

REGISTERED COMPANY NUMBER: 04004593 (England
and Wales)
REGISTERED CHARITY NUMBER: 1082128

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 MARCH 2023**

FOR

**YMDDIRIEDOLAETH PENLLERGARE
THE PENLLERGARE TRUST**

MHA
Chartered Accountants and Statutory Auditor
Swansea
United Kingdom

**YMDDIRIEDOLAETH PENLLERGARE (REGISTERED NUMBER: 04004593)
THE PENLLERGARE TRUST**

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FOR THE YEAR ENDED 31 MARCH 2023**

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**YMDDIRIEDOLAETH PENLLERGARE (REGISTERED NUMBER: 04004593)
THE PENLLERGARE TRUST**

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

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 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).

The report is also prepared in accordance with the small company regime (Section 419(2) of the Companies Act 2006).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company Number

04004593 (England and Wales)

Registered Charity Number

1082128

Registered Office

Penllergare Valley Woods
Penllergaer,
Swansea
SA4 9GS

Trustees

| | |
|------------------|---------------------------|
| P Baker | Chair |
| H Thomas | Treasurer |
| B Richards | Vice Chair/Secretary |
| J Childs | |
| W Fitzgerald | |
| C Richards | resigned 13 November 2023 |
| L Howe | |
| R Butt | |
| C O'Brien | |
| K Napieralla OBE | |
| P Reynolds | |
| A Williams | |

Trustee Emeritus

H T Moggridge

Company Secretary

B Richards

Auditors

MHA
Chartered Accountants and Statutory Auditor
Swansea
United Kingdom

**YMDDIRIEDOLAETH PENLLERGARE (REGISTERED NUMBER: 04004593)
THE PENLLERGARE TRUST**

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

REFERENCE AND ADMINISTRATIVE DETAILS - continued

Solicitors

Edward Harris Solicitors
Tredegar Fawr
Llangyfelach
Swansea
SA5 7LS

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Chair's Foreword

It gives me great pleasure to introduce the Annual Report of The Trustees of Penllergare Trust for the year ended 31st March 2023.

This has, once again been a very challenging year financially for the Penllergare Trust given our key objective of ensuring financial sustainability. Although we have been successful in bouncing back from the effects of the Covid Pandemic, we have faced considerable pressure from the ongoing Phase 2 Project Works to provide the new Visitor Centre, which have unfortunately reduced our income from our main sources, namely the Car Park, Coffee Shop, and from fundraising events. These pressures were added to by the unfortunate delays we have experienced with the opening of our new Training Centre, essential to promoting the cultural landscape of Penllergare, because of issues surrounding the electrical connection. Of course, we still have the perennial problem of having to find funds to cover the cost of the lease rent of over £40,000 per annum.

These challenges would have been much greater if it had not been for the dedication, commitment, and hard work of our staff, in successfully obtaining grant funding to continue meeting our operational costs and our magnificent Volunteers who work tirelessly for the benefit of Penllergare Valley Woods. Our Coffee Shop staff and Volunteers earn a special mention for keeping their service going in sometimes, the most trying of circumstances. I must also thank Sterling UK Construction, the main contractor building the new Visitor Centre, for their sympathetic cooperation in helping to do this. My thanks also must go to our committed visitors who have supported us during the year and who have joined with us on our journey to make Penllergare Woods the number one visitor attraction in South West Wales.

We are indebted to the National Heritage Lottery Fund for their continued support with the Phase 2 Project, City & County of Swansea for a variety of grants, the Welsh Council for Voluntary Action for the Water Vole Recovery and Volunteering Projects, the Architecture Heritage Fund for their assistance with the restoration of the Observatory, the Mynydd y Gwair Fund and a number of other bodies who have assisted us with grants to help us continue our work.

The future of Penllergare Valley Woods has never been brighter. The coming year will see a number of new and exciting developments becoming a reality. As well as the new Training Centre, Visitor Centre and Walled Garden all becoming fully operational, we will also see the Heritage Orchard, with the associated bee garden being completed. All these will, I believe, prove huge attractions and major additions to the service that we offer and enhance the experience of visitors.

The Trust has been honoured to have been participated in a number of prestigious events at the invitation of the Lord Lieutenant of West Glamorgan and the West Glamorgan High Sheriff. These included the launch of The Queen's Green Canopy Initiative, National Tree Week, the celebration of Swansea's Coastal Park Gardens at the new Swansea Arena, attended by Sophie, Countess of Wessex, and the Christmas Celebration of Voluntary Services.

The work and reputation of Penllergare Valley Woods has been recognised not only within Wales, with the Award of Green Flag status, but also at National level with relationships being established with the Royal Astronomical Society, Swansea and Aberystwyth Universities, The Historic Gardens Trust, the Royal Horticultural Society at Wisley and Marcus Chilton-Jones, Curator of the internationally recognised Bridgewater Garden Project just outside Manchester.

I would again express our grateful thanks to the Friends of Penllergare for their continued support during the year. It has been commendable that the Friends have been able to reinstate their programme of meetings and were able to hold their much valued Plant Sale as well as continuing the hugely successful 200 Club.

I also have to thank my fellow Trustees, all of whom are volunteers themselves, for their considerable work, commitment and support during the year. I can only repeat the Trust's biggest challenge is to ensure we are financially sustainable. Our resources are limited and we need to raise over £150,000 income each year to

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Chair's Foreword – continued

ensure that Penllergare Valley Woods can be maintained to provide our wonderful environment for visitors. Every single donation counts towards this aim and we are grateful to all our visitors and supporters for their generous and continued financial support.

Paul Baker – Chair

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Penllergare Trust (the Charity) is controlled by its Memorandum and Articles of Association, and is constituted as a company limited by guarantee, as defined by the Companies Act 2006.

Recruitment and Appointment of New Trustees

Trustees are appointed by existing members of the Board in furtherance of the objects of the Trust, in a number of ways, including personal recommendation and use of voluntary organisations.

Induction and Training of New Trustees

New Trustees receive training and induction through a variety of means, including one to one sessions, with the Chairman, Secretary, Treasurer and other Trustees/staff as appropriate; being supplied with relevant reading materials, briefing documents and guidance as well as regular briefings and formal Board training sessions.

Skills shortages on the Board are also kept under constant review and recruitment of new Trustees is targeted accordingly, and it was encouraging to note that the Board is well represented by Trustees with a wide range of skills encompassing the majority of skills required to govern a complex and medium sized charity.

Risk Management

In compliance with SORP 2015, the major risks to which the Charity is exposed, as identified by Trustees, have been reviewed and systems have been established to manage those risks. These are reviewed at the monthly Board Meetings.

OBJECTIVES AND ACTIVITIES

Objectives and Aims

Ymddiriedolaeth Penllergare - the Penllergare Trust - is an independent registered charity (number 1082128), and a company limited by guarantee not having share capital (number 04004593).

This report covers the 12-month period ending 31 March 2023.

The Charity was established in 2000 for the benefit of the public at Penllergare and its setting in Swansea, to further the protection, conservation, restoration and maintenance of the cultural landscape of Penllergare; enhance the knowledge and appreciation of Penllergare and promote the protection and conservation of wildlife, all within a policy of sound and responsible financial management of the Charity and its assets.

MAIN ACTIVITIES AND ACHIEVEMENTS

Overview

This report covers a period when we have, at last, emerged from the restrictions that the Covid pandemic imposed upon us for the previous 2 years. As a result, several projects were able to be started or progressed to improve or add to our visitor attractions and further engage community involvement in coming years.

In addition, as an example of our continuing work to protect and conserve our wildlife in the valley, the work being carried out around the Lower Lake, to re-introduce water voles into the valley, will be reported on in our next report.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Board Meetings

The Board of Trustees met 12 times during the year, on an agreed monthly basis, principally to discuss the National Lottery Heritage Fund (NLHF) Phase 2 Project and to review any other urgent business.

The main areas considered by the Board included:

The New Education Centre

With the building nearing completion, as part of the continuing development of the Centre and Penllergare Valley Woods in general, the Board agreed to the appointment of an Engagement/Education Officer for two years initially, and following a successful recruitment process, a new recruit joined us from 1st August 2022. We look forward to her liaising with local schools and other education outlets, to develop the Centre.

