

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

**Report of the Trustees and
Financial Statements for the Year Ended 31st March 2024
for
Hartlebury Castle Preservation Trust**

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

Hartlebury Castle Preservation Trust

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Hartlebury Castle Preservation Trust

Reference and Administrative Details for the Year Ended 31st March 2024

TRUSTEES	Mr R J Earl Mr S L Ellis (resigned 12.12.23) Ms S J Finch 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 Mr D H Smith Mr P B Stickland Ms L McGuire-Cox (appointed 12.12.23)
REGISTERED OFFICE	Hartlebury Castle Hartlebury Kidderminster Worcestershire DY11 7XZ
REGISTERED COMPANY NUMBER	06779241 (England and Wales)
REGISTERED CHARITY NUMBER	1127871
SENIOR STATUTORY AUDITOR	Colm McGrory FCA
INDEPENDENT AUDITORS	Ormerod Rutter Limited The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY
EXECUTIVE 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 (Registered number: 06779241)

**Report of the Trustees
for the Year Ended 31st March 2024**

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 2024. 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 stands as a timeless testament to over a millennium of history, bearing witness to the stories of 112 bishops and countless others who have called it home. From its origins as a Castle, to its varied roles as a manor house, prison, hospital, and sanctuary, Hartlebury Castle has endured the ages. Today, it's open to the public as a captivating historic house, nestled in the Worcestershire countryside. The Jewel in its crown is the world-renowned Hurd Library. With its treasure trove of knowledge spanning diverse subjects, it serves as a unique space to inspire, question and explore. Its beautiful decoration and architectural features add to its charm, while its status as the only library created for a Church of England bishop, with its original collections still in place, makes it truly unique.

Hartlebury Castle Preservation Trust was formed in 2008, to campaign for the Castle, its collections and grounds to be made accessible for public enjoyment and education. Subsequently, in 2014 after 7 years of campaigning, the Trust was successful in securing funding from the then Heritage Lottery Fund to purchase and restore the castle and its estate, so that it could be opened to the public for the first time.

The Trust leases part of the site to Worcestershire County Council to house the Worcestershire County Museum's collection. The County Museum has been on the site since 1966 under a 60 year lease and the Trust inherited this arrangement from the Church Commissioners on the existing peppercorn lease. These arrangements expire in early 2026.

The Trust's day-to-day activities now include a gift shop, public events including themed weekends and seasonal events, public ticketed events including outdoors concerts and theatre performances, antiques and food fairs and private events including weddings, dinners and celebrations. The Trust also rents property and land (3 leased cottages, farm business tenancy, fishing lake lease).

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.

"We stopped here to break a journey but it's very firmly on our list of places we must go back to. A lot of thought has gone in to the displays with even the teenager exclaiming 'wow!' at times! Lots of interesting, well-written information boards throughout the bishops' palace and some great displays in the museum. The grounds were so peaceful, perfect for reading in the sun and the new play area is great." **Visitor Feedback**

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.

**Report of the Trustees
for the Year Ended 31st March 2024**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Trustees Statement

During this period trustees have been focussed on two key issues, developing a sustainable business and negotiations with Worcester County Council around the 2026 lease renewal and operational partnership.

The Trust is committed to negotiating a new lease and management agreement that enables the County Museum to continue to be part of the Hartlebury Castle visitor attraction whilst ensuring that the Trust has a sustainable, long term business model.

The Trust was delighted to receive a grant from the National Lottery Heritage Fund (NLHF) in this period. This recovery and resilience grant recognises the challenges facing the organisation resulting from the pandemic and the following cost of living crisis and aims to support the Trust to develop income generation across the business and provide professional expertise through the process of negotiating new lease arrangements with WCC.

In this year the Trust continued to feel the impact of the cost of living crisis across the business including event attendances and general visitor numbers. Growth remains challenging to achieve and general trading conditions continue to be difficult.

