

REGISTERED COMPANY NUMBER: 06779241 (England and Wales)
REGISTERED CHARITY NUMBER: 1127871

**Report of the Trustees and
Financial Statements for the Year Ended 31st March 2023
for
Hartlebury Castle Preservation Trust**

Ormerod Rutter Limited
The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

Hartlebury Castle Preservation Trust

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for the Year Ended 31st March 2023**

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Hartlebury Castle Preservation Trust

**Reference and Administrative Details
for the Year Ended 31st March 2023**

TRUSTEES	Mr R J Earl Mr S L Ellis Ms S J Finch Ms V Floy (resigned 14.2.23) Mr R D Greenwood Mr S K Munday Ms H A D M Rawles (resigned 8.8.23) Mr P West Mr R J Amphlett (appointed 14.2.23) Mr D H Smith (appointed 14.2.23) Mr P B Stickland (appointed 14.2.23)
REGISTERED OFFICE	Hartlebury Castle Hartlebury Kidderminster Worcestershire DY11 7XZ
REGISTERED COMPANY NUMBER	06779241 (England and Wales)
REGISTERED CHARITY NUMBER	1127871
INDEPENDENT AUDITORS	Ormerod Rutter Limited The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY
DIRECTOR	Mr S R Bagnall
PROPERTY RENTAL AGENTS	G Herbert Banks The Estate Office Hill House Great Witley Worcestershire WR6 6JB

Hartlebury Castle Preservation Trust

Report of the Trustees for the Year Ended 31st 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 31st 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charitable purpose of the Trust is to preserve for the benefit of the people of Worcestershire and the nation, Hartlebury Castle and its historic contents including the Hurd Library, alongside its grounds, parkland and gardens. Secondly to advance the education of the public in the local history and architecture of Worcestershire and the surrounding areas.

Hartlebury Castle was the home of successive Bishops of Worcester for over 1000 years (from 855 to 2007) and is now owned and managed by Hartlebury Castle Preservation Trust. The Trust acquired the property and grounds in 2017 for the use and enjoyment of the community, and to allow the nationally important Hurd Library to remain intact and on the shelves in the room originally built for it. The Trust opened the Bishop's Palace to the public in May 2018 and invites visitors of all ages and backgrounds to enjoy exploring the history and heritage of the Castle and its grounds and hear some of the fascinating stories of the people who lived and worked there.

Alongside the visitor attraction the Trust presents a diverse programme of themed weekends and ticketed entertainment events including indoor and outdoor theatre and music events and hosts a variety of private and corporate events.

The Trust also hosts Worcestershire County Museum (operated separately by a partnership between Worcester City Council and Worcestershire County Council) on the site.

"We loved the talking portraits who guided you round the tour. The whole place had been beautifully restored and had so many things to see and do."(Visitor quote)

Our Vision is that:

Hartlebury Castle, through careful stewardship, is cherished, celebrated and understood, providing an unmissable experience that inspires, informs and delights all who visit.

We believe in:

- Sharing the diversity of historical and natural landscapes that contribute to the uniqueness of Hartlebury Castle.
- Treasuring Hartlebury Castle and its collections and becoming recognised as a passionate and innovative leader in the guardianship and sharing of our heritage.
- Developing the gardens and grounds to provide an ecological haven for wildlife and telling the story of the Castle's estate over its 1000 year history.
- Enthusiasing partners and communities to nurture learning and engagement and to encourage wellbeing.

"Beautiful castle, amazing historical experience blending new technology into an ancient building. Great help from the guides without being overbearing. Spent hours there and didn't realise."(Visitor quote)

Public benefit

In setting the Trust's objectives and planning its activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The charity fulfils its purpose and its vision by opening Hartlebury Castle and its grounds and gardens to the public and sharing the stories and history of Hartlebury and the Bishops of Worcester in an entertaining and engaging way.

Hartlebury Castle Preservation Trust

Report of the Trustees for the Year Ended 31st March 2023

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Trustees Statement

The Trust has been trading for just 5 years, a period that has been characterised by unprecedented upheaval and business interruption. The year ending March 2023 marked the first full year of uninterrupted trading since 2019. Set against this background the Trust has found progressing from the start-up phase into achieving a sustainable business very challenging.

The early part of this year was marked by continued post COVID recovery with visitor numbers generally positive and back towards pre-pandemic levels. However, as the year progressed the impact of soaring inflation on admissions, event attendances and operational costs has had a negative impact on trading conditions. This is the first financial year in the Trust's history that it has traded without funding from the National Lottery Heritage Fund and has not received any other external funding in this period.

Despite the impact of challenging external factors, the Trust continued to build on the business planning and development work that took place during the pandemic closure period, presenting a well-received programme of events and activities designed to be attractive and engaging to visitors of all ages.

The Trust is committed to delivering a high-quality heritage experience that is both informative and entertaining. Visitor feedback continues to be very positive. A selection of visitor comments from this year are contained in this document.

"A wonderful place for exploring history and the grounds. Something for all ages, would thorough recommend."(Visitor quote)

Charitable activities

The Trust has continued to provide a warm welcome to visitors of all ages and backgrounds, and to share the history of the Castle and the stories of the Bishops of Worcester.

