

**Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2021
for
Ymddiriedolaeth Cadwraeth Adeiladau Cadwgan
Cadwgan Building Preservation Trust**

Ashmole and Co.
Chartered Certified Accountants and Statutory
Auditors
Manchester House
Grosvenor Hill
Cardigan
Ceredigion
SA43 1HY



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for the Year Ended 31 March 2021**

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**Report of the Trustees
for the Year Ended 31 March 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. 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

Our charity's purposes as set out in the company's memorandum of association are to:-

Preserve for the benefit of the people of Cardigan Town and of the Nation, the historical, architectural and constructional heritage that may exist in and around Cardigan Town in buildings (including any buildings as defined in section 336 of the Town and Country Planning Act 1990) of particular beauty, historical or constructional interest.

Significant activities

The focus of the trust's work is the restoration and preservation of Cardigan Castle for the benefit the people of Cardigan Town and of the Nation. Cardigan Castle is a Scheduled Monument of immense importance in Welsh heritage and culture as the site of what has been regarded as the first Eisteddfod in 1176. Through its 900 year history the site has taken on a number of different roles and its evolution continues to this day.

Cardigan Castle has been restored to an excellent standard thanks to the enthusiasm and commitment of the local community and tremendous support from external funders. This quality of this work was recognised not only by the castle winning Channel 4's Restoration of the Year Award against 27 other strong contenders, but also by the Welsh Government Minister for Culture, Tourism and Sport's description of Cardigan Castle as a shining example of a living castle that had relevant functions to modern society.

The trustees and staff are now working to ensure that Cardigan Castle can be fully sustainable, generating sufficient revenues to provide a strong heritage and educational experience while also maintaining the fabric of the heritage asset.

Cardigan Castle is attracting visitors from a wide geographic area and, as well as informing these visitors about the history and the heritage of the area, this influx has had a significant positive impact on Cardigan businesses and the local economy. Visitors are able to stay within the walls of this historic site to celebrate, to learn, to do business and to dine. At the same time a large number of local residents and schoolchildren are taking advantage of the site's cultural, educational, recreational and entertainment events. The wide range of activities taking place within the walls delivers an ever-wider exposure of the castle's remarkable story.

Public benefit

The Trustees have reviewed the Charity's impact on the people of Ceredigion having regard to the Charity Commission guidance on public benefit and believe that maintaining and preserving this historic monument, as well as educating the public, is to the public benefit.

**Report of the Trustees
for the Year Ended 31 March 2021**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

To meet its charitable objects, the trust needs to establish the Castle's longer term sustainability by generating sufficient funds to maintain and insure the external and internal fabric of the site, keep the buildings warm and clean, welcome visitors and provide them with information about the history and cultural heritage of the site, maintain and refresh the exhibitions, organise entertainments, provide accommodation for cultural and heritage groups and tend the gardens, all the while ensuring the safety of the public.

Heritage

Visitor numbers in 2020/21 were severely impacted due to the impact of COVID-19 restrictions. Although numbers did recover to some normality during the summer months of 2020, overall income from admissions was significantly impacted by the months of COVID-19 enforced closure. A rise in the number of so called 'staycations' has brought new visitors to the area and Castle which has helped boost visitor numbers during periods with limited restrictions.

Visitor numbers in the early 2021/22 were still impacted by COVID-19, with restrictions on site opening conditions and travel having a noticeable effect. However, these recovered strongly through July and August 2021 providing a strong revenue stream.

The Castle has maintained links with heritage and cultural organisations in Wales. Displaying of external exhibitions has been difficult, however the Castle has provided a temporary home to a scale model of Cardigan Railway Station. A successful grant application was made to Welsh Government to produce and install interactive exhibitions within Castle Green House. The bilingual productions allowed the story of the house and area to be shared with the public and local schools whilst the site was forced to remain closed. Since reopening, these have provided a fresh take on the site and town's history, designed to be particularly engaging for younger audiences. Of particular note is an artistic recreation of the medieval Castle and how it may have looked in the 1300s; this has helped the public appreciate what once stood on the site. Plans are currently underway to establish a "Cardigan and District Community Research Room" at the Castle, largely based on the collections of Glen Johnson.