Further to this and following meetings with the Head of the Employability Scheme in Swansea University, it was also agreed to pursue the possibility of undergraduate and postgraduate attachments at Penllergare through the University's Employability Scheme.

As a result, two Swansea University interns joined the team to look at sustainability and marketing at Penllergare Valley Woods. Both were doing a master's degree in their relative subjects.

The Queen's Platinum Jubilee

At the beginning of April, the Lord Lieutenant of West Glamorgan, attended a ceremony at Penllergare Valley Woods accompanied by the West Glamorgan High Sheriff and the Lord Mayor of Swansea, to launch our involvement in The Queen's Green Canopy initiative, to mark Her Majesty's Platinum Jubilee in 2022.

Our guests planted a commemorative oak tree alongside the river to mark the occasion, and other trees were then planted around it by some of the volunteers to also celebrate all the hard work they have carried out over many years at Penllergare.

In addition, The Trust took part in National Tree Week in late November 2022, with volunteers, businesses and schools all getting involved in planting native trees in our new Jubilee Wood.

Participants included the Lord Lieutenant of West Glamorgan, Swansea University's Tree Planting Society, Trustees and staff, together with The Eagles Nest Men's Shed group.

Heritage Orchard

To be able to water the whole Walled Garden area and Orchard, given its isolation from the nearest mains water, we engaged a water bore hole drilling company to locate a source of water in the Orchard area, and at a depth of 80 metres they located a really plentiful supply of fast flowing water, likely to be well in excess of our needs. This is now being brought into use.

Our General Manager and one of our volunteers visited Aberystwyth University and returned with over 30 varieties of heritage Welsh apples, with a view to possibly establishing a National Collection at Penllergare.

The Old Mill Medieval Site Excavation

Following the riverside Medieval Mill archaeology project undertaken last year, in the short term, fencing will be installed around the site to protect it, pending a longer-term review of its development.

This was a prestigious project and sought answers to questions that have perplexed many of us, as to what it actually was. Dyfed Archaeological Trust led the excavation, assisted by many of our volunteers and other interested parties and subsequently submitted a report outlining their main interpretation findings.

Members of the Historic Gardens Trust have visited the site and generated a great deal of enthusiasm and interest in the project.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The Stumpery

The Trust has developed a stumpery alongside one of the main visitor walks as an additional attraction, and planting commenced last summer. The area has been planted with shade loving plants and already is adding considerably to the appearance of the area.

It is anticipated that this area will form the start of the journey up to the Walled Garden from the new Visitor Centre and interpretation will be added using one of the large rounds from our felled redwood.

Walled Garden

Development of the Walled Garden progressed apace during this period, with initial outline design plans starting to take shape. It is hoped that, as its layout and planting plans becomes clearer, we will be able to involve other horticultural societies, as well as local medical and community health & care organisations, for example, to become involved on a day-to-day basis.

In a welcome development from a historical viewpoint, Cadw has informed us that they would support the rebuilding of the ruins of the historic Orchid House, one of the first examples of its type in Europe and would be keen to consider any proposals for its restoration. This would add considerably to our visitor attractions.

Marcus Chilton-Jones

We were delighted that Marcus Chilton-Jones, the curator of the Bridgewater Garden development on the outskirts of Manchester, one of the largest horticultural projects of its type in Europe, visited us during the summer.

Marcus was given a tour of the Walled Garden and the Cae Pant Woodland area and was particularly interested in the construction of the walls and the new vinery and was also impressed with our ideas to feature a number of plant collections as our USP, especially the projected heritage daffodil collection.

The visit was a great success with Marcus providing us with ideas and guidance, particularly how to develop our visitor attractions and involve the local community in its development and on-going maintenance. There is no doubt we have established a really important on-going relationship.

In addition, we had a visit from members of the Education Department at the Royal Horticultural Society at Wisley, who were very interested in the education and community involvement projects we are establishing at Penllergare. It is intended to further this relationship in the coming years.

The Observatory

The Trust has been also successful in being awarded funding from the Architectural Heritage Fund for surveys and a feasibility study for the further development of the Observatory, one of our preserved ancient monuments, where one of the first photographs of the moon was taken. The President of the Royal Astronomical Society has pledged their support and intends to arrange a visit for the Fellows of the Society.

Active Travel Route

Swansea City Council has informed the Board that they intend linking up the Active Travel Route (walker and cycle path) along the A48 at the north boundary of Penllergare Valley Woods, with the east/west route south of us, with a north/south link through our valley.

Significant progress has been made and work on the design required is progressing under the watchful eye of an ecologist.

Water Vole Recovery Project

The Penllergare Water Vole Recovery Project intends to enhance the native habitat of the charismatic water vole here at Penllergare and in doing so improve the wider biodiversity of the Lower Lake and river valley.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

In recent years the water vole has seen one of the most serious declines of any wild mammal in the United Kingdom and in developing this project, the Trust has worked with ecologists and colleagues from Natural Resources Wales.

They are supportive of our aims and agree that the works that we intend to carry out will have a positive impact on the potential recovery of water voles and other species at the site.

Volunteers and Other Support Groups

We continued to be supported by our excellent team of Estates and Coffee Shop volunteers and currently have a pool of 108 regular volunteers, much the same as the previously reported full year.

Our outreach programmes to local businesses and other organisations continue to flourish with the appointment of our Engagement/Education Officer, being a major factor.

As noted above, an average of 108 volunteers supported us throughout the year, compared with 105 during the previously reported full year 2021 / 2022. Total volunteering hours increased from 14,525 in 2019 / 2020, the last fully reported year, to 17,582 with the estimated financial benefit of those hours equated to £231,301, compared to £230,685.

In addition, several young people who have been assisting our Biodiversity Group to undertake studies to re-naturalise the lower reaches of the Afan Llan which runs through our valley, and who have also been carrying out surveys of current mink and water vole habitat in the river, under the auspices of the West Wales Rivers Trust, as well as working in other important areas, and as noted above.

National Awards

Green Flag – we were again successful in achieving Green Flag status.

The Friends of Penllergare

The Friends of Penllergare is the membership part of the Penllergare Trust and was formed in October 2007.

Currently it has 461 members. Although overall numbers remain fairly constant there is a loss of a few members each year that usually recoups over twelve months.

It has been a relatively quiet year with the Friends gradually resuming their meetings after the Covid 19 pandemic. The meeting speakers were mostly in-house and the topics confined to aspects of Penllergare Valley Woods. The Plant Sale on 28th May was the main fundraising event. This was held at a new location on the Penllergare car park and, despite a paring back, achieved a pleasing amount totalling over £2,000.

The 200 Club has continued to be a major part of the Friends' fundraising. The membership standing at 284, it has produced a gross income for the period of £2,840. Winnings totalled £575.

The popular monthly electronic bulletin had another name change when it was decided to continue with its publication after lockdown. Previously entitled "Friends Unlocking", it is now called "Ramblings". The Friends' bi-annual publication "Pen-Friends" was mailed out to the membership but increasing postage costs are beginning to be a concern. Volunteers kindly delivered by hand to local addresses where possible.

Social Media & Website

Facebook continues to be the main channel of communication, with over 14,415 "likes", which is over a 1,000 up from last year. We currently have just over 15,574 followers showing a Facebook average review rating of 4.8 stars out of 5.

Our Twitter followers also currently stand at 1,670 and we have climbed a place this year to number 6 out of 121 "things to do" in Swansea on Tripadvisor, with many positive comments giving us a rating of 4.5 stars out of 5 on the site, the same as the previous year.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

FINANCIAL REVIEW

General

2022/23 was a challenging year from a financial perspective. Whilst recovery from the pandemic was almost complete, the Trust faced significant disruption due to the Phase 2 project works, which resulted in a serious reduction in our ability to earn income from our car park, coffee shop and from other fundraising events and activities.

As a result, the Trust is reporting a deficit for the year on its unrestricted reserves of £9,768. Whilst a deficit is always disappointing, this is a respectable performance in view of the ongoing financial challenges during the year. The Trust aims to become financially self-sufficient in the medium term, but it remains difficult to cover our current operational costs from the income we are able to generate ourselves, so we continue to be reliant on grant funding to bridge the gap. Finding funds to cover the lease rent payments for the Woods and Walled Garden of £41,250 p.a continues to be a major financial challenge. The planned opening of the Walled Garden and new Visitor Centre will enable us to generate additional income to allow us to move closer towards our target of financial self-sufficiency.

