

INSOLE COURT TRUST/YMDDIRIEDOLAETH CWRT INSOLE

England & Wales · Charity number 1145649

Details

Other names	INSOLE COURT TRUST
Status	Registered
Legal form	Charitable company
Company number	07705519
Registered	2012-01-26
Register	View on the Charity Commission register

Contact

Address	Insole Court Fairwater Road Cardiff CF5 2LN
Phone	02921167920
Email	enquiry@insolecourt.org
Website	www.insolecourt.org

Activities

Objects: 4.1 TO PRESERVE AND PROTECT THE BUILDINGS KNOWN AS INSOLE COURT INCLUDING THE RESTORATION OF THE INTERIOR AND GARDENS FOR THE PUBLIC BENEFIT; 4.2 TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE HISTORY AND CONSERVATION OF INSOLE COURT AND GARDENS; AND 4.3 TO FURTHER OR BENEFIT THE RESIDENTS OF THE COMMUNITY, WITHOUT DISTINCTION OF SEX, SEXUAL ORIENTATION, RACE OR OF POLITICAL, RELIGIOUS OR OTHER OPINIONS BY ASSOCIATING TOGETHER THE SAID RESIDENTS AND THE LOCAL AUTHORITIES, VOLUNTARY AND OTHER ORGANISATIONS IN A COMMON EFFORT TO ADVANCE EDUCATION, ARTS AND CULTURE, AND PROVIDE FACILITIES IN THE INTERESTS OF SOCIAL WELFARE FOR RECREATION LEISURE TIME OCCUPATION WITH THE OBJECTIVE OF IMPROVING THE CONDITIONS OF LIFE FOR THE RESIDENTS AND IN PARTICULAR TO ESTABLISH OR SECURE THE ESTABLISHMENT OF A COMMUNITY FACILITY AND TO MAINTAIN OR MANAGE OR CO-OPERATE WITH ANY STATUTORY OR OTHER AUTHORITY OR ORGANISATION IN THE MAINTENANCE AND MANAGEMENT OF SUCH A CENTRE

Activities: The Charity's objectives are: to restore, preserve, and protect Insole Court and its gardens for the public benefit; to provide education in its conservation and history; and to benefit the residents of the community by providing community facilities for social welfare and recreation.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage, Economic/community Development/employment, Recreation
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Cardiff

Finances

Period end	Income	Expenditure	Assets	Employees
2024-10-31	£472,675	£529,705	-	-
2023-10-31	£417,520	£512,376	-	-
2022-10-31	£359,317	£476,454	-	-
2021-10-31	£346,714	£389,652	-	-
2020-10-31	£463,238	£371,323	-	-

Trustees

Name	Role	Appointed
Valerie Mitchell BA, PGCE	Chair	2015-12-17
Caryl Thomas		2022-04-30
Elaine Marilyn Davey		2011-08-29
John ap Steffan		2024-09-14
Jonathan James Nicholson Ashcroft		2023-09-19
Katrina Rohman		2022-04-30
Mathew Ashcroft		2023-09-19
Matthew Skuse		2026-04-22
Michael Macdonald		2024-09-14
Neil Richardson		2022-04-30
Rebecca Ball		2024-09-14
William Tregaskes		2025-12-13

Accounts

REGISTERED COMPANY NUMBER: 07705519 (England and Wales)
REGISTERED CHARITY NUMBER: 1145649

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 October 2024
for
INSOLE COURT TRUST - YMDDIREDOLAETH CWRT
INSOLE

MHA (trading name of MHA Advisory Ltd)
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

**INSOLE COURT TRUST - YMDDIREDOLAETH CWRT
INSOLE**

**Contents of the Financial Statements
FOR THE YEAR ENDED 31 OCTOBER 2024**

	Page
Report of the Trustees	1 to 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8 to 9
Notes to the Financial Statements	10 to 20
Detailed Statement of Financial Activities	21 to 23

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

Report of the Trustees FOR THE YEAR ENDED 31 OCTOBER 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 31 October 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).

AIMS AND OBJECTIVES

The Charity's objects as stated in the Articles of Association are:

1. to preserve and protect the buildings known as Insole Court, including the restoration of the interior and gardens for public benefit;
2. to advance the education of the public in the history and conservation of Insole Court and Gardens; and
3. to further or benefit the residents of the community, without distinction of sex, sexual orientation, race or of political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education, arts and culture, and provide facilities in the interests of social welfare for recreation leisure time occupation with the objective of improving the conditions of life for the residents and in particular to establish or secure the establishment of a community facility and to maintain or manage or co-operate with any statutory or other authority or organisation in the maintenance and management of such a centre.

Public benefit

The trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission. Significant activities that we undertook during the period that demonstrate public benefit are set out below.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

2023/2024 built upon all the hard work and change that had taken place in 2022/2023 with some great successes which resulted in a dramatic turnaround from the previous year as the team worked hard to increase turnover, and manage costs. The changes described in our 2022/23 Trustee report continued throughout 2023/24 with new employees and trustees working together to create stability and adapt to challenges. Successful staff and trustee appointments helped to strengthen the team and deliver on the opportunities identified in 2022/23.

The budget set for 2023/24 faced far more scrutiny based on lessons learned from the previous year. We forecast a small profit before depreciation and had a far higher level of confidence in our predicted income and costs. Unlike 2022/23 the winter months did not create a deficit which we struggled to recover from. Rather the losses were often far lower than budgeted especially in December and January. This was combined with an early profit in March when we had expected to be running at a loss. The final figure of a loss of over £7,490 (before depreciation) marks a significant turnaround from last year, where we lost £49,419. This was still in a market of rising costs both in energy, staff and most importantly our café direct costs. A large amount of focus went into managing site staff costs along with the cost of sales for our food and beverage offering which continued to be pressured by inflation.

Where 2022/23 was a year of large challenges and staff and trustee change, in 2023/24 the team was able to start implementing new initiatives, to really get the site working and to start implementing the growth strategy. The success of this can be clearly seen within the Trading company which carried out the non-charitable activities for the site such as weddings, commercial room hire and catering. A near 30% increase in turnover led to a 25% increase in gross profit, based on a swing in profit of £58,505. This was a welcome return to profit which could be passed back to the trust.. This was made up of a 50% increase in wedding turnover, 27% in catering and bar sales and a 27% increase in rental income.

We were able to capitalise on the continued tenancy of the Cardiff Registry office in Insole Court by offering room hire and catering to registry office weddings, something we aim to improve upon in 2025 by providing stronger marketing and literature. At the end of the year, we replaced our head chef ensuring we were well placed to utilise the new kitchen facilities and build the reputation of our room event catering whilst also ensuring the costing of our menus.

We also had a hugely successful year in terms of filming which not only generates essential revenue, it also raises the profile and awareness of the site through publicity. This led to a 46% increase in filming revenue compared to our target for the 2023/24 year. Filming work is often last minute and staff worked tirelessly to ensure that we reduce the impact to our regular bookings and maintaining public access.

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

Report of the Trustees FOR THE YEAR ENDED 31 OCTOBER 2024

The generation of revenue is essential for the sustainability of the site and the achievement of our charitable aims and objectives. We continued to fulfil these aims by hosting lectures that educated people on the history of the site and the associated history of connected sites. We completed more tours of the house and ran events that offered a place for people of all ages to enjoy, from theatrical performances to craft fayres, garden sales, fund raising quizzes and street food social gatherings. We also hosted larger community events such as a free to enter community art exhibition, a sitewide national women's festival and a celebration of the lunar New Year. In addition, a wide range of community classes and courses benefit from discounted room hire. Our commitment to our aims and objectives is shown through the continued spending on the preservation of the site, education and the arts and community welfare, with expenditure increasing in line with inflation.

We also saw huge success in our grant applications where new staffing structures allowed the team to focus on the right grants and spend more time on applications. We increased our grant income by over £20,000 and the lessons learned should again improve our outlook for 2025. We also bolstered our trustee skillset by adding two trustees who had a background in fundraising which will further help our ability to source suitable grants and subsequent success rate.

As stated in last year's report, Insole Court was awarded grants of around £497,000 in grants to maintain and improve Insole Court to address structural issues along with providing facilities to help us with more valuable income generation. This was split between Cadw and the heritage National Lottery fund and required us to match fund over £30,000. Both Cadw and National Lottery have been hugely supportive of Insole Court and were involved with the original renovation and we continue to be very grateful for their support. Extensive staff effort went into the finalising of the renovation works which were scheduled to start in autumn/winter 2024. However, the start date was delayed by Cardiff Council which owns the building and leases it to the charity. This provided challenges in procurement, and working with our funders. The staff and trustees worked hard to ensure we could get the works started by the funders cut-off date in early 2025.

At the time of writing the works have been concluded giving Insole Court a welcome upgrade to our event catering facilities by providing a larger professional kitchen space in the main house and importantly solve historic damp issues which both visually impact the exterior and interior of the property. With the renovations complete we are optimistic about the improvements to Insole Courts potential income streams for the years to come.

ACHIEVEMENT AND PERFORMANCE

Investment performance

Insole Court Trading Company Limited deals with all the commercial hires and catering, including weddings, which take place at Insole Court.

For the year ended 31 October 2024, Insole Court Trading Company Ltd made a profit of £7,711.

FINANCIAL REVIEW

Financial position

During the year, the charity's total income was £472,675 (2023: £417,520) of which £30,943 (2023: £9,336) has been spent on fixed assets.

The charity reported a deficit of £57,030 after accounting for depreciation charges of £49,540, therefore there was a deficit before depreciation of £7,490 (2023: deficit of £49,419).

Insole Court Trading Company Ltd, a wholly-owned subsidiary, made a surplus of £7,711 during the period. The deficit for the group for the year to 31 October 2024 was £49,319 (2023; £145,650).

INSOLE COURT TRUST - YMDDIREDLAETH CWRT INSOLE

Report of the Trustees FOR THE YEAR ENDED 31 OCTOBER 2024

FINANCIAL REVIEW

Reserves policy

At 31 October 2024 the charity held total reserves of £1,144,283. Of this, £3,453 are restricted funds, £1,092,694 has been designated in a fund equivalent to the net book value of fixed assets and £2 represents investments, leaving £48,134 as the free reserves of the charity.

The trustees are aware of the importance of holding reserves. The target set in 2023 of £60,000 proved to be unobtainable with a fall in reserves over the year. However, there has been an improvement in the cash balance of around £50,000 when compared to 2023.

We spent time considering what our reserves target should be and factored in multiple options for the methodology for our policy. We looked at minimum running costs in the event of a site closure along with the actual reduction in cash reserves over the most recent winter. We felt that this was the most prudent approach based on our actual experience and have increased our reserves policy to achieve a minimum £80,000 free reserves for 2024/2025. This is based on a winter which was an outlier with many spaces closed whilst the renovation works were being undertaken. We do not feel that the loss incurred in the prior winter is likely in the current or future years with the improved facilities and offering and no planned closures, and the reserves policy will be reviewed accordingly.

Our approach to achieving the revised free reserves target is to continue to ensure our income streams bring real net returns by scrutinising our costs. Reserves are used for the purpose of smoothing cashflow. Any capital outlay, such as improvements to the site or new staff hires have been and will continue to be funded via restricted donations and grants. This should yield an organic growth to reserves over time.

Our reserves policy will be reviewed on an annual basis, with the proviso that a sudden influx of capital would cause an ad hoc review. This allows us to continue to ensure our reserve policy is based on the latest understanding of our cash flow position and likely requirements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee, governed by its Memorandum and Articles of Association.

The liability of each member is limited to £1.

Recruitment and appointment of new trustees

The Board of Trustees has a comprehensive skill mix covering finance and financial planning, heritage interpretation, governance, legal, company secretarial, activity planning, architectural, and buildings.

The Trust also has a core of voluntary advisors to supplement the trustees' knowledge base.

Organisational structure

The Insole Court Trust Board has 12 trustees and usually meets bi-monthly. The Board has a number of committees reporting to it viz Finance, Governance, Buildings, Heritage, Gardens, and Community Fundraising Committee. Committees must have a minimum of two trustees as members, one of which will act as Chair. The Trust Board is responsible for the overall strategy of the Charity, and for performance evaluation and assurance. A budget for the year is presented annually to the Board at the start of the financial year, and if approved, gives delegated power to staff through the Director, to spend within the budget parameters. If necessary, the Finance Committee, which has delegated spending powers, may revise the budget during the year, and any such revisions must be reported to the Board. Requests for expenditure outside the approved budget are made to the Finance Committee, to approve or otherwise, and such action must be reported to the next Board meeting. The Insole Court Trust has set up a separate wholly owned Trading Company which currently has two directors.

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

Report of the Trustees FOR THE YEAR ENDED 31 OCTOBER 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

The Trust has used organised away days with professional trainers for induction and training of new trustees, as well as in house training. This system of using professional trainers and consultants continues to be used to maintain trustee's skills and to manage events as the project progresses. Each trustee should have a comprehensive knowledge of the following:

- The role of trustees, which was identified as taking ultimate and collective responsibility for directing the affairs of the charity, ensuring it is solvent, well run, and delivering the charitable outcomes for the benefit of the public for which it was set up.
- The duties of trustees summarised as compliance with the law, duty of prudence, and duty of care.
- Good Governance and Leadership Principles covering understanding of the role of the trustee, the legal duties, the stewardship of assets, safeguarding the charity's purpose, overseeing the work of the charity, and managing and supporting staff and volunteers. Trustees would also be required to ensure delivery of organisational purpose, to work effectively both as individuals and as a team, to exercise effective control, to behave with integrity, and to be open and accountable.
- The skills needed by a trustee covering leadership, strategic planning, financial management and planning, knowledge of the legal framework in which the charity operates, management, and advocacy.
- Specific skills relating to heritage and community development.

Key management remuneration

Pay and remuneration of senior staff is at a level to attract and retain suitable individuals and is also governed by market forces as the Charitable Aims of the Trust are entirely dependent on revenue raised through its business activities.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07705519 (England and Wales)

Registered Charity number

1145649

Registered office

Insole Court
Fairwater road
Cardiff
County of Cardiff
CF5 2LN

Trustees

W M Clarke (resigned 14/9/2024)
E M Davey
C O'Brien (resigned 14/9/2024)
J L Prior-Morris (resigned 14/9/2024)
V Mitchell
N R Richardson
L E Reid
C E Thomas
K Rohman
M S Vasquez
L Humphreys (resigned 14/6/2024)
M Ashcroft
J J Nicholson Ashcroft
J Ap Steffan (appointed 14/9/2024)
R Ball (appointed 14/9/2024)
M MacDonald (appointed 14/9/2024)

President

N Lloyd-Edwards

Key management personnel

L Glanville - Chief Executive Officer

**INSOLE COURT TRUST - YMDDIREDOLAETH CWRT
INSOLE**

**Report of the Trustees
FOR THE YEAR ENDED 31 OCTOBER 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner
MHA (trading name of MHA Advisory Ltd)
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Approved by order of the board of trustees on **August 29, 2025** and signed on its behalf by:



.....
J J Nicholson Ashcroft - Trustee

**Independent Examiner's Report to the Trustees of
Insole Court Trust - Ymddiredolaeth Cwrt
Insole**

Independent examiner's report to the trustees of Insole Court Trust - Ymddiredolaeth Cwrt Insole ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 October 2024.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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

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

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

Rachel Doyle

Rachel Doyle ACA DChA

MHA (trading name of MHA Advisory Ltd)
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

August 29, 2025

Date:

**INSOLE COURT TRUST - YMDDIREDOLAETH CWRT
INSOLE**
**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
FOR THE YEAR ENDED 31 OCTOBER 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	68,030	-	68,030	47,997
Charitable activities	5				
Education and the arts		6,004	-	6,004	3,635
Community welfare		73,228	-	73,228	72,943
Other trading activities	4	130,134	-	130,134	104,110
Other income	6	169,474	25,805	195,279	188,835
Total		<u>446,870</u>	<u>25,805</u>	<u>472,675</u>	<u>417,520</u>
EXPENDITURE ON					
Raising funds	7	142,224	-	142,224	141,624
Charitable activities	8				
Preservation of Insole Court		98,085	24,765	122,850	118,701
Education and the arts		38,461	-	38,461	36,358
Community welfare		226,170	-	226,170	215,693
Total		<u>504,940</u>	<u>24,765</u>	<u>529,705</u>	<u>512,376</u>
NET INCOME/(EXPENDITURE)		(58,070)	1,040	(57,030)	(94,856)
Transfers between funds	22	<u>19,751</u>	<u>(19,751)</u>	<u>-</u>	<u>-</u>
Net movement in funds		(38,319)	(18,711)	(57,030)	(94,856)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,179,149	22,164	1,201,313	1,296,169
TOTAL FUNDS CARRIED FORWARD		<u><u>1,140,830</u></u>	<u><u>3,453</u></u>	<u><u>1,144,283</u></u>	<u><u>1,201,313</u></u>

The notes form part of these financial statements

**INSOLE COURT TRUST - YMDDIREOLAETH CWRT
INSOLE**
**Balance Sheet
31 OCTOBER 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	15	1,092,694	-	1,092,694	1,111,291
Investments	16	2	-	2	2
		<u>1,092,696</u>	<u>-</u>	<u>1,092,696</u>	<u>1,111,293</u>
CURRENT ASSETS					
Stocks	17	6,586	-	6,586	7,440
Debtors	18	71,018	-	71,018	77,543
Cash at bank and in hand		89,727	3,453	93,180	91,883
		<u>167,331</u>	<u>3,453</u>	<u>170,784</u>	<u>176,866</u>
CREDITORS					
Amounts falling due within one year	19	(103,418)	-	(103,418)	(73,423)
		<u>63,913</u>	<u>3,453</u>	<u>67,366</u>	<u>103,443</u>
NET CURRENT ASSETS					
		<u>63,913</u>	<u>3,453</u>	<u>67,366</u>	<u>103,443</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,156,609</u>	<u>3,453</u>	<u>1,160,062</u>	<u>1,214,736</u>
CREDITORS					
Amounts falling due after more than one year	20	(15,779)	-	(15,779)	(13,423)
		<u>1,140,830</u>	<u>3,453</u>	<u>1,144,283</u>	<u>1,201,313</u>
NET ASSETS					
		<u>1,140,830</u>	<u>3,453</u>	<u>1,144,283</u>	<u>1,201,313</u>
FUNDS	22				
Unrestricted funds				1,140,830	1,179,149
Restricted funds				3,453	22,164
TOTAL FUNDS				<u>1,144,283</u>	<u>1,201,313</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- 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 notes form part of these financial statements

**INSOLE COURT TRUST - YMDDIREDOLAETH CWRT
INSOLE**

**Balance Sheet - continued
31 OCTOBER 2024**

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~~August 29, 2025~~..... and were signed on its behalf by:



.....
J J Nicholson Ashcroft - Trustee

The notes form part of these financial statements

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

Notes to the Financial Statements FOR THE YEAR ENDED 31 OCTOBER 2024

1. STATUTORY INFORMATION

Insole Court Trust is a registered charity and private company limited by guarantee having no share capital. It is incorporated in Wales in the United Kingdom. The registered office is Insole Court, Fairwater Road, Cardiff, CF5 2LN. The nature of the charitable company's operations and principal activities are disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the charitable company's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. 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.

