

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 2023

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 Flaherty Mr S Ellis | (Appointed 25 April 2023) |
| Secretary | P R Webster | |
| 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 REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their report and financial statements for the year ended 31 December 2023.

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

Achievements and performance

A Year in Review

2023 was a landmark year for Gwrych Castle, with significant funding and restoration progress, exciting new events, and a continued increase in public interest. Throughout the year, Gwrych Castle Preservation Trust remained focused on its restoration efforts and public engagement. Grants from the Richard Broyd Charitable Trust and Historic Houses Foundation sparked a transformative shift for the castle, moving from emergency repairs to a full-scale restoration programme.

Gwrych Castle was awarded £2.2 million from the National Heritage Memorial Fund (NHMF). The grant will reverse the critical condition of the castle, which had been severely impacted by the pandemic, weather damage, and limited development over the past decades.

Throughout 2023, the Gwrych Castle Preservation Trust remained focused on its rescue efforts and public engagement, working tirelessly to ensure the castle's future. With key restoration projects underway, vibrant events, and growing visitor numbers, Gwrych Castle's future looks brighter than ever.

GWRYCH CASTLE PRESERVATION TRUST LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Events

2023 was packed with engaging activities that brought the castle to life. The year began with the launch of the Gwrych Castle School of Magic on February 11th. In collaboration with a theatre production company, the castle offered an interactive experience where participants attended spells classes, made potions, took part in broom flight school, and embarked on quests. Running from February 11th to 19th and returning throughout the year, this unique event captivated audiences and drew enthusiastic crowds. In April, the castle hosted its popular Easter Dragon Egg Hunt, a family-friendly event where visitors searched for dragon eggs hidden throughout the grounds, guided by medieval castle residents. The event was a hit, continuing Gwrych Castle's tradition of blending historical charm with interactive fun.

June marked another milestone with the granting of an alcohol and entertainment license, enabling the castle to host evening events. To celebrate, Gwrych Castle launched the "Cocktails at the Castle" series, with a special cocktail evening on August 12th. The event also featured a screening of the film 'Prince Valiant', which was filmed at the castle in 1996. The castle's immersive experiences continued into the autumn with the return of its Halloween event. Featuring spooky attractions, the festivities culminated in a special fireworks display on November 4th. The castle also paid tribute to Armistice Day and Remembrance Sunday by lighting up in red.

To close out the year, Gwrych Castle hosted its Christmas Adventure, offering a variety of festive activities for the whole family. Visitors participated in a story trail, helped elves solve puzzles, visited Mrs. Claus at St. Noël Village, and even met Santa himself. In the Naughty or Nice courtroom, guests discovered their standing on Santa's list, while at the sleigh repair station, participants assisted an elf in fixing Santa's futuristic sleigh. The event was widely praised, with visitors describing the castle's Christmas decorations as beautiful and the staff engaging warmly with children.

- One Ghost Hunt every quarter
- School of Magic: Saturday 11th February – Sunday 26th February
- Dragon Egg Trail: 1st April – 10th April
- School of Magic: 11th – 16th April
- King's Coronation: Sunday 7th May
- Summer Holidays: 6 events every weekend throughout the summer holidays
- Launched our Lecture Series with 5 lectures spread from June – October 2023
- Private hire Escape Alive: 21st – 31st October
- Fireworks Spectacular: 4th November
- Santa's Enchanted Grotto & Elf Academy: Various dates in December

The events went very well, all of which producing positive reviews on TripAdvisor and Google and generating a healthy income for the year.

GWRYCH CASTLE PRESERVATION TRUST LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 DECEMBER 2023***

Community Engagement

The Trust conducted several giveaways on Facebook for our events, many of the winners of which were local residents. The Trust also offered free tickets to local residents for the King's Coronation Event.

The Trust worked with the Scouts to host their 75th Anniversary AberJam event at the castle, also carrying out voluntary work at the castle over the Christmas period.

