



Championing our heritage and culture

Laura Richards ACA
Godfrey Wilson Limited
Chartered Accountants & Statutory Auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

12 November 2021

Dear Laura

Letter of Representations on the Financial Statements for the Year Ended 31 March 2021

We confirm that the following representations are made on the basis of enquiries of the trustees, management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you:

1. We have fulfilled our responsibilities as trustees, as set out in the terms of your engagement letter dated 21 July 2021, under the Companies Act 2006 for preparing financial statements, in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

We confirm that in our opinion the financial statements give a true and fair view and in particular that where any additional information must be disclosed in order to give a true and fair view that information has in fact been disclosed. We confirm that the selection and application of the accounting policies used in the preparation of the financial statements are appropriate, and we approve these accounts for the year ended 31 March 2021.

2. We confirm that all accounting records have been made available to you for the purpose of your examination, in accordance with your terms of engagement, and that all the transactions undertaken by the charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management, trustees' and members' meetings, have been made available to you. We have given you unrestricted access to persons within the charity in order to obtain evidence and have provided any additional information that you have requested for the purposes of your examination.
3. We confirm the charity has satisfactory title to all assets and there are no liens or encumbrances on the assets, except for those disclosed in the financial statements.
4. We confirm that significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. We confirm that we have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
5. We confirm that the charity has no liabilities or contingent liabilities other than those disclosed in the financial statements.



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6. We confirm that all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the applicable financial reporting framework.
 7. We confirm that there have been no events since the balance sheet date which require disclosing or which would materially affect the amounts in the financial statements, other than those already disclosed or included in the financial statements.
 8. We confirm that we are aware that a related party of the charity is a person or organisation which either (directly or indirectly) controls, has joint control of, or significantly influences the charity or vice versa and as a result will include: trustees/directors, other key management, close family and other business interests of the previous. We confirm that all related party relationships and transactions have been accounted for and disclosed in accordance with the applicable financial reporting framework.
 9. We confirm that the charity neither had, at any time during the year, any arrangement, transaction or agreement to provide credit facilities (including advances and credits granted by the charity) for trustees, nor provided guarantees of any kind on behalf of the trustees except as disclosed in the financial statements.
 10. We confirm that the charity has not contracted for any capital expenditure other than as disclosed in the financial statements.
 11. We confirm that the charity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
 12. We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the charity conducts its activities and which are central to the charity's ability to conduct its activities, except as explained to you and as disclosed in the financial statements.
 13. We acknowledge our responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud. We confirm that we have disclosed to you the results of our risk assessment of the risk of fraud in the organisation. There have been no deficiencies in internal control of which we are aware.
 14. We confirm that there have been no actual or suspected instances of fraud involving trustees, management or employees who have a significant role in internal control or that could have a material effect on the financial statements. We also confirm that we are not aware of any allegations of fraud by trustees, former trustees, employees, former employees, regulators or others.
 15. We confirm that, in our opinion, the charity's financial statements should be prepared on the going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. In reaching this conclusion, we have taken into account all relevant matters of which we are aware, and have considered a period of at least one year from the date on which the financial statements will be approved.
 16. We confirm that in our opinion the effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole.
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Friends of the Cotswolds



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17. We confirm that we are not aware of any matters of material significance that should be reported to regulators. We confirm that all correspondence with the Charity Commission has been made available to you.
18. We confirm that all grants, donations and other income, including those subject to special terms or conditions or received for restricted purposes, have been notified to you. There have been no breaches of terms or conditions during the period regarding the application of such income.