There have been no material departures from Financial Reporting Standard 102.

Going concern

The results for the year show a deficit of £57,030 (2023: £94,856, 2022: £117,137). Despite the loss, the figures for the past three years show a fundamental improvement year on year, demonstrating the successful work of the CEO, Lloyd Glanville, who has worked tirelessly with members of staff and the Board of Trustees to continue the financial turn-around of Insole Court Trust.

The significant improvements in the budgeting process ensured that the 2023/24 budget was not only linked to the planned calendar of events but also set realistic targets which were both challenging and deliverable. Regular meetings of the Financial Committee ensured that budgets were met, and any variances were addressed at speed and appropriate mitigations put in place.

The successful completion of the works funded by the National Heritage Memorial Fund (£328,938) and Cadw (£96,250) at the start of 2025 safeguards the future of Insole Court and allowed for the refurbishment of internal areas bringing them back to their former glory. Since the completion of the renovation work, Insole Court is already seeing encouraging signs of profit as a result of the overall improvements to the site including new catering facilities and renovated spaces. This is due to widening existing income streams as well as a concerted effort to control and minimise fixed costs.

2023/24 demonstrates the successful changes that the Board has put in place. The Trust is confident that the strategies put in place will ensure the long term sustainability of Insole Court, and as such these financial statements have been prepared using the going concern basis.

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.

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

INSOLE COURT TRUST - YMDDIREDLAETH CWRT INSOLE

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 OCTOBER 2024

2. ACCOUNTING POLICIES - continued

INCOME

Incoming resources from other trading activities includes income received under contract. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

This includes capital grants.

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.

Expenditure on raising funds includes the cost of fundraising and the direct costs of other trading activities as well as a proportion of salaries based on an approximation of time spent in this area.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

ALLOCATION AND APPORTIONMENT OF COSTS

All costs are allocated between expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

TANGIBLE FIXED ASSETS

Fixed assets are initially recorded at cost, including the estimated cost of any donated assets.

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

Long Leasehold Property	- 80 years on cost
Fixtures, fittings and equipment	- 5 years on cost
Computer equipment	- 3 years on cost

Fixed asset investments

Fixed asset investments are recorded at cost less any provision required for diminution in value.

STOCKS

Stock is included at the lower of cost or net realisable value using the FIFO stock valuation method.

TAXATION

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

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade debtors and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

**INSOLE COURT TRUST - YMDDIREDLAETH CWRT
INSOLE**
**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 OCTOBER 2024**
2. ACCOUNTING POLICIES - continued
TAXATION

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

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.

Designated funds are unrestricted funds earmarked by the trustees for particular 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.

3. DONATIONS AND LEGACIES

	2024 £	2023 £
Donations	39,673	37,292
Gift aid	4,292	6,825
Grants	23,785	3,500
Subscriptions	280	380
	<u>68,030</u>	<u>47,997</u>

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

	2024 £	2023 £
Cardiff Council	2,952	-
Moondance Foundation	20,833	-
Simon Gibson Charitable Trust	-	2,000
Warm Spaces at Insole Court	-	1,500
	<u>23,785</u>	<u>3,500</u>

4. OTHER TRADING ACTIVITIES

	2024 £	2023 £
Other rental income	103,774	77,184
Gift shop sales	26,360	26,926
	<u>130,134</u>	<u>104,110</u>

**INSOLE COURT TRUST - YMDDIREDLAETH CWRT
INSOLE**

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 OCTOBER 2024**

5. INCOME FROM CHARITABLE ACTIVITIES

		2024 £	2023 £
Entrance fees and tour income	Activity		
	Education and the arts	6,004	3,635
Facility hire fees	Community welfare	55,435	53,190
Activities and events income	Community welfare	17,793	19,753
		<u>79,232</u>	<u>76,578</u>

6. OTHER INCOME

	2024 £	2023 £
Other income	15,621	11,545
Reimbursement of costs	27,650	15,240
Management fee	152,008	162,050
	<u>195,279</u>	<u>188,835</u>

7. RAISING FUNDS

RAISING DONATIONS AND LEGACIES

	2024 £	2023 £
Fundraising	<u>6,894</u>	<u>4,422</u>

OTHER TRADING ACTIVITIES

	2024 £	2023 £
Purchases	17,765	12,578
Staff costs	90,199	70,454
Bad debts	1,137	-
Legal and professional fees	2,254	29,903
Shop operating expenses	1,692	713
Rates and water	762	657
Light and heat	15,562	17,013
Telephone and internet	2,129	2,333
Depreciation	3,830	3,551
	<u>135,330</u>	<u>137,202</u>
Aggregate amounts	<u>142,224</u>	<u>141,624</u>

**INSOLE COURT TRUST - YMDDIREOLAETH CWRT
INSOLE**
**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 OCTOBER 2024**
8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9) £	Support costs (see note 10) £	Totals £
Preservation of Insole Court	91,345	31,505	122,850
Education and the arts	22,497	15,964	38,461
Community welfare	157,257	68,913	226,170
	<u>271,099</u>	<u>116,382</u>	<u>387,481</u>

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2024 £	2023 £
Staff costs	114,796	83,912
Rates and water	2,133	1,840
Insurance	1,255	1,375
Light and heat	43,574	47,636
Telephone	5,960	6,532
Design and print	750	637
Computer and web site fees	224	1,617
Miscellaneous expenses	2,829	3,479
Cleaning and household goods	10,247	11,409
Activities and events costs	693	9,177
Property maintenance and repairs	42,901	45,267
Legal and professional fees	6,227	4,062
Depreciation	39,510	39,793
	<u>271,099</u>	<u>256,736</u>

10. SUPPORT COSTS

	Staff costs £	Finance £	Information technology £
Preservation of Insole Court	21,434	369	869
Education and the arts	12,860	221	-
Community welfare	51,441	885	-
	<u>85,735</u>	<u>1,475</u>	<u>869</u>
		Governance costs £	Totals £
Preservation of Insole Court	7,933	900	31,505
Education and the arts	2,117	766	15,964
Community welfare	13,525	3,062	68,913
	<u>23,575</u>	<u>4,728</u>	<u>116,382</u>

**INSOLE COURT TRUST - YMDDIREDLAETH CWRT
INSOLE**
**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 OCTOBER 2024**
11. NET INCOME/(EXPENDITURE)

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

	2024	2023
	£	£
Depreciation - owned assets	49,540	45,437
Independent examination fee	3,600	3,400
	<u> </u>	<u> </u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 October 2024 or for the year ended 31 October 2023.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 October 2024 or for the year ended 31 October 2023.

13. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	269,958	208,458
Social security costs	12,593	9,096
Other pension costs	4,958	3,486
	<u> </u>	<u> </u>
	<u>287,509</u>	<u>221,040</u>

Total remuneration paid to key management personnel in the year was £48,198 (2023: £31,818).

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

	2024	2023
	17	15
Average employees	<u> </u>	<u> </u>

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

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	36,497	11,500	47,997
Charitable activities			
Education and the arts	3,635	-	3,635
Community welfare	72,943	-	72,943
Other trading activities	104,110	-	104,110
Other income	186,422	2,413	188,835
	<u> </u>	<u> </u>	<u> </u>
Total	<u>403,607</u>	<u>13,913</u>	<u>417,520</u>
EXPENDITURE ON			
Raising funds	141,624	-	141,624

**INSOLE COURT TRUST - YMDDIREDOLAETH CWRT
INSOLE**
**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 OCTOBER 2024**
14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Charitable activities			
Preservation of Insole Court	113,738	4,963	118,701
Education and the arts	36,358	-	36,358
Community welfare	215,693	-	215,693
Total	507,413	4,963	512,376
NET INCOME/(EXPENDITURE)	(103,806)	8,950	(94,856)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,282,955	13,214	1,296,169
TOTAL FUNDS CARRIED FORWARD	1,179,149	22,164	1,201,313

15. TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 November 2023	1,213,845	166,643	36,168	1,416,656
Additions	-	20,735	10,208	30,943
At 31 October 2024	1,213,845	187,378	46,376	1,447,599
DEPRECIATION				
At 1 November 2023	140,956	133,468	30,941	305,365
Charge for year	28,787	15,320	5,433	49,540
At 31 October 2024	169,743	148,788	36,374	354,905
NET BOOK VALUE				
At 31 October 2024	1,044,102	38,590	10,002	1,092,694
At 31 October 2023	1,072,889	33,175	5,227	1,111,291

16. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 November 2023 and 31 October 2024	2
NET BOOK VALUE	
At 31 October 2024	2
At 31 October 2023	2

There were no investment assets outside the UK.

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

**INSOLE COURT TRUST - YMDDIREDLAETH CWRT
INSOLE**
**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 OCTOBER 2024**
16. FIXED ASSET INVESTMENTS - continued
Insole Court Trading Company Ltd

Registered office: Insole Court, Fairwater Road, Llandaff, Cardiff CF5 2LN

Nature of business: Room hire and event services

Class of share:	%
Ordinary shares	holding 100

	2024	2023
	£	£
Aggregate capital and reserves	(57,362)	(65,073)
Profit/(loss) for the year	7,711	(50,794)

17. STOCKS

	2024	2023
	£	£
Retail stocks	6,586	7,440

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	-	5,649
Amounts owed by group undertakings	54,989	53,095
Other debtors	9,200	108
VAT	-	9,546
Prepayments and accrued income	6,829	9,145
	71,018	77,543

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Bank loans and overdrafts (see note 21)	3,160	7,881
Trade creditors	20,985	18,108
Social security and other taxes	5,405	6,642
VAT	13,679	-
Other creditors	29,928	18,668
Accruals and deferred income	30,261	22,124
	103,418	73,423

Included within accruals and deferred income above is the following deferred income:

	2024	2023
	£	£
Rental income and deposit	888	771
Grant and other income	13,207	
	14,095	771

The deferred income relates to income received in advance of project or service delivery. All amounts brought forward have been released to the statement of financial activities in the year.

**INSOLE COURT TRUST - YMDDIREDLAETH CWRT
INSOLE**

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 OCTOBER 2024**

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

	2024 £	2023 £
Bank loans (see note 21)	15,779	13,423

21. LOANS

An analysis of the maturity of loans is given below:

	2024 £	2023 £
Amounts falling due within one year on demand:		
Bank loans	3,160	7,881
Amounts falling between one and two years:		
Bank loans - 1-2 years	3,261	8,085
Amounts falling due between two and five years:		
Bank loans - 2-5 years	12,518	5,338

22. MOVEMENT IN FUNDS

	At 1/11/23 £	Net movement in funds £	Transfers between funds £	At 31/10/24 £
Unrestricted funds				
General fund	67,858	(58,070)	38,348	48,136
Fixed asset designated fund	1,111,291	-	(18,597)	1,092,694
	1,179,149	(58,070)	19,751	1,140,830
Restricted funds				
Garden and grounds fund	2,413	1,040	-	3,453
Friends of Insole Court fund	11,214	-	(11,214)	-
Memorial garden fund	8,537	-	(8,537)	-
	22,164	1,040	(19,751)	3,453
TOTAL FUNDS	1,201,313	(57,030)	-	1,144,283

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	446,870	(504,940)	(58,070)
Restricted funds			
Cardiff City Council grant	2,952	(2,952)	-
Moondance Foundation fund	20,833	(20,833)	-
Garden and grounds fund	2,020	(980)	1,040
	25,805	(24,765)	1,040
TOTAL FUNDS	472,675	(529,705)	(57,030)

**INSOLE COURT TRUST - YMDDIREDOLAETH CWRT
INSOLE**

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 OCTOBER 2024**

22. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/11/22 £	Net movement in funds £	Transfers between funds £	At 31/10/23 £
Unrestricted funds				
General fund	135,563	(103,806)	36,101	67,858
Fixed asset designated fund	1,147,392	-	(36,101)	1,111,291
	<u>1,282,955</u>	<u>(103,806)</u>	<u>-</u>	<u>1,179,149</u>
Restricted funds				
Garden and grounds fund	-	2,413	-	2,413
Friends of Insole Court fund	13,214	(2,000)	-	11,214
Memorial garden fund	-	8,537	-	8,537
	<u>13,214</u>	<u>8,950</u>	<u>-</u>	<u>22,164</u>
TOTAL FUNDS	<u>1,296,169</u>	<u>(94,856)</u>	<u>-</u>	<u>1,201,313</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	403,607	(507,413)	(103,806)
Restricted funds			
Garden and grounds fund	2,413	-	2,413
Friends of Insole Court fund	-	(2,000)	(2,000)
Memorial garden fund	10,000	(1,463)	8,537
Warm Spaces at Insole Court	1,500	(1,500)	-
	<u>13,913</u>	<u>(4,963)</u>	<u>8,950</u>
TOTAL FUNDS	<u>417,520</u>	<u>(512,376)</u>	<u>(94,856)</u>

Designated funds

Fixed asset designated fund

The fixed asset designated fund represents the net book value of tangible fixed assets.

Restricted funds

Garden and grounds fund

During the year the charity received private donations of £2,020 (2023: £2,413) for the restoration of the gardens.

Memorial garden fund

This fund was set up in the prior year. During the year ended 2024, it was decided that the remaining balance in the fund be transferred to unrestricted.

Friends of Insole Court

During the year ended 2024, it was decided that the remaining balance in the fund be transferred to unrestricted.

Moondance fund

Grant income of £25,000 was received during the year. This is to be used towards the Marketing and development officer wages for the year. Two months of this is included in deferred income at year end.

**INSOLE COURT TRUST - YMDDIREDOLAETH CWRT
INSOLE**

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 OCTOBER 2024**

22. MOVEMENT IN FUNDS - continued

Cardiff Council Fund

Grant income of £11,808 has been granted during the year. This is to be used to partially fund the role of the Garden and Maintenance Officer, commencing in August 2024. £8,856 of this fund is recognised in deferred income at year end.

TRANSFERS BETWEEN FUNDS

A transfer of £18,597 was made from the general fund to the fixed asset designated fund in respect of further fixed asset additions during the year, less the depreciation charged.

23. RELATED PARTY DISCLOSURES

Aggregate donations of £910 (2023: £930) were received from trustees in the year in the form of supporters and patrons income.

Management fees of £164,418 (2023: £162,050) were received from the charity's trading subsidiary, Insole Court Trading Company Ltd. The charity has also received income and made payments on behalf of its trading subsidiary, and vice versa, during the year. As at 31 October 2024, a balance of £54,989 was due to the charity from its trading subsidiary (2023: £53,095).

Payments of £6,750 were made to Neil Richardson Consulting Limited, a company owned by a trustee, in respect of consultancy services.

**INSOLE COURT TRUST - YMDDIREDOLAETH CWRT
INSOLE**
**Detailed Statement of Financial Activities
FOR THE YEAR ENDED 31 OCTOBER 2024**

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	39,673	37,292
Gift aid	4,292	6,825
Grants	23,785	3,500
Subscriptions	280	380
	<u>68,030</u>	<u>47,997</u>
Other trading activities		
Other rental income	103,774	77,184
Gift shop sales	26,360	26,926
	<u>130,134</u>	<u>104,110</u>
Charitable activities		
Facility hire fees	55,435	53,190
Activities and events income	17,793	19,753
Entrance fees and tour income	6,004	3,635
	<u>79,232</u>	<u>76,578</u>
Other income		
Other income	15,621	11,545
Reimbursement of costs	27,650	15,240
Management fee	152,008	162,050
	<u>195,279</u>	<u>188,835</u>
Total incoming resources	<u>472,675</u>	<u>417,520</u>
EXPENDITURE		
Raising donations and legacies		
Fundraising	6,894	4,422
Other trading activities		
Gift shop purchases	17,765	12,578
Wages	85,353	66,931
Social security	3,476	2,514
Pensions	1,370	1,009
Bad debts	1,137	-
Legal and professional fees	2,254	29,903
Shop operating expenses	1,692	713
Rates and water	762	657
Light and heat	15,562	17,013
Telephone and internet	2,129	2,333
Fixtures and fittings depreciation	3,830	3,551
	<u>135,330</u>	<u>137,202</u>
Charitable activities		
Wages	108,068	79,374
Carried forward	108,068	79,374

This page does not form part of the statutory financial statements

**INSOLE COURT TRUST - YMDDIREDOLAETH CWRT
INSOLE**
**Detailed Statement of Financial Activities
FOR THE YEAR ENDED 31 OCTOBER 2024**

	2024 £	2023 £
Charitable activities		
Brought forward	108,068	79,374
Social security	4,853	3,263
Pensions	1,875	1,275
Rates and water	2,133	1,840
Insurance	1,255	1,375
Light and heat	43,574	47,636
Telephone	5,960	6,532
Design and print	750	637
Computer and web site fees	224	1,617
Miscellaneous expenses	2,829	3,479
Cleaning and household goods	10,247	11,409
Activities and events costs	693	9,177
Property maintenance and repairs	42,901	45,267
Legal and professional fees	6,227	4,062
Improvements to property depreciation	28,787	29,852
Fixtures and fittings depreciation	10,723	9,941
	271,099	256,736
Support costs		
Staff costs		
Wages	76,537	62,153
Social security	4,264	3,319
Pensions	1,713	1,202
Recruitment and training	507	7,911
Office support costs	2,444	2,402
Security Lock up	270	10,490
	85,735	87,477
Finance		
Bank charges	1,193	1,911
Bank loan interest	282	728
	1,475	2,639
Information technology		
Repairs and renewals	869	-
Other		
Rates and water	152	132
Light and heat	3,113	3,402
Computer expenses	5,952	5,972
Postage and stationery	3,978	4,487
Advertising	3,756	3,183
Telephone and internet	425	467
Fixtures and fittings depreciation	765	710
Computer equipment depreciation	5,434	1,383
	23,575	19,736
Governance costs		
Accountancy fees	3,600	3,400
Legal and professional fees	1,128	764
	4,728	4,164

This page does not form part of the statutory financial statements

**INSOLE COURT TRUST - YMDDIREDOLAETH CWRT
INSOLE**

**Detailed Statement of Financial Activities
FOR THE YEAR ENDED 31 OCTOBER 2024**

	2024 £	2023 £
Total resources expended	529,705	512,376
Net expenditure	(57,030)	(94,856)

Accounts

REGISTERED COMPANY NUMBER: 07705519 (England and Wales)
REGISTERED CHARITY NUMBER: 1145649

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023
FOR
INSOLE COURT TRUST - YMDDIREOLAETH CWRT
INSOLE**



MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023**

	Page
Report of the Trustees	1 to 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8 to 9
Notes to the Financial Statements	10 to 20

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2023

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 October 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).

AIMS AND OBJECTIVES

The Charity's objects as stated in the Articles of Association are:

1. to preserve and protect the buildings known as Insole Court, including the restoration of the interior and gardens for public benefit;
2. to advance the education of the public in the history and conservation of Insole Court and Gardens; and
3. to further or benefit the residents of the community, without distinction of sex, sexual orientation, race or of political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education, arts and culture, and provide facilities in the interests of social welfare for recreation leisure time occupation with the objective of improving the conditions of life for the residents and in particular to establish or secure the establishment of a community facility and to maintain or manage or co-operate with any statutory or other authority or organisation in the maintenance and management of such a centre.