Once again priority has been given to family visitors, with the aim of entertaining and inspiring young visitors, encouraging a lifetime of heritage attraction visits. New initiatives this year included a visit from The Sealed Knot with a major weekend of civil war period re-enactment and four days of family Easter celebrations including egg hunts.

Trustees were delighted to be able to open the new adventure playground which has proved to be a very popular and well received addition to the visitor attraction and has inspired more families to explore the estate.

"We visited on Saturday and were blessed with a beautiful sunny day. All the staff were lovely and very helpful. We loved the talking portraits who guided you round the tour. We were a mixed group of teens and grandparents, and we all enjoyed our tour."(Visitor quote)

Volunteering

The Trust would not be able to operate the visitor attraction without the ongoing support of an enthusiastic team of volunteers. Tasks undertaken include gardens and grounds maintenance, property maintenance, house stewards, library volunteers, and events and activities support.

Feedback suggests that our visitors greatly value our volunteers approachable and knowledgeable presence on the site.

Volunteer recruitment has been ongoing this year with attendance at volunteer fairs and our volunteer open day resulting in a good level of new volunteers.

Trustees also give their time on a voluntary basis.

"What a fantastic place! Superb house immaculately restored. Welcoming staff and brilliant volunteers"(Visitor quote)

Hartlebury Castle Preservation Trust

Report of the Trustees for the Year Ended 31st March 2023

Future Ambition - Looking Forward

Increasing visitor numbers continues to be a primary objective and much of the planned activity over the coming year feeds into this aim. Trustees are keen to build on successes such as The Sealed Knot weekend and present other large scale themed events that have a significant impact.

"Amazing Experience Today! Thank you to everyone who was involved in making today's Civil War event happen from the volunteers to the staff and Sealed Knot team we had an amazing family day out!"(Visitor quote)

The Trust are keen to open up access to more of the estate to improve the experience and dwell time for grounds and gardens visitors. This is part of the longer-term estate management plan which is currently being developed. Funding has been secured for an initial ecology survey.

Longer term planning is set in the context of negotiations with Worcestershire County Council over the renewal of the lease arrangements relating to hosting the Worcestershire County Museum on the site. The current leases expire in 2026. Both parties are negotiating on the basis that the museum remains a part of the visitor attraction although Trustees are exploring other options for the spaces should that position change.

"Such a great place to visit. We thought we would see everything in 2 or 3 hours but we were there all day"(Visitor quote)

FINANCIAL REVIEW

Financial position

The charity has received grant income totalling £1,085 (2022: £274,579) in the year, with this year's grant income being Kickstart funding towards employment costs. Prior year grant income includes £83,377 received from the National Lottery Heritage Fund to help fund the refurbishment of the Castle and grounds and £143,757 from the National Lottery Heritage Fund Culture Recovery Fund to help the charity recover from months of lost income following the coronavirus pandemic. These funds were fully expensed in the year, with the remaining restricted fund balances relating to the value of fixed assets purchased.

The charity also benefits from being able to rent out several properties on the grounds of the castle which have generated income of £33,240 (2022: £30,818).

The balance sheet shows that the charity held cash of £216,051 the 31st March 2023, which is a decrease of £14,305 on the 2022 level of £230,356.

At 31st March 2023, the charity held net assets of £4,604,179 (2022: £4,693,086) of which £4,490,260 (2022: £4,490,260) is represented by the cost of the freehold property and subsequent refurbishment costs. There were unrestricted reserves at the year end of £45,854 (2022: £76,162) of which £32,351 (2022: £68,854) are considered free reserves, which can be spent on charitable activities as the trustees see fit. Free reserves are considered to be unrestricted funds, less the value of fixed assets not covered by restricted funds. More details regarding the funds can be found in note 24.

Reserves policy

The attached financial statements show the current state of the finances and of the charity's income and expenditure for the year. The trustees regularly examine the requirements for income reserves adequate to ensure the charity will continue to meet its future needs, and recognise that increased reserves are required.

The Trustees are committed to growing a unrestricted funds over the coming years in accordance with the business plan. The unrestricted reserves held at the 31st March 2023 of £45,854 (2022: £76,162) represents just over 2 months unrestricted fund expenditure at the level shown in the accounts, which the trustees consider to be the absolute minimum level of reserves that should be held in the charity at any one time.

Hartlebury Castle Preservation Trust

Report of the Trustees for the Year Ended 31st March 2023

FUTURE PLANS

This is the first year that the Trust received no public grant funding. Trustees recognise that progress towards achieving a resilient and sustainable business has been hampered by external factors and is taking longer to achieve than the business plan produced at the end of 2020 indicated. Trustees are taking action to ensure that the business remains robust. This includes multi-year Resilience and Recovery grant funding from the National Lottery Heritage Fund and implementing a comprehensive new fundraising strategy. Progress is being made with a new individual philanthropy scheme.

Alongside the events and engagement programme the Trust hosts wedding, private parties, and corporate events. The Trust will continue to diversify its revenue by promoting this activity and looking for new opportunity for commercial revenue.