Yours sincerely

David Rockey

David Rockey - Trustee
For and on behalf of the trustees of Friends of the Cotswolds

Company no. 03650374
Charity no. 1115119

Friends of the Cotswolds
Report and Unaudited Financial
Statements
31 March 2021

Friends of the Cotswolds

Reference and administrative details

For the year ended 31 March 2021

Company number	03650374
Charity number	1115119
Registered office and operational address	3 The Green Northleach Cheltenham Gloucestershire GL54 3EX
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Harry Acland Paul Blacker Louise Chandler-Mullins Kate Farquhar-Thomson Christopher Hancock Karen Morgan OBE DL Simon Randall CBE Dr David Rockey Lt Col Andrew Tabor Andrew Wade
Company secretary	Simon Randall CBE (resigned 3 November 2021) Louise Chandler-Mullins (appointed 3 November 2021)
Bankers	Lloyds Bank High Street Moreton-in-Marsh Gloucestershire GL56 0AY
Independent examiners	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor, Mariner House 62 Prince Street Bristol BS1 4QD

Friends of the Cotswolds

Report of the trustees

For the year ended 31 March 2021

The trustees are pleased to present their report and financial statements for the year ended 31 March 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Structure, governance and management

The charity is controlled by its Memorandum and Articles of Association as a limited company, limited by guarantee, as defined by the Companies Act 2006.

Trustees are recruited and appointed for their knowledge of the Cotswolds and their business and other skills.

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

Objectives and activities

The purposes of the charity as set out in its governing documents include the following:

- Promoting, enhancing, improving and protecting the physical and natural environment of the Cotswolds Area of Outstanding Natural Beauty and adjoining and adjacent areas;
- Advancing the education of the public to the AONB;
- Providing within the AONB facilities in the interest of social welfare for recreation, sport and leisure time occupation;
- Preserving buildings and/or sites within the area of historic or architectural merit; and
- Such other charitable activities consistent with the above objects.

The main activities undertaken during the year to meet the purposes of the charity are:

- Ownership and renovation of, and fund raising for, its freehold ownership of Grade II* listed Georgian prison at Northleach, Gloucestershire. During the year we have completed the replacement of the roof above the female cell block after a lead theft.
- Promoting Cotswold Crafts Apprenticeship Scheme (CCAS) for important rural crafts which contribute towards the unique landscape and architecture of the Cotswolds. During the year we recruited an additional apprentice to the scheme which now includes two saddlery and two stone mason apprentices. Discussions are ongoing with bee farmers, blacksmiths and a Cotswold roofer. Recruitment has been delayed due to COVID-19.
- Thanks to a grant from the National Lottery Heritage Fund under their Cultural Recovery Fund, we produced a Business Strategy and Business Plan, Interpretation Report and Audience Development Plan for the Old Prison. This has been approved by the trustees and will now be used to drive the charity's plans forward at the Old Prison.
- Promoting the Cotswolds, the nationally important collection of agricultural artefacts at the Old Prison, and interpreting this collection and the Old Prison itself, with plans to improve the visitor experience at the Old Prison being confirmed and developed for launch in Q3 2021.

Friends of the Cotswolds

Report of the trustees

For the year ended 31 March 2021

The charity trustees are aware of the Charity Commission guidance on public benefit and confirm that they have complied with the duty under Section 17 of the Charities Act 2011. The Old Prison, its café and the collection is open to the general public throughout the year.

Covid-19

COVID-19 has had a significant impact on the charity in the last financial year. The museum and cafe were closed for much of the period; March - July 2020, November 2020 and from the end of December 2020 - beyond the end of the financial year. This had a significant impact on projected revenues; from both cafe turnover share, event revenues and fundraising. However, costs were also reduced through closing the building, and where we were ineligible for Government business grants, rents were still collected to ensure our financial obligations were covered.

The trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved, for the following reasons:

- The charity holds reserves, as detailed in the policy below; and
- Re-opening of the Café, should significantly increase the charity's income.

The trustees, therefore, consider it appropriate to adopt the going concern basis of preparation of the accounts, as detailed in Note 1(b) to the financial statements.

Achievements and performance

Having come through what we hope is the worst of the COVID-19 pandemic, the trustees have also undertaken to take significant steps forward in our strategic planning for the Old Prison to ensure the financial future of the site in line with our charitable objectives. Having approved the business plan and strategy, work is now ongoing to put this next phase at the Old Prison in place. Fundraising has been extremely challenging during the past 12 months; we will now continue our active fundraising exercise over the coming months for the next phase of work.