Public benefit

The trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission. Significant activities that we undertook during the period that demonstrate public benefit are set out below.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

2023/24 was very much a year of challenges and change at Insole Court with very difficult market conditions and legacy issues leading to a poor performance financially. However, this masks fundamental changes that have shown a very encouraging turnaround is possible born out in a large increase in turnover and activity on the site. Some of the changes which took place were unplanned and presented large challenges, and others were implemented to address issues which had faced Insole Court in 2022/23 and prevailed in 2023/2024.

The budget set for 2023/2024 forecast a small loss of £2,868 but it quickly became clear in the first few months that this would prove to be a challenge with losses around £64,000 by the end of February after only 4 months. The winter months had historically always proved a challenge, but rising costs, lower spending due to the cost-of-living crisis and staff and trustee changes all worked together to give Insole Court a very steep challenge for the year.

The challenges included the former director leaving Insole Court in December 2022, with a replacement not starting on a full time basis until May 2023. This led to other senior staff members having to shift focus from income generating activities and the growth plan identified in previous trustee reports in favour of ensuring the day to day running of the site. Trustee Neil Richardson was brought in as interim CEO to help during this time, but a full-time employee was needed to set the charity on a new path. We thank Laurence Roblin, the previous treasurer who retired in July after 11 years of service. The recruitment of a replacement was not easy, but a new treasurer was formerly appointed in September 2023.

Insole Court's main area of predicted growth for 23/24 centred on the Food and Beverage (F&B) offering by scaling up catering services to widen the income base beyond the seasonal Potting Shed café income. This suffered a setback with the departure of the catering manager in June 2023, her replacement being appointed from existing staff in the same month. This, alongside the gap in leadership meant that Insole Court failed to capitalise on the seasonally stronger months and the events program was not developed fully as intended in 2022/2023.

With the changes to both trustees and staff in mind, the rebuilding of Insole Court's team and approach began in the summer of 2023. A large deficit had been accrued by this time and only one month had registered a profit (April) so this urgently had to be addressed. The new CEO, Lloyd Granville worked with existing members of staff and the Board of Trustees to work towards increasing activity on site with a program of events which targeted times of the year which has historically been weak and set clear targets and responsibilities for staff so that there was more managerial structure. It was recognised that Insole Court had evolved into a place where greater governance was required, which included the recruitment of a new operations manager who would take over the day to day running of the site freeing up the time of the CEO and the Events team who had become side-tracked from their departments. A formal structure including roles and responsibilities was created and performance reviews and targets set for all members of staff and although in its early stages understanding and ownership of departments showed clear improvements.

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2023

Operationally the Board of Trustees has tried to recruit trustees with specialist experience in specific areas such as finance, fund raising, marketing and HR. In 2022/2023 two finance professionals were added to strengthen the Board's skill set and oversight. It was clear by the close of the financial year that the budget set for 2022/2023 was overly ambitious and the new Financial Committee and CEO were keen to improve the accuracy for 2023/2024 by setting a budget linked to the planned events calendar and setting more realistic targets which were still challenging but deliverable. The budget should inspire the staff to excel against mutually agreed targets and take ownership of the future prosperity of the site.

The new catering manager presented a plan to the Board in August which contained his vision to increasing the F&B income which included an overhaul of the café menu, food events on site, pop-up external kitchen 'take-overs' along with a new menu for in-house catering for smaller weddings and corporate room hire. Due to historic delivery issues, the bookings team had become reliant on external caterers so it was understood that the benefit of taking more catering in house would not be realised until later in the year and 2024.

The main challenge in 2022/2023 has been the spiralling cost of energy and food ingredients as Britain grappled with inflation and the cost-of-living crisis. As part of a review of Insole Court's costs and income streams, the trustees became aware that a very expensive forward-dated energy contract with the gas provider of the main house had been signed. This would put Insole Court into a position, from October 2023, that would jeopardise the whole viability of the organisation due to an increase of approx. £34,000pa. Negotiations with the provider and broker along with consulting solicitors took valuable staff and trustee resources and incurred cost in the respect of legal bills. This was resolved just prior to the end of the financial year with the CEO negotiating a lower rate whilst also putting in place measures to reduce our energy usage by changing our thermostat programs and taking a more efficient approach to our energy usage.

Food costs were another challenge, which had to be addressed, and work was done to improve our menu of food and ensure more was done to use social media to promote our offering. On top of this, it was realised that direct catering costs were rising at a rate that could not be supported by the sales and the trustees and Financial Committee worked with the catering manager to make sure menus were costed more efficiently and portions sizes made more consistent.

One of the major successes of the year was securing large grants from National Heritage Memorial Fund (£328,938) and Cadw (£96,250). Along with Cardiff Council and Insole Court Trust matched funding this totals £497,000 for essential repairs and upgrades. CADW funds are for external repairs only and the Lottery funds are to be used as a mix of internal and external works, with a particular attention to creating a functional house kitchen that can be used for large scale catering events, either staffed by Insole Court or run by an external company where rent and or commission is charged to reduce the risk to the Trust. This funding also will allow us to carry out our 2022 aim of widening our income base whilst having to match fund £30,000 rather than having to find the bulk of the investment ourselves.

This will allow us to safeguard the future of Insole Court and refurbish internal areas bringing them back to their former glory for future generations whilst also creating an income stream which we have not had previously. The vision is that the house kitchen could facilitate educational cooking workshops whilst also allowing us to extend our historical tours to the old Victorian kitchen areas which are currently off limits to the public.

One of the major revenue success stories was securing the relocation of the Registry office to Insole Court from City Hall on a temporary basis. This was agreed in August 2023 and they started paying rent in November 2023. This brought in a large guaranteed rental increase to Insole Court which started at around £10,600 per quarter and was set to increase throughout 2024. This provides Insole Court with several valuable opportunities, the ability to offer upgrades to registry office weddings with room hire and catering for receptions. It also provides more awareness and footfall on site with the potential for greater attendance of future events, shop and café purchases. Although this relocation was scheduled to be temporary it was hoped that if it was successful for both parties that this may become a more permanent home for the registry.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 OCTOBER 2023**

One of the major initiatives put in place by the new team was to increase activity on site, especially during more seasonally challenging times, so an events team was set up to suggest ideas for events throughout the year including utilising successful events of the past and new ideas. This meant that, as we closed the year heading into the winter, Insole Court had a program of events including lectures on the history of the site, musical events and pop-up restaurants events held in the café after hours. We tried to get a balance between events which benefited the community in line with our charitable objectives including, education and the preservation of the heritage through activities such as tours of the tower, lectures on the history of Insole Court and providing a venue for the annual Sparkle Walk for St David's Hospice. We also included events for 2024 which celebrated the lunar New Year, which would bring education of Chinese culture, and more talks on the history of Cardiff. This was on top of regular activities of garden and house tours, tours which focussed on the trees of Insole Court and welcoming people from far and wide on site into the beautiful historic grounds of Insole Court. We also decided that we would open the house over the Christmas period in 2023 as the previous year the site had remained closed leading to a large loss in December 2022. It was hoped that this would again encourage people to enjoy the site along with increase donations and use of the café or rooms for Christmas events and regular activities. Insole Court welcomed around 240,000 to the site and the actual number of visitors would far exceed this including those just using the grounds who did not enter the café or main house.

Whilst we have tried very hard to balance the needs to be self-sufficient financially and maintain our charitable objectives the new members of the Financial Committee identified that we needed to look at our rental rates for all regular hires along with our tenants as energy prices has increased so much. The team at Insole Court looked at rental rates for tenants based on sq/ft of office space and reviewed lease contracts to see where fair increases could be applied. We also tighten our credit controls to improve our cash flow on late tenant payments, again doing so in a fair and reasonable manner. We also made it a priority to review our pricing structure for F&B along with our wedding offering and tried to ensure that the barriers were removed between referrals between our events and catering team to maximise the earning opportunities of room hire at Insole.

We finished the year with a sense of optimism that we were turning a corner but that the winter months would be very testing in terms of cash flow. For this reason, we discussed a payment plan for our future VAT bills and utilising payment holiday or term extension options for our bounce back loan to try and relieve some of the pressure on a time of year which had always been challenging. This would be reviewed when the time arose taking into account a greater focus on accurate cashflow forecasting rather than just averaged profit and loss we were able to more confidently manage our reserves. We were confident that if we implemented the plans to grow renovate, protect and develop Insole Court's offering we should be in a position to deliver on the more realistic targets set.

ACHIEVEMENT AND PERFORMANCE

Investment performance

Insole Court Trading Company Limited deals with all the commercial hires and catering, including weddings, which take place at Insole Court.

For the year ended 31 October 2023, Insole Court Trading Company Ltd made a deficit of £50,794.

FINANCIAL REVIEW

Financial position

During the year, the charity's total income was £417,520 (2022: £359,317) of which £9,336 (2022: £32,869) has been spent on fixed assets.

The charity reported a deficit of £94,856 after accounting for depreciation charges of £45,437, therefore there was a deficit before depreciation of £49,419 (2022: deficit of £71,926).

Insole Court Trading Company Ltd, a wholly owned subsidiary, made a loss of £50,794 during the period. The deficit for the group for the year to 31 October 2023 was £145,650 (2022: £131,696).

Reserves policy

At 31 October 2023 the charity held total reserves of £1,201,313. Of this, £22,164 are restricted funds, £1,111,291 has been designated in a fund equivalent to the net book value of fixed assets and £2 represents investments, leaving £67,856 as the free reserves of the charity.

The trustees are aware of the importance of holding reserves although the target set in 2022 of increasing reserves to £150,000 proved to be unobtainable as the charity faced numerous obstacles which led to the depletion of reserves. The focus switched to ensuring that the charity stemmed the losses and returned to profit along with managing its' cashflow during the quiet winter months. Although it would still be the goal to reach reserves of £150,000 it is not wise to set targets that are unrealistic and at present it is more realistic to aim for a modest increase to around £60,000 of reserves by the end of October 2024.

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee, governed by its Memorandum and Articles of Association.

The liability of each member is limited to £1.

Recruitment and appointment of new trustees

The Board of Trustees has a comprehensive skill mix covering finance and financial planning, heritage interpretation, governance, legal, company secretarial, activity planning, architectural, and buildings.

The Trust also has a core of voluntary advisors to supplement the trustees' knowledge base.

Organisational structure

The Insole Court Trust Board has 12 trustees and usually meets bi-monthly. The Board has a number of committees reporting to it viz Finance, Governance, Buildings, Heritage, Gardens, and Community Fundraising Committee. Committees must have a minimum of two trustees as members, one of which will act as Chair. The Trust Board is responsible for the overall strategy of the Charity, and for performance evaluation and assurance. A budget for the year is presented annually to the Board at the start of the financial year, and if approved, gives delegated power to staff through the Director, to spend within the budget parameters. If necessary, the Finance Committee, which has delegated spending powers, may revise the budget during the year, and any such revisions must be reported to the Board. Requests for expenditure outside the approved budget are made to the Finance Committee, to approve or otherwise, and such action must be reported to the next Board meeting. The Insole Court Trust has set up a separate wholly owned Trading Company which currently has two directors.

Induction and training of new trustees

The Trust has used organised away days with professional trainers for induction and training of new trustees, as well as in house training. This system of using professional trainers and consultants continues to be used to maintain trustee's skills and to manage events as the project progresses. Each trustee should have a comprehensive knowledge of the following:

- The role of trustees, which was identified as taking ultimate and collective responsibility for directing the affairs of the charity, ensuring it is solvent, well run, and delivering the charitable outcomes for the benefit of the public for which it was set up.
- The duties of trustees summarised as compliance with the law, duty of prudence, and duty of care.
- Good Governance and Leadership Principles covering understanding of the role of the trustee, the legal duties, the stewardship of assets, safeguarding the charity's purpose, overseeing the work of the charity, and managing and supporting staff and volunteers. Trustees would also be required to ensure delivery of organisational purpose, to work effectively both as individuals and as a team, to exercise effective control, to behave with integrity, and to be open and accountable.
- The skills needed by a trustee covering leadership, strategic planning, financial management and planning, knowledge of the legal framework in which the charity operates, management, and advocacy.
- Specific skills relating to heritage and community development.

Key management remuneration

Pay and remuneration of senior staff is at a level to attract and retain suitable individuals and is also governed by market forces as the Charitable Aims of the Trust are entirely dependent on revenue raised through its business activities.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07705519 (England and Wales)

Registered Charity number

1145649

Registered office

Insole Court
Fairwater road
Cardiff
County of Cardiff
CF5 2LN

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 OCTOBER 2023**

Trustees

W M Clarke
E M Davey
L W Roblin (resigned 4/7/2023)
C O'Brien
J L Prior-Morris
V Mitchell
N R Richardson
L E Reid
C E Thomas
K Rohman
M S Vasquez
L Humphreys
M Ashcroft (appointed 19/9/2023)
J J Nicholson Ashcroft (appointed 19/9/2023)

President

N Lloyd-Edwards

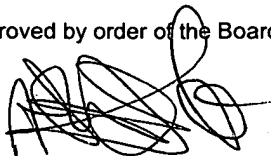
Key management personnel

G Hill - Director until December 2022
L Glanville - Chief Executive Officer from March 2023

Independent Examiner

MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

Approved by order of the Board of Trustees on 13 June 2024 and signed on its behalf by:



.....
J J Nicholson Ashcroft - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
INSOLE COURT TRUST - YMDDIREDLAETH CWRT INSOLE**

Independent examiner's report to the trustees of Insole Court Trust - Ymddiredolaeth Cwrt Insole ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 October 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

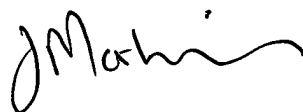
Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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

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

I draw your attention to the disclosure made in note 2 to the financial statements concerning the charity's ability to continue as a going concern. The charity is showing net expenditure of £94,856 for the year to 31 October 2023, this has reduced free reserves to £67,856 and as such future deficits at this level are not sustainable. In addition, the wholly owned trading subsidiary has net liabilities of £65,071. The matters detailed in note 2, indicate that some uncertainty exists which may cast significant doubt on the charity's ability to continue as a going concern. We have, however, concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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



Julia Mortimer FCCA
MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

Date: 21 June 2024

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

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

		Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	36,497	11,500	47,997	29,194
Charitable activities	6				
Education and the arts		3,635	-	3,635	2,869
Community welfare		72,943	-	72,943	68,496
Other trading activities	4	104,110	-	104,110	120,801
Investment income	5	-	-	-	14,247
Other income	7	186,422	2,413	188,835	123,710
Total		<u>403,607</u>	<u>13,913</u>	<u>417,520</u>	<u>359,317</u>
EXPENDITURE ON					
Raising funds	8	141,624	-	141,624	112,275
Charitable activities	9				
Preservation of Insole Court		113,738	4,963	118,701	113,999
Education and the arts		36,358	-	36,358	37,562
Community welfare		215,693	-	215,693	212,618
Total		<u>507,413</u>	<u>4,963</u>	<u>512,376</u>	<u>476,454</u>
NET INCOME/(EXPENDITURE)		(103,806)	8,950	(94,856)	(117,137)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,282,955	13,214	1,296,169	1,413,306
TOTAL FUNDS CARRIED FORWARD		<u>1,179,149</u>	<u>22,164</u>	<u>1,201,313</u>	<u>1,296,169</u>

The notes form part of these financial statements

INSOLE COURT TRUST - YMDDIREDLAETH CWRT INSOLE

**BALANCE SHEET
31 OCTOBER 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	16	1,111,291	-	1,111,291	1,147,392
Investments	17	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>
		1,111,293	-	1,111,293	1,147,394
CURRENT ASSETS					
Stocks	18	7,440	-	7,440	5,454
Debtors	19	77,543	-	77,543	54,034
Cash at bank and in hand		<u>69,719</u>	<u>22,164</u>	<u>91,883</u>	<u>179,647</u>
		154,702	22,164	176,866	239,135
CREDITORS					
Amounts falling due within one year	20	(73,423)	-	(73,423)	(69,056)
NET CURRENT ASSETS		<u>81,279</u>	<u>22,164</u>	<u>103,443</u>	<u>170,079</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,192,572	22,164	1,214,736	1,317,473
CREDITORS					
Amounts falling due after more than one year	21	(13,423)	-	(13,423)	(21,304)
NET ASSETS		<u>1,179,149</u>	<u>22,164</u>	<u>1,201,313</u>	<u>1,296,169</u>
FUNDS	23				
Unrestricted funds				1,179,149	1,282,955
Restricted funds				<u>22,164</u>	<u>13,214</u>
TOTAL FUNDS				<u>1,201,313</u>	<u>1,296,169</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- 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 notes form part of these financial statements

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

BALANCE SHEET - continued
31 OCTOBER 2023

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 13 June 2024 and were signed on its behalf by:



J J Nicholson Ashcroft - Trustee

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023**

1. STATUTORY INFORMATION

Insole Court Trust is a registered charity and private company limited by guarantee having no share capital. It is incorporated in Wales in the United Kingdom. The registered office is Insole Court, Fairwater Road, Cardiff, CF5 2LN. The nature of the charitable company's operations and principal activities are disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the charitable company's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. 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.

There have been no material departures from Financial Reporting Standard 102.

Going concern

The results for the year show a deficit of £94,856 (2022 - £117,137), this is after depreciation of £45,437. The budget for the year to 31 October 2023 predicted a trading loss of some £3K. However, as discussed in detail in the Report of the Trustees, rising costs, lower spending due to the cost-of-living crisis and staff and trustee changes all worked together to prove a challenging year for Insole Court.

The loss of the director in December 2022, meant other senior staff members having to shift focus from income generation to day-to-day operations. Change in staff dealing with the food and beverage offering meant that Insole Court failed to capitalise on the seasonally stronger months and the events program was not developed fully as intended in 2022/2023.

The new CEO, Lloyd Granville worked with existing members of staff and the Board of Trustees to increase activity on site and set clear targets and responsibilities for staff so that there was more managerial structure.

It was clear by the close of the financial year that the budget set for 2022/23 was overly ambitious and the new Financial Committee and CEO were keen to improve the accuracy for 2023/24 by setting a budget linked to the planned events calendar and setting more realistic targets which were still challenging but deliverable. After adjusting for actual results to end of April 2024, the budgeted result for the group to 31 October 2024 is a breakeven position, with a return to surplus in 2024/25.

Securing large grants from National Heritage Memorial Fund (£328,938) and Cadw (£96,250) safeguards the future of Insole Court and allows for refurbishment of internal areas bringing them back to their former glory for future generations whilst also creating a new income stream. In addition, the relocation of the Registry office to Insole Court from City Hall provides additional income and several valuable opportunities.

With the changes the Board has put in place, the Trust is confident in the turnaround that will see Insole Court return to stability, and in its long term sustainability, and as such these financial statements have been prepared using the going concern basis.

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.

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

2. ACCOUNTING POLICIES - continued

Income

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Incoming resources from other trading activities includes income received under contract. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

This includes capital grants.

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.

Expenditure on raising funds includes the cost of fundraising and the direct costs of other trading activities as well as a proportion of salaries based on an approximation of time spent in this area.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

Allocation and apportionment of costs

All costs are allocated between expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Tangible fixed assets

Fixed assets are initially recorded at cost, including the estimated cost of any donated assets.