"Held wedding reception there. Cannot recommend highly enough. Extremely efficient and nothing was too much trouble. Excellent service in fabulous building."(Wedding client)

The Trust believes Hartlebury Castle offers an excellent visitor experience and has confidence in the long-term viability of the heritage attraction. The Trust is committed to ensuring new arrangements negotiated around the Worcestershire County Museum lease renewal in 2026 add to the future resilience and sustainability of the Trust.

"Have visited several times over the years- it never fails to make things interesting. The displays are superb both for young and old. The staff in every area were pleasant and helpful. For the first time we visited the Bishops Palace- fantastic presentation making the history really come alive. A really enjoyable day out. And lunch was pretty good too."(Visitor quote)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Recruitment and appointment of new trustees

As defined in the Memorandum and Articles of Association of the charity, the trustees as charity trustees have control of the charity and its property and funds. The trustees body when complete consists of at least three and not more than eleven individuals, all of whom must be members of the Trust. One third (or the number nearest one third) of the trustees must retire at each AGM, with those longest in office retiring first and the choice between any of equal service being made by drawing lots. If the members at the meeting at which a trustee retires by rotation does not fill the vacancy, the retiring trustee shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the appointment of the trustee is put to the meeting and lost.

All trustees give their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity are set out in the notes to the accounts.

The board of trustees regularly reviews its composition in terms of practical skills, business acumen and knowledge. Where a potential deficiency is identified, or in order to enhance the pool of trustees, the charity has, through selective advertising and networking, sought to identify persons who would be willing to become members and trustees and use their own experience to assist the charity.

Potential new trustees are encouraged to attend at least one board meeting to familiarise themselves with the operation and governance of the charity prior to appointment as a trustee. They are encouraged to familiarise themselves with the guidance produced by the Charity Commission, in particular the publication 'The Essential Trustee'.

KEY MANAGEMENT

The day to day operations of the charity are delegated by the trustees to Director, Steve Bagnall.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Hartlebury Castle Preservation Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Hartlebury Castle Preservation Trust

Report of the Trustees for the Year Ended 31st March 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 10th October 2023 and signed on its behalf by:



Mr R J Amphlett - Trustee

Report of the Independent Auditors to the Members of Hartlebury Castle Preservation Trust

Opinion

We have audited the financial statements of Hartlebury Castle Preservation Trust (the 'charitable company') for the year ended 31st 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 27 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

Other than the item noted in the emphasis of matter paragraph, we confirm that we have nothing to report in respect of the following matters where the Charities Act 2011 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 financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Members of Hartlebury Castle Preservation Trust

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charitable company, we identified the principal risks of non-compliance with laws and regulations including those that have a direct impact on the preparation of the financial statements and the extent to which non-compliance might have a material effect on the financial statements. Audit procedures performed included discussions with management, review of board meeting minutes, testing of journals, designing and performing audit procedures and challenging assumptions and judgements made by management in relation to accounting estimates.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



Colm McGrory FCA (Senior Statutory Auditor)
for and on behalf of Ormerod Rutter Limited
The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

10th October 2023

Hartlebury Castle Preservation Trust

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the Year Ended 31st March 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	139,002	-	139,002	335,335
Charitable activities	6				
Preservation of Hartlebury Castle		23,800	-	23,800	9,186
Education of the public in local history and architecture		-	-	-	1,795
Other trading activities	4	8,581	-	8,581	4,232
Investment income	5	33,374	-	33,374	30,818
Total		204,757	-	204,757	381,366
EXPENDITURE ON					
Raising funds	7	2,799	-	2,799	15,059
Charitable activities	8				
Preservation of Hartlebury Castle		232,183	58,682	290,865	387,661
Education of the public in local history and architecture		-	-	-	1,119
Total		234,982	58,682	293,664	403,839
NET INCOME/(EXPENDITURE)		(30,225)	(58,682)	(88,907)	(22,473)
Transfers between funds	24	(83)	83	-	-
Net movement in funds		(30,308)	(58,599)	(88,907)	(22,473)
RECONCILIATION OF FUNDS					
Total funds brought forward		76,162	4,616,924	4,693,086	4,715,559
TOTAL FUNDS CARRIED FORWARD		45,854	4,558,325	4,604,179	4,693,086

The notes form part of these financial statements

Hartlebury Castle Preservation Trust

Balance Sheet 31st March 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	16	13,503	64,949	78,452	115,695
Heritage assets	17	-	4,490,260	4,490,260	4,490,260
Investments	18	1	-	1	1
		<u>13,504</u>	<u>4,555,209</u>	<u>4,568,713</u>	<u>4,605,956</u>
CURRENT ASSETS					
Debtors	19	42,189	3,116	45,305	156,843
Cash at bank and in hand		216,051	-	216,051	230,356
		<u>258,240</u>	<u>3,116</u>	<u>261,356</u>	<u>387,199</u>
CREDITORS					
Amounts falling due within one year	20	(25,890)	-	(25,890)	(200,069)
NET CURRENT ASSETS		<u>232,350</u>	<u>3,116</u>	<u>235,466</u>	<u>187,130</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>245,854</u>	<u>4,558,325</u>	<u>4,804,179</u>	<u>4,793,086</u>
CREDITORS					
Amounts falling due after more than one year	21	(200,000)	-	(200,000)	(100,000)
NET ASSETS		<u>45,854</u>	<u>4,558,325</u>	<u>4,604,179</u>	<u>4,693,086</u>
FUNDS	24				
Unrestricted funds				45,854	76,162
Restricted funds				<u>4,558,325</u>	<u>4,616,924</u>
TOTAL FUNDS				<u>4,604,179</u>	<u>4,693,086</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 10th October 2023 and were signed on its behalf by:



Mr R J Amphlett - Trustee

Hartlebury Castle Preservation Trust

**Cash Flow Statement
for the Year Ended 31st March 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	173	27,016
Intercompany loan		34	-
		<hr/>	<hr/>
Net cash provided by operating activities		207	27,016
		<hr/>	<hr/>
Cash flows from investing activities			
Purchase of tangible fixed assets		(14,646)	(81,828)
Interest received		134	-
		<hr/>	<hr/>
Net cash used in investing activities		(14,512)	(81,828)
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(14,305)	(54,812)
Cash and cash equivalents at the beginning of the reporting period		230,356	285,168
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period		216,051	230,356
		<hr/>	<hr/>

The notes form part of these financial statements

Hartlebury Castle Preservation Trust

Notes to the Cash Flow Statement
for the Year Ended 31st March 2023

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES	2023 £	2022 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(88,907)	(22,473)
Adjustments for:		
Depreciation charges	51,889	71,973
Interest received	(134)	-
WCC loan converted into grant	-	(25,000)
Decrease/(increase) in debtors	111,504	(25,987)
(Decrease)/increase in creditors	(74,179)	28,503
Net cash provided by operations	<u>173</u>	<u>27,016</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank and in hand	<u>230,356</u>	<u>(14,305)</u>	<u>216,051</u>
	<u>230,356</u>	<u>(14,305)</u>	<u>216,051</u>
Debt			
Debts falling due within 1 year	(100,000)	100,000	-
Debts falling due after 1 year	(100,000)	(100,000)	(200,000)
	<u>(200,000)</u>	<u>-</u>	<u>(200,000)</u>
Total	<u>30,356</u>	<u>(14,305)</u>	<u>16,051</u>

The notes form part of these financial statements

Hartlebury Castle Preservation Trust

Notes to the Financial Statements for the Year Ended 31st March 2023

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The accounts are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

GOING CONCERN

After assessing whether the going concern assumption is appropriate, taking into account all available information about the future, which is at least, but is not limited to, twelve months from the date when the financial statements are authorised, the trustees consider the charity able to continue as a going concern.

PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The financial statements contain information about The Hartlebury Castle Preservation Trust as an individual charity and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 and the Charities Act 2011 Section 139(2) from the requirements to prepare consolidated financial statements.

INCOME

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

Income from grants (including government grants) and donations is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income from grants is only deferred when the charity has to fulfil conditions not yet met before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Admissions and subscriptions are considered to be, in substance, donations rather than payment or services. Admissions are recognised on entry. Subscriptions are recognised over the period to which they relate on a straight-line basis.

Rental income is recognised in line with the periods to which such income relates, up to the extent that it is probable that such income is recoverable. Where recoverability of rental income is in doubt, such income is instead recognised on a cash basis.

Interest income is recognised for all interest-bearing instruments on an accrual basis.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

FIXED ASSET INVESTMENTS IN SUBSIDIARIES

Fixed asset investments in subsidiaries are measured at cost less impairment.

TANGIBLE FIXED ASSETS

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

Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Fixed assets costing less than £100 are not capitalised

Hartlebury Castle Preservation Trust

Notes to the Financial Statements - continued for the Year Ended 31st March 2023

1. ACCOUNTING POLICIES - continued

HERITAGE ASSETS

Heritage assets are recognised at cost and are considered to have indefinite useful lives. As such, Heritage assets are not depreciated and are instead reviewed annually for impairment.

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

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

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

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

PENSION COSTS

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

FINANCIAL INSTRUMENTS

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic Financial Assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic Financial Liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts, discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction cost.

CONCESSIONARY LOANS

Concessionary loan received from third parties on which no interest is to be charged are measured at historical cost.

Hartlebury Castle Preservation Trust

Notes to the Financial Statements - continued for the Year Ended 31st March 2023

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The charity makes estimates and assumptions concerning the future. The resulting estimates will, by definition, seldom equal the actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Depreciation

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful lives and residual values of the assets. The useful lives and residual values are re-assessed annually. They are amended when necessary to reflect the current estimates, based on the technological advancement, future investment, economic utilisation and the physical condition of the assets. Rates of depreciation are considered on a category basis and disclosed within the accounting policy for depreciation.

Valuation of Heritage Assets

Heritage Assets form a significant part of the value of net assets per the balance sheet. The financial statements are therefore sensitive to the change in value of these assets. Heritage Assets are recorded at cost as they are typically unique and therefore no active market is available. The Trustees assess Heritage Assets annually for impairment.