The Trust is also reporting a surplus for the year on its Restricted Reserves of £128,870, but this relates largely to grant funding for specific projects which was received during the year but not yet spent.

Our Income

During the year, the disruption caused by the Visitor Centre construction works for most of the year, together with prolonged bad weather during the winter months, meant that our expected levels of net income from the Coffee Shop and Car Park, (£26,000 and £35,000 respectively) were considerably lower than the previous year (down by 68% and 39% respectively). This largely accounts for our overall revenue deficit. Fundraising events and activities were also limited and so were able to make only a minor contribution to our income.

Nevertheless, we were pleased that the Coffee Shop was able to remain open all year, albeit in a limited way, throughout the year. We remain extremely grateful to all the Coffee Shop staff and volunteers for their efforts, and to our customers for their continuing support, as well as to Sterling UK Construction Ltd, the contractors for the Visitor Centre, for ensuring that their works did not require us to close the Coffee Shop entirely, as had been feared.

The wet weather during the winter months worked to our advantage in terms of the income generated from the Turbine and Archimedes screw, which at £15,200 was around 35% better than the average over the last five years. The Turbine has now provided over £56,000 of net income for the Trust since its installation and will continue to generate green electricity and income for many years to come.

The Trust had been expecting to bring its new Training Centre into operation during the year, which would have generated additional income, but we were thwarted by problems with the provision (and high cost) of an electricity connection to the building. Thanks to a generous donation and loan from a private benefactor, to whom we are very grateful, the financial issues were resolved but despite our best efforts, it did not prove possible to obtain the electricity supply by the year end, so the Centre remained unavailable for use.

The Trust was able to achieve significant other grant funding during the year. We are indebted to the National Heritage Lottery Fund which agreed to increase the grant for the Phase 2 project by £248,000 to a total of just over £2million, without which additional funding the new Visitor Centre could not have been afforded. Their support over many years, and that of the National Lottery players more generally, has been transformational for the Charity for which we are extremely grateful. Our particular thanks also go to the City and County of Swansea for its support, to the Welsh Council for Voluntary action for their grants towards the Water Vole Recovery and Volunteering projects, to the Architectural Heritage Fund for their grant towards the further restoration of the Observatory, and also to a number of smaller grant providers and donors who have awarded us valuable grants and donations during the year to help us continue our important work.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The Friends of Penllergare were unable to resume fully their normal programme fundraising activities and events, but continued to contribute valuable financial support from subscriptions, donations and a number of smaller fundraising schemes. The 200 Club generated just over £2,400 during the year. We are extremely grateful to the Friends for all their efforts and continuing work to raise funds for the Trust.

Our Expenditure

The Trust spent a total of £127,500 (2021/22 - £127,200) from its unrestricted reserves on charitable activities during the year, i.e. on the day to day running costs of the woods. Unrestricted reserves represent funds which are available to the Trust to use for its day-to-day expenditure, with no restrictions on how the money is spent, other than on the Trust's charitable purposes. These funds include monies generated by income generating schemes, donations, the Friends' membership fees and fundraising events, and are used to meet the general running costs of the Trust, including operational staffing costs, general woodland maintenance, vehicle running costs, rent, insurance and audit costs.

The expenditure on charitable activities excludes the direct running costs of the Trust's commercial and fundraising activities (Coffee Shop, Car Park, Turbine etc), on which a total of £116,300 was spent (2021/22-£121,000). The reduction in expenditure reflects the reduced operating levels of the Coffee Shop during the year.

Of the total of £127,484 spent on day to day running costs, 41% was on staff salaries and 14% on lease rent.

The Trust holds restricted reserves which are funds which can be used only for restricted purposes, such as specific grant funded projects or where the donor has placed limitations on how those funds may be used. A sum of £326,501 was spent on restricted expenditure during the year. This was mainly on the Phase 2 project delivery works, including the Visitor Centre construction, depreciation of project funded assets, as well as other grant funded project costs such as the Observatory restoration, Third Sector Resilience fund and continuing works on the new Training Centre.

Commentary on Balance Sheet

The Trust's Balance Sheet shows that the Trust has capital assets at the Balance Sheet date valued at just over £2.6 million (2022 - £1.77m.) These assets are primarily a result of capital expenditure on our many projects over the years, particularly the NLHF Phase 2 and Parks for People Projects. These assets include major items such as the Coffee Shop and Car Park, Observatory, Llewelyn Bridge, Lakeworks and turbine, as well as assets under construction such as the Visitor Centre, and the many smaller assets we use on a day to basis, including woodland equipment, vehicles, office equipment, coffee shop equipment, etc. Most of the major assets could not be sold and have no realisable value. They have been capitalised to reflect that they will be providing a benefit over the long term, rather than just for one year.

There have been no material changes in other balances in the Balance Sheet, although the balance shown as debtors has decreased from £1.6m to £927,165, which is primarily due to the NLHF grant payments during the year. Creditors due within one year have increased from £74,000 to £213,000, which is due to the additional high value invoices being received associated with Phase 2 project construction works.

The Trust's unrestricted reserves have decreased during the year from £86,854 to £77,086, reflecting the deficit reported for the year.

The Trust's restricted reserves have increased in value during the year from £3.114m to £3.244m. Of this sum, £2.6 million represents funds set aside to cover future depreciation of existing assets, so is not available for expenditure on new projects. The balance (£630,000) represents monies to be spent on ongoing projects, primarily the NHLF Phase 2 project.

Reserves Policy

The Trust maintains both restricted and unrestricted reserves. The restricted reserves comprise a number of individual reserves for particular projects, primarily those funded from external restricted purpose grants. These funds are ring-fenced, and no contribution is taken towards operational costs, except where this is allowed by the donor.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Reserves policy, continued

The Trust's unrestricted reserve balance is £77,086 at the year end. This balance includes £19,651 in respect of the Friends fund, which is the net balance of funds raised by the Friends Group. The Friends fund is managed as part of the overall unrestricted funds of the Trust, but the Friends Group works in liaison with the Trust to determine how best it should be spent to meet the Trust's priorities.

The Trust has set itself a target to increase its unrestricted reserve balances to the equivalent of one year's running costs. At present, this equates to at least £140,000 p.a., although given current levels of price inflation, and the planned growth in costs due to the Phase 2 development, this sum is expected to increase substantially. However, it is not expected that we will be able to make progress towards this target during the financial year 2023/24, when we anticipate further short-term financial challenges. These will be mainly due to the continuing disruption to income streams due to the construction work on the Phase 2 scheme and unavoidable delays in the opening of both the Visitor Centre and the Walled Garden. The Trust has a sound business case for the next five years, as part of which we will be aiming to become financially self-sustainable and to restore the unrestricted reserves to the target.

**YMDDIRIEDOLAETH PENLLERGARE (REGISTERED NUMBER: 04004593)
THE PENLLERGARE TRUST**

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Ymddiriedolaeth Penllergare - The Penllergare trust for the purposes of company law) are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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, MHA, have agreed to offer themselves for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 21.12.2023 and signed on its behalf by:


.....
P Baker
Chairman

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
YMDDIRIEDOLAETH PENLLERGARE
THE PENLLERGARE TRUST (REGISTERED NUMBER: 040044593)**

Opinion

We have audited the financial statements of Ymddiriedolaeth Penllergare - The Penllergare Trust (the 'charitable company') for the year ended 31 March 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2023 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
YMDDIRIEDOLAETH PENLLERGARE
THE PENLLERGARE TRUST (REGISTERED NUMBER: 040044593)**

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.

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.

Detecting Irregularities

The objectives of our audit in relation to fraud are as follows:

- To identify and assess the risks of material mis-statement of the financial statements due to fraud;
- To obtain sufficient appropriate audit evidence regarding the assessed risks of material mis-statement due to fraud, through designing and implementing appropriate responses;
- And to respond appropriately to fraud or suspected fraud identified during the audit.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Auditor's approach to assessing the risks of material mis-statement due to irregularities, including fraud

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (FRS 102, Charity SORP and Companies Act 2006) and the relevant tax compliance regulations in the UK.

