

Picton Castle
Haverfordwest
Pembrokeshire
SA62 4AS

October 2024

Llewelyn Davies
Yelverton House
St. John Street
Whitland
SA34 0AW

Dear Sirs

We confirm to the best of our knowledge and belief, and having made appropriate enquiries of other trustees and officials of the trust, the following representations given to you in connection with your audit of the trust's financial statements for the year ended 31 December 2023:

1. We acknowledge as trustees our responsibility for the financial statements, which you have prepared for the trust. All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the trust have been properly reflected and recorded in the accounting records. All the other records and related information, including minutes of all management and other meetings, have been made available to you.
2. The trust has no liabilities or contingent liabilities other than those shown in the financial statements.
3. There has been no event since the balance sheet date, which requires disclosure or which would materially affect the amounts in the financial statements.
4. The trust has had at no time during the year any arrangement, transaction or agreement to provide credit facilities (including loans, quasi-loans or credit transactions) for trustees nor to guarantee or provide security for such matters.
5. The trust has not contracted for, nor authorised any capital expenditure at the year-end, and all tangible fixed assets purchased during the year were delivered to the trust before the balance sheet date.
6. We have informed you of assets that were scrapped or sold during the year or are permanently not in use, and we confirm that the net book value of each asset included in the financial statements at the year end does not exceed its expected realisable value.
7. We confirm that there have been no instances, to our knowledge, of any breaches or non-compliance with any laws or regulations which are central to the trust's ability to conduct business.
8. We confirm that there were no changes to the trust's statutory records during the year, other than already advised.

Yours faithfully



D Ellis - Chairman

THE PICTON CASTLE TRUST

REGISTERED CHARITY NUMBER: 519693

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023
FOR
THE PICTON CASTLE TRUST**

Llewelyn Davies
Chartered Accountants / Statutory Auditors
Yelverton House
St John Street
Whitland
Carmarthenshire
SA34 0AW

THE PICTON CASTLE TRUST

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FOR THE YEAR ENDED 31 DECEMBER 2023**

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THE PICTON CASTLE TRUST

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of 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

Objectives and aims

The key purposes of the trust are to conserve and protect Picton Castle, its collection and gardens for the benefit of the public, providing access and supporting associated educational activities. The public benefit is met by providing access to the castle and gardens and providing educational support and volunteering opportunities. The trustees have had the benefit of considering the Charity Commission's guidance on public benefit.

Purposes of the charity as set out in its Trust Deed are:

- 1 To preserve the whole of Picton or such parts as are of national, scenic, historical, architectural, aesthetic, scientific or artistic importance.
- 2 To protect and improve its amenities for the public benefit.
- 3 To preserve its chattels.
- 4 To facilitate and encourage access to, and the study and appreciation of, Picton and its chattels by the public.
- 5 Such other charitable purposes as the trustees shall determine.

THE PICTON CASTLE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

OBJECTIVES AND ACTIVITIES

Significant activities

During 2023 the Board of Trustees continued to review all of our activities, including two further strategic development days. The schools and education programme was continued, as was significant capital investment in preventative preservation of the castle.

Objective 1

The Trust successfully completed the restoration of the walled garden (the National Heritage Lottery Fund was the main grant awarder), including a successful evaluation.

The preservation of the castle and collection was furthered by a significant investment in capital projects for the castle and associated listed buildings, (a new fire alarm system, roofing, and windows repairs). A quinquennial report was received in June 2023 and planning for repairs begun.

Objective 2

A range of improvements have been made throughout the site, including expanding the provision of benches throughout the garden, continued improvements to path surfaces to improve accessibility and the purchase of all terrain wheelchairs for our visitors to use for free.

Objective 3

The Trust invested heavily in a new fire alarm system to enhance the ongoing protection of the fabric of the building and the collection. The ongoing project of cataloguing and conservation of the collection of antique books continued throughout the year.

Objective 4

We introduced a new system of opening the castle. The purpose was to widen public access to the castle and collection. The number of visits inside the castle rose in 2023 to 15,880 (up from 5,257 visits in 2022). Additionally, we continued with our programme of guided tours and specialist talks on different aspects of the castle, collection and its history.