Tours of the site proved difficult to carry out in 2020/21, but some limited outdoor only tours were delivered. This limitation continued into early 2021/22, but more normal tour schedules returned in summer 2021, though again limited to the outdoor areas of the site.

After numerous cancellations of events in 2020/21, more success in holding events has been had in 2021/22. This has included an outdoor Easter Egg Hunt, which was the first event held after the second National Lock-Down. A series of smaller events have also taken place, encouraging the purchase of annual admission tickets and repeat visits to the site.

Weddings have provided a strong revenue for the Castle in previous years; COVID-19 restrictions made this impossible and no weddings were held in the reporting period. Weddings returned in summer 2021, including many that were delayed from 2020. Some additional small or outdoor weddings were also accommodated. These weddings made use of some of the Castle's newest facilities such as the Stretch Tent and the newly refurbished Pavilion. Interest in weddings at the Castle continues at a high level, with 2022 near to fully booked and numerous bookings already taken for 2023.

Language & Culture

Partnerships with Nant Gwrtheyrn and Aberystwyth University have placed Cardigan Castle at the forefront of Welsh language education courses for adults in recent years. Unfortunately, these classes have had to be cancelled or moved to online learning due to COVID-19. It is hoped that courses with both organisations will resume in early 2022, if the public health situation at the time allows.

Several Welsh Language TV productions have been filmed at the Castle over the period, including items for Heno, S4C documentary 'Cynefin' as well as a special film produced in support of the National Eisteddfod, which was held virtually in Summer 2021.

**Report of the Trustees
for the Year Ended 31 March 2021**

With no concerts held at the Castle in summer 2020, it was decided a programme of smaller concerts, held in accordance with social distancing restrictions would be held at the Castle in summer 2021. The concerts, which had capacities ranging from 250 to 380 persons, were a huge success. They were run by the team at the Castle, demonstrating the organisation's ability to act independently when or if required. The acts selected were of a wide variety, including classical, country and popular music in both English and Welsh. The feedback from the community has been overwhelmingly positive, with gratitude shown towards the Castle for providing live music in a safe and professional manner.

The Castle was unable to facilitate local clubs and societies in 2020/21, though some limited activities took place outdoors, including Yoga classes. In 2021/22, the Cardigan Castle Archiving Group and Dyfed Family History Society have restarted meetings at the Castle on a regular basis. The Castle has also been selected as the home for the newly formed Only Boys Aloud choir based in West Wales.

Local Community

Cardigan Castle is committed to being a focal point for the local community. During the reporting period the Castle planned to host local events including Cardigan's Annual Lantern Parade adapted into a Lantern Trail to comply with COVID-19 legislation. Unfortunately, this was unable to go ahead due to extremely short notice changes to the legislation which precluded such events from taking place. Other community events carried out in previous years, such as the River and Food Festival and the St David's Day Parade, were also unable to take place.

The charity is immensely grateful to the strong team of volunteers who work to keep the Castle going and to enhance visitors' experience and their understanding of the site. Volunteer hours have been limited compared to previous years due to the pandemic, though valuable contributions have been made in the Garden, Guided Tours, Concert Stewarding, Archiving as well as assisting with controlling crowds to reduce the risk of a COVID-19 outbreak on site.

Education

Cardigan Castle has a responsibility to facilitate learning, specifically regarding the history of the castle, its occupants and Cardigan's own rich history. A series of learning resources have been developed for Key Stages 1, 2 & 3 and these can be used either in the classroom or at the castle. The Castle has been unable to provide school tours since March 2020, but does look forward to resuming these in the near future if restrictions allow.

FINANCIAL REVIEW

Financial position

Results for 2020/21 show an improvement on the previous year's results, with a net income of £44,120. Revenues were boosted by capital grants to support £73,718 investment in fixed assets, including the stretch tent, improvements to the pavilion and the updated interactive exhibition in the main house. Excluding these capital grants, the deficit for the year would have been approximately £30,000. Revenue grants amounting to some £225,000 were received from the National Lottery Heritage Fund, the Welsh Assembly Government, Ceredigion County Council and the furlough scheme. Without these, the closures required by Covid regulations would have resulted in a very substantial loss for the year.