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

Long Leasehold Property	- 80 years on cost
Fixtures, fittings and equipment	- 5 years on cost
Computer equipment	- 3 years on cost

Fixed asset investments

Fixed asset investments are recorded at cost less any provision required for diminution in value.

Stocks

Stock is included at the lower of cost or net realisable value using the FIFO stock valuation method.

Taxation

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2023

2. ACCOUNTING POLICIES - continued

Taxation

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade debtors and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

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

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.

Designated funds are unrestricted funds earmarked by the trustees for particular 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.

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	37,292	19,182
Gift aid	6,825	2,457
Grants	3,500	7,105
Subscriptions	380	450
	<u>47,997</u>	<u>29,194</u>

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

	2023	2022
	£	£
Cardiff Council	-	4,000
ACW	-	3,105
Simon Gibson Charitable Trust	2,000	-
Warm Spaces at Insole Court	<u>1,500</u>	-
	<u>3,500</u>	<u>7,105</u>

INSOLE COURT TRUST - YMDDIREDLAETH CWRT INSOLE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2023**

4. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Coffee shop rent	-	36,000
Other rental income	77,184	59,789
Gift shop sales	26,926	25,012
	<u>104,110</u>	<u>120,801</u>

5. INVESTMENT INCOME

	2023	2022
	£	£
Trading subsidiary donation	-	14,247

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023	2022
		£	£
Entrance fees and tour income	Education and the arts	3,635	2,869
Facility hire fees	Community welfare	53,190	52,626
Activities and events income	Community welfare	19,753	15,870
		<u>76,578</u>	<u>71,365</u>

7. OTHER INCOME

	2023	2022
	£	£
Other income	11,545	5,582
Reimbursement of costs	15,240	8,160
Management fee	162,050	109,968
	<u>188,835</u>	<u>123,710</u>

8. RAISING FUNDS

Raising donations and legacies

	2023	2022
	£	£
Fundraising	4,422	2,206

Other trading activities

	2023	2022
	£	£
Purchases	12,578	14,969
Staff costs	70,454	72,449
Legal and professional fees	29,903	-
Shop operating expenses	713	1,006
Rates and water	657	594
Light and heat	17,013	15,019
Telephone and internet	2,333	2,019
Depreciation	3,551	4,013
	<u>137,202</u>	<u>110,069</u>
Aggregate amounts	<u>141,624</u>	<u>112,275</u>

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2023**

9. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 10) £	Support costs (see note 11) £	Totals £
Preservation of Insole Court	89,333	29,368	118,701
Education and the arts	20,061	16,297	36,358
Community welfare	<u>147,342</u>	<u>68,351</u>	<u>215,693</u>
	<u>256,736</u>	<u>114,016</u>	<u>370,752</u>

10. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023 £	2022 £
Staff costs	83,912	86,176
Rates and water	1,840	1,663
Insurance	1,375	1,287
Light and heat	47,636	42,053
Telephone	6,532	5,653
Design and print	637	1,880
Computer and web site fees	1,617	654
Miscellaneous expenses	3,479	3,871
Cleaning and household goods	11,409	11,842
Activities and events costs	9,177	11,229
Property maintenance and repairs	45,267	42,146
Legal and professional fees	4,062	-
Depreciation	<u>39,793</u>	<u>39,168</u>
	<u>256,736</u>	<u>247,622</u>

11. SUPPORT COSTS

	Staff costs £	Finance £	Other £	Governance costs £	Totals £
Preservation of Insole Court	21,871	660	5,987	850	29,368
Education and the arts	13,122	396	2,116	663	16,297
Community welfare	<u>52,484</u>	<u>1,583</u>	<u>11,633</u>	<u>2,651</u>	<u>68,351</u>
	<u>87,477</u>	<u>2,639</u>	<u>19,736</u>	<u>4,164</u>	<u>114,016</u>

12. NET INCOME/(EXPENDITURE)

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

	2023 £	2022 £
Depreciation - owned assets	45,437	45,211
Independent examination fee	3,400	3,400
Operating lease payments	<u>-</u>	<u>516</u>

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2023**

13. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 October 2023 or for the year ended 31 October 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 October 2023 or for the year ended 31 October 2022.

14. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	208,458	213,947
Social security costs	9,096	7,550
Other pension costs	<u>3,486</u>	<u>3,899</u>
	<u>221,040</u>	<u>225,396</u>

Total remuneration paid to key management personnel in the year was £31,818 (2022: £43,355).

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

	2023	2022
Average employees	<u>15</u>	<u>13</u>

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

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE
**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2023**
15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	28,694	500	29,194
Charitable activities			
Education and the arts	2,869	-	2,869
Community welfare	68,496	-	68,496
Other trading activities	120,801	-	120,801
Investment income	14,247	-	14,247
Other income	123,710	-	123,710
Total	<u>358,817</u>	<u>500</u>	<u>359,317</u>
EXPENDITURE ON			
Raising funds	112,275	-	112,275
Charitable activities			
Preservation of Insole Court	113,499	500	113,999
Education and the arts	37,562	-	37,562
Community welfare	212,618	-	212,618
Total	<u>475,954</u>	<u>500</u>	<u>476,454</u>
NET INCOME/(EXPENDITURE)	(117,137)	-	(117,137)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,400,092	13,214	1,413,306
TOTAL FUNDS CARRIED FORWARD	<u>1,282,955</u>	<u>13,214</u>	<u>1,296,169</u>

16. TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 November 2022	1,213,845	162,055	31,420	1,407,320
Additions	-	4,588	4,748	9,336
At 31 October 2023	<u>1,213,845</u>	<u>166,643</u>	<u>36,168</u>	<u>1,416,656</u>
DEPRECIATION				
At 1 November 2022	111,104	119,266	29,558	259,928
Charge for year	29,852	14,202	1,383	45,437
At 31 October 2023	<u>140,956</u>	<u>133,468</u>	<u>30,941</u>	<u>305,365</u>
NET BOOK VALUE				
At 31 October 2023	<u>1,072,889</u>	<u>33,175</u>	<u>5,227</u>	<u>1,111,291</u>
At 31 October 2022	<u>1,102,741</u>	<u>42,789</u>	<u>1,862</u>	<u>1,147,392</u>

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2023**

17. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 November 2022 and 31 October 2023	<u>2</u>
NET BOOK VALUE	
At 31 October 2023	<u>2</u>
At 31 October 2022	<u>2</u>

There were no investment assets outside the UK.

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

Insole Court Trading Company Ltd

Registered office: Insole Court, Fairwater Road, Llandaff, Cardiff CF5 2LN

Nature of business: Room hire and event services

	% holding	2023 £	2022 £
Class of share:			
Ordinary shares	100		
Aggregate capital and reserves		(65,073)	(14,277)
Loss for the year		<u>(50,794)</u>	<u>(14,559)</u>

18. STOCKS

	2023 £	2022 £
Retail stocks	<u>7,440</u>	<u>5,454</u>

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	5,649	6,408
Amounts owed by group undertakings	53,095	35,867
Other debtors	108	3,699
VAT	9,546	750
Prepayments and accrued income	<u>9,145</u>	<u>7,310</u>
	<u>77,543</u>	<u>54,034</u>

INOLE COURT TRUST - YMDDIREOLAETH CWRT INOLE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2023**

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts (see note 22)	7,881	7,881
Other loans (see note 22)	-	7,748
Trade creditors	18,108	21,294
Social security and other taxes	6,642	-
Other creditors	18,668	17,594
Accruals and deferred income	<u>22,124</u>	<u>14,539</u>
	<u>73,423</u>	<u>69,056</u>

Included within accruals and deferred income above is the following deferred income:

	2023	2022
	£	£
Rental income and deposit	771	305
Activities and events income	<u>771</u>	<u>1,843</u>
	<u>771</u>	<u>5,649</u>

The deferred income relates to income received in advance of project or service delivery. All amounts brought forward have been released to the statement of financial activities in the year.

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

	2023	2022
	£	£
Bank loans (see note 22)	<u>13,423</u>	<u>21,304</u>

22. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Bank loans	7,881	7,881
Other loans	<u>-</u>	<u>7,748</u>
	<u>7,881</u>	<u>15,629</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>8,085</u>	<u>8,085</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>5,338</u>	<u>13,219</u>

INSOLE COURT TRUST - YMDDIREDLAETH CWRT INSOLE
**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2023**
23. MOVEMENT IN FUNDS

	At 1/11/22 £	Net movement in funds £	Transfers between funds £	At 31/10/23 £
Unrestricted funds				
General fund	135,563	(103,806)	36,101	67,858
Fixed asset designated fund	<u>1,147,392</u>	<u>-</u>	<u>(36,101)</u>	<u>1,111,291</u>
	1,282,955	(103,806)	-	1,179,149
Restricted funds				
Garden and grounds fund	-	2,413	-	2,413
Friends of Insole Court fund	13,214	(2,000)	-	11,214
Memorial garden fund	<u>-</u>	<u>8,537</u>	<u>-</u>	<u>8,537</u>
	13,214	8,950	-	22,164
TOTAL FUNDS	<u>1,296,169</u>	<u>(94,856)</u>	<u>-</u>	<u>1,201,313</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	403,607	(507,413)	(103,806)
Restricted funds			
Garden and grounds fund	2,413	-	2,413
Friends of Insole Court fund	-	(2,000)	(2,000)
Memorial garden fund	10,000	(1,463)	8,537
Warm Spaces at Insole Court	<u>1,500</u>	<u>(1,500)</u>	<u>-</u>
	13,913	(4,963)	8,950
TOTAL FUNDS	<u>417,520</u>	<u>(512,376)</u>	<u>(94,856)</u>

Comparatives for movement in funds

	At 1/11/21 £	Net movement in funds £	Transfers between funds £	At 31/10/22 £
Unrestricted funds				
General fund	240,358	(117,137)	12,342	135,563
Fixed asset designated fund	<u>1,159,734</u>	<u>-</u>	<u>(12,342)</u>	<u>1,147,392</u>
	1,400,092	(117,137)	-	1,282,955
Restricted funds				
Friends of Insole Court fund	13,214	-	-	13,214
TOTAL FUNDS	<u>1,413,306</u>	<u>(117,137)</u>	<u>-</u>	<u>1,296,169</u>

INSOLE COURT TRUST - YMDDIREDLAETH CWRT INSOLE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 OCTOBER 2023

23. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	358,817	(475,954)	(117,137)
Restricted funds			
Garden and grounds fund	500	(500)	-
TOTAL FUNDS	<u>359,317</u>	<u>(476,454)</u>	<u>(117,137)</u>

Designated funds

Fixed asset designated fund

The fixed asset designated fund represents the net book value of tangible fixed assets.

Restricted funds

Garden and grounds fund

During the year the charity received private donations of £2,413 (2022: £500) for the restoration of the iris garden.

Memorial garden fund

During the year, the charity received £10,000 for work performed to the Memorial Garden. The expenditure during the year relates to the Brunel Engraving.

Warm Spaces at Insole Court

Grant income of £1,500 was received during the year in relation to the Warm Spaces initiative. This was restricted to the cost of utilities, of which was spent immediately.

Transfers between funds

A transfer of £36,101 was made from the general fund to the fixed asset designated fund in respect of further fixed asset additions during the year, less the depreciation charged.

24. RELATED PARTY DISCLOSURES

Aggregate donations of £930 (2022: £1,020) were received from trustees in the year in the form of supporters and patrons income.

A restricted donations of £10,000 was received from a trustee.

Management fees of £162,050 (2022: £109,968) were received from the charity's trading subsidiary, Insole Court Trading Company Ltd. The charity has also received income and made payments on behalf of its trading subsidiary, and vice versa, during the year. As at 31 October 2023, a balance of £53,095 was due to the charity from its trading subsidiary.

Payments of £21,875 were made to Neil Richardson Consulting Limited, a company owned by a trustee, in respect of consultancy services.

Accounts

REGISTERED COMPANY NUMBER: 07705519 (England and Wales)
REGISTERED CHARITY NUMBER: 1145649

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022
FOR
INSOLE COURT TRUST - YMDDIREDOLAETH CWRT
INSOLE**

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

TUESDAY



A20

AC6LINWW

27/06/2023

#3

COMPANIES HOUSE

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

	Page
Report of the Trustees	1 to 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7 to 8
Notes to the Financial Statements	9 to 19

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 October 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 2019).

AIMS AND OBJECTIVES

The Charity's objects as stated in the Articles of Association are:

1. to preserve and protect the buildings known as Insole Court, including the restoration of the interior and gardens for public benefit;
2. to advance the education of the public in the history and conservation of Insole Court and Gardens; and
3. to further or benefit the residents of the community, without distinction of sex, sexual orientation, race or of political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education, arts and culture, and provide facilities in the interests of social welfare for recreation leisure time occupation with the objective of improving the conditions of life for the residents and in particular to establish or secure the establishment of a community facility and to maintain or manage or co-operate with any statutory or other authority or organisation in the maintenance and management of such a centre.

Public benefit

The trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission. Significant activities that we undertook during the period that demonstrate public benefit are set out below.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Insole Court Trust entered the financial year 2021/22 knowing that the year was going to be difficult. The budget for the year predicted a trading loss of some £22K. The actual trading loss, excluding depreciation, was some £70K for the year. However, it must be born in mind that Insole Court has been hit by the same inflationary pressures as all similar businesses, costs over which the Trust has little control such as heating & lighting, security (following significant anti-social behaviour on site), fire system maintenance, cleaning, and building maintenance. Since the Trust took over Insole Court in 2011, and then opened for business after the renovation works in 2016, this is the first year there has been a significant financial loss.

As with all businesses dealing with hospitality, Insole Court suffered enormously because of the pandemic. There was a significant drop in business at Insole Court from the continued impact of Covid, with further revisions due to Omicron. The Trust was always aware that business in 21/22 would not simply bounce back to pre-Covid levels, and that Insole Court would have to trade without furlough and grant support. In addition, the Montessori School vacated the East Wing which required investment to refurbish the spaces as small office lets. This impacted on income streams until new tenants were identified and secured.

The pandemic placed particular pressure on the Food & Beverage offer at Insole Court, as well as the plans the Trust had for expanding catering across the site. Food & Beverage produces almost half the total revenue for the Trust and so the drop in business had a damaging effect on income generation. The Trust plans to develop catering were postponed by necessity. This included the development of the Mansion kitchen to be able to cater for weddings and corporate clients rather than having to use external caterers. The Potting Shed kitchen alone is unable to support an expanded offer and so without the planned expansion, catering at Insole Court continues to be limited. The Trust has had to face the resourcing issues that are having a significant impact on the catering industry as a whole, with challenges in the recruitment of catering staff and this reflected on the Trust's ability to operate an effective business offering a good and attractive service to our customers.

The Trust has always been confident that its Business Model was satisfactory for purpose. It had sustained Insole Court since it opened for business, always providing a small surplus, paying staff and suppliers, and operating without having to resort to requests to funding bodies to bail the business out. It had always paid its way as well as satisfying its charitable objectives.

Clearly Insole Court cannot continue to make losses and change was essential. To that extent the new Chair, appointed at the last AGM, has set about changing the Board membership, identifying areas needing change, and working towards making those changes. It was rapidly realised that the usual role of trustees of non-involvement in operational issues would no longer work. It was clearly not sensible to expect staff to sort the losses as well as run the site day to day. The new trustees were chosen partly because of their professional backgrounds, and it seemed unwise not to use the abilities of the Board. Trustees therefore became temporarily involved in operational matters, which was a major change of Trust policy.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 OCTOBER 2022**

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

It was also realised that Insole Court had veered away somewhat from its charitable aims and objectives over concern for its day to day trading activities. This needed to be rectified as the stated aims and objectives are what make Insole Court so valuable to the community and the whole reason for the charity.

It was clear the Trust had two options. To return to a pre-Covid basic trading offer, or to expand the business offer. Expansion was the plan some three years ago when catering was taken in house. The café was refurbished but, as noted, Covid impacted on further development. There were well justified reasons why the Board wanted to expand the business some years ago, and these still seemed relevant. The Trust is now pursuing finance to refurbish the Mansion kitchen.

The Trust is aiming to expand the business through a greater focus on commercial activities that support its charitable aims, but with the requirement that this should be done carefully and by sourcing capital funds from outside Insole Court. Additionally, the Trust has reviewed how the business operates, to clarify the catering offer, for example, by reviewing its wedding offer. All charges have been reviewed and billing of customers streamlined to move towards payment with booking rather than raising a debtor's invoice. How spaces on site are used has been reviewed to ensure best use for the Court and its customers.

Several new events were introduced during the year. These included a number of craft markets and farmers markets, Garden talks, mindfulness walks, an open doors event, and a dog show. The Court has also been used as a film venue.

Insole Court is not alone in facing the challenges of Covid and rapid inflation. However, with the changes the Board has put in place, the Trust is confident in the turnaround that will see Insole Court return to pre-Covid stability, and in its long-term sustainability.

The Insole Court Trust would like to publicly thank its staff for their unwavering efforts and resilience through the year and the pandemic, and the volunteers who give freely of their time and efforts, and who inform and delight guests each day. The Trust firmly believes Insole Court is special, not only as the last remaining house built by the Victorian entrepreneurs of Cardiff, but also as its current role as community centre, arts centre, educational centre, and simply a place to meet friends and enjoy the Mansion and Gardens.

Investment performance

Insole Court Trading Company Limited deals with all the commercial hires and catering, including weddings, which take place at Insole Court.

For the year ended 31 October 2022, Insole Court Trading Company Limited made a deficit of £14,559.

FINANCIAL REVIEW

Financial position

During the year, the charity's total income was £359,317 (2021: £346,714) of which £21,716 (2021: £2,491) has been spent on leasehold property improvement costs which have been capitalised and a further £11,153 (2021: £7,900) spent on other tangible fixed assets.

The charity reported a deficit of £117,137 after accounting for depreciation charges of £45,211, therefore there was a deficit before depreciation of £71,926 (2021: surplus of £12,011).

Insole Court Trading Company Ltd, a wholly-owned subsidiary, made a loss of £14,559 during the period. The deficit for the group for the year to 31 October 2022 was £131,696.

Reserves policy

At 31 October 2022 the charity held total reserves of £1,296,169. Of this, £13,214 are restricted funds, £1,147,392 has been designated in a fund equivalent to the net book value of fixed assets and £2 represents investments, leaving £135,563 as the free reserves of the charity.

The trustees are aware of the importance of holding reserves and have set an increased target of £150,000 (2021: £150,000) of free reserves. The trustees are confident that with the continued support of their funders, they will be able to achieve this minimum level of reserves.

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee, governed by its Memorandum and Articles of Association.

The liability of each member is limited to £1.

Recruitment and appointment of new trustees

The Board of Trustees has a comprehensive skill mix covering finance and financial planning, heritage interpretation, governance, legal, company secretarial, activity planning, architectural, and buildings.

The Trust also has a core of voluntary advisors to supplement the trustees' knowledge base.