Financial review

The finances of the charity are sound. The Old Prison was purchased by the charity from Cotswold District Council in July 2013 with the benefit of a twenty year fixed rate repayment mortgage. The office premises at the building are let to the Cotswolds Conservation Board at a rent which includes the original mortgage repayments.

Reserves policy

At 31 March 2021, the charity had reserves of £357,003 (2020: £370,066), of which £95,432 (2020: £114,359) were restricted and £261,571 (2020: £255,707) were unrestricted.

The majority of our expenditure on the Old Prison will be undertaken with the benefit of grants, and long and short term loans, obtained from either charitable, public or individual sources and the charity would only contemplate projects if it is certain funding is available as and when required. We are particularly grateful to our funders referred to in the accounts. The charity is keen to build up its reserves and increase its regular income as mentioned above. Most of the charity's income has been notionally reserved for specific expenditure, such as CCAS.

Friends of the Cotswolds

Report of the trustees

For the year ended 31 March 2021

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

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

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 which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Independent examiners

Godfrey Wilson Limited were re-appointed as independent examiners to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 12 November 2021 and signed on their behalf by

David Rockey

Dr David Rockey - Chair

Independent examiner's report

To the trustees of

Friends of the Cotswolds

I report to the trustees on my examination of the accounts of Friends of the Cotswolds (the charitable company) for the year ended 31 March 2021, which are set out on pages 6 to 18.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

Laura May Richards

Date: 15 November 2021

Laura Richards ACA

Member of the ICAEW

For and on behalf of:

Godfrey Wilson Limited

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

Friends of the Cotswolds

Statement of financial activities *(incorporating an income and expenditure account)*

For the year ended 31 March 2021

	Note	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Income from:					
Donations	3	38,400	17,047	55,447	113,375
Charitable activities	5	-	46,866	46,866	36,952
Other income	6	-	44,123	44,123	743
Total income		<u>38,400</u>	<u>108,036</u>	<u>146,436</u>	<u>151,070</u>
Expenditure on:					
Raising funds		3,500	3,934	7,434	8,866
Charitable activities		<u>53,827</u>	<u>98,238</u>	<u>152,065</u>	<u>83,729</u>
Total expenditure	7	<u>57,327</u>	<u>102,172</u>	<u>159,499</u>	<u>92,595</u>
Net income / (expenditure)		(18,927)	5,864	(13,063)	58,475
Transfers between funds		-	-	-	-
Net movement in funds	8	(18,927)	5,864	(13,063)	58,475
Reconciliation of funds:					
Total funds brought forward		<u>114,359</u>	<u>255,707</u>	<u>370,066</u>	<u>311,591</u>
Total funds carried forward		<u><u>95,432</u></u>	<u><u>261,571</u></u>	<u><u>357,003</u></u>	<u><u>370,066</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 17 to the accounts.

Friends of the Cotswolds

Balance sheet

As at 31 March 2021

	Note	£	2021 £	2020 £
Fixed assets				
Heritage assets	10		579,638	595,627
Current assets				
Debtors	12	4,012		14,511
Cash at bank and in hand		168,739		133,399
		172,751		147,910
Liabilities				
Creditors: amounts falling due within 1 year	13	(41,099)		(50,875)
Net current assets			131,652	97,035
Total assets less current liabilities			711,290	692,662
Creditors: amounts falling due after more than 1 year	14		(354,287)	(322,596)
Net assets	16		357,003	370,066
Funds	17			
Restricted funds			95,432	114,359
Unrestricted funds				
Designated funds			2,130	2,130
General funds			259,441	253,577
Total charity funds			357,003	370,066

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the Company keeps proper accounting records which comply with section 386 of the Act; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 12 November 2021 and signed on their behalf by

David Rockey

David Rockey - Chair

Friends of the Cotswolds

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Friends of the Cotswolds meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. However, the COVID-19 pandemic has had a profound impact on the global economy, and has in turn affected the charity. The trustees have considered the impact of this issue on the charity's current and future financial position. The charity has unrestricted net current assets of £34,090 (2020: £19,454 net liabilities) at the balance sheet date, and there is a cash balance of £168,739. The charity has taken advantage of several forms of loan financing including a government backed Bounce Back Loan issued during the year for £35,000. The trustees therefore consider that the charity is a going concern for a period of at least 12 months from the date on which these financial statements are approved.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Rental income received in advance is deferred until criteria for income recognition are met.