Operating revenues showed significant declines compared to 2019/20. However, during the 6 months that the Castle was allowed to open, visitors revenues and accommodation were down only 19% compared to the previous year. Events and restaurant revenues did not recover during 2020/21 due to the continuing restrictions.

The trust's trading subsidiary, Cardigan Castle Enterprises Ltd, while benefiting from the furlough scheme, shows a loss of £904. There will be no donation this year to the parent body, Cadwgan Building Preservation Trust.

Reserves policy

The trust has £8,690,896 of restricted reserves reflecting the heavy investment in heritage assets in recent years. As described in the Financial Review, this has been a very difficult year, but unrestricted reserves increased by £32,430 to £764,116 at 31 March 2021. The trustees consider unrestricted reserves to be at a satisfactory level in relation to annual costs.

**Report of the Trustees
for the Year Ended 31 March 2021**

FUTURE PLANNING

Financial sustainability will remain a primary focus of the Trust. The reporting period provided an unprecedentedly challenging operating environment. To mitigate losses resulting from the impact of COVID-19, the Trust successfully applied for grant funding in 2020/21, including use of the furlough scheme, the Welsh Government Economic Resilience Fund, Welsh Government Cultural Recovery Fund and from the National Lottery Heritage Emergency Fund. Since the easing of restrictions in May 2021, the Castle has performed strongly with high visitor numbers, the resumption of Weddings and the return of Events. The focus for the 2022/23 financial year will be to capitalise on the successes of 2021/22, including attracting more Weddings, returning to full scale concerts in partnership with Theatr Mwldan and maintaining the strong performance of the visitor attraction and accommodation.

The Trust continues to seek trustees with appropriate skills and experience to assist in the development and the sustainability of Cardigan Castle.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The organisation is a charitable company limited by guarantee, incorporated on 21 March 2000 and registered as a charity on 11 May 2000. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association, the number nearest to one third of the elected trustees must be re-elected at each Annual General Meeting.

In common with very many other charities, the trust has a trading subsidiary, Cardigan Castle Enterprises Ltd, that carries out the non-charitable activities on site. The financial accounts attached to this report consolidate the activities of this subsidiary, but Note 13 to the accounts summarises its performance. During 2020/21, Cardigan Castle Enterprises Ltd made a loss of £904 and there will be no donation to the trust.

Recruitment and appointment of new trustees

New trustees are briefed on their legal obligations under charity and company law, the Charity Commission Guidance on public benefit, content of the Memorandum and Articles of Association, the committee and decision-making process and the recent financial performance of the charity.

Risk management

The trustees maintain a risk register which is updated regularly. They also 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.

Management

Membership of the trust is open to anyone who supports the trust's objectives and aims. Applications for membership are welcomed at any time and are considered at each monthly trustees meeting. Membership takes effect from the date of approval by the trustees

All trustees give their time voluntarily and receive no pecuniary or other benefits from the charity.

**Report of the Trustees
for the Year Ended 31 March 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03955918 (England and Wales)

Registered Charity number

1080667

Registered office

Cardigan Castle

Green Street

CARDIGAN

Ceredigion

SA43 1JA

Trustees

EN Davies

JC Davies

AM Reed

CS Hewitt

K Taylor

DRW Evans

JS Jenkins

Auditors

Ashmole and Co.

Chartered Certified Accountants and Statutory

Auditors

Manchester House

Grosvenor Hill

Cardigan

Ceredigion

SA43 1HB

Solicitors

Messrs Morgan & Richardson

7 St. Mary Street

Cardigan

Ceredigion

SA43 1HB

Bankers

Barclays Bank plc

32 High Street

Cardigan

Ceredigion

SA43 1HH

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements (Note 22).

**Report of the Trustees
for the Year Ended 31 March 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Cadwgan Building Preservation Trust for the purposes of company law) 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).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Ashmole and Co., will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 30.11.2021 and signed on its behalf by:


.....
EN Davies - Trustee

Report of the Independent Auditors to the Trustees of Cadwgan Building Preservation Trust

Opinion

We have audited the financial statements of Cadwgan Building Preservation Trust (the 'charitable company') for the year ended 31 March 2021 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 22 to the financial statements, 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 charitable company'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.

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
- the charitable company has not kept adequate accounting records; 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.