Organisational structure

The Insole Court Trust Board has 12 trustees and usually meets bi-monthly. The Board has a number of committees reporting to it viz Finance, Governance, Buildings, Heritage, Gardens, and Community Fundraising Committee. Committees must have a minimum of two trustees as members, one of which will act as Chair. The Trust Board is responsible for the overall strategy of the Charity, and for performance evaluation and assurance. A budget for the year is presented annually to the Board at the start of the financial year, and if approved, gives delegated power to staff through the Director, to spend within the budget parameters. If necessary, the Finance Committee, which has delegated spending powers, may revise the budget during the year, and any such revisions must be reported to the Board. Requests for expenditure outside the approved budget are made to the Finance Committee, to approve or otherwise, and such action must be reported to the next Board meeting. The Insole Court Trust has set up a separate wholly owned Trading Company which currently has two directors.

Induction and training of new trustees

The Trust has used organised away days with professional trainers for induction and training of new trustees, as well as in house training. This system of using professional trainers and consultants continues to be used to maintain trustee's skills and to manage events as the project progresses. Each trustee should have a comprehensive knowledge of the following:

- The role of trustees, which was identified as taking ultimate and collective responsibility for directing the affairs of the charity, ensuring it is solvent, well run, and delivering the charitable outcomes for the benefit of the public for which it was set up.
- The duties of trustees summarised as compliance with the law, duty of prudence, and duty of care.
- Good Governance and Leadership Principles covering understanding of the role of the trustee, the legal duties, the stewardship of assets, safeguarding the charity's purpose, overseeing the work of the charity, and managing and supporting staff and volunteers. Trustees would also be required to ensure delivery of organisational purpose, to work effectively both as individuals and as a team, to exercise effective control, to behave with integrity, and to be open and accountable.
- The skills needed by a trustee covering leadership, strategic planning, financial management and planning, knowledge of the legal framework in which the charity operates, management, and advocacy.
- Specific skills relating to heritage and community development.

Key management remuneration

Pay and remuneration of senior staff is at a level to attract and retain suitable individuals and is also governed by market forces as the Charitable Aims of the Trust are entirely dependent on revenue raised through its business activities.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07705519 (England and Wales)

Registered Charity number

1145649

Registered office

Insole Court
Fairwater road
Cardiff
County of Cardiff
CF5 2LN

INSOLE COURT TRUST - YMDDIREDLAETH CWRT INSOLE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2022

Trustees

V Mitchell	Chairman (from 01/05/22)	
D Clayton-Jones	Chairman (until 30/04/22)	resigned 30/04/22
W M Clarke		
E M Davey		
G F Morgan		resigned 30/04/22
L W Roblin	Treasurer	
C O'Brien		
G J Owens		resigned 30/04/22
J L Prior-Morris		
S E Neil		resigned 30/04/22
N R Richardson		appointed 30/04/22
L E Reid		appointed 30/04/22
C E Thomas		appointed 30/04/22
K Rohman		appointed 30/04/22
M S Vasquez		appointed 30/04/22
L Humphreys		appointed 30/04/22

President

N Lloyd-Edwards

Key management personnel

G Hill - Director until December 2022

L Glanville - Chief Executive Officer from March 2023

Independent Examiner

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Approved by order of the Board of Trustees on 14th June 2023 and signed on its behalf by:

Laurence Roblin

L W Roblin – Treasurer – Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE**

Independent examiner's report to the trustees of Insole Court Trust - Ymddiredolaeth Cwrt Insole ('the Company')
I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 October 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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

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

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

Julia Mortimer FCCA
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

19 June 2023

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 OCTOBER 2022**

		Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	28,694	500	29,194	158,303
Charitable activities	6				
Education and the arts		2,869	-	2,869	824
Community welfare		68,496	-	68,496	29,794
Other trading activities	4	120,801	-	120,801	96,701
Investment income	5	14,247	-	14,247	11,218
Other income	7	123,710	-	123,710	49,874
Total		<u>358,817</u>	<u>500</u>	<u>359,317</u>	<u>346,714</u>
EXPENDITURE ON					
Raising funds	8	112,275	-	112,275	88,839
Charitable activities	9				
Preservation of Insole Court		113,499	500	113,999	91,778
Education and the arts		37,562	-	37,562	32,228
Community welfare		212,618	-	212,618	176,807
Total		<u>475,954</u>	<u>500</u>	<u>476,454</u>	<u>389,652</u>
NET INCOME/(EXPENDITURE)		(117,137)	-	(117,137)	(42,938)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,400,092	13,214	1,413,306	1,456,244
TOTAL FUNDS CARRIED FORWARD		<u>1,282,955</u>	<u>13,214</u>	<u>1,296,169</u>	<u>1,413,306</u>

The notes form part of these financial statements

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE
**BALANCE SHEET
31 OCTOBER 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	16	1,147,392	-	1,147,392	1,159,734
Investments	17	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>
		1,147,394	-	1,147,394	1,159,736
CURRENT ASSETS					
Stocks	18	5,454	-	5,454	8,062
Debtors	19	54,034	-	54,034	125,104
Cash at bank and in hand		<u>166,433</u>	<u>13,214</u>	<u>179,647</u>	<u>218,828</u>
		225,921	13,214	239,135	351,994
CREDITORS					
Amounts falling due within one year	20	<u>(69,056)</u>	<u>-</u>	<u>(69,056)</u>	<u>(60,975)</u>
NET CURRENT ASSETS		<u>156,865</u>	<u>13,214</u>	<u>170,079</u>	<u>291,019</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,304,259	13,214	1,317,473	1,450,755
CREDITORS					
Amounts falling due after more than one year	21	<u>(21,304)</u>	<u>-</u>	<u>(21,304)</u>	<u>(37,449)</u>
NET ASSETS		<u>1,282,955</u>	<u>13,214</u>	<u>1,296,169</u>	<u>1,413,306</u>
FUNDS	24				
Unrestricted funds				1,282,955	1,400,092
Restricted funds				<u>13,214</u>	<u>13,214</u>
TOTAL FUNDS				<u>1,296,169</u>	<u>1,413,306</u>

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

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2022 in accordance with Section 476 of the Companies Act 2006.

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 notes form part of these financial statements

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

BALANCE SHEET - continued
31 OCTOBER 2022

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 14th June 2023 and were signed on its behalf by:

Lawrence Roblin

L W Roblin – Treasurer – Trustee

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

1. STATUTORY INFORMATION

Insole Court Trust is a registered charity and private company limited by guarantee having no share capital. It is incorporated in Wales in the United Kingdom. The registered office is Insole Court, Fairwater Road, Cardiff, CF5 2LN. The nature of the charitable company's operations and principal activities are disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the charitable company's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. 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.

There have been no material departures from Financial Reporting Standard 102.

Going concern

The results for the year show a deficit of £117,137 (2021 - £42,938), this is after depreciation of £45,211. The budget for the year to 31 October 2022 predicted a trading loss of some £22K. However, Insole Court has been hit by inflationary pressures and other costs over which the Trust had little control seeing increases in heating and lighting, security (following significant anti-social behaviour on site), fire system maintenance, cleaning, and building maintenance.

As with all organisations dealing with hospitality, Insole Court suffered enormously because of the pandemic. In addition, the Montessori School vacated the East Wing which required investment to refurbish the spaces as small office lets. This impacted on income streams until new tenants were identified and secured.

In order to assist with securing the future of the Trust, the Board of Trustees became temporarily involved in operational matters, which was a major change of Trust policy.

The Trust and its trading subsidiary are aiming to expand the business through a greater focus on commercial activities that support the charitable aims, but with the requirement that this should be done carefully and by sourcing capital funds from outside Insole Court. Additionally the Trust has reviewed how the business operates and one area it is pursuing is finance to refurbish the Mansion kitchen.

The trustees have reviewed the budgets to May 2023 which anticipate a further small deficit to October 2023 and a return to surplus in April 2024. Management information shows the results to April 2023 as being ahead of budget.

Insole Court is not alone in facing the challenges of Covid and rapid inflation. However, with the changes the Board has put in place, the Trust is confident in the turnaround that will see Insole Court return to pre-Covid stability, and in its long term sustainability, and as such these financial statements have been prepared using the going concern basis.

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.

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

2. ACCOUNTING POLICIES - continued

Income

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Incoming resources from other trading activities includes income received under contract. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

This includes capital grants.

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.

Expenditure on raising funds includes the cost of fundraising and the direct costs of other trading activities as well as a proportion of salaries based on an approximation of time spent in this area.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

Allocation and apportionment of costs

All costs are allocated between expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Tangible fixed assets

Fixed assets are initially recorded at cost, including the estimated cost of any donated assets.

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

Long Leasehold Property	- 80 years on cost
Fixtures, fittings and equipment	- 5 years on cost
Computer equipment	- 3 years on cost

Fixed asset investments

Fixed asset investments are recorded at cost less any provision required for diminution in value.

Stocks

Stock is included at the lower of cost or net realisable value using the FIFO stock valuation method.

Taxation

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2022

2. ACCOUNTING POLICIES - continued

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade debtors and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

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

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.

Designated funds are unrestricted funds earmarked by the trustees for particular 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.

3. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	19,182	13,777
Gift aid	2,457	2,011
Grants	7,105	142,119
Subscriptions	450	396
	<u>29,194</u>	<u>158,303</u>

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

	2022	2021
	£	£
Cardiff Council	4,000	20,000
ACW	3,105	-
Other grants	-	583
Welsh Government - Wales Cultural Recovery Fund	-	97,037
Job Retention Scheme	-	24,499
	<u>7,105</u>	<u>142,119</u>

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2022**

4. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Coffee shop rent	36,000	16,088
Other rental income	59,789	63,715
Gift shop sales	<u>25,012</u>	<u>16,898</u>
	<u>120,801</u>	<u>96,701</u>

5. INVESTMENT INCOME

	2022	2021
	£	£
Trading subsidiary donation	<u>14,247</u>	<u>11,218</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Entrance fees and tour income	Education and the arts	2,869	824
Facility hire fees	Community welfare	52,626	23,814
Activities and events income	Community welfare	<u>15,870</u>	<u>5,980</u>
		<u>71,365</u>	<u>30,618</u>

7. OTHER INCOME

	2022	2021
	£	£
Other income	5,582	2,374
Reimbursement of costs	8,160	-
Management fee	<u>109,968</u>	<u>47,500</u>
	<u>123,710</u>	<u>49,874</u>

8. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Fundraising	<u>2,206</u>	<u>791</u>

Other trading activities

	2022	2021
	£	£
Purchases	14,969	8,037
Staff costs	72,449	59,460
Shop operating expenses	1,006	897
Rates and water	594	256
Light and heat	15,019	10,515
Telephone and internet	2,019	1,782
Depreciation	<u>4,013</u>	<u>7,101</u>
	<u>110,069</u>	<u>88,048</u>
Aggregate amounts	<u>112,275</u>	<u>88,839</u>

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2022**

9. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 10) £	Support costs (see note 11) £	Totals £
Preservation of Insole Court	85,542	28,457	113,999
Education and the arts	20,514	17,048	37,562
Community welfare	141,566	71,052	212,618
	<u>247,622</u>	<u>116,557</u>	<u>364,179</u>

10. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022 £	2021 £
Staff costs	86,176	68,652
Rates and water	1,663	715
Insurance	1,287	1,250
Light and heat	42,053	29,442
Telephone	5,653	4,990
Design and print	1,880	1,877
Computer and web site fees	654	1,440
Miscellaneous expenses	3,871	2,153
Cleaning and household goods	11,842	7,335
Activities and events costs	11,229	4,992
Property maintenance and repairs	42,146	29,344
Depreciation	39,168	45,341
	<u>247,622</u>	<u>197,531</u>

11. SUPPORT COSTS

	Staff costs £	Finance £	Other £	Governance costs £	Totals £
Preservation of Insole Court	20,979	673	5,780	1,025	28,457
Education and the arts	12,587	404	2,385	1,672	17,048
Community welfare	50,348	1,615	12,399	6,690	71,052
	<u>83,914</u>	<u>2,692</u>	<u>20,564</u>	<u>9,387</u>	<u>116,557</u>

12. NET INCOME/(EXPENDITURE)

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

	2022 £	2021 £
Depreciation - owned assets	45,211	54,949
Independent examination fee	3,400	3,300
Operating lease payments	516	1,031

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2022

13. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 October 2022 or for the year ended 31 October 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 October 2022 or for the year ended 31 October 2021.

14. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	213,947	172,438
Social security costs	7,550	10,504
Other pension costs	<u>3,899</u>	<u>3,660</u>
	<u>225,396</u>	<u>186,602</u>

Total remuneration paid to key management personnel in the year was £43,355 (2021: £43,716).

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

	2022	2021
	<u>13</u>	<u>9</u>
Average employees		

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2022

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	156,564	1,739	158,303
Charitable activities			
Education and the arts	824	-	824
Community welfare	29,794	-	29,794
Other trading activities	96,701	-	96,701
Investment income	11,218	-	11,218
Other income	49,874	-	49,874
Total	344,975	1,739	346,714
EXPENDITURE ON			
Raising funds	88,839	-	88,839
Charitable activities			
Preservation of Insole Court	90,528	1,250	91,778
Education and the arts	32,228	-	32,228
Community welfare	176,807	-	176,807
Total	388,402	1,250	389,652
NET INCOME/(EXPENDITURE)	(43,427)	489	(42,938)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,443,519	12,725	1,456,244
TOTAL FUNDS CARRIED FORWARD	1,400,092	13,214	1,413,306

16. TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 November 2021	1,192,129	152,641	29,681	1,374,451
Additions	21,716	9,414	1,739	32,869
At 31 October 2022	1,213,845	162,055	31,420	1,407,320
DEPRECIATION				
At 1 November 2021	83,173	103,213	28,331	214,717
Charge for year	27,931	16,053	1,227	45,211
At 31 October 2022	111,104	119,266	29,558	259,928
NET BOOK VALUE				
At 31 October 2022	1,102,741	42,789	1,862	1,147,392
At 31 October 2021	1,108,956	49,428	1,350	1,159,734

INSOLE COURT TRUST - YMDDIREDLAETH CWRT INSOLE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2022**

17. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 November 2021 and 31 October 2022	<u>2</u>
NET BOOK VALUE	
At 31 October 2022	<u>2</u>
At 31 October 2021	<u>2</u>

There were no investment assets outside the UK.

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

Insole Court Trading Company Ltd

Registered office: Insole Court, Fairwater Road, Llandaff, Cardiff CF5 2LN

Nature of business: Room hire and event services

	% holding	2022 £	2021 £
Class of share:			
Ordinary shares	100		
Aggregate capital and reserves		(14,277)	14,529
(Loss)/profit for the year		<u>(14,559)</u>	<u>13,894</u>

18. STOCKS

	2022 £	2021 £
Retail stocks	<u>5,454</u>	<u>8,062</u>

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	6,408	5,198
Amounts owed by group undertakings	35,867	115,195
Other debtors	3,699	715
VAT	750	219
Prepayments and accrued income	<u>7,310</u>	<u>3,777</u>
	<u>54,034</u>	<u>125,104</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2022

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 22)	7,881	7,677
Other loans (see note 22)	7,748	7,748
Trade creditors	21,294	12,180
Social security and other taxes	-	3,253
Other creditors	17,594	3,233
Accruals and deferred income	14,539	26,884
	<u>69,056</u>	<u>60,975</u>

Included within accruals and deferred income above is the following deferred income:

	2022	2021
	£	£
Rental income and deposit	305	4,368
Activities and events income	1,843	1,281
	<u>2,148</u>	<u>5,649</u>

The deferred income relates to income received in advance of project or service delivery. All amounts brought forward have been released to the statement of financial activities in the year.

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

	2022	2021
	£	£
Bank loans (see note 22)	21,304	29,185
Other loans (see note 22)	-	8,264
	<u>21,304</u>	<u>37,449</u>

22. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank loans	7,881	7,677
Other loans	7,748	7,748
	<u>15,629</u>	<u>15,425</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	8,085	7,881
Other loans - 1-2 years	-	8,264
	<u>8,085</u>	<u>16,145</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	13,219	21,304

INOLE COURT TRUST - YMDDIREDOLAETH CWRT INOLE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2022**

23. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022 £	2021 £
Within one year	-	516

24. MOVEMENT IN FUNDS

	At 1/11/21 £	Net movement in funds £	Transfers between funds £	At 31/10/22 £
Unrestricted funds				
General fund	240,358	(117,137)	12,342	135,563
Fixed asset designated fund	1,159,734	-	(12,342)	1,147,392
	1,400,092	(117,137)	-	1,282,955
Restricted funds				
Friends of Insole Court fund	13,214	-	-	13,214
TOTAL FUNDS	1,413,306	(117,137)	-	1,296,169

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	358,817	(475,954)	(117,137)
Restricted funds			
Garden and grounds fund	500	(500)	-
TOTAL FUNDS	359,317	(476,454)	(117,137)

Comparatives for movement in funds

	At 1/11/20 £	Net movement in funds £	Transfers between funds £	At 31/10/21 £
Unrestricted funds				
General fund	239,227	(43,427)	44,558	240,358
Fixed asset designated fund	1,204,292	-	(44,558)	1,159,734
	1,443,519	(43,427)	-	1,400,092
Restricted funds				
Friends of Insole Court fund	12,725	489	-	13,214
TOTAL FUNDS	1,456,244	(42,938)	-	1,413,306

24. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	344,975	(388,402)	(43,427)
Restricted funds			
Garden and grounds fund	1,250	(1,250)	-
Friends of Insole Court fund	489	-	489
	<u>1,739</u>	<u>(1,250)</u>	<u>489</u>
TOTAL FUNDS	<u>346,714</u>	<u>(389,652)</u>	<u>(42,938)</u>

Designated funds

Fixed asset designated fund

The fixed asset designated fund represents the net book value of tangible fixed assets.

Restricted funds

Garden and grounds fund

During the year the charity received private donations of £500 (2021: £1,250) for the restoration of the iris garden.

Friends of Insole Court fund

On cessation of the Friends of Insole Court, all funds were transferred to the Trust to be held as a restricted fund and spent on future activities. During the year the charity received private donations of £Nil (2021: £489) for the Friends of Insole Court fund.

Transfers between funds

A transfer of £12,342 was made from the general fund to the fixed asset designated fund in respect of further fixed asset additions during the year, less the depreciation charged.

25. RELATED PARTY DISCLOSURES

A number of the trustees are members of The Friends of Insole Court, as such it is considered to be a related party. During the year, donations of £Nil (2021: £489) were received from The Friends of Insole Court.

Aggregate donations of £1,020 (2021: £1,451) were received from trustees in the year in the form of supporters and patrons income.

Management fees of £109,968 (2021: £47,500) were received from the charity's trading subsidiary, Insole Court Trading Company Ltd. The charity has also received income and made payments on behalf of its trading subsidiary, and vice versa, during the year. As at 31 October 2022, a balance of £35,867 was due to the charity from its trading subsidiary.

Accounts

REGISTERED COMPANY NUMBER: 07705519 (England and Wales)
REGISTERED CHARITY NUMBER: 1145649

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021
FOR**

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

	Page
Report of the Trustees	1 to 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8 to 9
Notes to the Financial Statements	10 to 21

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2021

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 October 2021. 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 Charity's objects as stated in the Articles of Association are:

1. to preserve and protect the buildings known as Insole Court, including the restoration of the interior and gardens for public benefit;
2. to advance the education of the public in the history and conservation of Insole Court and Gardens; and
3. to further or benefit the residents of the community, without distinction of sex, sexual orientation, race or of political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education, arts and culture, and provide facilities in the interests of social welfare for recreation leisure time occupation with the objective of improving the conditions of life for the residents and in particular to establish or secure the establishment of a community facility and to maintain or manage or co-operate with any statutory or other authority or organisation in the maintenance and management of such a centre.