In 2023, Gwrych Castle's volunteer base grew to over 100 dedicated individuals who played a vital role in supporting the Trust's objectives, both at the castle and within the community. In addition to this core group, many sporadic volunteers contributed throughout the year. Some highlights of the volunteers' efforts in 2023 include:

- Delivering historical lectures to community groups across North Wales.
- Leading specialist guided tours of the castle and gardens in both English and Welsh, helping to engage with a growing local history network.
- Conducting extensive research at various repositories, including the National Library of Wales in Aberystwyth, the Royal Commission on the Ancient and Historical Monuments of Wales, and several local records offices in Ruthin, Hawarden, Llandudno, and Caernarfon.

To further enhance community involvement in the history and conservation of Gwrych Castle and its estate, the Trust partnered with a local college to support students with additional educational needs. The woodland walks volunteer team, led by Chris Keeting, also continued their important work. The Trust maintained close connections with key groups, including Annual Pass holders, who enjoy free access to the Visitor Route and receive discounts for ticketed events.

GWRYCH CASTLE PRESERVATION TRUST LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Fundraising

Thanks to grants from the Richard Broyd Charitable Trust and the Historic Houses Foundation, the castle moved from emergency repairs to an ambitious full-scale restoration programme. A major highlight was the £2.2 million awarded by the National Heritage Memorial Fund (NHMF) as part of its Covid-19 Response Fund. This crucial funding will support urgent repairs, including the installation of a permanent roof and floors, reversing the castle's critical condition caused by the pandemic, weather damage, and years of limited development.

For the first time in 30 years, Gwrych Castle will no longer be a roofless ruin, safeguarding it from further decay. Physical work is set to begin in 2025. The restoration effort, which also included funding for the main house and Dairy Block, received widespread recognition. Norman Hudson, Chairman of the Historic Houses Foundation, praised the project, saying, "Rarely has an HHF grant as seed money led to the emergence of such an exciting and successful project."

The Trust went out to tender for the provision of architectural services to assist in the delivery of emergency works to the castle's core. Chambers Conservation were appointed together with TRP Structural Engineers and Cavendish Bloor quantity surveyors. In summary, the COVID-19 Response Fund project enables us to do the following:

- Arrest the deterioration and mitigate risk of collapse through conservation of the fine stonework, reinstatement of roofs and floors and provision of new drainage: thus, enabling the fabric of the castle to dry.
- This, in turn, would protect the remaining internal features. These include the structure and some detail of the marble staircase, joinery elements - including some elements re-used from the late medieval period - as well as door cases, linings and some panelling, the remaining plasterwork (there are important pieces remaining in the Drawing Room, Music Room, Entrance Hall and Marble Staircase) and Detmar Blow's steel superstructure that links the earliest elements of the castle with that of the Regency and Arts and Crafts sections.

As part of the funding, a new post was created, to project manage the works. The new project manager was recruited and appointed to support the Trustees to coordinate and assist in the management of all aspects of the capital construction project and ensure the work is planned and coordinated to the highest standards of project organisation, efficiency and effectiveness.

Assisting, among others, the project manager has undertaken:

- To help to plan and support the delivery of the National Heritage Memorial Fund project and ensure that timescales and deliverables are achieved.
- To mobilise and co-ordinate resources and manage people.
- To ensure compliance with requirements of funding bodies.
- To help with the management of project costs within agreed budgets.
- To manage project delivery within agreed project timescales.
- To support the recruitment, appointment and evaluation of consultants and contractors.
- To manage contractors and sub-contractors.
- To monitor project progress and provide regular formal update reports to the Trustees and for funders and supporters.
- To prepare monitoring reports, plan and manage ongoing evaluation of the project.

GWRYCH CASTLE PRESERVATION TRUST LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2023**

Financial review

It is the policy of 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 consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Trust's current activities while consideration is given to ways in which additional funds may be raised.

During the uncertainty which 2020 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 year.

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

In 2023, significant strides were made in expanding the Trust's commercial operations through the re-establishment of its Community Interest Company (CIC). This initiative focused on developing holiday lets within the wider castle estate, offering unique accommodation experiences that blend history and heritage with modern amenities. These holiday lets are expected to generate sustainable income, further supporting restoration efforts.

In addition to the holiday lets, the Trust has laid out plans to prepare for wider commercial expansion, aiming to transform Gwrych Castle into a premier cultural and historical destination. This includes refurbishing spaces for event hosting, increasing tourism reach, and creating new revenue streams, ensuring the long-term sustainability while enhancing public engagement.