Report of the Independent Auditors to the Trustees of Cadwgan Building Preservation Trust

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- nature of the charity and the sector in which it operates.
- the legal and regulatory framework in which the charity operates, and in particular those laws and regulations that directly affect the financial statements or have a fundamental effect on operations eg Charities Act 2011, health and safety legislation.
- results of enquiries of management and those charged with governance
- any matters identified relating to
- the charity's policies and procedures for identifying, evaluating and complying with laws and regulations, and whether there were any known instances of non compliance.
- detecting and responding to the risks of fraud and whether there is any knowledge of actual, suspected or alleged fraud.
- the internal controls established to mitigate risks of fraud or non compliance with laws and regulations.

As a result of performing the above, we did not identify any key audit matters related to potential risk of fraud or non compliance with laws and regulations.

In addition to the above, our procedures included:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations
- enquires of management and those charged with governance concerning actual and potential litigation and claims
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud
- review of minutes of committee meetings
- written representations

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
Cadwgan Building Preservation Trust**

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Ashmole & Co

Ashmole and Co.

Chartered Certified Accountants and Statutory

Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Manchester House

Grosvenor Hill

Cardigan

Ceredigion

SA43 1HB

Date: *01.12.2021*

Cadwgan Building Preservation Trust

**Statement of Financial Activities
for the Year Ended 31 March 2021**

	Notes	Unrestricted fund £	Restricted fund £	31.3.21 Total funds £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	6,792		6,792	13,559
Charitable activities	5				
Castle Activities		57,666	258,672	316,338	123,517
Other trading activities	3	147,895	-	147,895	317,735
Investment income	4	<u>26</u>	<u>-</u>	<u>26</u>	<u>257</u>
Total		212,379	258,672	471,051	455,068
EXPENDITURE ON					
Raising funds	6	111,017	-	111,017	141,525
Charitable activities	7				
Castle Activities		<u>68,933</u>	<u>246,981</u>	<u>315,914</u>	<u>316,244</u>
Total		<u>179,950</u>	<u>246,981</u>	<u>426,931</u>	<u>457,769</u>
NET INCOME/(EXPENDITURE)		32,430	11,690	44,120	(2,701)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>731,686</u>	<u>8,679,206</u>	<u>9,410,892</u>	<u>9,413,593</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>764,116</u></u>	<u><u>8,690,896</u></u>	<u><u>9,455,012</u></u>	<u><u>9,410,892</u></u>

The notes form part of these financial statements

Cadwgan Building Preservation Trust

Balance Sheet - Consolidated
31 March 2021

	Notes	Unrestricted fund £	Restricted fund £	31.3.21 Total funds £	31.3.20 Total funds £
FIXED ASSETS					
Tangible assets	14	-	1,359,860	1,359,860	1,322,205
Heritage assets	15	-	<u>7,576,479</u>	<u>7,576,479</u>	<u>7,637,827</u>
		-	8,936,339	8,936,339	8,960,032
CURRENT ASSETS					
Stocks	16	12,718	-	12,718	14,988
Debtors	17	29,080	-	29,080	42,718
Cash at bank and in hand		<u>787,673</u>	-	<u>787,673</u>	<u>722,295</u>
		829,471	-	829,471	780,001
CREDITORS					
Amounts falling due within one year	18	(65,355)	(245,443)	(310,798)	(329,141)
NET CURRENT ASSETS		<u>764,116</u>	<u>(245,443)</u>	<u>518,673</u>	<u>450,860</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>764,116</u>	<u>8,690,896</u>	<u>9,455,012</u>	<u>9,410,892</u>
NET ASSETS		<u>764,116</u>	<u>8,690,896</u>	<u>9,455,012</u>	<u>9,410,892</u>
FUNDS	19				
Unrestricted funds				764,116	731,686
Restricted funds				<u>8,690,896</u>	<u>8,679,206</u>
TOTAL FUNDS				<u>9,455,012</u>	<u>9,410,892</u>