Public benefit

The trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission. Significant activities that we undertook during the period that demonstrate public benefit are set out below.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The start of the new financial year 2020/21 on 1 November 2020, was marked by the Welsh Government relaxing the Covid restrictions. The Insole Court Trust Board, at its meeting of 26 November 2020, resolved that the Finance Committee should revert back to its core financial role and other committees should take up their functions and responsibilities as previously. The Finance Committee had effectively run Insole Court through the Covid crisis with delegated powers from the Trust Board. It was now time to hand back authority to the other committees and the Trust Board.

One of the main aims of the Trust's strategy was to improve the financial performance of Insole Court. To that end the Trust had taken the Potting Shed café in-house and had started refurbishment works. The Food and Beverage Manager had been appointed in October 2019 with the task of running the café and to expand the food and beverage offer throughout the site. The Trust was looking forward to expanding the business to put it on a firmer financial footing, to generate additional funds over and above what's needed for day to day running which could be ploughed back into the Court, and to further develop the charitable objectives.

After the challenges of 2019/20, the hope was that 2020/21 would be easier. 2019/20 was hard, with great financial uncertainty, many cancelled events, and the sadness of having to close Insole Court after so many years of hard work to keep it open. However, 2020/21 has been equally difficult, and in some ways harder still. In December 2020, Insole Court entered another long lockdown, with restrictions on heritage sites arriving a little earlier than other organisations. During the lockdown, the staff Senior Management Team worked on, while most of the team were furloughed.

Fortunately, Insole Court received grant aid from the Welsh Government's Cultural Recovery Fund during December 2020. In addition, Rates Support Grants were received for both the Trust and Insole Court Trading Company.

The café re-opened in April 2021, and Insole Court slowly began to return to regular operations. There were difficult compromises. The Potting Shed Café had to focus on a takeaway service, and classes and activities had to be accommodated in the larger spaces, leaving many smaller rooms unused. Social distancing would remain in place until the summer.

Insole Court is located in a public park and has for many years been impacted by anti-social behaviour. Unfortunately, late in the summer there was an escalation unlike anything witnessed since the Trust took over management of Insole Court. Large groups of up to 40 teenagers arrived each night, verbally abusing staff, visitors, and dog walkers. Furniture was vandalised and bookings were cancelled. South Wales Police became involved, and the local community were very supportive of the Trust understanding that the park had to be closed early each night as the only way to combat the anti-social behaviour.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 OCTOBER 2021

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The impact of the pandemic remained the greatest challenge, while also being impacted by the crisis in the hospitality industry. Staff shortages and limitations from the Trust's external partners put pressure on staff and limited the business offer. The Trust is looking forward to expanding the business and returning to a full food & beverage service.

Despite these challenges, there was also much to celebrate during 2020/21. The summer saw the return of live music to Insole Court with several outdoor concerts and the hugely popular "Cardiff Outdoor Theatre Festival" that brought many new visitors to the site. As restrictions eased it became possible to hold public events inside.

Since opening in 2016, the Trust and its staff have faced new challenges and taken on new opportunities. From opening the Stable Yard, the ground floor of the house, then the first floor, and taking the café in-house. During 2020/21, the Montessori School in the East Wing gave notice that they would need to leave Insole Court and move to larger premises. The school had been a wonderful source of colour and life to the site and will be missed greatly. The vacated space in the East Wing will be redeveloped into new office space, some of which will be offered to new tenants, and some used as Trust office and storage space. Though the school's departure brought a financial challenge, the Trust was confident that it could quickly recover the lost income.

The Insole Court Trust would like to formally recognise the funders who have contributed so generously since the pandemic began:-

- National Lottery Heritage Fund and Community Fund
- Arts Council of Wales
- Welsh Council for Voluntary Action
- Moondance Foundation
- Waterloo Foundation
- Welsh Government's Cultural Recovery Fund
- Cardiff Council Rates Support Grant

The Welsh Government Cultural Recovery Fund grant was the last major grant awarded to Insole Court to provide support to cover expenses. The Rates Support Grants were awarded during the lockdown periods. Insole Court has tried its utmost to get back to business, but this has been hindered by the restrictions that remained in place during the year. The Trust was not eligible to apply for further Covid related grant aid. However, without the support received, Insole Court may well have been lost once more.

Additionally, the Insole Court Trust would like to publicly thank the Director and his staff colleagues for their unwavering efforts and resilience through the year and the pandemic, and the volunteers who give freely of their time and efforts, and who inform and delight guests each day. The Trust firmly believes Insole Court is special, not only as the last remaining grand house built by the Victorian entrepreneurs of Cardiff, but also as its current role as community centre, arts centre, educational centre, and as simply a place to meet friends and enjoy the house and gardens.

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2021

Investment performance

Insole Court Trading Company Limited deals with all the commercial hires and catering, including weddings, which take place at Insole Court.

For the year ended 31 October 2021, Insole Court Trading Company Ltd made a profit of £13,894 and the directors have agreed to donate a figure of £14,247 (equivalent to the taxable profit) to Insole Court Trust.

FINANCIAL REVIEW

Financial position

During the year, the charity's total income was £346,714 (2020: £463,238) of which £2,491 (2020: £61,133) has been spent on leasehold property improvement costs which have been capitalised and a further £7,900 (2020: £46,172) spent on other tangible fixed assets.

The charity reported a deficit of £42,938 after accounting for depreciation charges of £54,949, therefore there was a surplus before depreciation of £12,011 (2020: £137,673).

Insole Court Trading Company Ltd, a wholly-owned subsidiary, made a profit of £13,894 during the period. The deficit for the group for the year to 31 October 2021 was £29,044.

The directors of Insole Court Trading Ltd have agreed to donate the taxable profit in its entirety to Insole Court Trust and this will be reflected in the accounts to 31 October 2022.

Reserves policy

At 31 October 2021 the charity held total reserves of £1,413,306. Of this, £13,214 are restricted funds, £1,159,734 has been designated in a fund equivalent to the net book value of fixed assets and £2 represents investments, leaving £240,356 as the free reserves of the charity. The trustees anticipate additional reserves will be required until the Trust can return to making a surplus.

The trustees are aware of the importance of holding reserves and have set an increased target of £150,000 (2020: £100,000) of free reserves. The trustees are confident that with the continued support of their funders, they will be able to maintain this minimum level of reserves despite the pandemic.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee, governed by its Memorandum and Articles of Association.

The liability of each member is limited to £1.

Recruitment and appointment of new trustees

The Board of Trustees has a comprehensive skill mix covering finance and financial planning, heritage interpretation, governance, legal, company secretarial, activity planning, architectural, and buildings.

The Trust also has a core of voluntary advisors to supplement the trustees' knowledge base.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 OCTOBER 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Insole Court Trust Board has 12 trustees (at 31 October 2021 there were three vacancies) and usually meets bi-monthly. The Board has a number of committees reporting to it viz Finance, Governance, Buildings, Heritage, Gardens, and Community Fundraising Committee. Committees must have a minimum of two trustees as members, one of which will act as Chair. The Trust Board is responsible for the overall strategy of the Charity, and for performance evaluation and assurance. A budget for the year is presented annually to the Board at the start of the financial year, and if approved, gives delegated power to staff through the Director, to spend within the budget parameters. If necessary, the Finance Committee, which has delegated spending powers, may revise the budget during the year, and any such revisions must be reported to the Board. Requests for expenditure outside the approved budget are made to the Finance Committee, to approve or otherwise, and such action must be reported to the next Board meeting. The Insole Court Trust has set up a separate wholly owned Trading Company with five directors, who are currently also the members of the Finance Committee.

Induction and training of new trustees

The Trust has used organised away days with professional trainers for induction and training of new trustees, as well as in house training. This system of using professional trainers and consultants continues to be used to maintain trustee's skills and to manage events as the project progresses. Each trustee should have a comprehensive knowledge of the following:

- The role of trustees, which was identified as taking ultimate and collective responsibility for directing the affairs of the charity, ensuring it is solvent, well run, and delivering the charitable outcomes for the benefit of the public for which it was set up.
- The duties of trustees summarised as compliance with the law, duty of prudence, and duty of care.
- Good Governance and Leadership Principles covering understanding of the role of the trustee, the legal duties, the stewardship of assets, safeguarding the charity's purpose, overseeing the work of the charity, and managing and supporting staff and volunteers. Trustees would also be required to ensure delivery of organisational purpose, to work effectively both as individuals and as a team, to exercise effective control, to behave with integrity, and to be open and accountable.
- The skills needed by a trustee covering leadership, strategic planning, financial management and planning, knowledge of the legal framework in which the charity operates, management, and advocacy.
- Specific skills relating to heritage and community development.

Key management remuneration

Pay and remuneration of senior staff is at a level to attract and retain suitable individuals and is also governed by market forces as the Charitable Aims of the Trust are entirely dependent on revenue raised through its business activities.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07705519 (England and Wales)

Registered Charity number

1145649

Registered office

Insole Court
Fairwater road
Cardiff
CF5 2LN

INSOLE COURT TRUST - YMDDIREDLAETH CWRT INSOLE

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 OCTOBER 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

D Clayton-Jones	Chairman
W M Clarke	
E M Davey	
G F Morgan	
L W Roblin	Treasurer
C O'Brien	
G J Owens	
J L Prior-Morris	
V Mitchell	
S E Neil	

Resigned October 2021

President

N Lloyd-Edwards

Key management personnel

G Hill - Director

Independent Examiner

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Approved by order of the Board of Trustees on 31 March 2022 and signed on its behalf by:


.....
L W Roblin – Treasurer - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
INSOLE COURT TRUST - YMDDIREDLAETH CWRT INSOLE**

Independent examiner's report to the trustees of Insole Court Trust - Ymddiredolaeth Cwrt Insole ('the Company')
I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 October 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ACCA which is one of the listed bodies.

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

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

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

Julia Mortimer FCCA
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

6 April 2022

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 OCTOBER 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	156,564	1,739	158,303	276,915
Charitable activities	6				
Education and the arts		824	-	824	2,009
Community welfare		29,794	-	29,794	36,618
Other trading activities	4	96,701	-	96,701	81,424
Investment income	5	11,218	-	11,218	18,378
Other income	7	49,874	-	49,874	47,894
Total		344,975	1,739	346,714	463,238
EXPENDITURE ON					
Raising funds	8	88,839	-	88,839	88,734
Charitable activities	9				
Preservation of Insole Court		90,528	1,250	91,778	83,215
Education and the arts		32,228	-	32,228	33,446
Community welfare		176,807	-	176,807	165,928
Total		388,402	1,250	389,652	371,323
NET INCOME/(EXPENDITURE)		(43,427)	489	(42,938)	91,915
RECONCILIATION OF FUNDS					
Total funds brought forward		1,443,519	12,725	1,456,244	1,364,329
TOTAL FUNDS CARRIED FORWARD		<u>1,400,092</u>	<u>13,214</u>	<u>1,413,306</u>	<u>1,456,244</u>

The notes form part of these financial statements

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

**BALANCE SHEET
31 OCTOBER 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	16	1,159,734	-	1,159,734	1,204,292
Investments	17	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>
		1,159,736	-	1,159,736	1,204,294
CURRENT ASSETS					
Stocks	18	8,062	-	8,062	6,300
Debtors	19	125,104	-	125,104	23,170
Cash at bank and in hand		<u>205,614</u>	<u>13,214</u>	<u>218,828</u>	<u>305,765</u>
		338,780	13,214	351,994	335,235
CREDITORS					
Amounts falling due within one year	20	(60,975)	-	(60,975)	(47,055)
NET CURRENT ASSETS		<u>277,805</u>	<u>13,214</u>	<u>291,019</u>	<u>288,180</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,437,541	13,214	1,450,755	1,492,474
CREDITORS					
Amounts falling due after more than one year	21	(37,449)	-	(37,449)	(36,230)
NET ASSETS		<u>1,400,092</u>	<u>13,214</u>	<u>1,413,306</u>	<u>1,456,244</u>
FUNDS	24				
Unrestricted funds				1,400,092	1,443,519
Restricted funds				<u>13,214</u>	<u>12,725</u>
TOTAL FUNDS				<u>1,413,306</u>	<u>1,456,244</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2021 in accordance with Section 476 of the Companies Act 2006.

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 notes form part of these financial statements

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

BALANCE SHEET - continued
31 OCTOBER 2021

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 and authorised for issue by the Board of Trustees on 31 March 2022 and were signed on its behalf by:


L W Roblin – Treasurer - Trustee

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

1. STATUTORY INFORMATION

Insole Court Trust is a registered charity and private company limited by guarantee having no share capital. It is incorporated in Wales in the United Kingdom. The registered office is Insole Court, Fairwater Road, Cardiff, CF5 2LN. The nature of the charitable company's operations and principal activities are disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the charitable company's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. 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.

There have been no material departures from Financial Reporting Standard 102.

Insole Court Trust meets the definition of a public benefit entity as demonstrated within the Report of the Trustees.

Going concern

The trustees are satisfied that despite the Coronavirus pandemic, it is appropriate for the charitable company's financial statements to be prepared on a going concern basis. The trustees have taken reasonable steps to minimise the effect on the charitable company and will continue to do so. In the circumstances that have concluded that no adjustments or additional disclosures are required to the financial statements at this time.

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.

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Incoming resources from other trading activities includes income received under contract. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

This includes capital grants.

2. ACCOUNTING POLICIES - continued

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.

Expenditure on raising funds includes the cost of fundraising and the direct costs of other trading activities as well as a proportion of salaries based on an approximation of time spent in this area.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

Allocation and apportionment of costs

All costs are allocated between expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Tangible fixed assets

Fixed assets are initially recorded at cost, including the estimated cost of any donated assets.

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

Long Leasehold Property	- 80 years on cost
Fixtures, fittings and equipment	- 5 years on cost
Computer equipment	- 3 years on cost

Fixed asset investments

Fixed asset investments are recorded at cost less any provision required for diminution in value.

Stocks

Stock is included at the lower of cost or net realisable value using the FIFO stock valuation method.

Taxation

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

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade debtors and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2021

2. 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.

Designated funds are unrestricted funds earmarked by the trustees for particular 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.

3. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	13,777	29,045
Gift aid	2,011	1,760
Grants	142,119	245,586
Subscriptions	396	524
	<u>158,303</u>	<u>276,915</u>

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

	2021	2020
	£	£
National Lottery Heritage Fund	-	70,435
National Lottery Community Fund	-	25,648
Cardiff Council	20,000	25,000
ACW	-	23,446
WCVA	-	48,037
Moondance Foundation	-	8,000
Waterloo Foundation	-	15,000
Welsh Government – Wales Cultural Recovery Fund	97,037	-
Job Retention Scheme	24,499	29,519
Other grants	583	501
	<u>142,119</u>	<u>245,586</u>

4. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Coffee shop rent	16,088	7,088
Other rental income	63,715	55,115
Facility hire fees	-	725
Gift shop sales	16,898	18,421
Catering and bar income	-	75
	<u>96,701</u>	<u>81,424</u>

INOLE COURT TRUST - YMDDIREDLAETH CWRT INOLE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2021

5. INVESTMENT INCOME

	2021 £	2020 £
Trading subsidiary donation	<u>11,218</u>	<u>18,378</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021 £	2020 £
Entrance fees and tour income	Education and the arts	824	2,009
Facility hire fees	Community welfare	23,814	30,076
Activities and events income	Community welfare	<u>5,980</u>	<u>6,542</u>
		<u>30,618</u>	<u>38,627</u>

7. OTHER INCOME

	2021 £	2020 £
Other income	2,374	(1,981)
Management fee	<u>47,500</u>	<u>49,875</u>
	<u>49,874</u>	<u>47,894</u>

8. RAISING FUNDS

Raising donations and legacies

	2021 £	2020 £
Fundraising	<u>791</u>	<u>1,070</u>

Other trading activities

	2021 £	2020 £
Purchases	8,037	7,983
Staff costs	59,460	65,005
Shop operating expenses	897	991
Rates and water	256	403
Light and heat	10,515	5,699
Telephone and internet	1,782	1,935
Depreciation	<u>7,101</u>	<u>5,648</u>
	<u>88,048</u>	<u>87,664</u>
Aggregate amounts	<u>88,839</u>	<u>88,734</u>

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2021**

9. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 10) £	Support costs (see note 11) £	Totals £
Preservation of Insole Court	67,570	24,208	91,778
Education and the arts	16,923	15,305	32,228
Community welfare	<u>113,038</u>	<u>63,769</u>	<u>176,807</u>
	<u>197,531</u>	<u>103,282</u>	<u>300,813</u>

10. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	68,652	82,195
Rates and water	715	1,128
Insurance	1,250	1,143
Light and heat	29,442	15,956
Telephone	4,990	5,419
Design and print	1,877	2,640
Computer and web site fees	1,440	420
Miscellaneous expenses	2,153	2,810
Cleaning and household goods	7,335	4,414
Activities and events costs	4,992	4,932
Property maintenance and repairs	29,344	23,177
Depreciation	<u>45,341</u>	<u>36,876</u>
	<u>197,531</u>	<u>181,110</u>

11. SUPPORT COSTS

	Staff costs £	Finance £	Other £	Governance costs £	Totals £
Preservation of Insole Court	18,336	574	4,431	867	24,208
Education and the arts	11,001	345	1,389	2,570	15,305
Community welfare	<u>44,005</u>	<u>1,379</u>	<u>8,104</u>	<u>10,281</u>	<u>63,769</u>
	<u>73,342</u>	<u>2,298</u>	<u>13,924</u>	<u>13,718</u>	<u>103,282</u>

12. NET INCOME/(EXPENDITURE)

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

	2021 £	2020 £
Depreciation - owned assets	54,949	45,758
Independent examination fee	3,300	3,300
Operating lease payments	<u>1,031</u>	<u>1,031</u>

13. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 October 2021 or for the year ended 31 October 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 October 2021 or for the year ended 31 October 2020.

14. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	172,438	196,600
Social security costs	10,504	12,332
Other pension costs	<u>3,660</u>	<u>3,469</u>
	<u>186,602</u>	<u>212,401</u>

Total remuneration paid to key management personnel in the year was £43,716 (2020: £42,412).