We assessed the risks of material misstatement in respect of fraud and considered the extent to which non-compliance with laws and regulations might have a material effect on the financial statements.

Audit procedures designed to respond to the risks of non-compliance with laws and regulations

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above. We made enquiries of management to understand how the charity is complying with those frameworks.

Audit procedures performed by the engagement team also included a review of the financial statements disclosures to underlying supporting documentation.

Audit procedures designed to respond to the risks of fraud

We assessed the susceptibility of the company's financial statements to material mis-statement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud.

As well as adopting an attitude of professional scepticism, we have obtained information for use in identifying the risk of fraud when performing risk assessment procedures, and performed the following procedures in light of the risk of fraud:

- Discussion amongst the engagement team regarding the susceptibility of the client to fraud;
- Consider the risk of fraud when documenting and testing internal controls;
- Enquiring of management how they: assess the risk of fraud; identify and respond to the risks of fraud; and
- Enquiring of management whether they have any knowledge of actual or suspected frauds;

Management override of controls

We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries into our audit approach. The audit engagement team performed journal entry testing using a risk-based approach and evaluating whether there was evidence of bias, with a focus on any journals indicating large or unusual transactions based on our understanding of the charity.

Considerations around likelihood of detection

However, owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material mis-statements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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
YMDDIRIEDOLAETH PENLLERGARE
THE PENLLERGARE TRUST (REGISTERED NUMBER: 040044593)**

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.



MHA
Statutory Auditor
Swansea, United Kingdom

Date: 17/01/24

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313). MHA are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

YMDDIRIEDOLAETH PENLLERGARE (REGISTERED NUMBER: 04004593)
THE PENLLERGARE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

| | Notes | Unrestricted funds £ | Restricted funds £ | 2023 Total funds £ | 2022 Total Funds £ |
|------------------------------------|--------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM: | | | | | |
| Donations and legacies | 3 | 18,436 | 113,253 | 131,689 | 26,643 |
| Charitable activities | 4 | 525 | 341,708 | 342,233 | 288,058 |
| Other trading activities | 5 | 200,258 | - | 200,258 | 200,626 |
| Investments | 6 | 455 | - | 455 | 231 |
| Other income | 7 | <u>14,755</u> | <u>-</u> | <u>14,755</u> | <u>10,021</u> |
| Total income and endowments | | 234,429 | 454,961 | 689,390 | 525,579 |
| EXPENDITURE ON: | | | | | |
| Fundraising activities | 9 | 116,303 | - | 116,303 | 121,201 |
| Charitable activities | 10 | <u>127,484</u> | <u>326,501</u> | <u>453,985</u> | <u>389,514</u> |
| Total expenditure | | 243,787 | 326,501 | 570,288 | 510,715 |
| NET INCOME/(EXPENDITURE) | 8 | (9,358) | 128,460 | 119,102 | 14,864 |
| TRANSFERS BETWEEN FUNDS | 28 | (410) | 410 | - | - |
| OTHER GAINS AND LOSSES | 28 | | | | 12,534 |
| NET MOVEMENT IN FUNDS | 2 8 | (9,768) | 128,870 | 119,102 | 27,398 |
| RECONCILIATION OF FUNDS: | | | | | |
| Total funds brought forward | | <u>86,854</u> | <u>3,114,937</u> | <u>3,201,791</u> | <u>3,174,393</u> |
| TOTAL FUNDS CARRIED FORWARD | | <u><u>77,086</u></u> | <u><u>3,243,807</u></u> | <u><u>3,320,893</u></u> | <u><u>3,201,791</u></u> |

The statement of financial activities includes all gains and losses recognised in the year and all income and expenditure derive from continuing activities. The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

YMDDIRIEDOLAETH PENLLERGARE (REGISTERED NUMBER: 04004593)
THE PENLLERGARE TRUST

BALANCE SHEET
AT 31 MARCH 2023

| | Notes | Unrestricted funds £ | Restricted funds £ | 2023 Total funds £ | 2022 Total funds £ |
|--|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 17 | 19,623 | 1,898,487 | 1,918,110 | 1,347,348 |
| Heritage assets | 18 | - | 710,375 | 710,375 | 407,004 |
| Programme related investments | 19 | - | 9,375 | 9,375 | 9,375 |
| | | <u>19,623</u> | <u>2,618,237</u> | <u>2,637,860</u> | <u>1,763,727</u> |
| CURRENT ASSETS | | | | | |
| Stocks | | 3,058 | - | 3,058 | 2,415 |
| Debtors | 20 | 23,203 | 903,962 | 927,165 | 1,637,250 |
| Cash at bank | | <u>52,453</u> | <u>95,759</u> | <u>148,213</u> | <u>124,655</u> |
| | | <u>78,714</u> | <u>999,721</u> | <u>1,078,435</u> | <u>1,764,320</u> |
| CREDITORS | | | | | |
| Amounts falling due within one year | 22 | <u>(21,251)</u> | <u>(192,149)</u> | <u>(213,400)</u> | <u>(73,957)</u> |
| NET CURRENT ASSETS | | <u>57,463</u> | <u>807,572</u> | <u>865,035</u> | <u>1,690,363</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | | | |
| | | 77,086 | 3,425,809 | 3,502,895 | 3,454,090 |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 23 | - | (8,000) | (8,000) | (2,937) |
| ACCRUALS AND DEFERRED INCOME | 25 | <u>-</u> | <u>(174,002)</u> | <u>(174,002)</u> | <u>(249,362)</u> |
| NET ASSETS | | <u>77,086</u> | <u>3,243,807</u> | <u>3,320,893</u> | <u>3,201,791</u> |
| FUNDS | | | | | |
| Unrestricted funds | 28 | 77,086 | - | 77,086 | 86,854 |
| Restricted funds | | - | 3,243,807 | 3,243,807 | 3,114,937 |
| | | <u>77,086</u> | <u>3,243,807</u> | <u>3,320,893</u> | <u>3,201,791</u> |
| TOTAL FUNDS | | <u>77,086</u> | <u>3,243,807</u> | <u>3,320,893</u> | <u>3,201,791</u> |

**YMDDIRIEDOLAETH PENLLERGARE (REGISTERED NUMBER: 04004593)
THE PENLLERGARE TRUST**

**BALANCE SHEET - CONTINUED
AT 31 MARCH 2023**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023, although an audit has been carried out under Section 144 of the Charities Act 2011.

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 on 21.12.2023 and were signed on its behalf by:



.....
P Baker – Chairman

YMDDIRIEDOLAETH PENLLERGARE (REGISTERED NUMBER: 04004593)
THE PENLLERGARE TRUST

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

| | Notes | 2023 £ | 2022 £ |
|---|-------|------------------|------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | 1,020,538 | 137,326 |
| Interest paid | | <u>(409)</u> | <u>(927)</u> |
| Net cash provided by operating activities | | <u>1,020,129</u> | <u>136,399</u> |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (998,119) | (305,703) |
| Proceeds from disposal of investment | | - | 28,125 |
| Interest received | | <u>455</u> | <u>231</u> |
| Net cash (used in)/provided by investing activities | | <u>(997,664)</u> | <u>(277,347)</u> |
| Cash flows from financing activities | | | |
| Loan drawn | | 10,000 | - |
| Loan repayments | | <u>(8,907)</u> | <u>(15,449)</u> |
| Net cash (used in)/provided by financing activities | | <u>1,093</u> | <u>(15,449)</u> |
| Change in cash and cash equivalents in the reporting period | | | |
| | | 23,558 | (156,397) |
| Cash and cash equivalents at the beginning of the reporting period | 2 | <u>124,655</u> | <u>281,052</u> |
| Cash and cash equivalents at the end of the reporting period | 2 | <u>148,213</u> | <u>124,655</u> |

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

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

| | 2023 £ | 2022 £ |
|--|------------------|----------------|
| Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities) | 119,102 | 27,398 |
| Adjustments for: | | |
| Depreciation charges | 123,990 | 116,372 |
| Interest received | (455) | (231) |
| Interest paid | 409 | 927 |
| Decrease/(increase) in stock | (643) | (769) |
| Decrease/(increase) in debtors | 710,085 | (2,069) |
| Increase/(decrease) in creditors | 143,410 | 11,751 |
| Increase/(decrease) in deferred income | (75,360) | (16,053) |
| Net cash provided by operations | <u>1,020,538</u> | <u>137,326</u> |

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2023 £ | 2022 £ |
|---------------------------------|----------------|----------------|
| Cash at bank | 148,213 | 124,655 |
| Total cash and cash equivalents | <u>148,213</u> | <u>124,655</u> |

3. ANALYSIS OF CHANGES IN NET DEBT

| | At 31/3/22 £ | Cash flows £ | Other Non-cash changes £ | At 31/3/23 £ |
|-----------------------------------|-----------------|-----------------|-----------------------------|-----------------|
| Cash at bank and in hand | 124,655 | 23,558 | - | 148,213 |
| Loans falling due within one year | (8,000) | 3,970 | - | (4,030) |
| Loans falling due after one year | (2,937) | (5,063) | - | (8,000) |
| Total | <u>113,718</u> | <u>22,465</u> | <u>-</u> | <u>136,183</u> |

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

1. STATUTORY INFORMATION

The Penllergare Trust is a charitable company, limited by guarantee, registered in England & Wales. The charitable company's registered number and registered office address can be found in the Trustees' Report.