The notes form part of these financial statements

Cadwgan Building Preservation Trust

**Balance Sheet - Charity
31 March 2021**

	Notes	Unrestricted fund £	Restricted fund £	31.3.21 Total funds £	31.3.20 Total funds £
FIXED ASSETS					
Tangible assets	14	-	1,359,860	1,359,860	1,321,285
Heritage assets	15	-	<u>7,576,479</u>	<u>7,576,479</u>	<u>7,637,827</u>
		-	8,936,339	8,936,339	8,959,112
CURRENT ASSETS					
Debtors	17	347,689	-	347,689	431,009
Cash at bank and in hand		<u>430,812</u>	-	<u>430,812</u>	<u>320,583</u>
		778,501	-	778,501	751,592
CREDITORS					
Amounts falling due within one year	18	(11,588)	(233,855)	(245,443)	(283,059)
NET CURRENT ASSETS		<u>766,913</u>	<u>(233,855)</u>	<u>533,058</u>	<u>468,533</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>766,913</u>	<u>8,702,484</u>	<u>9,469,397</u>	<u>9,427,645</u>
NET ASSETS		<u>766,913</u>	<u>8,702,484</u>	<u>9,469,397</u>	<u>9,427,645</u>
FUNDS	19				
Unrestricted funds				766,913	748,440
Restricted funds				<u>8,702,484</u>	<u>8,679,205</u>
TOTAL FUNDS				<u>9,469,397</u>	<u>9,427,645</u>

The notes form part of these financial statements

Cadwgan Building Preservation Trust

**Balance Sheet - continued
31 March 2021**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for


- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 30.11.2021 and were signed on its behalf by:


.....
EN Davies - Trustee


.....
CS Hewitt - Trustee

Cadwgan Building Preservation Trust

**Cash Flow Statement
for the Year Ended 31 March 2021**

	Notes	31.3.21 £	31.3.20 £
Cash flows from operating activities			
Cash generated from operations	1	<u>178,137</u>	<u>157,813</u>
Net cash provided by operating activities		<u>178,137</u>	<u>157,813</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(73,718)	(23,394)
Interest received		<u>26</u>	<u>257</u>
Net cash used in investing activities		<u>(73,692)</u>	<u>(23,137)</u>
Change in cash and cash equivalents in the reporting period		<u>104,445</u>	<u>134,676</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>467,883</u>	<u>333,207</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>572,328</u></u>	<u><u>467,883</u></u>

The notes form part of these financial statements

Cadwgan Building Preservation Trust

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2021**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.21 £	31.3.20 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	44,120	(2,701)
Adjustments for:		
Depreciation charges	97,411	118,825
Interest received	(26)	(257)
Decrease in stocks	2,270	2,328
Decrease in debtors	13,638	35,486
Increase in creditors	<u>20,724</u>	<u>4,132</u>
Net cash provided by operations	<u><u>178,137</u></u>	<u><u>157,813</u></u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.3.21 £	31.3.20 £
Cash in hand	768	510
Notice deposits (less than 3 months)	786,905	721,785
Overdrafts included in bank loans and overdrafts falling due within one year	<u>(215,345)</u>	<u>(254,412)</u>
Total cash and cash equivalents	<u><u>572,328</u></u>	<u><u>467,883</u></u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	722,295	65,378	787,673
Bank overdraft	<u>(254,412)</u>	<u>39,067</u>	<u>(215,345)</u>
	<u>467,883</u>	<u>104,445</u>	<u>572,328</u>
Total	<u><u>467,883</u></u>	<u><u>104,445</u></u>	<u><u>572,328</u></u>

Notes to the Financial Statements
for the Year Ended 31 March 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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 Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Preparation of consolidated financial statements

Cardigan Castle Enterprises Limited (a company limited by guarantee with no share capital) is a wholly owned subsidiary of Cadwgan Building Preservation Trust. The consolidated accounts incorporate the results of Cadwgan Building Preservation Trust (the Charity) and its subsidiary Cardigan Castle Enterprises Limited. No separate company Statement of Financial Activities (SOFA) has been prepared for the Charity as permitted by the Companies Act 2006 and paragraph 397 of the SORP.

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.

Allocation and apportionment of costs

Costs are allocated between direct charitable and trading expenditure according to the nature of the cost.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- not provided
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on cost and 25% on reducing balance

Heritage assets

Heritage assets are the tangible assets of the Charity that are of historical importance and are being held to advance the preservation, conservation and educational objectives of the Charity and through public access contribute to the nation's culture and education.