Widening our engagement with local schools is a critical part of the Trust's strategy for development. We continued our programme of educational activities for all key stages. The sessions reflect to Picton's historical and environmental heritage and complements the Welsh national curriculum. The programme maintained its success with 416 student visits in 2023.

An archaeological study of the medieval structures of the castle was conducted in the autumn of 2023.

We continue to offer horticultural apprenticeships.

Objective 5

The Trust continued the strategy of working with local community groups and organisations to enable them to use Picton Castle as a location for community activities. Activities that have taken place include, horticulture, art and crafts classes, art and sculpture exhibitions for local community organisations and a tertiary level college.

THE PICTON CASTLE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The work of the Trust continued to be focussed on conserving the heritage of Picton Castle Gardens, improving access and establishing the site as an important provider of educational opportunities.

Particular achievements:

- Widening access to the castle to the public (visits to the castle increased by 202%).
- Continued development of the schools and education programme and maintaining the number of school visits.
- The continued conservation of the book collection
- Financially successful events (e.g. Easter, Halloween and Christmas)
- The continued development of Picton Castle Gardens as a location for community activities.

Funding

The Trust's activities were funded through three main sources of income: admissions and donations, residential lettings and commercial leases. Admissions and donations were the largest portion of our income and grew by 7.2%. Residential and commercial leases remained stable sources of income, consistent with previous years.

Although, the Trust did complete its key grant funded project, the restoration of the walled garden, the final payment from the key grant funder was not received until the 2024 financial year. A small grant from the Art Fund was secured to purchase items for educational activities related to nature and the environment.

Adverse Impacts

Adverse weather conditions in the summer and autumn/winter period negatively impacted on visitor numbers. The adverse weather necessitated an above average closure days for safety reasons (due to high winds) and an increased loss in trees.

Financial performance

The trust's incoming resources for the year amounted to £606,986 (2022 - £607,056) the analysis being shown in the accompanying statement of financial activities. The overall income being similar to the previous year.

The net expenditure was £142,977 (2022 - £149,210). The policy to carry investments at market value resulted in gains of £38,657 on investment assets (2022 - losses of £143,208) and so there was a net deficit of £104,320 (2022 - £292,418) transferred to funds. £45,022 was transferred to general fund to cover the management of the walled garden repairs. The balance on the general fund at 31 December 2023 was £3,957,768.

Capital expenditure for the year to 31 December 2023 totalled £39,692, a breakdown of which is shown in the notes to the financial statements.

During the year there was some trading in investments. The investments at 31 December 2023 are shown in the accounts at a market value of £1,116,949 (2022 - £1,144,963).

FINANCIAL REVIEW

Investment policy and objectives

In accordance with the trust deed, the trustees have the power to invest in such stocks, shares, investments and property as they see fit. During the year the trustees engaged Rathbones as investment managers. The policy is to adopt a medium risk investment strategy based on maximising income.

Reserves policy

It is the policy of the trust to ensure that a suitable income stream is generated from the fund assets to finance the ongoing work of the charity and to cover management and administration and support costs. The funds are represented by a portfolio of investments which are managed by investment managers who have been given discretionary power to acquire and dispose of investments within the policy set by the trustees. The fund also holds the tangible fixed assets, which include the castle buildings, grounds and exhibits.

THE PICTON CASTLE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The trust is governed by its trust deed of 24 November 1987. It is a registered charity.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the trust, and are satisfied that systems are in place to mitigate our exposure to the major risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

519693

Principal address

Picton Castle
Rhos
Haverfordwest
Pembrokeshire
SA62 4AS

Trustees

Mr D Ellis
Miss N J Philipps
Mr T Arthur
Mr C W M Carter
Ms C M Shand
Mr C L Atherton

Auditors

Llewelyn Davies
Chartered Accountants / Statutory Auditors
Yelverton House
St John Street
Whitland
Carmarthenshire
SA34 0AW