2. ACCOUNTING POLICIES

Basis of preparation

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, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The charitable company's functional and presentational currency is the pound sterling (£) and balances are rounded to the nearest £1.

Going concern

A significant proportion of the charity's income is by way of grants, many of which are restricted for specific purposes or projects. The charity strives to generate unrestricted income in order to meet its general running costs. In the current year, the charity has reported a deficit in unrestricted funds, but does have unrestricted reserves of £77,086 at the balance sheet date.

The Trustees have a reasonable expectation that sufficient income together with grants will continue to be received to meet its expenses and future capital commitments and therefore the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Income recognition

All income is included on the Statement of Financial Activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Where grants are subject to performance related conditions, they are recognised in the Statement of Financial Activities based upon when the performance related conditions have been met, in line with the Statement of Recommended Practice: Accounting and Reporting by Charities. Donations are recognised either when received unless the charity has been notified in writing of both the amount and date of expected payment. Income from trading activities is recognised upon the delivery of goods and the provision of services. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity.

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

2. ACCOUNTING POLICIES (continued)

Income recognition - continued

Donated services and facilities are recognised as income and expenditure when the benefit to the charity can be reasonably quantified or measured and is considered material to the charity. The value of volunteers' time has not been recognised in the accounts.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on the accruals basis. All expenses including support costs are allocated to the applicable expenditure headings.

Allocation and apportionment of costs

Expenditure which is charged on an accrual's basis, is allocated between expenditure incurred directly in the effort to raise funds, expenditure incurred directly in the fulfilment of the charity's objectives, and expenditure incurred in the management and administration of the charity (governance costs and other expenditure). Due to the operations of the charity, it was not considered appropriate to allocate expenditure based on activities as the park is considered a unified activity.

Expenditure on raising funds

The costs of raising funds consist of the running costs of the car park and coffee shop together with fundraising costs.

Expenditure on charitable activities

Costs of charitable expenditure include the costs of operating and the general maintenance of the park.

Pension costs

The charity operates a defined contribution pension scheme. The pension cost charge represents contributions payable by the charity to the fund, in accordance with the rules of the scheme.

Other expenditure

This consists of staff support costs and administrative expenses.

Significant judgements and estimates

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

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

The following are the critical judgements that the trustees have made in the process of applying the charity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Impairment of assets

Assets are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Financial Activities.

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

2. ACCOUNTING POLICIES (continued)

Significant judgements and estimates

Provisions and contingencies

Provisions are recognised when the charity has a present obligation as a result of a past event and a reliable estimate can be made of a probable adverse outcome. Otherwise, material contingent liabilities are disclosed unless a transfer of economic benefits is considered remote. Contingent assets are only disclosed if an inflow of economic benefits is probable.

Useful economic lives of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives of the assets. The useful economic lives are reassessed annually and are amended when necessary to reflect current estimates of economic utilisation and physical condition of the assets.

Financial instruments

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Non-exchange transactions, such as grant debtors and deferred grants are recognised at the present value of the likely settlement amount. Any gains or losses arising from present value adjustments are recognised in the Statement of Financial Activities.

Basic financial liabilities, including trade and other creditors and loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Tangible fixed assets

Fixed assets costing £250 or more (including VAT) are capitalised and stated at cost less accumulated depreciation calculated so as to write off their cost less any residual value over their expected useful lives. Depreciation is provided at the following annual rates:

| | |
|---|--|
| Buildings – new constructions | - straight line over 60 years |
| Buildings – other (including lakeworks) | - straight line over 15 years |
| Fixtures and fittings | - straight line over 15 years |
| Plant and machinery | - long life – straight line over 15 years |
| Plant and machinery | - medium life – straight line over 5 years |
| Plant and machinery | - short life - 33% per annum |
| Long leasehold | - over the term of the lease |

Tangible fixed assets under construction are not depreciated.

Heritage assets

The acquisition of heritage assets relates to the reconstruction, restoration, preservation, conservation and educational objectives of the Trust, and in particular, the cultural landscape of Penllergare. The completed heritage assets include the Llewelyn Bridge and the Observatory.

The Llewelyn Bridge is a new structure on the site of an old stone bridge which existed on this site in the early 19th century and was incorporated into the landscape design conceived and implemented by John Dillwyn Llewelyn (JDL) and his father, Lewis Weston Dillwyn. The bridge features in contemporary paintings and photographs by JDL and his family, and as such is an integral part of the art of the landscape designer, in the historic style of the romantic picturesque landscape movement which prevailed at the time. The new bridge has been designed to be in keeping with the historic designed landscape, which is the main heritage feature at Penllergare Valley Woods.

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

2. ACCOUNTING POLICIES (continued)

Heritage assets

The Observatory is the only part of the original mansion house which is still standing. It was built in 1851 by JDL to further his interest in astronomy. It is a Scheduled Ancient Monument and of major historic significance as some of the earliest photographs of the moon were taken there.

The heritage assets also include the Vinery, Orchid House and Walled Garden which are all assets under construction. The charity plans to repair and conserve the Walled Gardens, conserve the Orchid House including its waterfall and pond and to restore the historic Vinery located within the Walled Gardens.

Heritage assets are capitalised and stated at cost less accumulated depreciation calculated so as to write off their cost less any residual value over their expected useful lives. Depreciation is provided at the following annual rates:

| | |
|---|-------------------------------|
| Buildings – new constructions | - straight line over 60 years |
| Buildings – other (including Observatory) | - straight line over 15 years |

Heritage assets under construction are not depreciated.

The Trusts budgets for the management and preservation of completed heritage assets on an ongoing basis. No disposal of heritage assets has taken place to date and the Trust does not intend to dispose of heritage assets for the foreseeable future.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes purchase price less discounts where applicable. Net realisable value is based on estimated selling price. Provision is made for obsolete and slow-moving items where appropriate.

Taxation

The charity is exempt from corporation tax on its charitable activities. The charity registered for VAT on 1st December 2015 and is liable to pay VAT on its business activities, although its charitable activities are outside the scope of VAT.

Operating leases

Rentals paid under operating leases are charged as expenditure on a straight-line basis over the period of the lease.

Deferred income

Grant income is deferred to future periods when the grant is subject to performance related conditions being met. The grant income is deferred and not recognised until the conditions are fully met.

Investments

Fixed asset investments are valued at fair value.