Income from the sale of goods is recognised at the physical point of sale when goods are transferred to the customer.

d) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Friends of the Cotswolds

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

e) Expenditure and irrecoverable VAT

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

f) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities based on the proportion of direct costs, as follows:

	2021	2020
Raising funds	4.7%	9.6%
Charitable activities	95.3%	90.4%

g) Heritage assets

Heritage assets are measured at historical cost less accumulated depreciation. Depreciation is provided at rates calculated to write down the cost of each tangible heritage asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Buildings	4% straight line
Land	not depreciated

Costs relating to the acquisition or improvement of heritage assets are capitalised. Restoration and ongoing maintenance works are charged to expenditure in the year in which they are incurred.

h) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

i) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

j) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Friends of the Cotswolds

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

k) Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

l) Accounting estimates and key judgements

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

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

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are policies relating to heritage assets (note 1 (g)) described above.

2. Prior period comparatives

	Restricted £	Unrestricted £	2020 Total £
Income from:			
Donations	94,831	18,544	113,375
Charitable activities	-	36,952	36,952
Other income	-	743	743
Total income	94,831	56,239	151,070
Expenditure on:			
Raising funds	3,025	5,841	8,866
Charitable activities	46,205	37,524	83,729
Total expenditure	49,230	43,365	92,595
Net income / (expenditure)	45,601	12,874	58,475
Transfers between funds	(139,345)	139,345	-
Net movement in funds	(93,744)	152,219	58,475

Friends of the Cotswolds

Notes to the financial statements

For the year ended 31 March 2021

3. Donations

	Restricted £	Unrestricted £	2021 Total £
Grants > £5,000			
Cultural Recovery Fund	38,400	-	38,400
Cotswold District Council Covid Grant	-	12,000	12,000
Total grant income	38,400	12,000	50,400
Other donations and gift aid	-	4,870	4,870
Membership subscriptions	-	177	177
Total income from donations	38,400	17,047	55,447
Prior period comparative			
	Restricted £	Unrestricted £	2020 Total £
Grants > £5,000			
Rural Development Programme for England	39,159	-	39,159
David Thomas Trust	7,500	-	7,500
Elizabeth Creak Charitable Trust	15,000	-	15,000
Grants < £5,000	8,608	2,500	11,108
Total grant income	70,267	2,500	72,767
Other donations and gift aid	24,564	15,867	40,431
Membership subscriptions	-	177	177
Total income from donations	94,831	18,544	113,375

4. Government grants

The charitable company receives government grants in the form of the Cultural Recovery Fund and a Covid grant from the CDC to fund charitable activities. The total value of such grants in the period ending 31 March 2021 was £50,400 (2020: £nil). There are no unfulfilled conditions or contingencies attaching to these grants in 2020/21.

Friends of the Cotswolds

Notes to the financial statements

For the year ended 31 March 2021

5. Income from charitable activities

	Restricted £	Unrestricted £	2021 Total £
Rental income	-	27,697	27,697
Café income	-	18,870	18,870
Sale of books and Christmas cards	-	299	299
Total income from charitable activities	-	46,866	46,866

Prior period comparative

	Restricted £	Unrestricted £	2020 Total £
Rental income	-	32,489	32,489
Café income	-	4,309	4,309
Sale of books and Christmas cards	-	154	154
Total income from charitable activities	-	36,952	36,952