Bankers

National Westminster
High Street
Haverfordwest
Pembrokeshire

Solicitors

Lowless Commercial
30 Hamilton Terrace
Milford Haven
Pembrokeshire
SA73 3JJ

Investment Advisers

Rathbones
1 Curzon Street
London
W1J 5FB

THE PICTON CASTLE TRUST

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 29.10.2024 and signed on its behalf by:



.....
Mr D Ellis - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE PICTON CASTLE TRUST

Opinion

We have audited the financial statements of The Picton Castle Trust (the 'charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, 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 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE PICTON CASTLE TRUST**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE PICTON CASTLE TRUST

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud. In particular, we looked at where management made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered potential financial or other pressures, opportunity and motivations for fraud. As part of this discussion we identified the internal controls established to mitigate risks related to fraud or noncompliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of manual journals and key estimates and judgements made by management.

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates, drawing on our broad sector experience, and considered the risk of acts by the charity that were contrary to these laws and regulations, including fraud.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and UK tax legislation.

We made enquiries of management with regards to compliance with the above laws and regulations and corroborated any necessary evidence to relevant information, for example, minutes of meetings held and correspondence between the company and its solicitors.

Our tests included agreeing the financial statements disclosures to underlying supporting documentation and enquiries with management.

We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls including testing journals and evaluation whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE PICTON CASTLE TRUST**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Llewelyn Davies
Chartered Accountants / Statutory Auditors
Yelverton House
St John Street
Whitland
Carmarthenshire
SA34 0AW

Date:

THE PICTON CASTLE TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	36,314	79,814	116,128	114,626
Charitable activities					
Castle and grounds	5	296,014	-	296,014	278,729
Other trading activities	3	52,973	-	52,973	58,871
Investment income	4	141,871	-	141,871	143,115
Other income		-	-	-	11,715
Total		<u>527,172</u>	<u>79,814</u>	<u>606,986</u>	<u>607,056</u>
EXPENDITURE ON					
Raising funds	6	63,015	-	63,015	80,882
Charitable activities					
Castle and grounds	7	<u>650,836</u>	<u>36,112</u>	<u>686,948</u>	<u>675,384</u>
Total		<u>713,851</u>	<u>36,112</u>	<u>749,963</u>	<u>756,266</u>
Net gains/(losses) on investments		<u>38,657</u>	<u>-</u>	<u>38,657</u>	<u>(143,208)</u>
NET INCOME/(EXPENDITURE)		<u>(148,022)</u>	<u>43,702</u>	<u>(104,320)</u>	<u>(292,418)</u>
Transfers between funds	21	<u>45,022</u>	<u>(45,022)</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(103,000)</u>	<u>(1,320)</u>	<u>(104,320)</u>	<u>(292,418)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>4,060,768</u>	<u>24,980</u>	<u>4,085,748</u>	<u>4,378,166</u>
TOTAL FUNDS CARRIED FORWARD		<u>3,957,768</u>	<u>23,660</u>	<u>3,981,428</u>	<u>4,085,748</u>

The notes form part of these financial statements

THE PICTON CASTLE TRUST

**BALANCE SHEET
31 DECEMBER 2023**

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	12	656,450	23,660	680,110	649,538
Heritage assets	13	2,087,230	-	2,087,230	2,087,230
Investments	14	<u>1,116,949</u>	-	<u>1,116,949</u>	<u>1,144,963</u>
		3,860,629	23,660	3,884,289	3,881,731
CURRENT ASSETS					
Stocks	15	2,468	-	2,468	9,271
Debtors	16	53,265	31,801	85,066	58,477
Cash at bank and in hand		<u>86,713</u>	-	<u>86,713</u>	<u>200,430</u>
		142,446	31,801	174,247	268,178
CREDITORS					
Amounts falling due within one year	17	(45,307)	(31,801)	(77,108)	(62,150)
NET CURRENT ASSETS					
		<u>97,139</u>	-	<u>97,139</u>	<u>206,028</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		3,957,768	23,660	3,981,428	4,087,759
CREDITORS					
Amounts falling due after more than one year	18	-	-	-	(2,011)
NET ASSETS					
		<u>3,957,768</u>	<u>23,660</u>	<u>3,981,428</u>	<u>4,085,748</u>
FUNDS					
Unrestricted funds	21			3,957,768	4,060,768
Restricted funds				<u>23,660</u>	<u>24,980</u>
TOTAL FUNDS					
				<u>3,981,428</u>	<u>4,085,748</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Mr D Ellis - Trustee