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

	2021	2020
	<u>9</u>	<u>12</u>
Average employees		

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2021

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	261,235	15,680	276,915
Charitable activities			
Education and the arts	2,009	-	2,009
Community welfare	36,618	-	36,618
Other trading activities	81,424	-	81,424
Investment income	18,378	-	18,378
Other income	47,894	-	47,894
Total	447,558	15,680	463,238
EXPENDITURE ON			
Raising funds	88,734	-	88,734
Charitable activities			
Preservation of Insole Court	82,476	739	83,215
Education and the arts	33,003	443	33,446
Community welfare	164,155	1,773	165,928
Total	368,368	2,955	371,323
NET INCOME	79,190	12,725	91,915
RECONCILIATION OF FUNDS			
Total funds brought forward	1,364,329	-	1,364,329
TOTAL FUNDS CARRIED FORWARD	<u>1,443,519</u>	<u>12,725</u>	<u>1,456,244</u>

16. TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 November 2020	1,189,638	145,481	28,941	1,364,060
Additions	2,491	7,160	740	10,391
At 31 October 2021	<u>1,192,129</u>	<u>152,641</u>	<u>29,681</u>	<u>1,374,451</u>
DEPRECIATION				
At 1 November 2020	57,713	74,811	27,244	159,768
Charge for year	25,460	28,402	1,087	54,949
At 31 October 2021	<u>83,173</u>	<u>103,213</u>	<u>28,331</u>	<u>214,717</u>
NET BOOK VALUE				
At 31 October 2021	<u>1,108,956</u>	<u>49,428</u>	<u>1,350</u>	<u>1,159,734</u>
At 31 October 2020	<u>1,131,925</u>	<u>70,670</u>	<u>1,697</u>	<u>1,204,292</u>

17. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 November 2020 and 31 October 2021	<u>2</u>
NET BOOK VALUE	
At 31 October 2021	<u>2</u>
At 31 October 2020	<u>2</u>

There were no investment assets outside the UK.

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

Insole Court Trading Company Ltd

Registered office:

Nature of business: Room hire and event services

Class of share: %
Ordinary shares holding
100

	2021 £	2020 £
Aggregate capital and reserves	15,529	11,853
Profit for the year	<u>13,894</u>	<u>10,865</u>

18. STOCKS

	2021 £	2020 £
Retail stocks	<u>8,062</u>	<u>6,300</u>

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	5,198	3,864
Amounts owed by group undertakings	115,195	1,350
Other debtors	715	-
VAT	219	12,990
Prepayments and accrued income	<u>3,777</u>	<u>4,966</u>
	<u>125,104</u>	<u>23,170</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2021

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 22)	7,677	3,770
Other loans (see note 22)	7,748	-
Trade creditors	12,180	15,585
Social security and other taxes	3,253	2,655
Other creditors	3,233	2,487
Accruals and deferred income	<u>26,884</u>	<u>22,558</u>
	<u>60,975</u>	<u>47,055</u>

Included within accruals and deferred income above is the following deferred income:

	2021	2020
	£	£
Rental income and deposit	4,368	4,368
Activities and events income	<u>1,281</u>	<u>-</u>
	<u>5,649</u>	<u>4,368</u>

The deferred income relates to income received in advance of project or service delivery. All amounts brought forward have been released to the statement of financial activities in the year, except for a rental deposit of £4,368 which has been retained.

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

	2021	2020
	£	£
Bank loans (see note 22)	29,185	36,230
Other loans (see note 22)	<u>8,264</u>	<u>-</u>
	<u>37,449</u>	<u>36,230</u>

22. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank loans	7,677	3,770
Other loans	<u>7,748</u>	<u>-</u>
	<u>15,425</u>	<u>3,770</u>
Amounts falling between one and two years:		
Bank loans	7,881	7,694
Other loans	<u>8,264</u>	<u>-</u>
	<u>16,145</u>	<u>7,694</u>
Amounts falling due between two and five years:		
Bank loans	<u>21,304</u>	<u>24,306</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans	-	4,230

INOLE COURT TRUST - YMDDIREDLAETH CWRT INOLE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2021

23. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021 £	2020 £
Within one year	516	1,031
Between one and five years	-	516
	<u>516</u>	<u>1,547</u>

24. MOVEMENT IN FUNDS

	At 1/11/20 £	Net movement in funds £	Transfers between funds £	At 31/10/21 £
Unrestricted funds				
General fund	239,227	(43,427)	44,558	240,358
Fixed asset designated fund	<u>1,204,292</u>	<u>-</u>	<u>(44,558)</u>	<u>1,159,734</u>
	1,443,519	(43,427)	-	1,400,092
Restricted funds				
Friends of Insole Court fund	<u>12,725</u>	<u>489</u>	<u>-</u>	<u>13,214</u>
TOTAL FUNDS	<u>1,456,244</u>	<u>(42,938)</u>	<u>-</u>	<u>1,413,306</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	344,975	(388,402)	(43,427)
Restricted funds			
Garden and grounds fund	1,250	(1,250)	-
Friends of Insole Court fund	<u>489</u>	<u>-</u>	<u>489</u>
	<u>1,739</u>	<u>(1,250)</u>	<u>489</u>
TOTAL FUNDS	<u>346,714</u>	<u>(389,652)</u>	<u>(42,938)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2021

24. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/11/19 £	Net movement in funds £	Transfers between funds £	At 31/10/20 £
Unrestricted funds				
General fund	221,584	79,190	(61,547)	239,227
Fixed asset designated fund	<u>1,142,745</u>	<u>-</u>	<u>61,547</u>	<u>1,204,292</u>
	1,364,329	79,190	-	1,443,519
Restricted funds				
Friends of Insole Court fund	-	12,725	-	12,725
TOTAL FUNDS	<u>1,364,329</u>	<u>91,915</u>	<u>-</u>	<u>1,456,244</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	447,558	(368,368)	79,190
Restricted funds			
Garden and grounds fund	2,955	(2,955)	-
Friends of Insole Court fund	<u>12,725</u>	<u>-</u>	<u>12,725</u>
	15,680	(2,955)	12,725
TOTAL FUNDS	<u>463,238</u>	<u>(371,323)</u>	<u>91,915</u>

Designated funds

Fixed asset designated fund

The fixed asset designated fund represents the net book value of tangible fixed assets.

Restricted funds

Garden and grounds fund

During the year the charity received private donations of £1,250 (2020: £2,955) for the restoration of the iris garden.

Friends of Insole Court fund

During the year the charity received private donations of £489 (2020: £12,725) for the Friends of Insole Court fund.

Transfers between funds

A transfer of £44,558 was made from the general fund to the fixed asset designated fund in respect of further fixed asset additions during the year, less the depreciation charged.

25. RELATED PARTY DISCLOSURES

A number of the trustees are members of The Friends of Insole Court, as such it is considered to be a related party. During the year, donations of £489 (2020: £12,725) were received from The Friends of Insole Court.

Aggregate donations of £1,451 (2020: £1,440) were received from trustees in the year in the form of supporters and patrons' income.

Management fees of £47,500 (2020: £49,875) were received from the charity's trading subsidiary, Insole Court Trading Company Ltd. The charity has also received income and made payments on behalf of its trading subsidiary, and vice versa, during the year. As at 31 October 2021, a balance of £115,195 was due to the charity from its trading subsidiary.

Accounts

REGISTERED COMPANY NUMBER: 07705519 (England and Wales)
REGISTERED CHARITY NUMBER: 1145649

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 OCTOBER 2020
FOR**

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020**

	Page
Report of the Trustees	1 to 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8 to 9
Cash Flow Statement	10
Notes to the Cash Flow Statement	11
Notes to the Financial Statements	12 to 23

INSOLE COURT TRUST - YMDDIREDLAETH CWRT INSOLE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2020

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 October 2020. 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 Charity's objects as stated in the Articles of Association are:

1. to preserve and protect the buildings known as Insole Court, including the restoration of the interior and gardens for public benefit;
2. to advance the education of the public in the history and conservation of Insole Court and Gardens; and
3. to further or benefit the residents of the community, without distinction of sex, sexual orientation, race or of political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education, arts and culture, and provide facilities in the interests of social welfare for recreation leisure time occupation with the objective of improving the conditions of life for the residents and in particular to establish or secure the establishment of a community facility and to maintain or manage or co-operate with any statutory or other authority or organisation in the maintenance and management of such a centre.

Public benefit

The trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission. Significant activities that we undertook during the period that demonstrate public benefit are set out below.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

At the start of the financial year, 1st November 2019, one of the main aims of the Trust strategy was to improve the financial performance of Insole Court. To that end the Trust had taken the Potting Shed café in house and had started refurbishment works. The Food and Beverage Manager had been appointed in October 2019 with the task of running the café and to expand the food and beverage offer throughout the site. The Trust was looking forward to expanding the business to put it on a firmer financial footing, to generate additional funds over and above that needed for day to day running which could be ploughed back into the Court, and to further develop the charitable objectives.

The Covid-19 global pandemic hit early on in the financial year and changed how we all live and the way the Insole Court business could be run. It will continue to dominate our thoughts and actions for many months yet. Initially it was thought that the Trust could weather the crisis by using its Reserves and doing everything it could to reduce costs. The Trust's initial response to the financial implications of the lockdown was to scale back on planned projects to comply with social distancing measures, and secure financial support by accessing the Government's Job Retention Scheme. Certain work could not be avoided and the planned replacement of the fire alarm system was completed as part of the ongoing work to ensure fire safety as agreed with the Fire Safety Officer.

At the beginning of March, the Finance Committee held its monthly monitoring meeting to discuss the trading results to date. Briefly, the Trust had made a loss of £36k for the first quarter, against a budgeted loss of £19k. It was felt that this could be made up as the wedding season was about to start and the café would be opening fully. The Committee met again on the 18th of March, by which time the situation had changed entirely. Trading results were no longer relevant as Insole Court was on the point of closing. Classes were being cancelled, weddings put on hold, and our tenants Montessori and Primo were closing. Our income stream had dried up virtually overnight, and reserves were being used to pay staff and suppliers. What mattered from this point on was cash in the bank, and what to do to cut costs but also safeguard staff and the Court.

The March lockdown meant that the newly refurbished café could not be opened and all staff except the Director and the three senior managers were furloughed. The Insole Court Trust Board was requested, and agreed, to give the Finance Committee delegated powers to run Insole Court, and the following measures were put in place:

- To furlough staff where possible and apply for Job Retention Grant via the Government Staff Furlough Scheme.
- Staff vacant posts would not be filled.
- Reduce expenditure where possible.
- Identify and apply for external emergency funding.

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2020

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Finance Committee, now with approved delegated powers from the Board to run Insole Court, met fortnightly by video link or face to face when allowed, to review the financial situation and take whatever steps were deemed necessary to ensure the survival of Insole Court. The assumption at the time was that the pandemic would last for four months. Trust reserves would keep Insole Court solvent for two to three of those months and it was hoped external funding could be obtained.

All staff except the Director and the three senior managers were furloughed. The senior managers started working from home, and all other staff sent home. Furloughed staff continued to be paid at 100% of their salaries, 80% being paid from the National Government Job Retention Scheme while the Trust made up the remaining 20%. Staff were also notified that if the furlough scheme was not continued beyond May, the whole of the pay and employment situation would need to be reviewed.

Insole Court closed on the 20th March 2020.

During April, the senior managers worked extremely hard to identify and apply for external emergency grant funding. All their hard work paid off and Insole Court has received considerable financial help. The accounts show the amounts involved, but Insole Court Trust is very grateful to the following bodies for their assistance during the year to 31st October 2020:

- National Lottery Heritage Fund (Emergency Fund)
- National Lottery Community Fund (People and Places Fund)
- Arts Council of Wales
- Welsh Council for Voluntary Action
- Cardiff Council (Business Rates Grant Scheme)
- National Government (Job Retention Scheme and Bounce Back Loan)
- Welsh Government (Economic Resilience Fund)
- Waterloo Foundation
- Moondance

There was a planned social media campaign targeting individual giving. The campaign was successful for which the Trust was extremely grateful. In addition, up to April, there were 40 new members and two new patrons. The Trust felt this was a clear indication from the community that Insole Court was much loved and supported.

Throughout the lockdown, it was felt essential to maintain communication with the community and interested parties, and the Insole Court website was used extensively, along with information posters affixed to the buildings exteriors (the park being still open to visitors). A trustee and volunteers organised socially distanced second hand book sales and plant sales which raised some £1,500 in total. The events also contributed to community interaction and enrolled some new members.

Plans were drawn up for eventual re-opening to ensure that when the lockdown was lifted, Insole Court would be in the best condition to be up and running again. During the lockdown, the fire alarm system was renewed. The Trust had planned to do this before the lockdown as the existing system was no longer reliable, and as part of the ongoing work to fully comply with the Fire Safety Officer's recommendations.

Because of the nature of the pandemic, Government advice changed frequently, which in turn made planning for reopening very difficult. It was clear that it was unlikely to be business as usual on reopening and various scenarios needed planning, for example whether the café would be allowed to reopen with social distancing in place, whether the nursery would open ahead of the rest of Insole Court, how to offer courses and meetings, etc.

During June, the UK Government declared that the furlough scheme would continue to the end of October, but government contributions would reduce. The Montessori nursery planned for a partial reopening at the end of June. The café, gift shop, and car park were planned to reopen on the 22nd June. The café would operate a takeaway service and necessary staff were taken off furlough.

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2020

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Finance Committee, still operating with delegated powers to run Insole Court, continued to meet fortnightly. A new budget and cash flow projection for the following nine months concluded that with the external finance awarded, the Court would remain solvent for that time, but after that the business must be able to trade profitably. It was assumed that income would fall significantly from pre Covid days and that Insole Court would not make a trading surplus over the next nine months. New initiatives were needed to increase room hire, particularly to offer space for cultural activities and for groups now unable to use other entertainment venues. Picnic benches were set up in the Stable Yard and an evening café bar planned with seating restricted to bookings only. The caretaker post was filled but two other posts kept vacant. From August, staff on furlough would no longer receive the additional 20% top up of their salaries.

Although the Court was open for outside events, losses were still being made. It was calculated that for the first nine months of the financial year, Insole Court had suffered a trading loss of over £131,000. Staff continued to work on new income generation schemes and introduced co-working spaces in the Motor House, offered light refreshments in the Dining Room and Billiard Room in the house, and investigated new retail opportunities in the house. However, any events in the house were still subject to social distancing, and additionally, taking staff off furlough had to be done with caution as income generated must cover the costs of their salaries.

Insole Court ended the financial year having made significant trading losses, but with sufficient cash balances in the bank from grants and loans to keep operating into the new financial year, and without having to make any staff redundancies. The Trust has offered what it was able to do to further its charitable aims. However, those aims are only as good as the income generated to afford them. Trustees and staff are all very aware that without funds there will be no Insole Court as we have known it for the last four years. The Trust is confident that its finances will recover as forecast and that it can continue to fulfil its charitable objectives.

Investment performance

On 23 March 2018, the charity set up the wholly owned trading subsidiary Insole Court Trading Company Ltd.

Insole Court Trading Company Limited commenced trading on 1 May 2018 and deals with all the commercial hires and catering, including weddings, which take place at Insole Court.

For the year ended 31 October 2020, Insole Court Trading Company Ltd made a profit of £10,865 and the directors have agreed to donate a figure of £11,218 to Insole Court Trust.

FINANCIAL REVIEW

Financial position

During the year, the charity's total income was £463,238 (2019: £518,873) of which £61,133 (2019: £24,301) has been spent on leasehold property improvement costs which have been capitalised and a further £46,172 (2019: £3,854) spent on other tangible fixed assets.

The charity reported a surplus of £91,915 after accounting for depreciation charges of £45,758, therefore there was a surplus before depreciation of £137,673 (2019: £136,335).

Insole Court trading Company Ltd, a wholly owned subsidiary, made a profit of £10,865 during the period. The surplus for the group for the year to 31 October 2020 was £102,780.

Reserves policy

At 31 October 2020 the charity held total reserves of £1,456,244. Of this, £12,725 are restricted funds, £1,204,292 has been designated in a fund equivalent to the net book value of fixed assets and £2 represents investments, leaving £239,225 as the free reserves of the charity. These free reserves include £48,037 resilience funding and £23,446 Covid stabilisation funding which will be used to mitigate future losses until the Trust can fully re-open. The trustees anticipate additional reserves will also be required until the Trust can return to making a surplus.

The trustees are aware of the importance of holding reserves now Insole Court has started its operational stage and set a target of £100,000 of free reserves. The trustees are confident that with the continued support of their funders, they will be able to maintain this minimum level of reserves despite the pandemic.

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee, governed by its Memorandum and Articles of Association.

The liability of each member is limited to £1.

Recruitment and appointment of new trustees

The Board of Trustees has a comprehensive skill mix covering finance and financial planning, heritage interpretation, governance, legal, company secretarial, activity planning, architectural, and buildings.

The Trust also has a core of voluntary advisors to supplement the trustees' knowledge base.

Organisational structure

The Insole Court Trust Board has 12 trustees (currently two vacancies) and meets bi-monthly. The Board has a number of committees reporting to it viz Finance, Governance, Buildings, Heritage, Gardens, and Community Fundraising Committee. Committees must have a minimum of two trustees as members, one of which will act as Chair. The Trust Board is responsible for the overall strategy of the Charity, and for performance evaluation and assurance. A budget for the year is presented annually to the Board at the start of the financial year, and if approved, gives delegated power to staff, through the Director, to spend within the budget parameters. If necessary, the Finance Committee, which has delegated spending powers, may revise the budget during the year, and any such revisions must be reported to the Board. Requests for expenditure outside the approved budget are made to the Finance Committee, to approve or otherwise, and such action must be reported to the next Board meeting. The Insole Court Trust has set up a separate wholly owned Trading Company with five directors, who are currently also the members of the Finance Committee.

Induction and training of new trustees

The Trust has used organised away days with professional trainers for induction and training of new trustees, as well as in house training. This system of using professional trainers and consultants continues to be used to maintain trustee's skills and to manage events as the project progresses. Each trustee should have a comprehensive knowledge of the following:

- The role of trustees, which was identified as taking ultimate and collective responsibility for directing the affairs of the charity, ensuring it is solvent, well run, and delivering the charitable outcomes for the benefit of the public for which it was set up.
- The duties of trustees summarised as compliance with the law, duty of prudence, and duty of care.
- Good Governance and Leadership Principles covering understanding of the role of the trustee, the legal duties, the stewardship of assets, safeguarding the charity's purpose, overseeing the work of the charity, and managing and supporting staff and volunteers. Trustees would also be required to ensure delivery of organisational purpose, to work effectively both as individuals and as a team, to exercise effective control, to behave with integrity, and to be open and accountable.
- The skills needed by a trustee covering leadership, strategic planning, financial management and planning, knowledge of the legal framework in which the charity operates, management, and advocacy.
- Specific skills relating to heritage and community development.