"Amazing history. Made so welcome by "guides". Interactive tour which is amazing. Loved all the history and connections with royalty etc. Museum attachment fascinating and well worth visiting. So nostalgic. All staff helpful and friendly." **Visitor Feedback**

Charitable activities

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.

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.

"The whole experience was excellent. Definitely a 10 out of 10, and we will be returning. Fantastic day out for all the family." **Visitor Feedback**

Volunteering

The Trust would not be able to operate the visitor attraction without the ongoing support of a talented and committed team of volunteers. Tasks undertaken include gardens and grounds maintenance, property maintenance, house stewards, library volunteers, and events and activities support. Feedback proves that our visitors greatly value our volunteers approachable and knowledgeable presence on the site.

The Trust recognises the health and wellbeing value of volunteering and welcomes and encourages volunteers of all ages (ages currently range from 16 to 85) and all walks of life and values and supports those volunteers with physical and neurodivergent challenges.

Trustees also give their time on a voluntary basis.

"Brilliant...you must visit here! I visited here yesterday with my sister, and we both had a brilliant day. As soon as we entered the building, every staff member/volunteer we encountered was so friendly and welcoming, and full of information." **Visitor Feedback**

**Report of the Trustees
for the Year Ended 31st March 2024**

Future Ambition - Looking Forward

With support from NLHF the Trust is developing a new vision for the future. Hartlebury Castle is not merely a structure of stone and mortar; it is a repository of over a thousand years of stories waiting to be told. From the remarkable deeds of bishops who shaped national history, to the everyday lives of servants who worked hard within its walls, every story the Castle offers, gifts its visitors a glimpse into the past, whilst inviting them simultaneously to reflect on life today. Trustees believe that it is essential for historical buildings and charitable organisations like Hartlebury Castle to have a relevance that goes beyond protecting history and heritage - that we have a duty to become a thought-provoking space, encouraging discussion and engagement with the world around us. A comprehensive fundraising strategy is being developed to support the Trust to deliver this refreshed ambition.

Trustees are working closely with Worcester County Council to ensure that the lease renewal and management agreement in 2026 deliver a sustainable financial future for the Trust.

"Our first visit to Hartlebury Castle and we thoroughly enjoyed it. There was so much to see and discover. Loved the runner in the Long Hall which is a history lesson in itself. The talking screens were brilliant and added a whole new dimension. Friendly and welcoming hosts. Planning on a return visit to see it at Christmas." **Visitor Feedback**

FINANCIAL REVIEW

Financial position

The charity has received grant income totalling £73,122 (2023: £1,085) in the year, with this year's grant income being mainly from the National Lottery Heritage Fund.

The charity also benefits from being able to rent out several properties on the grounds of the castle which have generated income of £33,379 (2023: £33,240).

The balance sheet shows that the charity held cash of £136,800 the 31st March 2024, which is a decrease of £79,251 on the 2023 level of £216,051.

At 31st March 2024, the charity held net assets of £4,519,424 (2023: £4,604,179) of which £4,490,260 (2023: £4,490,260) is represented by the cost of the freehold property and subsequent refurbishment costs. There were an unrestricted reserve surplus at the year end of £1,282 (2023: surplus £45,854), however, this amount is entirely represented by fixed assets and therefore none (2023: £32,351) of the current unrestricted reserves are considered free reserves, which can be spent on charitable activities as the trustees see fit. 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 an unrestricted fund over the coming years in accordance with the business plan. The free unrestricted reserves held at the 31st March 2024 are in deficit of £25,354 (2023: surplus £32,351) which the trustees are aware needs to be reversed and a reserve built to allow the stability of the charity moving forwards.

Hartlebury Castle Preservation Trust (Registered number: 06779241)

Report of the Trustees
for the Year Ended 31st March 2024

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 17/12/2024 and signed on its behalf by:


.....
Mr R J Amphlett - Trustee

**Report of the Trustees
for the Year Ended 31st March 2024**

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 the Executive Director who is 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).