The notes form part of these financial statements

THE PICTON CASTLE TRUST**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	(166,050)	(161,816)
Interest paid		(51)	(169)
Interest element of hire purchase payments paid		<u>(142)</u>	<u>(268)</u>
Net cash used in operating activities		<u>(166,243)</u>	<u>(162,253)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(39,692)	(1,758)
Purchase of heritage assets		-	(130)
Purchase of fixed asset investments		(22,892)	(276,492)
Sale of fixed asset investments		89,563	319,805
Interest received		<u>1,814</u>	<u>617</u>
Net cash provided by investing activities		<u>28,793</u>	<u>42,042</u>
Cash flows from financing activities			
New loans in year		28,394	-
Capital repayments in year		<u>(4,661)</u>	<u>(3,222)</u>
Net cash provided by/(used in) financing activities		<u>23,733</u>	<u>(3,222)</u>
Change in cash and cash equivalents in the reporting period		(113,717)	(123,433)
Cash and cash equivalents at the beginning of the reporting period		<u>200,430</u>	<u>323,863</u>
Cash and cash equivalents at the end of the reporting period		<u>86,713</u>	<u>200,430</u>

The notes form part of these financial statements

THE PICTON CASTLE TRUST

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(104,320)	(292,418)
Adjustments for:		
Depreciation charges	9,120	3,287
(Gain)/losses on investments	(38,657)	143,208
Interest received	(1,814)	(617)
Interest paid	51	169
Interest element of hire purchase and finance lease rental payments	142	268
Decrease in stocks	6,803	1,737
Increase in debtors	(26,589)	(17,795)
(Decrease)/increase in creditors	<u>(10,786)</u>	<u>345</u>
Net cash used in operations	<u>(166,050)</u>	<u>(161,816)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.23 £	Cash flow £	At 31.12.23 £
Net cash			
Cash at bank and in hand	<u>200,430</u>	<u>(113,717)</u>	<u>86,713</u>
	<u>200,430</u>	<u>(113,717)</u>	<u>86,713</u>
Debt			
Finance leases	(5,359)	3,348	(2,011)
Debts falling due within 1 year	<u>(4,720)</u>	<u>(27,081)</u>	<u>(31,801)</u>
	<u>(10,079)</u>	<u>(23,733)</u>	<u>(33,812)</u>
Total	<u>190,351</u>	<u>(137,450)</u>	<u>52,901</u>

The notes form part of these financial statements

THE PICTON CASTLE TRUST

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- not provided
Plant and machinery	- 20% on cost
Fixtures and fittings	- 15% to 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

THE PICTON CASTLE TRUST

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

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme and contributes to employees' personal pension schemes. Contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	1,012	1,398
Gift aid	35,302	37,392
Grants	<u>79,814</u>	<u>75,836</u>
	<u>116,128</u>	<u>114,626</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Pembrokeshire County Council	-	4,000
Pembrokeshire Association of Voluntary Services	-	4,570
Heritage Lottery Fund	76,823	58,266
Welsh Government Resilience Fund	-	7,000
Coleg Sir Gar	-	2,000
Welsh Museums Federation	<u>2,991</u>	<u>-</u>
	<u>79,814</u>	<u>75,836</u>

3. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Shop income	<u>52,973</u>	<u>58,871</u>

4. INVESTMENT INCOME

	2023	2022
	£	£
Rents received	113,143	113,641
Dividends receivable	26,914	28,857
Interest receivable	<u>1,814</u>	<u>617</u>
	<u>141,871</u>	<u>143,115</u>

5. INCOME FROM CHARITABLE ACTIVITIES

		2023	2022
	Activity	£	£
Admissions	Castle and grounds	282,729	263,754
Sale of garden produce	Castle and grounds	7,798	8,303
Gallery and booklet sales	Castle and grounds	<u>5,487</u>	<u>6,672</u>
		<u>296,014</u>	<u>278,729</u>