6. Other income

	Restricted £	Unrestricted £	2021 Total £
Insurance refund	-	44,123	44,123

Friends of the Cotswolds

Notes to the financial statements

For the year ended 31 March 2021

7. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2021 Total £
Old Prison maintenance	-	51,805	-	51,805
Old Prison venue costs	-	3,667	-	3,667
Mortgage interest	-	11,653	-	11,653
General expenses	450	13,762	3,536	17,748
Consultancy	5,750	29,951	2,900	38,601
Insurance	-	-	685	685
Depreciation	-	15,989	-	15,989
Grants paid*	-	-	19,351	19,351
Sub-total	6,200	126,827	26,472	159,499
Allocation of support and governance costs	1,234	25,238	(26,472)	-
Total expenditure	7,434	152,065	-	159,499

Prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2020 Total £
Old Prison maintenance	-	6,164	-	6,164
Old Prison venue costs	-	5,434	-	5,434
Mortgage interest	-	13,613	-	13,613
General expenses	3,073	7,630	11,871	22,574
Consultancy	3,025	9,187	10,007	22,219
Insurance	-	-	633	633
Depreciation	-	15,562	-	15,562
Grants paid*	-	-	6,396	6,396
Sub-total	6,098	57,590	28,907	92,595
Allocation of support and governance costs	2,768	26,139	(28,907)	-
Total expenditure	8,866	83,729	-	92,595

Total governance costs were £1,700 (2020: £1,650).

*Grants paid are salary costs for 2 individuals on the Cotswold Crafts Apprenticeship Scheme (2020: 2 individuals).

Friends of the Cotswolds

Notes to the financial statements

For the year ended 31 March 2021

8. Net movement in funds

This is stated after charging:

	2021 £	2020 £
Depreciation	15,989	15,562
Trustees' indemnity insurance	685	633
Trustees' donations	3,800	14,900
Trustees' reimbursed expenses	Nil	439
Independent examiner's remuneration:		
▪ IE and statutory accounts preparation (excluding VAT)	1,700	1,650

The key management personnel of the charity consists of the trustees. One trustee received remuneration of £14,539 (2020: £17,970) during the year for administration, fundraising and project management work for the charity.

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10. Heritage assets

	Total £
Cost	
At 1 April 2020	649,726
Additions in year	-
At 31 March 2021	649,726
Depreciation	
At 1 April 2020	54,099
Charge for the year	15,989
At 31 March 2021	70,088
Net book value	
At 31 March 2021	579,638
At 31 March 2020	595,627

Heritage assets consist of the Old Prison building in Northleach, Gloucestershire. The Old Prison is a Grade II* listed building of cultural and historical value to the local area. The total net book value of the assets is pledged as security for the Cotswold District Council loan.

Friends of the Cotswolds

Notes to the financial statements

For the year ended 31 March 2021

11. Summary analysis of heritage asset transactions

	2021 £	2020 £	2019 £	2018 £	2017 £
Improvements cost	<u>-</u>	<u>79,591</u>	<u>165,952</u>	<u>-</u>	<u>-</u>

Heritage asset additions represent capital improvements made to the Old Prison. There have been no heritage assets acquired by donation. No heritage assets have been disposed of and no impairments have been or are required to be recognised in the period. All heritage assets are recognised on the balance sheet.

12. Debtors

	2021 £	2020 £
Trade debtors	3,017	2,185
VAT	-	148
Accrued income	<u>995</u>	<u>12,178</u>
	<u>4,012</u>	<u>14,511</u>

13. Creditors: amounts due within 1 year

	2021 £	2020 £
Loans	23,309	40,261
Trade creditors	13,382	4,510
Accruals	<u>4,408</u>	<u>6,104</u>
	<u>41,099</u>	<u>50,875</u>

14. Creditors: amounts due after 1 year

	2021 £	2020 £
Loans	<u>354,287</u>	<u>322,596</u>

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Notes to the financial statements

For the year ended 31 March 2021

15. Analysis of debt maturity

	2021 £	2020 £
Amounts falling due:		
In 1 - 2 years	72,026	40,261
In 2 - 5 years	90,860	88,454
In more than 5 years	<u>214,710</u>	<u>234,142</u>
	<u>377,596</u>	<u>362,857</u>

Included within loans is a mortgage which is provided by the Cotswold District Council and is repayable over 20 years at a fixed interest rate of 3.5%. The total outstanding at year end is £322,596.