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	13,041	6,657
Donations from subsidiary	67,235	2,960
Grants	1,085	274,579
Subscriptions	1,484	1,127
Admissions	56,157	50,012
	<u>139,002</u>	<u>335,335</u>

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

	2023	2022
	£	£
National Lottery Heritage Fund - Culture Recovery Fund	-	143,757
National Lottery Heritage Fund	-	83,377
Worcestershire County Council	-	25,000
Wychavon District Council	-	10,667
Kickstart	1,085	6,628
Other grants	-	5,150
	<u>1,085</u>	<u>274,579</u>

4. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Fundraising events	<u>8,581</u>	<u>4,232</u>

5. INVESTMENT INCOME

	2023	2022
	£	£
Rents received	33,240	30,818
Deposit account interest	134	-
	<u>33,374</u>	<u>30,818</u>

Hartlebury Castle Preservation Trust

Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

6. INCOME FROM CHARITABLE ACTIVITIES		2023	2022
		£	£
Other income	Activity Preservation of Hartlebury Castle	23,800	9,186
Learning & education	Education of the public in local history and architecture	-	1,795
		<u>23,800</u>	<u>10,981</u>
7. RAISING FUNDS			
RAISING DONATIONS AND LEGACIES		2023	2022
		£	£
Fundraising event costs		<u>(409)</u>	<u>5,562</u>
OTHER TRADING ACTIVITIES		2023	2022
		£	£
Purchases		<u>200</u>	<u>5,937</u>
INVESTMENT MANAGEMENT COSTS		2023	2022
		£	£
Property management costs		<u>3,008</u>	<u>3,560</u>
Aggregate amounts		<u>2,799</u>	<u>15,059</u>
8. CHARITABLE ACTIVITIES COSTS			
	Direct Costs (see note 9)	Support costs (see note 10)	Totals
	£	£	£
Preservation of Hartlebury Castle	<u>221,947</u>	<u>68,918</u>	<u>290,865</u>
9. DIRECT COSTS OF CHARITABLE ACTIVITIES		2023	2022
		£	£
Staff costs		133,892	129,920
Rates and water		3,322	4,666
Insurance		31,063	29,657
Light and heat		15,099	11,433
Telephone		2,774	3,937
Advertising		4,065	23,479
Sundries		2,900	5,077
Property maintenance		19,023	45,510
Computer costs		4,502	27,928
Security		5,307	1,407
Course costs		-	1,119
		<u>221,947</u>	<u>284,133</u>

Hartlebury Castle Preservation Trust

Notes to the Financial Statements - continued for the Year Ended 31st March 2023

10. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Preservation of Hartlebury Castle	<u>4,286</u>	<u>3,133</u>	<u>61,499</u>	<u>68,918</u>

Support costs, included in the above, are as follows:

	2023 Preservation of Hartlebury Castle £	2022 Total activities £
Postage and stationery	865	2,188
Training	672	352
Travel and subsistence	1,395	205
Licences and subscriptions	1,354	1,566
Bank charges	3,133	1,570
Auditors' remuneration	4,025	3,275
Auditors' remuneration for non audit work	-	6,565
Accountancy fees	4,323	-
Legal and professional fees	434	16,107
Bookkeeping services	828	846
Depreciation of tangible fixed assets	51,889	71,973
	<u>68,918</u>	<u>104,647</u>

11. NET INCOME/(EXPENDITURE)

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

	2023 £	2022 £
Depreciation - owned assets	<u>51,889</u>	<u>71,973</u>

12. AUDITORS' REMUNERATION

	2023 £	2022 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	4,025	3,275
Other non-audit services	-	6,565
	<u>-</u>	<u>6,565</u>

13. TRUSTEES' REMUNERATION AND BENEFITS

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

TRUSTEES' EXPENSES

Three trustees were reimbursed expenses totalling £4,275 in the year. Of this amount £3,547 was in relation to gardening and repair materials purchased for the castle and £747 was reimbursing mileage costs incurred by trustees to attend meetings at the castle. (2022: Two trustees were reimbursed expenses totalling £2,102 in relation to gardening and repair materials purchased for the castle).

Hartlebury Castle Preservation Trust

Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

14. STAFF COSTS

	2023 £	2022 £
Wages and salaries	126,984	122,842
Social security costs	4,337	4,745
Other pension costs	2,571	2,333
	<u>133,892</u>	<u>129,920</u>

No employees received remuneration of over £60,000 (excluding employer national insurance and pension costs).

Key management remuneration (including employer national insurance and pension costs) in the year totalled £51,379 (2022: £45,313).

Pension costs relate to defined contribution schemes only.

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

	2023 9	2022 7
Trust staff	<u>9</u>	<u>7</u>

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	78,051	257,284	335,335
Charitable activities			
Preservation of Hartlebury Castle	9,186	-	9,186
Education of the public in local history and architecture	1,795	-	1,795
Other trading activities	4,232	-	4,232
Investment income	30,818	-	30,818
Total	<u>124,082</u>	<u>257,284</u>	<u>381,366</u>
EXPENDITURE ON			
Raising funds	4,833	10,226	15,059
Charitable activities			
Preservation of Hartlebury Castle	118,621	269,040	387,661
Education of the public in local history and architecture	1,119	-	1,119
Total	<u>124,573</u>	<u>279,266</u>	<u>403,839</u>
NET INCOME/(EXPENDITURE)	(491)	(21,982)	(22,473)
RECONCILIATION OF FUNDS			
Total funds brought forward	76,651	4,638,908	4,715,559
TOTAL FUNDS CARRIED FORWARD	<u>76,160</u>	<u>4,616,926</u>	<u>4,693,086</u>