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 charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

3. INCOME FROM DONATIONS AND LEGACIES

| | 2023 £ | 2022 £ |
|-------------------|----------------|---------------|
| Donations | 47,547 | 14,799 |
| Grants | 47,066 | 1,000 |
| Government grants | 27,336 | 2,109 |
| Subscriptions | 5,165 | 5,540 |
| Gift Aid | <u>4,575</u> | <u>3,195</u> |
| | <u>131,689</u> | <u>26,643</u> |

| | Unrestricted £ | Restricted £ | 2023 £ |
|-------------------|-------------------|-----------------|----------------|
| Donations | 10,247 | 37,300 | 47,547 |
| Grants | 950 | 46,116 | 47,066 |
| Government grants | - | 27,337 | 27,337 |
| Subscriptions | 5,164 | - | 5,164 |
| Gift aid | <u>2,075</u> | <u>2,500</u> | <u>4,575</u> |
| | <u>18,436</u> | <u>113,253</u> | <u>131,689</u> |

| | Unrestricted £ | Restricted £ | 2022 £ |
|-------------------|-------------------|-----------------|---------------|
| Donations | 5,313 | 9,486 | 14,799 |
| Grants | 1,000 | - | 1,000 |
| Government grants | 2,109 | - | 2,109 |
| Subscriptions | 5,540 | - | 5,540 |
| Gift aid | <u>1,749</u> | <u>1,446</u> | <u>3,195</u> |
| | <u>15,711</u> | <u>10,932</u> | <u>26,643</u> |

4. INCOME FROM CHARITABLE ACTIVITIES

| | 2023 £ | 2022 £ |
|--------|----------------|----------------|
| Grants | <u>342,233</u> | <u>288,058</u> |

| | Unrestricted £ | Restricted £ | 2023 £ |
|----------------------|-------------------|-----------------|----------------|
| Grants | - | 341,708 | 341,708 |
| Miscellaneous income | 525 | - | 525 |
| | <u>525</u> | <u>341,708</u> | <u>342,233</u> |

| | Unrestricted £ | Restricted £ | 2022 £ |
|----------------------|-------------------|-----------------|----------------|
| Grants | - | 287,978 | 287,978 |
| Miscellaneous income | 80 | - | 80 |
| | <u>80</u> | <u>287,978</u> | <u>288,058</u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

5. INCOME FROM OTHER TRADING ACTIVITIES

| | 2023 £ | 2022 £ |
|--------------------------------|----------------|----------------|
| Book Sales | 946 | 2,064 |
| Coffee shop and car park | 165,764 | 186,797 |
| Export of electricity | 2,549 | 1,731 |
| Firewood sales | 23,713 | 200 |
| Calendar Sales & Sponsorship | - | (42) |
| Sale of other items | 991 | 527 |
| Fees – use of Trust premises | 1,783 | 6,313 |
| Other fundraising activities | 3,315 | - |
| Friends Fundraising activities | 1,196 | 3,036 |
| | <u>200,258</u> | <u>200,626</u> |

6. INCOME FROM INVESTMENTS

| | 2023 £ | 2022 £ |
|--------------------------|------------|------------|
| Deposit account interest | 384 | 231 |
| Leasehold bond interest | 71 | - |
| | <u>455</u> | <u>231</u> |

7. OTHER INCOME

| | 2023 £ | 2022 £ |
|----------------|---------------|---------------|
| Feed in tariff | <u>14,755</u> | <u>10,021</u> |

8. NET INCOME/EXPENDITURE

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

| | 2023 £ | 2022 £ |
|------------|--------------|--------------|
| Audit fees | <u>7,208</u> | <u>5,945</u> |
| | <u>7,208</u> | <u>5,945</u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

9. EXPENDITURE ON FUNDRAISING ACTIVITIES

| | 2023 | 2022 |
|--|----------------|----------------|
| | £ | £ |
| Coffee shop and Car Park running costs | 104,339 | 94,372 |
| Friends events/100 Club prizes | 619 | 546 |
| Fundraising/Commercial staff costs | 8,562 | 15,187 |
| Other fundraising events | 446 | 980 |
| Depreciation | 213 | 66 |
| Turbine running costs | 2,124 | 10,050 |
| | <u>116,303</u> | <u>121,201</u> |

10. EXPENDITURE ON CHARITABLE ACTIVITIES

| | 2023 | 2022 |
|-----------------------------------|----------------|----------------|
| | £ | £ |
| NLHF Phase 2 project delivery | 41,105 | 17,916 |
| Other project expenditure | 28,078 | 44,113 |
| Depreciation | 122,522 | 116,322 |
| Gain/Loss on disposal | 151 | - |
| Lease rent | 41,250 | 41,250 |
| Accountancy and payroll | 8,709 | 7,597 |
| Friends | 493 | 748 |
| Staff salaries | 133,917 | 78,839 |
| Other Unrestricted Expenditure | 17,708 | 19,435 |
| Support costs – staff | 48,078 | 48,645 |
| Bank charges | 915 | 461 |
| Loan interest | 409 | 927 |
| Room and office rental | 113 | 470 |
| Volunteers' Expenses | 668 | 1,240 |
| Telephone, postage and stationery | 6,805 | 7,155 |
| Support costs – other | 3,063 | 4,396 |
| | <u>453,985</u> | <u>389,514</u> |

Analysis by fund

| | | |
|--------------------|----------------|----------------|
| Unrestricted funds | 127,484 | 109,174 |
| Restricted funds | <u>326,501</u> | <u>280,340</u> |
| | <u>453,985</u> | <u>389,514</u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

11. TRUSTEES' REMUNERATION AND BENEFITS

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

TRUSTEES' EXPENSES

Two Trustees' were reimbursed £921 for disbursements made on behalf of the Trust. In 2022, three Trustees were reimbursed a total of £2,280 for disbursements made on behalf of the Trust.

12. INTEREST PAYABLE AND SIMILAR CHARGES

| | 2023 | 2022 |
|---------------|------------|------------|
| | £ | £ |
| Loan interest | <u>409</u> | <u>927</u> |

13. EXPENDITURE: SALARIES & NATIONAL INSURANCE

| | 2023 | 2022 |
|--------------------|----------------|----------------|
| | £ | £ |
| Salaries | 217,620 | 169,168 |
| Social security | 9,898 | 6,749 |
| Workplace pensions | <u>3,183</u> | <u>2,593</u> |
| | <u>230,701</u> | <u>178,510</u> |

There are no employees with salaries greater than £60,000 per annum.

The average weekly number of employees by function

| | 2023 | 2022 |
|----------------------------------|-----------|-----------|
| | £ | £ |
| Charitable activities staff | 8 | 7 |
| Staff employed to generate funds | <u>6</u> | <u>5</u> |
| | <u>14</u> | <u>12</u> |

14. VOLUNTEERS

The charity is assisted by volunteers; the value of volunteers' time is estimated with reference to the recorded number of volunteer hours multiplied by the estimated hourly rate that an employee would have been paid for carrying the type of service. The quantified benefit to the charity for volunteers' time is £231,301 (2022 - £230,685) and, in line with requirements of the SORP, this amount has not been recognised within the accounts.

15. KEY MANAGEMENT PERSONNEL

Key management personnel are considered to be those personnel who are not trustees but sit within key operational and strategic roles. The total employee costs of the employee deemed to be key management personnel was £41,176 (2022 - £40,125).

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

16. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|------------------------------------|----------------------------|--------------------------|---------------------|
| INCOME AND ENDOWMENTS FROM: | | | |
| Donations and legacies | 15,711 | 10,932 | 26,643 |
| Charitable activities | 80 | 287,978 | 288,058 |
| Other trading activities | 200,626 | - | 200,626 |
| Investments | 231 | - | 231 |
| Other income | <u>10,021</u> | <u>-</u> | <u>10,021</u> |
| Total income and endowments | 226,669 | 298,910 | 525,579 |
| EXPENDITURE ON: | | | |
| Fundraising activities | 121,021 | 180 | 121,201 |
| Charitable Activities | <u>109,174</u> | <u>280,340</u> | <u>389,514</u> |
| Total expenditure | 230,195 | 280,520 | 510,715 |
| NET INCOME/(EXPENDITURE) | (3,526) | 18,390 | 14,864 |
| TRANSFERS BETWEEN FUNDS | (6,172) | 6,172 | - |
| OTHER GAINS AND LOSSES | <u>(2,674)</u> | <u>15,208</u> | <u>12,534</u> |
| NET MOVEMENT IN FUNDS | (12,372) | 39,770 | 27,398 |
| RECONCILIATION OF FUNDS | 99,226 | 3,075,167 | 3,174,393 |
| Total funds brought forward | <u> </u> | <u> </u> | <u> </u> |
| TOTAL FUNDS CARRIED FORWARD | <u>86,854</u> | <u>3,114,937</u> | <u>3,201,791</u> |