Included within loans repayable in more than one year are four private, unsecured loans of £5,000 each, totalling £20,000. No interest is charged on these loans.

Included within loans is a Bounce Back Loan issued by Lloyds Bank in November 2020 held at year end at £35,000. The interest is guaranteed by the government until December 2021, and the loan will be repaid in full in November 2026. The fixed interest rate chargeable after the first year is 2.5%.

16. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Fixed assets	-	-	579,638	579,638
Net current assets	95,432	2,130	34,090	131,652
Non current liabilities	<u>-</u>	<u>-</u>	<u>(354,287)</u>	<u>(354,287)</u>
Net assets at 31 March 2021	<u>95,432</u>	<u>2,130</u>	<u>259,441</u>	<u>357,003</u>

Prior period comparatives

	Restricted funds £	Designated funds £	General funds £	Total funds £
Fixed assets	-	-	595,627	595,627
Net current assets	114,359	2,130	(19,454)	97,035
Non current liabilities	<u>-</u>	<u>-</u>	<u>(322,596)</u>	<u>(322,596)</u>
Net assets at 31 March 2020	<u>114,359</u>	<u>2,130</u>	<u>253,577</u>	<u>370,066</u>

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Notes to the financial statements

For the year ended 31 March 2021

17. Movements in funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2021 £
Restricted funds					
CRF funded project at the Old Prison	-	38,400	(36,851)	-	1,549
Cotswold Craft Apprenticeship Scheme	112,754	-	(20,476)	-	92,278
Leyhill Prison	1,263	-	-	-	1,263
Shepherd's Hut	342	-	-	-	342
Total restricted funds	114,359	38,400	(57,327)	-	95,432
Unrestricted funds					
<i>Designated funds</i>					
Leyhill Prison	2,130	-	-	-	2,130
General funds	253,577	108,036	(102,172)	-	259,441
Total unrestricted funds	255,707	108,036	(102,172)	-	261,571
Total funds	370,066	146,436	(159,499)	-	357,003

Purposes of restricted funds

CRF funded project at the Old Prison	The Culture Recovery Fund for Heritage has granted £38,400 for the initial part of Phase 2 of the Old Prison project. This is primarily regarding interpretation and presentation of the building as a heritage project. Louise Chandler-Mullins worked on this project with various consultants – her costs were approved by the funders.
Cotswold Craft Apprenticeship Scheme	Partnering with a local college to jointly provide a full apprenticeship scheme for a number of different rural heritage skills.
Leyhill Prison	Project supporting work to be undertaken by prisoners to repair wooden parts of the roof and structure covering the large collection of agricultural bygoners to the rear of the principal building at HMP Leyhill.
Shepherd's Hut	This is to fund the repair and maintenance of a historical Shepherd's Hut house at the Old Prison.

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Notes to the financial statements

For the year ended 31 March 2021

17. Movements in funds (continued)

Purposes of designated funds

Leyhill prison

Project supporting work to be undertaken by prisoners to repair wooden parts of the roof and structure covering the large collection of agricultural bygones to the rear of the principal building at HMP Leyhill.

Prior period comparatives

	At 1 April 2019 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2020 £
Restricted funds					
Northleach Old Prison Appeal	116,111	66,068	(42,834)	(139,345)	-
Cotswold Craft Apprenticeship Scheme	91,650	27,500	(6,396)	-	112,754
Leyhill Prison	-	1,263	-	-	1,263
Shepherd's Hut	342	-	-	-	342
Total restricted funds	208,103	94,831	(49,230)	(139,345)	114,359
Unrestricted funds					
<i>Designated funds</i>					
Leyhill Prison	2,130	-	-	-	2,130
General funds	101,358	56,239	(43,365)	139,345	253,577
Total unrestricted funds	103,488	56,239	(43,365)	139,345	255,707
Total funds	311,591	151,070	(92,595)	-	370,066

18. Related party transactions

During the year ended 31 March 2021, in aggregate, the trustees gave donations amounting to £3,800 (2020: £14,400) to the charity.

