

REGISTERED COMPANY NUMBER: 07736018 (England and Wales)
REGISTERED CHARITY NUMBER: 1143416

Report of the Trustees and
Financial Statements for the Year Ended 31 August 2022
for
Golden Grove Trust

Golden Grove Trust

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for the Year Ended 31 August 2022

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Golden Grove Trust
Report of the Trustees
for the Year Ended 31 August 2022

The Trustees, who are also Directors of Golden Grove Trust for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31 August 2022. 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 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the Trust are to acquire, restore and preserve for the public benefit the historical buildings known as Golden Grove, Carmarthen together with its historical gardens and arboretum and surrounding gardens and parkland. The Trust will promote art for the benefit of the public by the establishment and maintenance of an art gallery and a sculpture park at Golden Grove and will also promote the restoration and maintenance of gardens which will be open to the public at Golden Grove. The Trust also aims to advance the education of the public in arts and horticulture.

Public benefit

The Trustees confirm that they have complied with their duty in section 17 (5) of the 2011 Charities Act with regard to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives in planning for future activities.

Volunteers

The Charity employs a small number of operational and administrative staff. Otherwise, the Chairman and all members of the Board of Trustees are volunteers, as are others who assist the Charity from time to time.

STRATEGIC REPORT

Achievement and performance

Charitable activities

Still not a truly representative year of what could be done at Golden Grove. The cafe was not quite as busy as last year when people could not go abroad, however, party bookings have begun to trickle in and regulars are passionately loyal.

A woodburning stove was installed in the cafe during the last lockdown, which made the cafe more attractive over the Winter.

Friends of Golden Grove numbers continue to grow. The lockdown months were discounted on all memberships so that revenue is still not truly representative.

The free coffee in return for the parking ticket was abolished in May, many of the visitors supported this strongly, also Parking Eye reduced the percentage that they take from the parking machines.

A Clock Fund donation box was put in the cafe and has collected several hundred pounds so far.

East Lodge was placed on the market on 4 May 2022 but no offers had been formalised by the year end.

Golden Grove Trust

Report of the Trustees - continued **for the Year Ended 31 August 2022**

STRATEGIC REPORT

Financial review (continued)

Reserves policy

The Trustees have yet to formulate a reserves policy, which will be dependent on the results of fund-raising for the essential renovation works that have been commenced. The Charity does not currently have any free reserves.

STRUCTURE, GOVERNANCE, MANAGEMENT

Governing document

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

The Charity is operated in accordance with its Memorandum and Articles of Association dated 10 August 2011. It is a registered Charity with the Charity Commission. The Board of Trustees has ultimate responsibility for the management and financial matters of Golden Grove Trust.

Recruitment and appointment of new Trustees

As set out in the Articles of Association, the number of Trustees shall be not less than two and not more than seven individuals, all of whom shall be members. Apart from the first Trustees, new Trustees shall be appointed or reappointed by resolution of the Trustees for a term of office not exceeding four years. In selecting individuals for appointment as new Trustees the Trustees shall have regard to the skills, knowledge and experience needed for the effective administration of the Charity.

Organisational structure

Frances Jones-Davies is employed by the Trust in an administrative capacity, and to oversee the management of café and staff. Wendy Bedford, retired Chartered Accountant, self-employed, oversees the keeping of the accounts. Both answer directly to the Trustees and are required to give an overview of the project, works and financial position at every Board Meeting.

Induction and training of new Trustees

New Trustees are directed towards guidance issued by The Charity Commission.

EVENTS SINCE THE END OF THE YEAR

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

Golden Grove Trust

Report of the Trustees - continued **for the Year Ended 31 August 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07736018 (England and Wales)

Registered Charity number

1143416

Registered office

Gelli Aur Country Park
Golden Grove
Carmarthenshire
SA32 8LR

Trustees during the year

R C Salmon
D N Salmon
E O E Jones-Davies (resigned 30 November 2021)

Chairman

R C Salmon

Bankers

Barclays Bank PLC
Cardiff Queens Street
Leicester
England
LE87 2BB

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

Golden Grove Trust

Report of the Trustees - continued
for the Year Ended 31 August 2022

STATEMENT OF TRUSTEES RESPONSIBILITIES (continued)

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 6th July, 2023, and signed on the board's behalf by:

D N Salmon

Golden Grove Trust

Statement of Financial Activities
for the Year Ended 31 August 2022

		Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,888	155	2,043	45,375
Charitable activities	3	19,155	-	19,155	12,257
Other income	4	36,018	-	36,018	33,726
Total		57,061	155	57,216	91,358
EXPENDITURE ON					
Charitable activities	5	111,832	1,107	112,939	109,328
NET INCOME/(EXPENDITURE)		(54,771)	(952)	(55,723)	(17,970)
RECONCILIATION OF FUNDS					
Total funds brought forward		(193,262)	1,795,071	1,601,809	1,619,779
TOTAL FUNDS CARRIED FORWARD		(248,033)	1,794,119	1,546,086	1,601,809

The notes form part of these financial statements

Golden Grove Trust

Balance Sheet
at 31 August 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	11	1,873,441	1,875,258
Investment property	12	586,394	586,394
		2,459,835	2,461,652
 CURRENT ASSETS			
Debtors	13	18,436	20,435
Cash at bank		-	-
		18,436	20,435
 CREDITORS			
Amounts falling due within one year	14	(366,285)	(269,303)
NET CURRENT ASSETS/(LIABILITIES)		(347,849)	(248,868)
 TOTAL ASSETS LESS CURRENT LIABILITIES		 2,111,986	 2,212,784
 CREDITORS			
Amounts falling due after more than one year	15-16	(565,900)	(610,975)
NET ASSETS/(LIABILITIES)		1,546,086	1,601,809
 FUNDS	17-18		
Unrestricted funds		(248,033)	(193,262)
Restricted funds		1,794,119	1,795,071
TOTAL FUNDS		1,546,086	1,601,809

The notes form part of these financial statements

Golden Grove Trust

Balance Sheet - continued

At 31 August 2022

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2022.

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

The trustees acknowledge their responsibilities for

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

The financial statements were approved by the Board of Trustees on 6th July, 2023, and were signed on its behalf by:

D N Salmon

The notes form part of these financial statements

Golden Grove Trust
Cash Flow Statement
for the Year Ended 31 August 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	1	(57,318)	967
Cash flows from investing activities:			
Purchase of tangible fixed assets		(378)	(925)
Sale of tangible fixed assets		-	-
Improvements to investment property		-	-
Net cash (used in) investing activities		(378)	(925)
Cash flows from financing activities:			
New loans in year		58,555	-
Loan repayments in year		-	-
Net cash provided by financing activities		58,555	-
Changes in cash and cash equivalents in the reporting period		859	42
Cash and cash equivalents at the beginning of the reporting period	2	(9,989)	(10,031)
Cash and cash equivalents at the end of the reporting period	2	(9,130)	(9,989)

The notes form part of these financial statements

Golden Grove Trust

Notes to the Cash Flow Statement
for the Year Ended 31 August 2022

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

	2022	2021
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(55,723)	(17,970)
Adjustments for:		
Depreciation charges	2,195	8,251
Decrease/(increase) in debtors	1,999	5,520
(Decrease)/increase in creditors	(5,789)	5,166
Net cash provided by/(used in) operating activities	(57,318)	967

2. CASH AND CASH EQUIVALENTS

	2022	2021
	£	£
Bank balance / (bank overdraft included in bank loans and overdrafts falling due within one year)	(9,130)	(9,989)

The notes form part of these financial statements

Golden Grove Trust

Notes to the Financial Statements **for the Year Ended 31 August 2022**

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 (effective 1 January 2015)' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

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

Allocation and apportionment of costs

Support costs include administrative costs incurred directly in support of expenditure on the objects of the charitable company and governance costs which are incurred in compliance with constitutional and statutory requirements.

Tangible fixed assets

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

machinery and equipment	25% on cost
playground equipment	10% on cost
website & Signage	33% on cost

The freehold property is stated at acquisition cost together with the cost of renovation and repair work to bring the property into operational use. Valuation by an independent valuer is made every five years. No depreciation has been charged in the period as the property is in the process of renovation and repair.

Works of art are stated at cost. Their value is reviewed annually by the Trustees.

Investment property

Investment properties are carried at fair value determined annually by either a Trustee valuation or by external valuers and derived from the current market rents and investment property yields for comparable real estate adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are taken to the revaluation reserve.