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

17. TANGIBLE FIXED ASSETS

| | Assets under construction £ | Freehold Assets £ | Long leasehold £ | Short leasehold £ | Plant and Machinery £ | Total £ |
|------------------------|-----------------------------------|-------------------------|------------------------|-------------------------|-----------------------------|------------|
| COST | | | | | | |
| Brought forward | 262,773 | 2,810 | 1,360,962 | - | 465,556 | 2,092,102 |
| Additions | 656,371 | - | 8,655 | - | 11,152 | 676,178 |
| Transfers | - | - | - | - | - | - |
| Disposals | - | - | - | - | (1,102) | (1,102) |
| At 31 March 2023 | 919,147 | 2,810 | 1,369,617 | - | 475,605 | 2,767,181 |
| DEPRECIATION | | | | | | |
| Brought forward | - | - | 536,456 | - | 208,299 | 744,755 |
| Charge for the year | - | - | 85,765 | - | 19,653 | 105,418 |
| Eliminated on disposal | - | - | - | - | (1,102) | (1,102) |
| At 31 March 2023 | - | - | 622,221 | - | 226,850 | 849,071 |
| NET BOOK VALUE | | | | | | |
| At 31 March 2023 | 919,147 | 2,810 | 747,395 | - | 248,758 | 1,918,110 |
| At 31 March 2022 | 262,773 | 2,810 | 824,506 | - | 257,257 | 1,347,348 |

18. HERITAGE ASSETS

| | Buildings under Construction £ | Buildings £ | Total £ |
|-----------------------|--------------------------------------|----------------|------------|
| COST | | | |
| Brought forward | 73,986 | 452,324 | 526,310 |
| Additions | 321,943 | - | 321,943 |
| At 31 March 2023 | 395,929 | 452,324 | 848,253 |
| DEPRECIATION | | | |
| Brought forward | - | 119,306 | 119,306 |
| Charge for the year | - | 18,572 | 18,572 |
| At 31 March 2022 | - | 137,877 | 137,877 |
| NET BOOK VALUE | | | |
| At 31 March 2023 | 395,929 | 314,447 | 710,375 |
| At 31 March 2022 | 73,986 | 333,018 | 407,004 |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

18. HERITAGE ASSETS - continued

Five-year summary of heritage asset transactions:

| | 2023 | 2022 | 2021 | 2020 | 2019 |
|----------------------|---------|--------|--------|--------|------|
| | £ | £ | £ | £ | £ |
| Cost of acquisitions | 321,943 | 27,329 | 16,844 | 29,813 | - |

19. INVESTMENTS: PROGRAMME RELATED INVESTMENTS

The programme related investment is in relation to a bond secured with the landlords of the park to secure the long-term leasehold of the park. The investment supports the charitable objective as the leasehold of the park needed to be obtained in order to receive grant funding for the "Parks for People" project. During the year, no movement has occurred (2022 - £28,125 withdrawn from the bond).

At the year end the balance held as the bond was £9,375 (2022 - £9,375).

20. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 | 2022 |
|------------------------------|----------------|------------------|
| | £ | £ |
| Grants | 788,120 | 1,443,731 |
| Prepayments & accrued income | 20,703 | 35,508 |
| VAT | 49,417 | - |
| Other debtors | <u>37,066</u> | <u>4,029</u> |
| | <u>895,306</u> | <u>1,483,268</u> |

21. DEBTORS: AMOUNTS FALLING DUE AFTER ONE YEAR

| | 2023 | 2022 |
|------------------------------|----------------|------------------|
| | £ | £ |
| Grants | 7,230 | 121,201 |
| Prepayments & accrued income | <u>24,629</u> | <u>32,781</u> |
| | <u>31,859</u> | <u>153,982</u> |
| | <u>927,165</u> | <u>1,637,250</u> |

22. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 | 2022 |
|------------------------------|----------------|---------------|
| | £ | £ |
| Trade creditors | 141,290 | 18,180 |
| Accruals | 67,296 | 20,769 |
| Other creditors | 784 | 22,728 |
| Taxation and social security | - | 4,280 |
| Loans | <u>4,030</u> | <u>8,000</u> |
| | <u>213,400</u> | <u>73,957</u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

23. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2023 | 2022 |
|-------|--------------|--------------|
| | £ | £ |
| Loans | <u>8,000</u> | <u>2,937</u> |

24. LOANS

An analysis of the maturity of loans is given below:

| | 2023 | 2022 |
|--|--------------|--------------|
| | £ | £ |
| Amounts falling due within one year on demand: | | |
| Loans | <u>4,030</u> | <u>8,000</u> |
| Amounts falling due after more than one year but less than five years: | | |
| Loans | <u>8,000</u> | <u>2,937</u> |

25. ACCRUALS AND DEFERRED INCOME

| | 2023 | 2022 |
|-----------------|----------------|----------------|
| | £ | £ |
| Deferred grants | <u>174,002</u> | <u>249,362</u> |

Summary of deferred income movements:

| | £ |
|-------------------------------------|----------------|
| Deferred income brought forward | 249,362 |
| Grants released during the year | (75,360) |
| New grants deferred during the year | - |
| | <u>174,002</u> |

26. FINANCIAL COMMITMENTS

The charity has future operating lease commitments totalling £3,731,250 (2022 - £4,553,750).

YMDDIRIEDOLAETH PENLLERGARE (REGISTERED NUMBER: 04004593)
THE PENLLERGARE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

27. COMPARATIVES FOR THE BALANCE SHEET

| | Notes | Unrestricted funds £ | Restricted funds £ | 2022 Total funds £ | 2021 Total funds £ |
|--|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 17 | 22,448 | 1,324,900 | 1,347,348 | 1,166,774 |
| Heritage assets | 18 | - | 407,004 | 407,004 | 398,247 |
| Programme related investments | 19 | - | 9,375 | 9,375 | 37,500 |
| | | <u>22,448</u> | <u>1,741,279</u> | <u>1,763,727</u> | <u>1,602,521</u> |
| CURRENT ASSETS | | | | | |
| Stocks | 17 | 2,415 | - | 2,415 | 1,646 |
| Debtors | 18 | 20,561 | 1,616,689 | 1,637,250 | 1,635,181 |
| Cash at bank | 19 | 90,029 | 34,626 | 124,655 | 281,052 |
| | | <u>113,005</u> | <u>1,651,315</u> | <u>1,764,320</u> | <u>1,917,879</u> |
| CREDITORS | | | | | |
| Amounts falling due within one year | 22 | (48,599) | (25,358) | (73,957) | (69,266) |
| | | <u>64,406</u> | <u>1,625,957</u> | <u>1,690,363</u> | <u>1,848,613</u> |
| NET CURRENT ASSETS | | | | | |
| | | <u>64,406</u> | <u>1,625,957</u> | <u>1,690,363</u> | <u>1,848,613</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | | | |
| | | 86,854 | 3,367,236 | 3,454,090 | 3,451,134 |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 23 | - | (2,937) | (2,937) | (11,326) |
| ACCRUALS AND DEFERRED INCOME | | | | | |
| | | - | (249,362) | (249,362) | (265,415) |
| NET ASSETS | | | | | |
| | 25 | <u>86,854</u> | <u>3,114,937</u> | <u>3,201,791</u> | <u>3,174,393</u> |
| FUNDS | | | | | |
| Unrestricted funds | 28 | 86,854 | - | 86,854 | 99,226 |
| Restricted funds | | - | 3,114,937 | 3,114,937 | 3,075,167 |
| | | <u>86,854</u> | <u>3,114,937</u> | <u>3,201,791</u> | <u>3,174,393</u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