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 Flaherty

The Rt.Hon G Mostyn

(Resigned 23 February 2023)

Mr S Ellis

(Appointed 25 April 2023)

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 REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2023**

The Trust is managed by a 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 review from a strategic point of view the direction and operations of the Trust.

None of the Trustees have 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.

The Trust has 10 staff:

- Estate Manager
- Deputy Estate Manager
- NHMF Project Manager
- Estate Administrator
- Marketing Manager
- Project Manager
- Visitor Experience Supervisor
- 1x General Assistant
- 2x Visitor Experience Assistants

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: 26 September 2024

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 2023.

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 [ENTER IN DATABASE cy1015], 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: 26 September 2024

GWRYCH CASTLE PRESERVATION TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

| | | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|---|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| | Notes | | | | | | |
| Income and endowments from: | | | | | | | |
| Donations and legacies | 3 | 10,184 | - | 10,184 | 7,453 | - | 7,453 |
| Charitable activities | 4 | 611,723 | - | 611,723 | 602,634 | - | 602,634 |
| Other income | 5 | 4,795 | - | 4,795 | 1,035 | - | 1,035 |
| Total income | | <u>626,702</u> | <u>-</u> | <u>626,702</u> | <u>611,122</u> | <u>-</u> | <u>611,122</u> |
| Expenditure on: | | | | | | | |
| Raising funds | 6 | 27,942 | - | 27,942 | 120,500 | - | 120,500 |
| Charitable activities | 7 | 415,206 | - | 415,206 | 759,295 | - | 759,295 |
| Total expenditure | | <u>443,148</u> | <u>-</u> | <u>443,148</u> | <u>879,795</u> | <u>-</u> | <u>879,795</u> |
| Net income/(expenditure) and movement in funds | | 183,554 | - | 183,554 | (268,673) | - | (268,673) |
| Reconciliation of funds: | | | | | | | |
| Fund balances at 1 January 2023 | | 499,413 | 1,093,000 | 1,592,413 | 768,086 | 1,093,000 | 1,861,086 |
| Fund balances at 31 December 2023 | | <u>682,967</u> | <u>1,093,000</u> | <u>1,775,967</u> | <u>499,413</u> | <u>1,093,000</u> | <u>1,592,413</u> |

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

GWRYCH CASTLE PRESERVATION TRUST LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2023

| | | 2023 | | 2022 | |
|--|-------|----------------|------------------|----------------|------------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 13 | | 1,641,913 | | 1,644,147 |
| Heritage assets | 14 | | 24,060 | | 18,060 |
| | | | <u>1,665,973</u> | | <u>1,662,207</u> |
| Current assets | | | | | |
| Stocks | 15 | 50 | | 50 | |
| Debtors | 16 | 25,793 | | 4,312 | |
| Cash at bank and in hand | | 320,268 | | 296,934 | |
| | | <u>346,111</u> | | <u>301,296</u> | |
| Creditors: amounts falling due within one year | 18 | (36,117) | | (121,090) | |
| Net current assets | | | <u>309,994</u> | | <u>180,206</u> |
| Total assets less current liabilities | | | <u>1,975,967</u> | | <u>1,842,413</u> |
| Creditors: amounts falling due after more than one year | 19 | | (200,000) | | (250,000) |
| Net assets | | | <u>1,775,967</u> | | <u>1,592,413</u> |
| The funds of the the trust | | | | | |
| Restricted income funds | 20 | | 1,093,000 | | 1,093,000 |
| Unrestricted funds | 21 | | 682,967 | | 499,413 |
| | | | <u>1,775,967</u> | | <u>1,592,413</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 2023.