The castle and its grounds and all subsequent restoration and development expenditure in these assets are considered to be heritage assets.

In accordance with the Trust's accounting policy, the value of the original heritage asset acquired under the lease is not included within the financial statements as due to the historic and unique nature of the assets concerned, conventional approaches lack sufficient reliability to give a meaningful value to the asset.

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 corporation tax on its charitable activities.

Cadwgan Building Preservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

1. ACCOUNTING POLICIES - continued

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.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

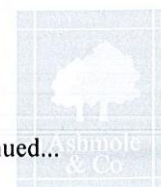
	31.3.21	31.3.20
	£	£
Donations	4,792	11,559
Cardigan Town Council	<u>2,000</u>	<u>2,000</u>
	<u><u>6,792</u></u>	<u><u>13,559</u></u>

3. OTHER TRADING ACTIVITIES

	31.3.21	31.3.20
	£	£
Shop income	10,097	17,834
Room hire	1,315	49,406
Rental income	9,205	7,500
Events income	251	33,145
1176 income	13,288	30,999
Accommodation	90,771	174,992
Other sales	3,873	3,859
Covid JRS Grant	<u>19,095</u>	<u>-</u>
	<u><u>147,895</u></u>	<u><u>317,735</u></u>

4. INVESTMENT INCOME

	31.3.21	31.3.20
	£	£
Bank account interest	<u>26</u>	<u>257</u>



Cadwgan Building Preservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.21 £	31.3.20 £
Admissions	Castle Activities	38,571	68,536
Educational tours and courses	Castle Activities	-	4,556
National Lottery Heritage Fund	Castle Activities	133,992	50,425
Covid JRS Grant	Castle Activities	19,095	.
Cultural Recover Grant (WAG)	Castle Activities	33,680	-
Economic Resilience Grant (Ceredigion CC)	Castle Activities	91,000	-
		<u>316,338</u>	<u>123,517</u>

6. RAISING FUNDS

Other trading activities

	31.3.21 £	31.3.20 £
Purchases	9,197	14,212
Staff costs	31,974	31,059
Bad debts	-	335
Accommodation expenses	31,415	44,265
Events expenses	625	17,098
Licences and permits	2,478	1,634
Marketing and publicity	5,256	3,968
Maintenance and other trading	<u>30,072</u>	<u>28,954</u>
	<u>111,017</u>	<u>141,525</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Castle Activities	<u>12,894</u>	<u>303,020</u>	<u>315,914</u>

8. SUPPORT COSTS

	Management £	Other £	Governance costs £	Totals £
Castle Activities	<u>200,859</u>	<u>97,411</u>	<u>4,750</u>	<u>303,020</u>

Cadwgan Building Preservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.21	31.3.20
	£	£
Auditors' remuneration	2,450	2,400
Auditors' remuneration for non audit work	2,300	2,250
Depreciation – Tangible assets	36,063	57,316
Depreciation - Heritage assets	<u>61,348</u>	<u>61,843</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

11. STAFF COSTS

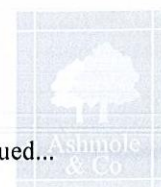
	31.3.21	31.3.20
	£	£
Wages and salaries	172,045	153,269
Social security costs	<u>7,614</u>	<u>8,498</u>
	<u>179,659</u>	<u>161,767</u>

No employee received in excess of £60,000.

Staff Categories

The number of staff employed by the charity during the year was as follows:

Management	2
Operational	8
Finance	<u>1</u>
	<u>12</u>



Cadwgan Building Preservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

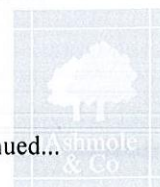
	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	13,559	-	13,559
Charitable activities			
Castle Activities	73,092	50,425	123,517
Other trading activities	317,735	-	317,735
Investment income	<u>257</u>	<u>-</u>	<u>257</u>
Total	404,643	50,425	455,068
EXPENDITURE ON			
Raising funds	141,525	-	141,525
Charitable activities			
Castle Activities	65,641	250,603	316,244
Total	<u>207,166</u>	<u>250,603</u>	<u>457,769</u>
NET INCOME/(EXPENDITURE)	197,477	(200,178)	(2,701)
RECONCILIATION OF FUNDS			
Total funds brought forward	534,209	8,879,384	9,413,593
TOTAL FUNDS CARRIED FORWARD	<u>731,686</u>	<u>8,679,206</u>	<u>9,410,892</u>

13. SUBSIDIARY COMPANY

The charity has a wholly owned subsidiary Cardigan Castle Enterprises Ltd, a company limited by guarantee and incorporated in England and Wales. The company carries out trading and commercial activity with the purpose of raising money for donation to the charity.