28. MOVEMENT IN FUNDS

| | At 01/04/22 | Net movement in funds | At 31/03/23 |
|---|------------------|-----------------------------|------------------|
| | £ | £ | £ |
| Unrestricted funds | | | |
| General fund | 74,457 | (14,348) | 60,109 |
| Friends | 15,071 | 4,580 | 19,651 |
| Fair value reserve | (2,674) | - | (2,674) |
| | <u>86,854</u> | <u>(9,768)</u> | <u>77,086</u> |
| Restricted funds | | | |
| Parks for People Project (NLHF) | 1,292,816 | (105,875) | 1,186,940 |
| NLHF 2 – fundraising for delivery phase | 1,538,382 | 253,699 | 1,792,081 |
| Woodland Centre | 15,414 | (5,101) | 10,314 |
| Rural Development Fund | 140,729 | 817 | 141,546 |
| Orchard | 18,562 | (64) | 18,497 |
| Third Sector Resilience fund | 36,251 | (36,251) | - |
| Brilliant Basics | 45,217 | (2,349) | 42,868 |
| Other restricted funds | 38,988 | 23,994 | 62,983 |
| Fair value reserve | (11,422) | - | (11,422) |
| | <u>3,114,937</u> | <u>128,870</u> | <u>3,243,807</u> |
| TOTAL FUNDS | <u>3,201,791</u> | <u>119,102</u> | <u>3,320,893</u> |

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

| | Income | Expenditure | Transfers |
|---|----------------|----------------|--------------|
| | £ | £ | £ |
| Unrestricted funds | | | |
| General fund | 228,740 | 242,678 | (410) |
| Friends | 5,689 | 1,109 | - |
| | <u>234,429</u> | <u>243,787</u> | <u>(410)</u> |
| Restricted funds | | | |
| Parks for People Project (NLHF) | - | 105,875 | - |
| NLHF 2 – fundraising for delivery phase | 352,347 | 98,643 | - |
| Woodland Centre | - | 5,102 | - |
| Training Centre and Nursery | 14,000 | 13,183 | - |
| Orchard | - | 64 | - |
| Third Sector Resilience fund | - | 36,661 | 410 |
| Brilliant Basics | - | 2,349 | - |
| Other Restricted Reserves | 88,614 | 64,624 | - |
| Fair Value Reserves | - | - | - |
| | <u>454,961</u> | <u>326,501</u> | <u>410</u> |
| TOTAL FUNDS | <u>689,390</u> | <u>570,288</u> | <u>-</u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

28. MOVEMENT IN FUNDS CONTINUED

Where deficits arise on restricted funds, these will be met by reserves in the general fund. £410 has been transferred from the General Reserve to the Third Sector Resilience Fund for contribution towards costs.

Comparative for movement in funds

| | At 01/04/21 | Net movement in funds | At 31/03/22 |
|---|-------------------------|-----------------------------|-------------------------|
| | £ | £ | £ |
| Unrestricted funds | | | |
| General fund | 73,697 | 760 | 74,457 |
| Friends | 25,529 | (10,458) | 15,071 |
| Fair value reserve | | (2,674) | (2,674) |
| | <u>99,226</u> | <u>(12,372)</u> | <u>86,854</u> |
| Restricted funds | | | |
| Parks for People Project (NLHF) | 1,413,685 | (120,869) | 1,292,816 |
| NLHF 2 – fundraising for delivery phase | 1,561,278 | (23,196) | 1,538,082 |
| Woodland Centre | 20,516 | (5,102) | 15,414 |
| Rural Development Fund | 62,669 | 78,060 | 140,729 |
| Orchard | 20,194 | (1,632) | 18,562 |
| Third Sector Resilience fund | - | 36,251 | 36,251 |
| Brilliant Basics | - | 45,217 | 45,217 |
| Other restricted funds | 23,455 | 15,833 | 39,288 |
| Fair value reserve | <u>(26,630)</u> | <u>15,208</u> | <u>(11,422)</u> |
| | <u>3,075,167</u> | <u>39,770</u> | <u>3,114,937</u> |
| TOTAL FUNDS | <u><u>3,174,393</u></u> | <u><u>27,398</u></u> | <u><u>3,201,791</u></u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

28. MOVEMENT IN FUNDS CONTINUED

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

| | Income £ | Expenditure £ | Transfers £ |
|---|----------------|------------------|----------------|
| Unrestricted funds | | | |
| General fund | 222,208 | 228,776 | 7,328 |
| Friends | 4,461 | 1,419 | (13,500) |
| | <u>226,669</u> | <u>230,195</u> | <u>(6,172)</u> |
| Parks for People Project (NLHF) | - | 120,689 | - |
| NLHF 2 – fundraising for delivery phase | 49,143 | 84,299 | 11,960 |
| Woodland Centre | - | 5,102 | - |
| Training Centre and Nursery Orchard | 83,405 | 345 | (5,000) |
| Third Sector Resilience fund | - | 1,632 | - |
| Brilliant Basics | 41,251 | - | (5,000) |
| Other restricted funds | 35,709 | 2,428 | 11,937 |
| Fair value reserves | 89,403 | - | (7,725) |
| | <u>298,910</u> | <u>280,520</u> | <u>6,172</u> |
| TOTAL FUNDS | <u>525,579</u> | <u>510,715</u> | <u>-</u> |

The unrestricted funds are available to be spent for any of the purposes of the charity.

Restricted Funds

The Parks for People Project Fund (NLHF) is in respect of the Phase 1 Development which was established from grant funding for capital projects for restoration and renovation work in the Park. This involved the restoration of the Llewellyn Bridge and Observatory and construction of the Visitor Car Park and Coffee Shop.

The National Lottery Heritage Fund (NLHF) Development and Delivery is in respect of the Phase 2 Development which is grant funded by the National Lottery Heritage fund for the capital project of the restoration of the Walled Gardens, Orchid House and Vinery in the Park.

The Rural Development Fund is funding for a capital project for the construction of a Training Centre in the Park. The training centre will enable the Park to have a facility to offer training courses to the local community and volunteers.

The Brilliant Basics fund represents monies received from the Welsh Government under their scheme to support not for profit organisations to deliver basic tourism infrastructure projects. It was used to improve car parking/entrance facilities and to develop a licensed nature trail visitor attraction.

The Third Sector Resilience Fund represents a grant provided by the Welsh Government to help third sector organisations to recover from the pandemic and/or invest in activity to ensure sustainability. The funding has been allocated towards staffing costs, IT costs within the new Training Centre, and a small contribution to rent costs for one year.

The remaining restricted funds are in respect of smaller restoration and renovation projects in the Park.

The fair value reserve relates to the fair value adjustment on debtors due after one year, in line with the stated accounting policy.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

29. CAPITAL COMMITMENTS

At the balance sheet date, the Trust had capital commitments totalling £634,989 (2022 - £276,221) for costs relating to the undergoing construction works.

The total value of fixed assets under construction at the balance sheet date amounted to £1,291,880 (2022 - £336,759).

The new Training centre (Rural Development Fund project) was under physical construction at the balance sheet date. The Phase 2 Development project is a capital construction scheme in progress but still at the pre-implementation stage. Expenditure to date on that scheme relates mainly to ongoing design consultant costs, project staffing costs funded by the grant, a deposit for the new glass house (Vinery) and to some other costs incurred on clearance work and other pre-contract work.

30. SECURED GRANTS

A grant of up to £2,320,800 had been paid to the charity by the National Lottery Heritage Fund to assist in the first phase of the restoration of Penllergare Valley Woods. The National Lottery Heritage Fund has a right to demand repayment of some or all of the grant, should certain grant conditions not be met and has registered a legal charge over the lease of the Woods and the Observatory.

A further grant of up to £2,129,800 has also been awarded by the National Lottery Heritage fund to assist in the second phase of the restoration - the Walled Garden and adjoining areas. The NLHF has a right to demand repayment of some or all of the grant, should certain grant conditions not be met, and has registered a legal charge over the lease of the Walled Garden and adjacent areas.

31. RELATED PARTY TRANSACTIONS

The Trust made 2 related party transactions during the year:

A sum of £41,719 (plus VAT) (2022 - £128,211) was paid to Pass Property and Developments Ltd for construction work on the new Training and Excellence Centre. The sole director of Pass Property and Developments Ltd is the nephew of Raymond Butt, Trustee. The contract for the work was awarded following a robust competitive tendering process which was in line with the procurement procedures of the Trust and of the Rural Development Fund within the Welsh Government, who were the main funders of the project.

A Trustee, who wishes to remain anonymous, remitted £20,000 of monies to the Trust, consisting of £10,000 of donations and a £10,000 loan to fund the electrical installation for the new Training Centre. No repayments were made during the year for the loan and repayments are due to start June 2023.

32. POST BALANCE SHEET EVENTS

Since the Balance sheet date £570,341 has been spent in respect of the Phase 2 Development.