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 in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 26 September 2024



Dr M Baker
Trustee

Company registration number 4331307 (England and Wales)

GWRYCH CASTLE PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2023**

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 or grantors 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 2023

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 2023

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 2023

3 Income from donations and legacies

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|---------------------|--|--|
| Donations and gifts | 8,614 | 5,768 |
| Membership fees | 1,570 | 1,685 |
| | <u>10,184</u> | <u>7,453</u> |

4 Income from charitable activities

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|----------------------------|--|--|
| Sale of goods | 61,576 | 78,272 |
| Performance related grants | 245,992 | 127,200 |
| Open days and events | 304,155 | 378,868 |
| Charitable rental income | - | 18,294 |
| | <u>611,723</u> | <u>602,634</u> |

5 Other income

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|--------------|--|--|
| Other income | <u>4,795</u> | <u>1,035</u> |

GWRYCH CASTLE PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

6 Expenditure on raising funds

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|----------------------------------|------------------------------------|------------------------------------|
| Fundraising and publicity | | |
| Staging fundraising events | 14,113 | 49,304 |
| Fundraising agents | 873 | 6,796 |
| Advertising | 2,565 | 5,247 |
| Other fundraising costs | - | 15,515 |
| | 17,551 | 76,862 |
| Trading costs | | |
| Other trading activities | 10,391 | 43,638 |
| | 27,942 | 120,500 |

7 Expenditure on charitable activities

| | 2023 £ | 2022 £ |
|-----------------------------------|-----------|-----------|
| Direct costs | | |
| Staff costs | 209,028 | 167,965 |
| Depreciation and impairment | 9,859 | 10,474 |
| Travel Expenses | 2,262 | 10,610 |
| Property repair and maintenance | 39,875 | 302,730 |
| Insurance | 8,528 | 4,477 |
| Bank charges | 10,128 | 17,275 |
| Research and project costs | 564 | 3,749 |
| Sundry expenses | 38,125 | 126,556 |
| Accountancy | 4,934 | 12,613 |
| Professional and consultancy fees | 75,042 | 79,844 |
| Light and heat | 7,240 | 6,097 |
| Telephone | 1,416 | 1,201 |
| Rates | 4,293 | 3,695 |
| Cleaning | 2,930 | 8,360 |
| Postage and carriage | 982 | 2,649 |
| Rent | - | 1,000 |
| | 415,206 | 759,295 |
| Analysis by fund | | |
| Unrestricted funds | 415,206 | 759,295 |

GWRYCH CASTLE PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

8 Description of charitable activities

Charitable Expenditure

| 9 Net movement in funds | 2023 | 2022 |
|---|-------------------|-------------------|
| | £ | £ |
| The net movement in funds is stated after charging/(crediting): | | |
| Depreciation of owned tangible fixed assets | 9,859 | 10,474 |
| | <u> </u> | <u> </u> |

10 Trustees

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

11 Employees

The average monthly number of employees during the year was:

| | 2023 | 2022 |
|-------------------------|-------------------|-------------------|
| | Number | Number |
| | 10 | 10 |
| | <u> </u> | <u> </u> |
| Employment costs | 2023 | 2022 |
| | £ | £ |
| Wages and salaries | 205,472 | 165,550 |
| Other pension costs | 3,556 | 2,415 |
| | <u> </u> | <u> </u> |
| | <u>209,028</u> | <u>167,965</u> |

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

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

GWRYCH CASTLE PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

13 Tangible fixed assets

| | Freehold land and buildings | Plant and equipment | Fixtures and Motor vehicles fittings | | Total |
|------------------------------------|--------------------------------|------------------------|---|--------------|------------------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| At 1 January 2023 | 1,578,934 | 26,586 | 55,675 | 1,595 | 1,662,790 |
| Additions | - | - | 3,125 | 4,500 | 7,625 |
| | <u>1,578,934</u> | <u>26,586</u> | <u>58,800</u> | <u>6,095</u> | <u>1,670,415</u> |
| Depreciation and impairment | | | | | |
| At 1 January 2023 | - | 6,031 | 11,905 | 707 | 18,643 |
| Depreciation charged in the year | - | 4,111 | 4,690 | 1,058 | 9,859 |
| | <u>-</u> | <u>10,142</u> | <u>16,595</u> | <u>1,765</u> | <u>28,502</u> |
| Carrying amount | | | | | |
| At 31 December 2023 | <u>1,578,934</u> | <u>16,444</u> | <u>42,205</u> | <u>4,330</u> | <u>1,641,913</u> |
| At 31 December 2022 | <u>1,578,934</u> | <u>20,555</u> | <u>43,770</u> | <u>888</u> | <u>1,644,147</u> |