Hartlebury Castle Preservation Trust

Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

16. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1st April 2022	128,391	219,443	11,940	359,774
Additions	6,549	2,517	5,580	14,646
At 31st March 2023	134,940	221,960	17,520	374,420
DEPRECIATION				
At 1st April 2022	111,316	124,206	8,557	244,079
Charge for year	6,393	41,134	4,362	51,889
At 31st March 2023	117,709	165,340	12,919	295,968
NET BOOK VALUE				
At 31st March 2023	17,231	56,620	4,601	78,452
At 31st March 2022	17,075	95,237	3,383	115,695

17. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1st April 2022 and 31st March 2023	4,490,260
NET BOOK VALUE	
At 31st March 2023	4,490,260
At 31st March 2022	4,490,260

The heritage assets comprise of Hartlebury Castle and its grounds. It is one of the objectives of the charity to preserve and manage Hartlebury Castle and its grounds. Following the completion in prior years, the initial improvements and restoration work following its acquisition was considered necessary in order to bring the property to a suitable condition before it could be opened to the public as a visitor attraction, the charity is not expected to make any additions to or disposals of the heritage assets held.

The heritage assets are subject to a charge over the freehold title held by the National Heritage Memorial Fund. More details are provided in Note 22.

FIVE-YEAR SUMMARY OF TRANSACTIONS

	2022 £	2021 £	2020 £	2019 £	2018 £
Cost at start of year	4,490,260	4,448,778	4,443,351	4,210,449	2,272,000
Additions in the year	-	41,482	5,427	232,902	1,938,449
Cost at the year end	4,490,260	4,490,260	4,448,778	4,443,351	4,210,449

Cost in 2018 of £2,272,000 relates to the initial purchase of Hartlebury Castle and grounds. All subsequent additions relate to significant improvements and restoration work which were considered necessary in order to bring the property to a suitable condition before it could be opened to the public as a visitor attraction. All such improvements and restoration work is considered to have been completed during the prior year.

Hartlebury Castle Preservation Trust

Notes to the Financial Statements - continued for the Year Ended 31st March 2023

18. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1st April 2022 and 31st March 2023	<u>1</u>
NET BOOK VALUE	
At 31st March 2023	<u>1</u>
At 31st March 2022	<u>1</u>

The company's investments at the balance sheet date in the share capital of companies include the following:

Hartlebury Castle Company Limited (No:09248664)

Registered office: Hartlebury Castle, Hartlebury, Kidderminster, England, DY11 7XZ

Nature of business: To run the Cafe, Shop & Events at the Castle.

Class of share: %
Ordinary holding 100

	2023 £	2022 £
Aggregate capital and reserves	1	1
Profit for the year	<u>67,235</u>	<u>17,555</u>

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	8,394	4,840
Amounts owed by group undertakings	4,674	4,709
VAT	16,743	25,134
Prepayments and accrued income	15,494	122,160
	<u>45,305</u>	<u>156,843</u>

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Other loans (see note 22)	-	100,000
Trade creditors	11,742	83,605
Social security and other taxes	2,330	3,686
Pension control	456	928
Other creditors	1,924	218
Accrued expenses	9,438	11,632
	<u>25,890</u>	<u>200,069</u>

Hartlebury Castle Preservation Trust

Notes to the Financial Statements - continued for the Year Ended 31st March 2023

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

	2023 £	2022 £
Other loans (see note 22)	<u>200,000</u>	<u>100,000</u>

22. LOANS

An analysis of the maturity of loans is given below:

	2023 £	2022 £
Amounts falling due within one year on demand:		
Concessionary loans	<u>-</u>	<u>100,000</u>
Amounts falling due between two and five years:		
Concessionary loans	<u>200,000</u>	<u>100,000</u>

During the 2020 accounting year Worcestershire County Council made available an unsecured loan facility to aid the charity with cashflow. In 2022 Worcestershire County Council agreed to defer the original repayment and convert £25,000 into a restricted fund grant to support the construction of a new adventure playground.

There is currently no formal repayment date for the remaining £200,000 (2022: £225,000) owed to Worcestershire County Council, but it is not expected to be repaid within the next 12 months. It is expected that the loan position will be reviewed and finalised within the negotiations with the Council regarding their lease in 2026.

No interest is charged on the loan.

23. LEASING AGREEMENTS

Operating Lease Payments

Operating lease payments of £837 (2022: £837) were made during the year.