THE PICTON CASTLE TRUST

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

6. RAISING FUNDS

Other trading activities

	2023	2022
	£	£
Opening stock	7,374	8,029
Purchases	26,481	36,054
Closing stock	(1,941)	(7,374)
Staff costs	20,960	28,736
Stationery and packaging	-	373
Credit card charges and rental	<u>2,233</u>	<u>6,074</u>
	<u>55,107</u>	<u>71,892</u>

Investment management costs

	2023	2022
	£	£
Stock-brokers' fees	7,909	8,989
Bad debts	<u>(1)</u>	<u>1</u>
	<u>7,908</u>	<u>8,990</u>

Aggregate amounts	<u>63,015</u>	<u>80,882</u>
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7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Castle and grounds	<u>650,988</u>	<u>35,960</u>	<u>686,948</u>

8. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Castle and grounds	<u>9,169</u>	<u>10,419</u>	<u>16,372</u>	<u>35,960</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

THE PICTON CASTLE TRUST

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

10. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	426,028	389,512
Social security costs	26,843	23,804
Other pension costs	<u>8,898</u>	<u>7,900</u>
	<u>461,769</u>	<u>421,216</u>

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

	2023	2022
Full time equivalents	<u>22</u>	<u>24</u>

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	51,733	62,893	114,626
Charitable activities			
Castle and grounds	278,729	-	278,729
Other trading activities	58,871	-	58,871
Investment income	143,115	-	143,115
Other income	<u>11,715</u>	<u>-</u>	<u>11,715</u>
Total	<u>544,163</u>	<u>62,893</u>	<u>607,056</u>
EXPENDITURE ON			
Raising funds	80,882	-	80,882
Charitable activities			
Castle and grounds	<u>612,127</u>	<u>63,257</u>	<u>675,384</u>
Total	<u>693,009</u>	<u>63,257</u>	<u>756,266</u>
Net gains/(losses) on investments	<u>(143,208)</u>	<u>-</u>	<u>(143,208)</u>
NET INCOME/(EXPENDITURE)	(292,054)	(364)	(292,418)
Transfers between funds	<u>(1,684)</u>	<u>1,684</u>	<u>-</u>
Net movement in funds	(293,738)	1,320	(292,418)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>4,354,506</u>	<u>23,660</u>	<u>4,378,166</u>
TOTAL FUNDS CARRIED FORWARD	<u>4,060,768</u>	<u>24,980</u>	<u>4,085,748</u>

THE PICTON CASTLE TRUST

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

12. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	and fittings £	Totals £
COST				
At 1 January 2023	639,786	70,059	74,755	784,600
Additions	-	-	39,692	39,692
Disposals	-	-	(23,913)	(23,913)
At 31 December 2023	<u>639,786</u>	<u>70,059</u>	<u>90,534</u>	<u>800,379</u>
DEPRECIATION				
At 1 January 2023	-	67,500	67,562	135,062
Charge for year	-	581	8,539	9,120
Eliminated on disposal	-	-	(23,913)	(23,913)
At 31 December 2023	-	<u>68,081</u>	<u>52,188</u>	<u>120,269</u>
NET BOOK VALUE				
At 31 December 2023	<u>639,786</u>	<u>1,978</u>	<u>38,346</u>	<u>680,110</u>
At 31 December 2022	<u>639,786</u>	<u>2,559</u>	<u>7,193</u>	<u>649,538</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
At 1 January 2023 and 31 December 2023	<u>23,800</u>
DEPRECIATION	
At 1 January 2023 and 31 December 2023	<u>23,800</u>
NET BOOK VALUE	
At 31 December 2023	<u>-</u>
At 31 December 2022	<u>-</u>

THE PICTON CASTLE TRUST

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

13. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 January 2023 and 31 December 2023	<u>2,087,230</u>
NET BOOK VALUE	
At 31 December 2023	<u>2,087,230</u>
At 31 December 2022	<u>2,087,230</u>

Heritage assets are shown in the accounts at the valuation placed on them by Sotheby's in 2003.