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 2024 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 2024 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.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**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

Date: 18/12/2024

Hartlebury Castle Preservation Trust
Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31st March 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	152,347	71,851	224,198	139,002
Charitable activities	6				
Preservation of Hartlebury Castle		26,221	-	26,221	23,800
Other trading activities	4	10,237	-	10,237	8,581
Investment income	5	33,500	-	33,500	33,374
Total		<u>222,305</u>	<u>71,851</u>	<u>294,156</u>	<u>204,757</u>
EXPENDITURE ON					
Raising funds	7	16,495	1,444	17,939	2,799
Charitable activities	8				
Preservation of Hartlebury Castle		262,452	98,520	360,972	290,865
Total		<u>278,947</u>	<u>99,964</u>	<u>378,911</u>	<u>293,664</u>
NET INCOME/(EXPENDITURE)		(56,642)	(28,113)	(84,755)	(88,907)
Transfers between funds	24	12,070	(12,070)	-	-
Net movement in funds		<u>(44,572)</u>	<u>(40,183)</u>	<u>(84,755)</u>	<u>(88,907)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		45,854	4,558,325	4,604,179	4,693,086
TOTAL FUNDS CARRIED FORWARD		<u>1,282</u>	<u>4,518,142</u>	<u>4,519,424</u>	<u>4,604,179</u>

The notes form part of these financial statements

Hartlebury Castle Preservation Trust (Registered number: 06779241)

Balance Sheet
31st March 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	16	26,636	26,244	52,880	78,452
Heritage assets	17	-	4,490,260	4,490,260	4,490,260
Investments	18	1	-	1	1
		<u>26,637</u>	<u>4,516,504</u>	<u>4,543,141</u>	<u>4,568,713</u>
CURRENT ASSETS					
Debtors	19	89,517	-	89,517	45,305
Cash at bank and in hand		135,162	1,638	136,800	216,051
		<u>224,679</u>	<u>1,638</u>	<u>226,317</u>	<u>261,356</u>
CREDITORS					
Amounts falling due within one year	20	(50,034)	-	(50,034)	(25,890)
		<u>174,645</u>	<u>1,638</u>	<u>176,283</u>	<u>235,466</u>
NET CURRENT ASSETS					
		<u>201,282</u>	<u>4,518,142</u>	<u>4,719,424</u>	<u>4,804,179</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>201,282</u>	<u>4,518,142</u>	<u>4,719,424</u>	<u>4,804,179</u>
CREDITORS					
Amounts falling due after more than one year	21	(200,000)	-	(200,000)	(200,000)
		<u>1,282</u>	<u>4,518,142</u>	<u>4,519,424</u>	<u>4,604,179</u>
NET ASSETS					
		<u>1,282</u>	<u>4,518,142</u>	<u>4,519,424</u>	<u>4,604,179</u>
FUNDS	24				
Unrestricted funds				1,282	45,854
Restricted funds				<u>4,518,142</u>	<u>4,558,325</u>
TOTAL FUNDS				<u>4,519,424</u>	<u>4,604,179</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 17/12/2024 and were signed on its behalf by:


Mr R J Arophlett - Trustee

Hartlebury Castle Preservation Trust

**Cash Flow Statement
for the Year Ended 31st March 2024**

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	(74,064)	173
Intercompany loan movement		3,454	34
Net cash (used in)/provided by operating activities		<u>(70,610)</u>	<u>207</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(12,501)	(14,646)
Sale of tangible fixed assets		3,739	-
Interest received		121	134
Net cash used in investing activities		<u>(8,641)</u>	<u>(14,512)</u>
Change in cash and cash equivalents in the reporting period		<u>(79,251)</u>	<u>(14,305)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>216,051</u>	<u>230,356</u>
Cash and cash equivalents at the end of the reporting period		<u><u>136,800</u></u>	<u><u>216,051</u></u>