Operating Lease Income

Total future minimum lease income which are receivable under non-cancellable operating leases, in respect of investment properties, are as follows:

	2023 £	2022 £
Not later than one year	7,445	2,275
Later than one and not later than five years	10,237	-
Later than five years	<u>-</u>	<u>-</u>
	<u>17,682</u>	<u>2,275</u>

Hartlebury Castle Preservation Trust

Notes to the Financial Statements - continued for the Year Ended 31st March 2023

24. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	15,662	(30,225)	60,417	45,854
Reserve fund	20,500	-	(20,500)	-
Projected deficit for future years	40,000	-	(40,000)	-
	<u>76,162</u>	<u>(30,225)</u>	<u>(83)</u>	<u>45,854</u>
Restricted funds				
Restoration and preservation fund	4,578,982	(43,698)	-	4,535,284
Magic mirror fund	600	(600)	-	-
HLF resilient fund	17	(17)	-	-
Culture recovery fund - claim 1	16,803	(5,665)	-	11,138
Culture recovery fund - claim 2	18,569	(7,066)	-	11,503
Culture recovery fund - claim 3	709	(392)	83	400
Hereford & Worcester Garden Trust	1,244	(1,244)	-	-
	<u>4,616,924</u>	<u>(58,682)</u>	<u>83</u>	<u>4,558,325</u>
TOTAL FUNDS	<u>4,693,086</u>	<u>(88,907)</u>	<u>-</u>	<u>4,604,179</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	204,757	(234,982)	(30,225)
Restricted funds			
Restoration and preservation fund	-	(43,698)	(43,698)
Magic mirror fund	-	(600)	(600)
HLF resilient fund	-	(17)	(17)
Culture recovery fund - claim 1	-	(5,665)	(5,665)
Culture recovery fund - claim 2	-	(7,066)	(7,066)
Culture recovery fund - claim 3	-	(392)	(392)
Hereford & Worcester Garden Trust	-	(1,244)	(1,244)
	<u>-</u>	<u>(58,682)</u>	<u>(58,682)</u>
TOTAL FUNDS	<u>204,757</u>	<u>(293,664)</u>	<u>(88,907)</u>

Hartlebury Castle Preservation Trust

Notes to the Financial Statements - continued for the Year Ended 31st March 2023

24. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	16,151	(489)	15,662
Reserve fund	20,500	-	20,500
Projected deficit for future years	40,000	-	40,000
	<u>76,651</u>	<u>(489)</u>	<u>76,162</u>
Restricted funds			
Restoration and preservation fund	4,579,465	(483)	4,578,982
Magic mirror fund	1,200	(600)	600
HLF resilient fund	134	(117)	17
Tesco bags fund	278	(278)	-
Culture recovery fund - claim 1	57,831	(41,028)	16,803
Culture recovery fund - claim 2	-	18,569	18,569
Culture recovery fund - claim 3	-	709	709
Hereford & Worcester Garden Trust	-	1,244	1,244
	<u>4,638,908</u>	<u>(21,984)</u>	<u>4,616,924</u>
TOTAL FUNDS	<u>4,715,559</u>	<u>(22,473)</u>	<u>4,693,086</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	124,082	(124,571)	(489)
Restricted funds			
Restoration and preservation fund	58,752	(59,235)	(483)
Magic mirror fund	-	(600)	(600)
HLF resilient fund	49,626	(49,743)	(117)
Tesco bags fund	-	(278)	(278)
Culture recovery fund - claim 1	-	(41,028)	(41,028)
Culture recovery fund - claim 2	82,557	(63,988)	18,569
Culture recovery fund - claim 3	61,199	(60,490)	709
Hereford & Worcester Garden Trust	5,150	(3,906)	1,244
	<u>257,284</u>	<u>(279,268)</u>	<u>(21,984)</u>
TOTAL FUNDS	<u>381,366</u>	<u>(403,839)</u>	<u>(22,473)</u>

UNRESTRICTED FUNDS

General fund

The general fund is that part of the unrestricted funds which the trustees may choose to spend on any activity within the purposes of the charity.

Reserve fund

The designated reserve fund was set up by the trustees to ensure that sufficient reserves were held by the Charity in order to fund any unexpected expenditure in the future. This fund was transferred back to general funds in the year as the trustees recognise the low level of general reserves and the need to grow this reserve first.

Hartlebury Castle Preservation Trust

Notes to the Financial Statements - continued for the Year Ended 31st March 2023

24. MOVEMENT IN FUNDS - continued

Projected deficit for future years

The projected deficit for future years fund was set up by the trustees to ensure sufficient reserves were set aside to absorb deficits in 2022/23 caused by the after effects of the Covid-19 pandemic. This fund has now been transferred back to the general fund as a contribution towards the deficit.

RESTRICTED FUNDS

Restoration and preservation fund

The restoration and preservation fund has been restricted by the donor specifically to fund the purchase and restoration of Hartlebury Castle.

Magic mirror fund

The charity received £3,000 towards the purchase and installation of a magic mirror. This purchase was made in the 2020 accounting period and the asset has now been depreciated in full with the result that there is no balance remaining on this fund.

HLF resilient fund

The charity is in receipt of a grant from the National Lottery Heritage Fund Resilient Heritage programme. This grant supports organisational development and commercial income generation as the charity transitions from delivering the restoration and re-opening to becoming a sustainable heritage attraction.

Culture recovery fund

During the prior year the charity was awarded £143,757 from the Cultural Recovery Fund, a fund designed to support the reopening of cultural and heritage sites across the UK following the coronavirus pandemic. The money helped the charity to recover from months of lost income whilst the site was closed, support its reopening, fund improvements to accessibility of the grounds and complete vital maintenance works to preserve the future of the castle.

