the trust in an independently administered fund.

GWRYCH CASTLE PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

17 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:						
Tangible assets	33,104	997,146	1,030,250	15,476	997,146	1,012,622
Heritage assets	15,560	-	15,560	8,060	-	8,060
Current assets/ (liabilities)	719,422	95,854	815,276	377,047	95,854	472,901
	<u>768,086</u>	<u>1,093,000</u>	<u>1,861,086</u>	<u>400,583</u>	<u>1,093,000</u>	<u>1,493,583</u>

18 Financial commitments, guarantees and contingent liabilities

During the year to 31 December 2018 the trust was in receipt of grants amounting to £1,095,400 from the National Heritage Memorial Fund and the Richard Broyd Charitable Trust for the purchase of the castle and the estate.

There is a charge that states that if the castle and estate is sold within 25 years of receipt of these grants, then the trust would be liable to repay these grants in full.

19 Related party transactions

During the year a Trustee Dr M Baker was reimbursed mileage of £915 (2020 nil). There were no other disclosable related party transactions during the year (2020 - none).