The trustees, Karen Morgan, David Rockey, Andrew Tabor and Chris Hancock all made an interest-free, unsecured short term loan of £5,000 each to the charity during the prior year. The full balance of £20,000 was outstanding at 31 March 2021.



Championing our heritage and culture

Laura Richards ACA
Godfrey Wilson Limited
Chartered Accountants & Statutory Auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

12 November 2021

Dear Laura

Letter of Representations on the Financial Statements for the Year Ended 31 March 2021

We confirm that the following representations are made on the basis of enquiries of the trustees, management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you:

1. We have fulfilled our responsibilities as trustees, as set out in the terms of your engagement letter dated 21 July 2021, under the Companies Act 2006 for preparing financial statements, in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

We confirm that in our opinion the financial statements give a true and fair view and in particular that where any additional information must be disclosed in order to give a true and fair view that information has in fact been disclosed. We confirm that the selection and application of the accounting policies used in the preparation of the financial statements are appropriate, and we approve these accounts for the year ended 31 March 2021.

2. We confirm that all accounting records have been made available to you for the purpose of your examination, in accordance with your terms of engagement, and that all the transactions undertaken by the charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management, trustees' and members' meetings, have been made available to you. We have given you unrestricted access to persons within the charity in order to obtain evidence and have provided any additional information that you have requested for the purposes of your examination.
3. We confirm the charity has satisfactory title to all assets and there are no liens or encumbrances on the assets, except for those disclosed in the financial statements.
4. We confirm that significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. We confirm that we have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
5. We confirm that the charity has no liabilities or contingent liabilities other than those disclosed in the financial statements.



Championing our heritage and culture

6. We confirm that all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the applicable financial reporting framework.
 7. We confirm that there have been no events since the balance sheet date which require disclosing or which would materially affect the amounts in the financial statements, other than those already disclosed or included in the financial statements.
 8. We confirm that we are aware that a related party of the charity is a person or organisation which either (directly or indirectly) controls, has joint control of, or significantly influences the charity or vice versa and as a result will include: trustees/directors, other key management, close family and other business interests of the previous. We confirm that all related party relationships and transactions have been accounted for and disclosed in accordance with the applicable financial reporting framework.
 9. We confirm that the charity neither had, at any time during the year, any arrangement, transaction or agreement to provide credit facilities (including advances and credits granted by the charity) for trustees, nor provided guarantees of any kind on behalf of the trustees except as disclosed in the financial statements.
 10. We confirm that the charity has not contracted for any capital expenditure other than as disclosed in the financial statements.
 11. We confirm that the charity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
 12. We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the charity conducts its activities and which are central to the charity's ability to conduct its activities, except as explained to you and as disclosed in the financial statements.
 13. We acknowledge our responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud. We confirm that we have disclosed to you the results of our risk assessment of the risk of fraud in the organisation. There have been no deficiencies in internal control of which we are aware.
 14. We confirm that there have been no actual or suspected instances of fraud involving trustees, management or employees who have a significant role in internal control or that could have a material effect on the financial statements. We also confirm that we are not aware of any allegations of fraud by trustees, former trustees, employees, former employees, regulators or others.
 15. We confirm that, in our opinion, the charity's financial statements should be prepared on the going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. In reaching this conclusion, we have taken into account all relevant matters of which we are aware, and have considered a period of at least one year from the date on which the financial statements will be approved.
 16. We confirm that in our opinion the effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole.
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17. We confirm that we are not aware of any matters of material significance that should be reported to regulators. We confirm that all correspondence with the Charity Commission has been made available to you.
18. We confirm that all grants, donations and other income, including those subject to special terms or conditions or received for restricted purposes, have been notified to you. There have been no breaches of terms or conditions during the period regarding the application of such income.

Yours sincerely

David Rockey

David Rockey - Trustee
For and on behalf of the trustees of Friends of the Cotswolds