Hereford and Worcester Garden Trust

During the prior year the charity was awarded £5,150 to spend on maintenance and improvement of garden areas. The remaining balance on this fund was expended during the year.

TRANSFERS BETWEEN FUNDS

During the year £83 was transferred from the general fund to the culture recovery fund to cover a small deficit.

Transfers also occurred to remove the Reserve (£20,500) and Projected Deficit (£40,000) designated funds to the general funds, with the trustees recognising that these funds are not required at this time.

25. CONTINGENT LIABILITIES

The purchase of Hartlebury Castle and grounds during the period ended 31 March 2016 was made possible due to the support of the National Heritage Memorial Fund (NHMF) by means of substantial grants as shown in previous financial statements. The NHMF has registered a charge over the property and the Trust would not be in a position to dispose of the estate without the express agreement of the NHMF.

Should the Trustees intend at any time that the property be sold, transferred or other rights over the property be granted, the NHMF retains the right under the terms of its grant to require repayment of such amount of the proceeds of the sale or of the original grant as it shall at its sole discretion determine.

As Hartlebury Castle Preservation Trust was established for the principal purpose of acquiring and maintaining the property and its contents as a heritage asset for the public benefit, the possibility of the Trust disposing of the estate is unlikely.

As a result, it is not possible to determine what amount, if any, would be repayable to NHMF as a result of such a remote event.

Hartlebury Castle Preservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

26. RELATED PARTY DISCLOSURES

The charity's trading aspect sits within subsidiary, Hartlebury Castle Company Limited. At the year end it was owed £4,674 (2022: £4,709) from its subsidiary. The subsidiary company made donations totalling £67,235 (2022: £2,960) to the charity in the year.

No trustees made unrestricted donations to the charity this year, however in the prior year £636 was received from 5 trustees.

27. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

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

Hartlebury Castle Preservation Trust

Detailed Statement of Financial Activities for the Year Ended 31st March 2023

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations	13,041	-	13,041	6,657
Donations from subsidiary	67,235	-	67,235	2,960
Grants	1,085	-	1,085	274,579
Subscriptions	1,484	-	1,484	1,127
Admissions	56,157	-	56,157	50,012
	<u>139,002</u>	<u>-</u>	<u>139,002</u>	<u>335,335</u>
Other trading activities				
Fundraising events	8,581	-	8,581	4,232
Investment income				
Rents received	33,240	-	33,240	30,818
Deposit account interest	134	-	134	-
	<u>33,374</u>	<u>-</u>	<u>33,374</u>	<u>30,818</u>
Charitable activities				
Learning & education	-	-	-	1,795
Other income	23,800	-	23,800	9,186
	<u>23,800</u>	<u>-</u>	<u>23,800</u>	<u>10,981</u>
Total incoming resources	204,757	-	204,757	381,366
EXPENDITURE				
Raising donations and legacies				
Fundraising event costs	(409)	-	(409)	5,562
Other trading activities				
Souvenir and guardian costs	200	-	200	5,937
Investment management costs				
Property management costs	3,008	-	3,008	3,560
Charitable activities				
Wages	124,012	2,972	126,984	122,842
Social security	4,337	-	4,337	4,745
Pensions	2,571	-	2,571	2,333
Rates and water	3,322	-	3,322	4,666
Insurance	31,063	-	31,063	29,657
Light and heat	15,099	-	15,099	11,433
Telephone	2,774	-	2,774	3,937
Advertising	4,065	-	4,065	23,479
Sundries	2,900	-	2,900	5,077
Property maintenance	8,701	10,322	19,023	45,510
Computer costs	4,502	-	4,502	27,928
Security	5,307	-	5,307	1,407
Course costs	-	-	-	1,119
	<u>208,653</u>	<u>13,294</u>	<u>221,947</u>	<u>284,133</u>

This page does not form part of the statutory financial statements

Hartlebury Castle Preservation Trust

Detailed Statement of Financial Activities
for the Year Ended 31st March 2023

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Support costs				
Management				
Postage and stationery	865	-	865	2,188
Training	672	-	672	352
Travel and subsistence	1,395	-	1,395	205
Licences and subscriptions	1,354	-	1,354	1,566
	<u>4,286</u>	<u>-</u>	<u>4,286</u>	<u>4,311</u>
Finance				
Bank charges	3,133	-	3,133	1,570
Governance costs				
Auditors' remuneration	4,025	-	4,025	3,275
Auditors' remuneration for non audit work	-	-	-	6,565
Accountancy fees	4,323	-	4,323	-
Legal and professional fees	434	-	434	16,107
Bookkeeping services	828	-	828	846
Plant and machinery	2,287	4,107	6,394	25,468
Fixtures and fittings	2,372	38,761	41,133	43,885
Computer equipment	1,842	2,520	4,362	2,620
	<u>16,111</u>	<u>45,388</u>	<u>61,499</u>	<u>98,766</u>
Total resources expended	<u>234,982</u>	<u>58,682</u>	<u>293,664</u>	<u>403,839</u>
Net (expenditure)/income	<u>(30,225)</u>	<u>(58,682)</u>	<u>(88,907)</u>	<u>(22,473)</u>