In addition to the assets shown above the trust also owns Picton Castle and its grounds, but no valuation has been placed upon these assets for the purpose of these accounts.

	£
Carrying value at 31 December 2003 - at 2003 valuation	2,324,904
Carrying value at 31 December 2003 - at 1996 valuation	<u>911,694</u>
Net gain on revaluation	<u>1,413,210</u>

14. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2023	1,144,963
Additions	22,892
Disposals	(82,926)
Revaluations	<u>32,020</u>
At 31 December 2023	<u>1,116,949</u>
NET BOOK VALUE	
At 31 December 2023	<u>1,116,949</u>
At 31 December 2022	<u>1,144,963</u>

There were no investment assets outside the UK.

15. STOCKS

	2023 £	2022 £
Stocks	<u>2,468</u>	<u>9,271</u>

THE PICTON CASTLE TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023**

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2023	2022
	£	£
Other debtors	1,361	2,653
VAT	-	7,790
Prepayments and accrued income	<u>83,705</u>	<u>48,034</u>
	<u>85,066</u>	<u>58,477</u>
17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2023	2022
	£	£
Hire purchase (see note 20)	2,011	3,348
Taxation and social security	7,404	6,535
Other creditors	<u>67,693</u>	<u>52,267</u>
	<u>77,108</u>	<u>62,150</u>
18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2023	2022
	£	£
Hire purchase (see note 20)	<u>-</u>	<u>2,011</u>
19. LOANS		
An analysis of the maturity of loans is given below:		
	2023	2022
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>31,801</u>	<u>4,720</u>
20. LEASING AGREEMENTS		
Minimum lease payments under hire purchase fall due as follows:		
	2023	2022
	£	£
Net obligations repayable:		
Within one year	2,011	3,348
Between one and five years	<u>-</u>	<u>2,011</u>
	<u>2,011</u>	<u>5,359</u>

THE PICTON CASTLE TRUST

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

21. MOVEMENT IN FUNDS

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	4,060,768	(148,022)	45,022	3,957,768
Restricted funds				
Assets fund	23,660	-	-	23,660
Repair fund	1,320	43,702	(45,022)	-
	<u>24,980</u>	<u>43,702</u>	<u>(45,022)</u>	<u>23,660</u>
TOTAL FUNDS	<u>4,085,748</u>	<u>(104,320)</u>	<u>-</u>	<u>3,981,428</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	527,172	(713,851)	38,657	(148,022)
Restricted funds				
Repair fund	76,823	(33,121)	-	43,702
Wild Escape event	2,991	(2,991)	-	-
	<u>79,814</u>	<u>(36,112)</u>	<u>-</u>	<u>43,702</u>
TOTAL FUNDS	<u>606,986</u>	<u>(749,963)</u>	<u>38,657</u>	<u>(104,320)</u>

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	4,354,506	(292,054)	(1,684)	4,060,768
Restricted funds				
Assets fund	23,660	-	-	23,660
Repair fund	-	(364)	1,684	1,320
	<u>23,660</u>	<u>(364)</u>	<u>1,684</u>	<u>24,980</u>
TOTAL FUNDS	<u>4,378,166</u>	<u>(292,418)</u>	<u>-</u>	<u>4,085,748</u>

THE PICTON CASTLE TRUST

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

21. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	544,163	(693,009)	(143,208)	(292,054)
Restricted funds				
Repair fund	62,337	(62,701)	-	(364)
Memorial Bench fund	556	(556)	-	-
	<u>62,893</u>	<u>(63,257)</u>	<u>-</u>	<u>(364)</u>
TOTAL FUNDS	<u>607,056</u>	<u>(756,266)</u>	<u>(143,208)</u>	<u>(292,418)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	4,354,506	(440,076)	43,338	3,957,768
Restricted funds				
Assets fund	23,660	-	-	23,660
Repair fund	-	43,338	(43,338)	-
	<u>23,660</u>	<u>43,338</u>	<u>(43,338)</u>	<u>23,660</u>
TOTAL FUNDS	<u>4,378,166</u>	<u>(396,738)</u>	<u>-</u>	<u>3,981,428</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,071,335	(1,406,860)	(104,551)	(440,076)
Restricted funds				
Repair fund	139,160	(95,822)	-	43,338
Memorial Bench fund	556	(556)	-	-
Wild Escape event	2,991	(2,991)	-	-
	<u>142,707</u>	<u>(99,369)</u>	<u>-</u>	<u>43,338</u>
TOTAL FUNDS	<u>1,214,042</u>	<u>(1,506,229)</u>	<u>(104,551)</u>	<u>(396,738)</u>