A summary of its financial activity is given below:

	31.03.21 £	31.03.20 £
Turnover	119,595	309,738
Cost of sales	73,484	107,023
Overheads	66,110	68,638
Other operating income	<u>19,095</u>	<u>-</u>
Net (deficit)/surplus before donation to the Charity	<u>(904)</u>	<u>134,077</u>
Donation to the Charity	<u>-</u>	<u>134,077</u>



Cadwgan Building Preservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

14. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 April 2020	1,274,956	64,977	1,043,330	2,383,263
Additions	-	-	73,718	73,718
At 31 March 2021	<u>1,274,956</u>	<u>64,977</u>	<u>1,117,048</u>	<u>2,456,981</u>
DEPRECIATION				
At 1 April 2020	-	47,136	1,013,922	1,061,058
Charge for year	-	4,460	31,603	36,063
At 31 March 2021	-	<u>51,596</u>	<u>1,045,525</u>	<u>1,097,121</u>
NET BOOK VALUE				
At 31 March 2021	<u>1,274,956</u>	<u>13,381</u>	<u>71,523</u>	<u>1,359,860</u>
At 31 March 2020	<u>1,274,956</u>	<u>17,841</u>	<u>29,408</u>	<u>1,322,205</u>

Included in cost or valuation of land and buildings is freehold land of £1,274,956 (2020 - £1,274,956) which is not depreciated.

Freehold property comprises Bayvil House which was acquired by the charity in 2014-15 and also Ty Castell which was acquired by the charity in 2011-12 and improvements to these properties. No depreciation is being charged on these properties, as the trustees consider the expected residual values to be sufficiently high to deem depreciation immaterial.

Included in tangible assets are fixtures and fittings held by the subsidiary company, Cardigan Castle Enterprise Ltd with a net book value of nil (2020 - £920)

Cadwgan Building Preservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

15. HERITAGE ASSETS

	Total £
COST	
At 1 April 2020	8,009,008
Restoration work done in the year	<u>-</u>
At 31 March 2021	8,009,008
DEPRECIATION	
At 1 April 2020	371,181
Depreciation charge for the year	<u>61,348</u>
At 31 March 2021	432,529
NET BOOK VALUE	
At 31 March 2021	<u><u>7,576,479</u></u>
At 31 March 2020	<u><u>7,637,827</u></u>

The heritage assets consist of the costs of restoration works to the castle buildings and its grounds.

Cardigan Castle and its grounds are leased to Cadwgan Building Preservation Trust for 125 years effective from February 2013. The cost of the acquisition of the lease is nil. An open market valuation is impractical and conventional valuation techniques cannot be applied.

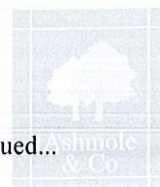
Depreciation is provided to amortise the improvement expenditure over the term of the lease (125 years).

16. STOCKS

	31.3.21 Group £	31.03.20 Group £	31.3.21 Charity £	31.3.20 Charity
Stocks	<u>12,718</u>	<u>14,988</u>	<u>12,718</u>	<u>14,988</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21 £ Group	31.3.20 £ Group	31.3.21 £ Charity	31.3.20 £ Charity
Trade debtors	3,447	14,259	-	-
Other debtors	4,205	18,273	4,205	18,273
VAT	12,689		12,689	
Prepayments	8,739	10,186	8,739	10,186
Cardigan Castle Enterprises	<u>-</u>	<u>-</u>	<u>322,057</u>	<u>402,550</u>
	<u>29,080</u>	<u>42,718</u>	<u>347,690</u>	<u>431,009</u>