14 Heritage assets

| | £ |
|----------------------------|---------------|
| At 1 January 2023 | 18,060 |
| Purchases | 6,000 |
| At 31 December 2023 | <u>24,060</u> |

15 Stocks

| | 2023 | 2022 |
|-------------------------------------|-----------|-----------|
| | £ | £ |
| Finished goods and goods for resale | <u>50</u> | <u>50</u> |

16 Debtors

| | 2023 | 2022 |
|---|---------------|--------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Other debtors | <u>25,793</u> | <u>4,312</u> |

GWRYCH CASTLE PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

17 Loans and overdrafts

| | 2023 £ | 2022 £ |
|-------------------------|----------------|----------------|
| Bank overdrafts | - | 6 |
| Other loans | 200,000 | 250,000 |
| | <u>200,000</u> | <u>250,006</u> |
| Payable within one year | - | 6 |
| Payable after one year | 200,000 | 250,000 |
| | <u>200,000</u> | <u>250,006</u> |

18 Creditors: amounts falling due within one year

| | Notes | 2023 £ | 2022 £ |
|------------------------------------|-------|---------------|----------------|
| Bank overdrafts | 17 | - | 6 |
| Other taxation and social security | | 21,182 | (7,280) |
| Trade creditors | | - | 117,964 |
| Accruals and deferred income | | 14,935 | 10,400 |
| | | <u>36,117</u> | <u>121,090</u> |

19 Creditors: amounts falling due after more than one year

| | 2023 £ | 2022 £ |
|------------|----------------|----------------|
| Borrowings | 200,000 | 250,000 |
| | <u>200,000</u> | <u>250,000</u> |

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

| At 1 January 2023 £ | At 31 December 2023 £ |
|---------------------------|--------------------------------|
| 1,093,000 | 1,093,000 |
| <u>1,093,000</u> | <u>1,093,000</u> |

GWRYCH CASTLE PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 Restricted funds (Continued)

| | | |
|----------------|------------------------------|------------------------------------|
| Previous year: | At 1 January 2022 | At 31 December 2022 |
| | £ | £ |
| | 1,093,000 | 1,093,000 |
| | <u> </u> | <u> </u> |

21 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

| | At 1 January 2023 | Incoming resources | Resources expended | At 31 December 2023 |
|---------------|------------------------------|-------------------------------|-------------------------------|------------------------------------|
| | £ | £ | £ | £ |
| General funds | 499,413 | 626,702 | (443,148) | 682,967 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

| | | | | |
|----------------|------------------------------|-------------------------------|-------------------------------|------------------------------------|
| Previous year: | At 1 January 2022 | Incoming resources | Resources expended | At 31 December 2022 |
| | £ | £ | £ | £ |
| General funds | 768,086 | 611,122 | (879,795) | 499,413 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

22 Analysis of net assets between funds

| | Unrestricted funds 2023 | Restricted funds 2023 | Total 2023 |
|------------------------------|--|--------------------------------------|-----------------------|
| | £ | £ | £ |
| At 31 December 2023: | | | |
| Tangible assets | 548,913 | 1,093,000 | 1,641,913 |
| Heritage assets | 24,060 | - | 24,060 |
| Current assets/(liabilities) | 309,994 | - | 309,994 |
| Long term liabilities | (200,000) | - | (200,000) |
| | <u> </u> | <u> </u> | <u> </u> |
| | 682,967 | 1,093,000 | 1,775,967 |
| | <u> </u> | <u> </u> | <u> </u> |

GWRYCH CASTLE PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

22 Analysis of net assets between funds

(Continued)

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|------------------------------|------------------------------------|----------------------------------|--------------------|
| At 31 December 2022: | | | |
| Tangible assets | 551,147 | 1,093,000 | 1,644,147 |
| Heritage assets | 18,060 | - | 18,060 |
| Current assets/(liabilities) | 180,206 | - | 180,206 |
| Long term liabilities | (250,000) | - | (250,000) |
| | <u>499,413</u> | <u>1,093,000</u> | <u>1,592,413</u> |

23 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.

24 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).