Taxation

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

Golden Grove Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

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

2. DONATIONS AND LEGACIES

	2022 £	2021 £
Donations	2,043	1,520
Grants	-	43,855
	<u>2,043</u>	<u>45,375</u>

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

	2022 £	2021 £
Covid19 grants:		
Welsh Government Cultural Recovery Grant	-	20,000
Carmarthen County Council Grants	-	13,000
Government Job Retention Scheme	-	10,855
	<u>-</u>	<u>43,855</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	2022 £	2021 £
Car parking income	6,006	3,135
Arboretum admissions	4,317	2,369
Friends of Golden Grove	3,665	2,591
Film production income	167	2,500
Event income	2,241	1,107
Miscellaneous income	2,759	555
	<u>19,155</u>	<u>12,257</u>

Golden Grove Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

4. OTHER INCOME

	2022	2021
	£	£
Rent receivable (Café)	10,000	10,000
Holiday lettings (East and West Lodge)	25,388	23,174
Holiday lettings (Mansion)	630	552
	<u>36,018</u>	<u>33,726</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs	Totals
	(See note 6)	(See note 7)	
	£	£	£
Charitable activities	<u>91,022</u>	<u>21,917</u>	<u>112,939</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Operational salaries	19,812	19,383
Legal & professional fees	4,180	3,914
Insurance	4,600	4,608
Electricity	11,294	3,090
Parks maintenance	484	629
Building repairs & maintenance	11,061	9,741
Bank loan interest	34,083	29,435
Bank and other interest	2,281	372
Bank and credit card charges	725	752
Depreciation	2,195	8,251
Event costs	307	3,200
	<u>91,022</u>	<u>83,375</u>

7. SUPPORT COSTS

	2022	2021
	£	£
Administration and information technology	21,904	25,940
Governance costs	13	13
	<u>21,917</u>	<u>25,953</u>

Golden Grove Trust

Notes to the Financial Statements - continued

for the Year Ended 31 August 2022

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging:

	2022	2021
	£	£
Depreciation - owned assets	2,195	8,251
	<u>2,195</u>	<u>8,251</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

None of the Trustees received any monetary remuneration for the year ended 31 August 2022 (2021 £nil). Despite the dilapidation of Golden Grove mansion, when in Wales Mr Richard Salmon makes use of three rooms as domestic accommodation. This saves the cost of employing a caretaker to protect the premises overnight.

Trustees' expenses

None of the Trustees claimed any expenses in the year ended 31 August 2022 (2021 nil).

10. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	38,417	41,750
National insurance	-	-
Other pension costs	778	878
	<u>39,195</u>	<u>42,628</u>

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

2022	2021
2	2
<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

11. TANGIBLE FIXED ASSETS

The freehold property (mansion and parkland) was valued, as loan security for the bank, by an independent valuer on 12 August 2019 at £942,500.

Golden Grove Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

11. TANGIBLE FIXED ASSETS - continued

	freehold property £	machinery and equipment £	playground equipment £
COST			
At 1 September 2021	1,848,335	43,983	14,931
Additions	-	378	-
Disposals	-	-	-
At 31 August 2022	1,848,335	44,361	14,931
DEPRECIATION			
At 1 September 2021	-	42,660	5,972
Charge for year	-	702	1,493
Eliminated on disposals	-	-	-
At 31 August 2022	-	43,362	7,465
NET BOOK VALUE			
At 31 August 2022	1,848,335	999	7,466
At 31 August 2021	1,848,335	1,323	8,959
	works of art £	website and signage £	Total £
COST			
At 1 September 2021	16,639	11,919	1,935,807
Additions	-	-	378
Disposals	-	-	-
At 31 August 2022	16,639	11,919	1,936,185
DEPRECIATION			
At 1 September 2021	-	11,917	60,549
Charge for year	-	-	2,195
Eliminated on disposals	-	-	-
At 31 August 2022	-	11,917	62,744
NET BOOK VALUE			
At 31 August 2022	16,639	2	1,873,441
At 31 August 2021	16,639	2	1,875,258

Golden Grove Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

12. INVESTMENT PROPERTY

	<u>West Lodge</u>	<u>East Lodge</u>	£
NET BOOK VALUE	£	£	
At 1 September 2021	300,670	285,722	586,392
At 31 August 2022	300,670	285,722	586,392

The properties were valued, as loan security, by an independent valuer on 12 August 2019 as follows:

West Lodge	£ 265,000 (pre 2020 renovations)
East Lodge	£ 285,000

	2022	2021
	£	£
Investment in subsidiary company: 2 shares at £1	2	2
	—	—

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Amount owed by subsidiary company	17,773	17,812
Other debtors & prepayments	663	2,623
	<u>18,436</u>	<u>20,435</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	37,033	28,013
Other creditors and accruals	11,803	9,589
Social security and other taxes	12,127	4,083
Bank interest (see note 16)	-	36,446
Bank loans and overdrafts (see note 16)	241,260	138,489
Trustee's loan account	64,062	52,683
	<u>366,285</u>	<u>269,303</u>

Golden Grove Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

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

	2022	2021
	£	£
Bank loan (see note 16)	565,900	610,975

The Barclays Bank loan, secured on the freehold properties of Golden Grove Trust stands at £788,030 with no capital having been repaid in the year. It is repayable in monthly instalments over the next 13 years.

16. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year:		
Bank loan (2022 including capitalised unpaid interest £58,555)	222,130	118,500
Welsh Government Economic Resilience loan	10,000	10,000
Bank overdraft	9,130	9,989
	241,260	138,489

Amounts falling due between two and five years:

Bank loan	198,400	191,000
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Amounts falling due between six and thirteen years:

Bank loan	367,500	419,475
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The Welsh Government Economic Resilience loan was advanced by the Development Bank of Wales with a maximum term of 2 years. The first year is interest-free, then interest of 2 per cent is payable.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	£	£	£	£
Fixed assets	376,044	1,497,397	1,873,441	1,875,258
Investments	361,394	225,000	586,394	586,394
Net current liabilities	(419,571)	71,722	(347,849)	(248,868)
Long term liabilities	(565,900)	-	(565,900)	(610,975)
	(248,033)	1,794,119	1,546,086	1,601,809

Golden Grove Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

18. MOVEMENT IN FUNDS

	At 1/9/21 £	Net movement in funds £	At 31/8/22 £
Unrestricted funds			
General fund	(193,262)	(54,771)	(248,033)
Restricted funds			
Grants and donations	363,349	(952)	362,397
Getty Foundation	71,722	-	71,722
Trustee Funding	1,360,000	-	1,360,000
	<u>1,795,071</u>	<u>(952)</u>	<u>1,794,119</u>
TOTAL FUNDS	<u><u>1,601,809</u></u>	<u><u>(55,723)</u></u>	<u><u>1,546,086</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	57,061	(111,832)	(54,771)
Restricted funds			
Welsh Government Grants	-	(998)	(998)
Donations	155	(109)	46
	<u>155</u>	<u>(1,107)</u>	<u>(952)</u>
TOTAL FUNDS	<u><u>57,216</u></u>	<u><u>(112,939)</u></u>	<u><u>(55,723)</u></u>

Welsh Government Grants - A restricted fund whereby funds are restricted for the use of restoration of the Country Park, gardens and grounds.

Getty Foundation - A restricted fund whereby funds are restricted for the use of the restoration of the North Terrace.

Trustee Funding - A restricted fund whereby funds are restricted for the use of the purchase of Golden Grove mansion and West Lodge.

Golden Grove Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

19. CONTINGENT LIABILITIES

There is a contingent liability of up to £100,000 arising from a VAT compliance inspection by H M Revenue and Customs. In January 2023, at a pre-tribunal hearing, the Trust was refused access to tribunal on the grounds of late appeal. The ongoing VAT discussions with HMRC are being dealt with by Crowe Clarke Whitehill LLP.

20. RELATED PARTY DISCLOSURES

There were no related party transactions other than the Trustee's loan account transactions and those disclosed as Trustees' remuneration and benefits.

21. ULTIMATE CONTROLLING PARTY

The Charity is controlled by the Trustees who are all directors of the company.

22. MEMBERS LIABILITY

The liability of members is limited to £1, being the amount that each member undertakes to contribute to the assets of the Charity in the event of it being wound up.

23. POST BALANCE SHEET EVENTS

The sale of East Lodge, one of the Trust's investment properties, was due to be completed by the end of May 2023, for £385,000. However, Barclays Bank had imposed a deadline of 31 December 2022 to reduce the bank debt, and therefore appointed their recovery team in January 2023 to recover the entire loan, now in excess of £800,000.

The park, arboretum and café were closed from 1 March 2023 because the Trust was unable to pay for public liability insurance, and all employees of the Trust and its subsidiary company had by then resigned.

In April 2023 the Chair of Trustees was disqualified from holding office. Following this, the Charity Commission has appointed a case officer.