The notes form part of these financial statements

Hartlebury Castle Preservation Trust

Notes to the Cash Flow Statement
for the Year Ended 31st March 2024

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

	2024 £	2023 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(84,755)	(88,907)
Adjustments for:		
Depreciation charges	33,394	51,889
Loss on disposal of fixed assets	940	-
Interest received	(121)	(134)
(Increase)/decrease in debtors	(47,666)	111,504
Increase/(decrease) in creditors	24,144	(74,179)
Net cash (used in)/provided by operations	<u>(74,064)</u>	<u>173</u>

2. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1.4.23 £	Cash flow £	At 31.3.24 £
Net cash			
Cash at bank and in hand	<u>216,051</u>	<u>(79,251)</u>	<u>136,800</u>
	<u>216,051</u>	<u>(79,251)</u>	<u>136,800</u>
Debt			
Debts falling due after 1 year	<u>(200,000)</u>	<u>-</u>	<u>(200,000)</u>
	<u>(200,000)</u>	<u>-</u>	<u>(200,000)</u>
Total	<u>16,051</u>	<u>(79,251)</u>	<u>(63,200)</u>

The notes form part of these financial statements

Hartlebury Castle Preservation Trust

Notes to the Financial Statements for the Year Ended 31st March 2024

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 for 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 2024

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 2024

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

	2024	2023
	£	£
Donations	25,104	13,041
Donations from subsidiary	58,179	67,235
Grants	73,122	1,085
Subscriptions	1,258	1,484
Admissions	66,535	56,157
	<u>224,198</u>	<u>139,002</u>

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

	2024	2023
	£	£
Kickstart	-	1,085
National Lottery Heritage Fund - Resilience & Recovery	69,851	-
Herfordshire & Worcestershire Gardens Trust	2,000	-
Hartlebury Parish Council	1,271	-
	<u>73,122</u>	<u>1,085</u>

4. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Fundraising events	<u>10,237</u>	<u>8,581</u>

5. INVESTMENT INCOME

	2024	2023
	£	£
Rents received	33,379	33,240
Deposit account interest	121	134
	<u>33,500</u>	<u>33,374</u>

Hartlebury Castle Preservation Trust

Notes to the Financial Statements - continued for the Year Ended 31st March 2024

6. INCOME FROM CHARITABLE ACTIVITIES

		2024	2023
	Activity	£	£
Other income	Preservation of Hartlebury Castle	<u>26,221</u>	<u>23,800</u>

7. RAISING FUNDS

RAISING DONATIONS AND LEGACIES

	2024	2023
	£	£
Fundraising event costs	<u>14,823</u>	<u>(409)</u>

OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Purchases	<u>2</u>	<u>200</u>

INVESTMENT MANAGEMENT COSTS

	2024	2023
	£	£
Property management costs	<u>3,114</u>	<u>3,008</u>
Aggregate amounts	<u>17,939</u>	<u>2,799</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9)	Support costs (see note 10)	Totals
	£	£	£
Preservation of Hartlebury Castle	<u>282,408</u>	<u>78,564</u>	<u>360,972</u>

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2024	2023
	£	£
Staff costs	167,813	133,892
Rates and water	1,964	3,322
Insurance	33,738	31,063
Light and heat	16,707	15,099
Telephone	3,791	2,774
Advertising	10,298	4,065
Sundries	2,458	2,900
Property maintenance	25,775	19,023
Computer costs	15,810	4,502
Security	4,054	5,307
	<u>282,408</u>	<u>221,947</u>

Hartlebury Castle Preservation Trust

Notes to the Financial Statements - continued for the Year Ended 31st March 2024

10. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Preservation of Hartlebury Castle	<u>7,888</u>	<u>1,608</u>	<u>69,068</u>	<u>78,564</u>

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

	2024 Preservation of Hartlebury Castle £	2023 Total activities £
Postage and stationery	3,879	865
Training	1,425	672
Travel and subsistence	950	1,395
Licences and subscriptions	1,634	1,354
Bank charges	1,608	3,133
Auditors' remuneration	3,500	4,025
Accountancy fees	6,218	4,323
Legal and professional fees	24,200	434
Payroll services	816	828
Depreciation of tangible fixed assets	33,394	51,889
Loss on sale of tangible fixed assets	940	-
	<u>78,564</u>	<u>68,918</u>

11. NET INCOME/(EXPENDITURE)

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

	2024 £	2023 £
Depreciation - owned assets	33,394	51,889
Deficit on disposal of fixed assets	<u>940</u>	<u>-</u>

12. AUDITORS' REMUNERATION

	2024 £	2023 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>3,500</u>	<u>4,025</u>

13. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2024 nor for the year ended 31st March 2023.