THE PICTON CASTLE TRUST

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

22. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2023.

THE PICTON CASTLE TRUST**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,012	1,398
Gift aid	35,302	37,392
Grants	<u>79,814</u>	<u>75,836</u>
	116,128	114,626
Other trading activities		
Shop income	52,973	58,871
Investment income		
Rents received	113,143	113,641
Dividends receivable	26,914	28,857
Interest receivable	<u>1,814</u>	<u>617</u>
	141,871	143,115
Charitable activities		
Admissions	282,729	263,754
Sale of garden produce	7,798	8,303
Gallery and booklet sales	<u>5,487</u>	<u>6,672</u>
	296,014	278,729
Other income		
Insurance claims	<u>-</u>	<u>11,715</u>
Total incoming resources	606,986	607,056
EXPENDITURE		
Other trading activities		
Opening stock	7,374	8,029
Purchases	26,481	36,054
Wages	19,439	27,310
Social security	1,423	1,373
Pensions	98	53
Stationery and packaging	-	373
Credit card charges and rental	2,233	6,074
Closing stock	<u>(1,941)</u>	<u>(7,374)</u>
	55,107	71,892
Investment management costs		
Stock-brokers' fees	7,909	8,989
Bad debts	<u>(1)</u>	<u>1</u>
	7,908	8,990

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THE PICTON CASTLE TRUST**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	£	£
Charitable activities		
Wages	406,589	362,202
Social security	25,420	22,431
Pensions	8,800	7,847
Hire of equipment and event expenses	14,997	8,286
Other operating leases	2,738	3,527
Rates and water	1,619	1,472
Insurance	56,741	37,195
Light and heat	15,924	19,932
Advertising	10,119	24,671
Garden expenses	2,665	5,558
Machinery expenses	6,989	5,899
Repairs to property	54,860	103,008
Castle booklets	1,371	1,081
Cleaning and maintenance	3,968	6,519
Consultancy fees	8,030	12,773
Donations	-	600
Sub-contractors	4,488	20,017
Training	2,339	625
Recruitment costs	35	71
Subscriptions and licences	1,899	1,640
Volunteer programme expenses	2,278	2,955
IT and software support	6,140	1,014
HR support	3,666	-
Depreciation of plant and machinery	581	581
Depreciation of fixtures and fittings	8,539	2,706
Bank interest	-	46
Bank loan interest	-	123
Interest on overdue tax	51	-
Hire purchase interest	142	268
	<hr/>	<hr/>
	650,988	653,047

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THE PICTON CASTLE TRUST**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	£	£
Support costs		
Management		
Telephone	3,533	2,917
Postage and stationery	3,444	4,126
Travelling and subsistence	1,122	1,076
Accountancy	<u>1,070</u>	<u>1,140</u>
	9,169	9,259
Finance		
Bank charges	3,844	3,660
Credit card charges	5,982	5,227
Paypal fees	593	408
Finance charges	<u>-</u>	<u>133</u>
	10,419	9,428
Governance costs		
Auditors' remuneration	4,280	3,650
Legal and professional fees	<u>12,092</u>	<u>-</u>
	16,372	3,650
	<hr/>	<hr/>
Total resources expended	<u>749,963</u>	<u>756,266</u>
Net expenditure before gains and losses	(142,977)	(149,210)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>38,657</u>	<u>(143,208)</u>
Net expenditure	<u>(104,320)</u>	<u>(292,418)</u>

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