Key management remuneration

Pay and remuneration of senior staff is at a level to attract and retain suitable individuals and is also governed by market forces as the Charitable Aims of the Trust are entirely dependent on revenue raised through its business activities.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07705519 (England and Wales)

Registered Charity number

1145649

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 OCTOBER 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered office

Insole Court
Fairwater road
Cardiff
CF5 2LN

Trustees

W M Clarke	
E M Davey	
G F Morgan	
L W Roblin	Treasurer
D L Hamley	- resigned 1/6/2020
C O'Brien	
G J Owens	
J L Prior-Morris	
V Mitchell	
S E Neil	
D Clayton Jones	Chairman

President

N Lloyd-Edwards

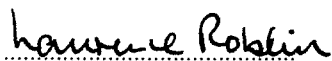
Key management personnel

G Hill - Director

Independent examiner

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Approved by order of the Board of Trustees on 30 March 2021 and signed on its behalf by:



L W Roblin – Treasurer - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
INSOLE COURT TRUST - YMDDIREDLAETH CWRT INSOLE**

Independent examiner's report to the trustees of Insole Court Trust - Ymddiredolaeth Cwrt Insole ('the Company')
I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 October 2020.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ACCA which is one of the listed bodies

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

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

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

Julia Mortimer FCCA
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Date: 6 April 2021

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 OCTOBER 2020**

		Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	261,235	15,680	276,915	170,288
Charitable activities	6				
Education and the arts		2,009	-	2,009	6,040
Community welfare		36,618	-	36,618	104,125
Other trading activities	4	81,424	-	81,424	109,351
Investment income	5	18,378	-	18,378	18,054
Other income	7	47,894	-	47,894	111,015
Total		447,558	15,680	463,238	518,873
EXPENDITURE ON					
Raising funds	8	88,734	-	88,734	101,070
Charitable activities	9				
Preservation of Insole Court		82,476	739	83,215	96,716
Education and the arts		33,003	443	33,446	37,704
Community welfare		164,155	1,773	165,928	188,062
Total		368,368	2,955	371,323	423,552
NET INCOME		79,190	12,725	91,915	95,321
RECONCILIATION OF FUNDS					
Total funds brought forward		1,364,329	-	1,364,329	1,269,008
TOTAL FUNDS CARRIED FORWARD		<u>1,443,519</u>	<u>12,725</u>	<u>1,456,244</u>	<u>1,364,329</u>

The notes form part of these financial statements

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

BALANCE SHEET
AT 31 OCTOBER 2020

		Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
	Notes				
FIXED ASSETS					
Tangible assets	16	1,204,292	-	1,204,292	1,142,745
Investments	17	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>
		1,204,294	-	1,204,294	1,142,747
CURRENT ASSETS					
Stocks	18	6,300	-	6,300	5,144
Debtors	19	23,170	-	23,170	178,458
Cash at bank and in hand		<u>293,040</u>	<u>12,725</u>	<u>305,765</u>	<u>124,900</u>
		322,510	12,725	335,235	308,502
CREDITORS					
Amounts falling due within one year	20	(47,055)	-	(47,055)	(86,920)
NET CURRENT ASSETS		<u>275,455</u>	<u>12,725</u>	<u>288,180</u>	<u>221,582</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,479,749	12,725	1,492,474	1,364,329
CREDITORS					
Amounts falling due after more than one year	21	(36,230)	-	(36,230)	-
NET ASSETS		<u>1,443,519</u>	<u>12,725</u>	<u>1,456,244</u>	<u>1,364,329</u>
FUNDS	24				
Unrestricted funds				1,443,519	1,364,329
Restricted funds				<u>12,725</u>	<u>-</u>
TOTAL FUNDS				<u>1,456,244</u>	<u>1,364,329</u>

The notes form part of these financial statements

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

**BALANCE SHEET - CONTINUED
AT 31 OCTOBER 2020**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

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

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

The financial statements were approved for issue by the Board of Trustees on 30 March 2021 and were signed on its behalf by:



L W Roblin – Treasurer - Trustee

The notes form part of these financial statements

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Cash generated from operations	1	248,670	(33,862)
Interest paid		<u>(500)</u>	<u>-</u>
Net cash provided by (used in) operating activities		<u>248,170</u>	<u>(33,862)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(107,305)</u>	<u>(28,155)</u>
Net cash provided by (used in) investing activities		<u>(107,305)</u>	<u>(28,155)</u>
Cash flows from financing activities:			
New loans in year		<u>40,000</u>	<u>-</u>
Net cash provided by (used in) financing activities		<u>40,000</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		180,865	(62,017)
Cash and cash equivalents at the beginning of the reporting period		<u>124,900</u>	<u>186,917</u>
Cash and cash equivalents at the end of the reporting period		<u>305,765</u>	<u>124,900</u>

The notes form part of these financial statements

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2020

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

	2020 £	2019 £
Net income for the reporting period (as per the statement of financial activities)	91,915	95,321
Adjustments for:		
Depreciation charges	45,759	41,004
Interest paid	500	-
Increase in stocks	(1,156)	(649)
Decrease/(increase) in debtors	155,287	(135,737)
Decrease in creditors	<u>(43,635)</u>	<u>(33,801)</u>
Net cash provided by (used in) operating activities	<u>248,670</u>	<u>(33,862)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/11/19 £	Cash flow £	At 31/10/20 £
Net cash			
Cash at bank and in hand	124,900	180,865	305,765
Debt			
Debts falling due within one year	-	(3,770)	(3,770)
Debts falling due after one year	<u>-</u>	<u>(36,230)</u>	<u>(36,230)</u>
	-	<u>(40,000)</u>	<u>(40,000)</u>
Total	<u>124,900</u>	<u>140,865</u>	<u>265,765</u>

INSOLE COURT TRUST - YMDDIREDLAETH CWRT INSOLE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

1. STATUTORY INFORMATION

Insole Court Trust is a registered charity and private company limited by guarantee having no share capital. It is incorporated in Wales in the United Kingdom. The registered office is Insole Court, Fairwater Road, Cardiff, CF5 2LN. The nature of the charitable company's operations and principal activities are disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the charitable company's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. 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.

There have been no material departures from Financial Reporting Standard 102.

Going concern

The trustees are satisfied that despite the Coronavirus pandemic, it is appropriate for the charitable company's financial statements to be prepared on a going concern basis. The pandemic has resulted in a number of uncertainties arising and the trustees have taken reasonable steps to minimise the effect on the charitable company and will continue to do so. In the circumstances that have concluded that no adjustments or additional disclosures are required to the financial statements at this time.

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.

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Incoming resources from other trading activities includes income received under contract. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

This includes capital grants.

2. ACCOUNTING POLICIES - continued

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.

Expenditure on raising funds includes the cost of fundraising and the direct costs of other trading activities as well as a proportion of salaries based on an approximation of time spent in this area.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

Allocation and apportionment of costs

All costs are allocated between expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Tangible fixed assets

Fixed assets are initially recorded at cost, including the estimated cost of any donated assets.

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

Long Leasehold Property	- 80 years on cost
Fixtures, fittings and equipment	- 5 years on cost
Computer equipment	- 3 years on cost

Fixed asset investments

Fixed asset investments are recorded at cost less any provision required for diminution in value.

Stocks

Stock is included at the lower of cost or net realisable value using the FIFO stock valuation method.

Taxation

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

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade debtors and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

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

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 OCTOBER 2020**

2. 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.

Designated funds are unrestricted funds earmarked by the trustees for particular 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.

3. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations	29,045	17,770
Gift aid	1,760	1,519
Grants	245,586	150,519
Subscriptions	524	480
	<u>276,915</u>	<u>170,288</u>

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

	2020	2019
	£	£
National Lottery Heritage Fund	70,435	120,518
National Lottery Community Fund	25,648	-
Big Lottery	-	11,961
ACW	23,446	-
WCVA	48,037	-
Moondance Foundation	8,000	-
Waterloo Foundation	15,000	-
CADW	-	18,040
Other grants	55,020	-
	<u>245,586</u>	<u>150,519</u>

4. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Coffee shop rent	7,088	34,108
Other rental income	55,115	55,098
Facility hire fees	725	(95)
Gift shop sales	18,421	20,855
Catering and bar income	75	5
Wedding income	-	(620)
	<u>81,424</u>	<u>109,351</u>

INSOLE COURT TRUST - YMDDIREDLAETH CWRT INSOLE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 OCTOBER 2020

5. INVESTMENT INCOME

	2020	2019
	£	£
Trading subsidiary donation	<u>18,378</u>	<u>18,054</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020	2019
		£	£
Entrance fees and tour income	Education and the arts	2,009	6,040
Facility hire fees	Community welfare	30,076	79,409
Activities and events income	Community welfare	<u>6,542</u>	<u>24,716</u>
		<u>38,627</u>	<u>110,165</u>

7. OTHER INCOME

	2020	2019
	£	£
Other income	(1,981)	7,305
Reimbursement of costs	-	(290)
Management fee	<u>49,875</u>	<u>104,000</u>
	<u>47,894</u>	<u>111,015</u>

8. RAISING FUNDS

Raising donations and legacies

	2020	2019
	£	£
Fundraising	<u>1,070</u>	<u>-</u>

Other trading activities

	2020	2019
	£	£
Purchases	7,983	12,643
Staff costs	65,005	71,784
Shop operating expenses	991	1,045
Rates and water	403	638
Light and heat	5,699	8,596
Telephone and internet	1,935	1,710
Depreciation	<u>5,648</u>	<u>4,654</u>
	<u>87,664</u>	<u>101,070</u>
Aggregate amounts	<u>88,734</u>	<u>101,070</u>

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 OCTOBER 2020**

9. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 10) £	Support costs (See note 11) £	Totals £
Preservation of Insole Court	58,257	24,958	83,215
Education and the arts	18,611	14,835	33,446
Community welfare	<u>104,242</u>	<u>61,686</u>	<u>165,928</u>
	<u>181,110</u>	<u>101,479</u>	<u>282,589</u>

10. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020 £	2019 £
Staff costs	82,195	90,475
Rates and water	1,128	1,786
Insurance	1,143	1,076
Light and heat	15,956	24,069
Telephone	5,419	4,787
Design and print	2,640	2,989
Computer and web site fees	420	105
Miscellaneous expenses	2,810	1,228
Cleaning and household goods	4,414	9,755
Activities and events costs	4,932	24,637
Property maintenance and repairs	23,177	41,518
Depreciation	<u>36,876</u>	<u>26,637</u>
	<u>181,110</u>	<u>229,062</u>

11. SUPPORT COSTS

	Staff costs £	Finance £	Other £	Governance costs £	Totals £
Preservation of Insole Court	18,203	524	5,331	900	24,958
Education and the arts	10,922	315	1,936	1,662	14,835
Community welfare	<u>43,688</u>	<u>1,258</u>	<u>10,093</u>	<u>6,647</u>	<u>61,686</u>
	<u>72,813</u>	<u>2,097</u>	<u>17,360</u>	<u>9,209</u>	<u>101,479</u>

12. NET INCOME/(EXPENDITURE)

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

	2020 £	2019 £
Depreciation - owned assets	45,758	41,004
Independent examination fee	3,300	3,300
Operating lease payments	<u>1,031</u>	<u>1,031</u>

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 OCTOBER 2020

13. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 October 2020 or for the year ended 31 October 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 October 2020 or for the year ended 31 October 2019.

14. STAFF COSTS

	2020 £	2019 £
Wages and salaries	196,600	199,164
Social security costs	12,332	10,897
Other pension costs	3,469	3,168
	<u>212,401</u>	<u>213,229</u>

Total remuneration paid to key management personnel in the year was £42,412 (2019: £42,308).

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

	2020 <u>12</u>	2019 <u>13</u>
Average employees		

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

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	11,308	158,980	170,288
Charitable activities			
Education and the arts	6,040	-	6,040
Community welfare	104,125	-	104,125
Other trading activities	109,351	-	109,351
Investment income	18,054	-	18,054
Other income	111,305	(290)	111,015
Total	360,183	158,690	518,873
EXPENDITURE ON			
Raising funds	101,070	-	101,070
Charitable activities			
Preservation of Insole Court	51,146	45,570	96,716
Education and the arts	19,938	17,766	37,704
Community welfare	99,453	88,609	188,062
Total	271,607	151,945	423,552

INSOLE COURT TRUST - YMDDIREDLAETH CWRT INSOLE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 OCTOBER 2020

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – continued

	Unrestricted funds £	Restricted funds £	Total funds £
NET INCOME	88,576	6,745	95,321
Transfers between funds	<u>8,675</u>	<u>(8,675)</u>	-
Net movement in funds	97,251	(1,930)	95,321
RECONCILIATION OF FUNDS			
Total funds brought forward	1,267,078	1,930	1,269,008
TOTAL FUNDS CARRIED FORWARD	<u>1,364,329</u>	<u>-</u>	<u>1,364,329</u>

16. TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 November 2019	1,128,505	100,581	27,669	1,256,755
Additions	<u>61,133</u>	<u>44,900</u>	<u>1,272</u>	<u>107,305</u>
At 31 October 2020	<u>1,189,638</u>	<u>145,481</u>	<u>28,941</u>	<u>1,364,060</u>
DEPRECIATION				
At 1 November 2019	36,650	52,222	25,138	114,010
Charge for year	<u>21,063</u>	<u>22,589</u>	<u>2,106</u>	<u>45,758</u>
At 31 October 2020	<u>57,713</u>	<u>74,811</u>	<u>27,244</u>	<u>159,768</u>
NET BOOK VALUE				
At 31 October 2020	<u>1,131,925</u>	<u>70,670</u>	<u>1,697</u>	<u>1,204,292</u>
At 31 October 2019	<u>1,091,855</u>	<u>48,359</u>	<u>2,531</u>	<u>1,142,745</u>

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 OCTOBER 2020**

17. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 November 2019 and 31 October 2020	<u>2</u>
NET BOOK VALUE	
At 31 October 2020	<u>2</u>
At 31 October 2019	<u>2</u>

There were no investment assets outside the UK.

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

Insole Court Trading Company Ltd

Nature of business: Room hire and event services

Class of share:	% holding	2020	2019
Ordinary shares	100	£	£
Aggregate capital and reserves		11,853	19,366
Profit for the year		<u>10,865</u>	<u>19,364</u>

18. STOCKS

	2020	2019
	£	£
Retail stocks	<u>6,300</u>	<u>5,144</u>

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	3,864	150,148
Amounts owed by group undertakings	1,350	17,866
Other debtors	-	1,827
VAT	12,990	-
Prepayments and accrued income	<u>4,966</u>	<u>8,617</u>
	<u>23,170</u>	<u>178,458</u>

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 OCTOBER 2020**

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank loans and overdrafts (see note 22)	3,770	-
Trade creditors	15,585	31,550
Social security and other taxes	2,655	2,402
VAT	-	17,299
Other creditors	2,487	1,020
Accruals and deferred income	<u>22,558</u>	<u>34,649</u>
	<u>47,055</u>	<u>86,920</u>

Included within accruals and deferred income above is the following deferred income:

	2020	2019
	£	£
Rental income and deposit	<u>4,368</u>	<u>8,713</u>
	<u>4,368</u>	<u>8,713</u>

The deferred income relates to income received in advance of project or service delivery. All amounts brought forward have been released to the statement of financial activities in the year, except for a rental deposit of £4,368 which has been retained.

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

	2020	2019
	£	£
Bank loans (see note 22)	<u>36,230</u>	<u>-</u>

22. LOANS

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>3,770</u>	<u>-</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>7,694</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>24,306</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	<u>4,230</u>	<u>-</u>

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 OCTOBER 2020

23. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020 £	2019 £
Within one year	1,031	1,031
Between one and five years	516	1,547
	<u>1,547</u>	<u>2,578</u>

24. MOVEMENT IN FUNDS

	At 1/11/19 £	Net movement in funds £	Transfers between funds £	At 31/10/20 £
Unrestricted funds				
General fund	221,584	79,190	(61,547)	239,227
Fixed asset designated fund	<u>1,142,745</u>	<u>-</u>	<u>61,547</u>	<u>1,204,292</u>
	1,364,329	79,190	-	1,443,519
Restricted funds				
Friends of Insole Court fund	-	12,725	-	12,725
	<u>-</u>	<u>12,725</u>	<u>-</u>	<u>12,725</u>
TOTAL FUNDS	<u>1,364,329</u>	<u>91,915</u>	<u>-</u>	<u>1,456,244</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	447,558	(368,368)	79,190
Restricted funds			
Garden and grounds fund	2,955	(2,955)	-
Friends of Insole Court fund	<u>12,725</u>	<u>-</u>	<u>12,725</u>
	15,680	(2,955)	12,725
	<u>15,680</u>	<u>(2,955)</u>	<u>12,725</u>
TOTAL FUNDS	<u>463,238</u>	<u>(371,323)</u>	<u>91,915</u>

INSOLE COURT TRUST - YMDDIREOLAETH CWRT INSOLE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 OCTOBER 2020

24. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/11/18 £	Net movement in funds £	Transfers between funds £	At 31/10/19 £
Unrestricted Funds				
General fund	111,484	88,576	21,524	221,584
Fixed asset designated fund	<u>1,155,594</u>	<u>-</u>	<u>(12,849)</u>	<u>1,142,745</u>
	1,267,078	88,576	8,675	1,364,329
Restricted Funds				
Friends of Insole Court fund	<u>1,930</u>	<u>6,745</u>	<u>(8,675)</u>	<u>-</u>
TOTAL FUNDS	<u>1,269,008</u>	<u>95,321</u>	<u>-</u>	<u>1,364,329</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	360,183	(271,607)	88,576
Restricted funds			
National Lottery Heritage Fund	120,518	(120,518)	-
Big Lottery Community Asset fund	11,961	(11,961)	-
General capital renovation fund	(290)	290	-
CADW	18,040	(18,040)	-
Garden and grounds fund	1,716	(1,716)	-
Friends of Insole Court fund	<u>6,745</u>	<u>-</u>	<u>6,745</u>
	158,690	(151,945)	6,745
TOTAL FUNDS	<u>518,873</u>	<u>(423,552)</u>	<u>95,321</u>

INSOLE COURT TRUST - YMDDIREDOLAETH CWRT INSOLE

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 OCTOBER 2020**

24. MOVEMENT IN FUNDS - continued

Designated funds

Fixed asset designated fund

The fixed asset designated fund represents the net book value of tangible fixed assets.

Restricted funds

Garden and grounds fund

During the year the charity received private donations of £2,955 (2019: £1,716) for the restoration of the iris garden.

Friends of Insole Court fund

Specific donations of £12,725 have been received this year from the Friends of Insole Court, the restrictions of which have not yet been agreed.

Specific donations of £6,745 were received last year from the Friends of Insole Court for crockery and finials.

National Lottery Heritage fund

A grant from National Lottery Heritage fund was received last year towards the renovation of Insole Court.

Big Lottery Community Asset fund

Grant income from Big Lottery funding was received last year towards the renovation of Insole Court.

CADW

Grant income was received last year from CADW to assist with the costs of the ceiling repair, and other sundry capital works.

Transfers between funds

A transfer of £61,547 was made from the general fund to the fixed asset designated fund in respect of further fixed asset additions during the year, less the depreciation charged.

25. CONTINGENT LIABILITIES

The charity has recognised grant income to date of £730,575 from the Heritage Lottery Fund. Conditions exist within the grant agreement until 15 November 2021 which could result in the grant being repaid.

26. RELATED PARTY DISCLOSURES

A number of the trustees are members of The Friends of Insole Court, as such it is considered to be a related party. During the year, donations of £12,725 (2019: £100) were received from The Friends of Insole Court.

Aggregate donations of £1,440 (2019: £1,476) were received from trustees in the year in the form of supporters and patrons income.

Gregory Owens, a trustee, paid room hire fees of £Nil (2019: £24) to the charity in the year at a normal commercial rate. David Hamley, a trustee, received proceeds of £Nil (2019: £39) for a piece of artwork sold by the charity on his behalf.

Management fees of £49,875 (2019: £104,000) were received from the charity's trading subsidiary, Insole Court Trading Company Ltd. The charity has also received income and made payments on behalf of its trading subsidiary, and vice versa, during the year. As at 31 October 2020, a balance of £1,350 was due to the charity from its trading subsidiary.