TRUSTEES' EXPENSES

Two trustees (2023: Three) were reimbursed expenses totalling £2,038 in the year (2023: £4,275). Of this amount £1,351 (2023: £3,547) was in relation to gardening and repair materials purchased for the castle and £687 (2023: £747) was reimbursing mileage costs incurred by trustees to attend meetings at the castle.

Hartlebury Castle Preservation Trust

Notes to the Financial Statements - continued for the Year Ended 31st March 2024

14. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	157,361	126,984
Social security costs	7,419	4,337
Other pension costs	3,033	2,571
	<u>167,813</u>	<u>133,892</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 £55,060 (2023: £51,379).

Pension costs relate to defined contribution schemes only.

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

	2024	2023
	10	9
Trust staff	<u>10</u>	<u>9</u>

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	139,002	-	139,002
Charitable activities			
Preservation of Hartlebury Castle	23,800	-	23,800
Other trading activities	8,581	-	8,581
Investment income	33,374	-	33,374
Total	<u>204,757</u>	<u>-</u>	<u>204,757</u>
EXPENDITURE ON			
Raising funds	2,799	-	2,799
Charitable activities			
Preservation of Hartlebury Castle	232,183	58,682	290,865
Total	<u>234,982</u>	<u>58,682</u>	<u>293,664</u>
NET INCOME/(EXPENDITURE)	(30,225)	(58,682)	(88,907)
Transfers between funds	(83)	83	-
Net movement in funds	<u>(30,308)</u>	<u>(58,599)</u>	<u>(88,907)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	76,162	4,616,924	4,693,086
TOTAL FUNDS CARRIED FORWARD	<u>45,854</u>	<u>4,558,325</u>	<u>4,604,179</u>

Hartlebury Castle Preservation Trust
Notes to the Financial Statements - continued
for the Year Ended 31st March 2024

16. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1st April 2023	134,940	221,960	17,520	374,420
Additions	-	11,271	1,230	12,501
Disposals	(2,347)	-	(5,580)	(7,927)
At 31st March 2024	132,593	233,231	13,170	378,994
DEPRECIATION				
At 1st April 2023	117,709	165,340	12,919	295,968
Charge for year	5,176	26,950	1,268	33,394
Eliminated on disposal	(1,407)	-	(1,841)	(3,248)
At 31st March 2024	121,478	192,290	12,346	326,114
NET BOOK VALUE				
At 31st March 2024	11,115	40,941	824	52,880
At 31st March 2023	17,231	56,620	4,601	78,452

17. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1st April 2023 and 31st March 2024	4,490,260
NET BOOK VALUE	
At 31st March 2024	4,490,260
At 31st March 2023	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

	2024 £	2023 £	2022 £	2021 £	2020 £
Cost at start of year	4,490,260	4,490,260	4,490,260	4,448,778	4,443,351
Additions in the year	-	-	-	41,482	5,427
Cost at the year end	4,490,260	4,490,260	4,490,260	4,490,260	4,448,778

The initial purchase of Hartlebury Castle and grounds was in 2018 at a cost of £2,272,000. 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 in 2021.