Cadwgan Building Preservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21 £ Group	31.3.20 £ Group	31.3.21 £ Charity	31.3.20 £ Charity
Social security and other taxes	-	3,152	-	3,152
Other creditors	38,439	25,766	-	-
Accrued expenses	38,504	15,754	11,588	-
VAT	-	4,562	-	-
Bank	215,345	254,412	215,345	254,412
Deferred income	18,510	25,492	18,510	25,495
	<u>310,798</u>	<u>329,141</u>	<u>245,443</u>	<u>283,059</u>

19. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	731,686	32,430	764,116
Restricted funds			
Restricted	8,679,206	11,690	8,690,896
TOTAL FUNDS	<u>9,410,892</u>	<u>44,120</u>	<u>9,455,012</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	212,380	(179,950)	32,430
Restricted funds			
Restricted	258,671	(246,981)	11,690
TOTAL FUNDS	<u>471,051</u>	<u>(426,931)</u>	<u>44,120</u>

Cadwgan Building Preservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

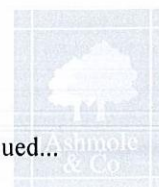
	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	534,209	197,477	731,686
Restricted funds			
Restricted	8,879,384	(200,178)	8,679,206
TOTAL FUNDS	<u>9,413,593</u>	<u>(2,701)</u>	<u>9,410,892</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	404,643	(207,166)	197,477
Restricted funds			
Restricted	50,425	(250,603)	(200,178)
TOTAL FUNDS	<u>455,068</u>	<u>(457,769)</u>	<u>(2,701)</u>

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

	At 1.4.19 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	534,209	229,907	764,116
Restricted funds			
Restricted	8,879,384	(188,488)	8,690,896
TOTAL FUNDS	<u>9,413,593</u>	<u>41,419</u>	<u>9,455,012</u>



Cadwgan Building Preservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

19. MOVEMENT IN FUNDS - continued

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 £	Movement in funds £
Unrestricted funds			
General fund	617,023	(387,116)	229,907
Restricted funds			
Restricted	309,096	(497,584)	(188,488)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>926,119</u>	<u>(884,700)</u>	<u>41,419</u>

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

21. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

22. POST BALANCE SHEET EVENTS

COVID-19

As a result of the Covid-19 pandemic, the charity was required to close temporarily various activities post year end. However, support was received from the Welsh Government to ensure the future viability of the castle.

23. GOING CONCERN

These financial statements are prepared on the going concern basis. Despite Covid-19 the trustees have a reasonable expectation that the company will continue in operational existence for the foreseeable future.






Cadwgan Building Preservation Trust






**Detailed Statement of Financial Activities
for the Year Ended 31 March 2021**

	31.3.21 £	31.3.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	4,792	11,559
Cardigan Town Council	<u>2,000</u>	<u>2,000</u>
	6,792	13,559
Other trading activities		
Shop income	10,097	17,834
Room hire	1,315	49,406
Rental income	9,205	7,500
Events income	251	33,145
1176 income	13,288	30,999
Accommodation	90,771	174,992
Other sales	<u>3,873</u>	<u>3,859</u>
	128,800	317,735
Investment income		
Bank account interest	26	257
Charitable activities		
Admissions	38,571	68,536
Educational tours and courses	-	4,556
National Lottery Heritage Fund	133,992	50,425
Covid JRS Grant	38,190	-
Cultural Recover Grant (WAG)	33,680	-
Economic Resilience Grant (CCC)	<u>91,000</u>	<u>-</u>
	<u>335,433</u>	<u>123,517</u>
Total incoming resources	471,051	455,068
EXPENDITURE		
Other trading activities		
Purchases	9,197	14,212
Wages	31,571	29,109
Social security & Pension cost	403	1,950
Bad debts	-	335
Accommodation expenses	31,415	44,265
Events expenses	625	17,098
Licences and permits	2,478	1,634
Marketing and publicity	5,256	3,968
Maintenance and other trading	<u>30,072</u>	<u>28,954</u>
	111,017	141,525
Charitable activities		
Professional fees	5,000	2,177
Carried forward	5,000	2,177

This page does not form part of the statutory financial statements

Detailed Statement of Financial Activities for the Year Ended 31 March 2021

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