Hartlebury Castle Preservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2024**

18. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1st April 2023 and 31st March 2024	1
NET BOOK VALUE	
At 31st March 2024	1
At 31st March 2023	1

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:	holding
Ordinary	100
	2024
	£
Aggregate capital and reserves	1
Profit for the year	58,179
	2023
	£
	1
	67,235

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	9,059	8,394
Amounts owed by group undertakings	1,219	4,674
VAT	23,502	16,743
Prepayments and accrued income	55,737	15,494
	89,517	45,305

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	35,974	11,742
Social security and other taxes	3,357	2,330
Pension control	708	456
Other creditors	19	1,924
Accrued expenses	9,976	9,438
	50,034	25,890

Hartlebury Castle Preservation Trust
Notes to the Financial Statements - continued
for the Year Ended 31st March 2024

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

	2024	2023
	£	£
Other loans (see note 22)	200,000	200,000
	<u>200,000</u>	<u>200,000</u>

22. LOANS

An analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due between two and five years:		
Concessionary loans	200,000	200,000
	<u>200,000</u>	<u>200,000</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 (2023: £200,000) 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 £628 (2023: £837) were made during the year.

During the year the charity signed a new operating lease for a photocopier, the future minimum lease commitment is as follows:

	2024	2023
	£	£
Not later than one year	590	-
Later than one and not later than five years	885	-
Later than five years	-	-
	<u>1,495</u>	<u>-</u>

Operating Lease Income

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

	2024	2023
	£	£
Not later than one year	7,445	7,445
Later than one and not later than five years	2,792	10,237
Later than five years	-	-
	<u>10,237</u>	<u>17,682</u>

Hartlebury Castle Preservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2024**

24. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	45,854	(56,642)	12,070	1,282
Restricted funds				
Restoration and preservation fund	4,535,284	(18,780)	-	4,516,504
HLF resilient fund	-	193	(193)	-
Culture recovery fund - claim 1	11,138	(6,658)	(4,480)	-
Culture recovery fund - claim 2	11,503	(4,106)	(7,397)	-
Culture recovery fund - claim 3	400	(400)	-	-
Hereford & Worcester Garden Trust	-	1,638	-	1,638
	<u>4,558,325</u>	<u>(28,113)</u>	<u>(12,070)</u>	<u>4,518,142</u>
TOTAL FUNDS	<u>4,604,179</u>	<u>(84,755)</u>	<u>-</u>	<u>4,519,424</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	222,305	(278,947)	(56,642)
Restricted funds			
Restoration and preservation fund	-	(18,780)	(18,780)
HLF resilient fund	69,851	(69,658)	193
Culture recovery fund - claim 1	-	(6,658)	(6,658)
Culture recovery fund - claim 2	-	(4,106)	(4,106)
Culture recovery fund - claim 3	-	(400)	(400)
Hereford & Worcester Garden Trust	2,000	(362)	1,638
	<u>71,851</u>	<u>(99,964)</u>	<u>(28,113)</u>
TOTAL FUNDS	<u>294,156</u>	<u>(378,911)</u>	<u>(84,755)</u>

Hartlebury Castle Preservation Trust

Notes to the Financial Statements - continued for the Year Ended 31st March 2024

24. MOVEMENT IN FUNDS - continued

Comparatives for 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>

Comparative 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>

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 2024

24. MOVEMENT IN FUNDS - continued

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

The charity was awarded £143,757 from the Cultural Recovery Fund a number of years ago, 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. The balance on this fund is now nil as during the year the remaining balance, which was entirely represented by the net book value of fixed assets purchased from the fund, were transferred to general funds.

Hereford and Worcester Garden Trust

During the year the charity was awarded £2,000 to spend on maintenance and improvement of garden areas. There is a remaining balance on this fund of £1,638 at the year end.

TRANSFERS BETWEEN FUNDS

During the year £193 was transferred from the general fund to the HLF resilient fund to cover a small deficit.

A further £11,877 was transferred to general funds in the year, being the net book value of assets purchased from the Culture Recovery Funds, none of which have any restrictions as to re-sale and are therefore free from restriction.

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 2024**

26. RELATED PARTY DISCLOSURES

The charity's trading aspect sits within subsidiary, Hartlebury Castle Company Limited. At the year end it was owed £1,489 (2023: £4,674) from its subsidiary. The subsidiary company made donations totalling £58,449 (2023: £67,235) to the charity in the year.

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.