

**PEMBROKE TOWN WALLS TRUST
REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Llewelyn Davies
Chartered Accountants
50 Queen Street
Pembroke Dock
Pembrokeshire
SA72 6JE

PEMBROKE TOWN WALLS TRUST

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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PEMBROKE TOWN WALLS TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report with the financial statements of the charity for the year ended 31 December 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 objectives are:

To maintain, restore and preserve the historic perimeter and burgage plot walls, towers and lime kiln of Pembroke Town by working in partnership with a wide range of partners and stakeholders. To promote an understanding of and access to this precious heritage. Further aims include realising the potential of this nationally important historic site to contribute to the social and economic benefit of our local community through local skills development; develop sustainable tourism and realise a sense of place.

PEMBROKE TOWN WALLS TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Following our completion to restore the front wall of the gun platform in 2020 we were able to carry out restoration of the east side of the platform with available funding and a Cadw grant at the beginning of the year. Based on our experience with this work we began to develop our long term plans for the management of the north walls, which would require substantial funding.

In April 2021 Pembrokeshire County Council (PCC) invited bids for funding from the local round of the UK Community Renewal Fund for projects up to £500,000. The projects would run for approximately 9 months to be completed by the end of March 2022. We submitted our application in May to PCC for a project valued at just over £120,000 to develop an innovative long-term plan to restore and manage Pembroke's deteriorating medieval town walls; exploring and delivering solutions to issues of sustainable funding for listed structures in multiple private ownership; the significant lack of heritage construction skills training in Wales and increasing a sense of community ownership and place. The project was backed by 18 letters of support from elected individuals, local stakeholders and partners and the community.

The successful outcome of this application was announced by the Council on the 11th June and they included our project in their full county-wide application to the UK Ministry concerned. We were told then that the final confirmation of this application would be known by the end of July, before the summer parliamentary recess.

No response had been received when Parliament met again in September and we were advised to write to our MP for advice. We did so then, but no response was received from him until the 26th October. We finally received advice from PCC on 3rd November that their application for all the local projects had been accepted and that Grant Funding Agreements would be circulated as soon as they had received the model from the Ministry, by that time the Department for Levelling Up, Housing and Communities (DLUHC). We could begin our project although expenditure would be at our own risk. The timing was extended to the end of June 2022.

Trustees met and agreed to start but we advised PCC that there would come a point where we could not continue without incurring debt. This was understood but due to further delays caused by DLUHC and the Legal Department in PCC, we still did not receive the Grant Funding Agreement to execute until the New Year.

In the meantime we began the project by appointing our Project Manager, Chris Atherton, and Jake Elster Jones to carry out the compulsory external evaluation of the project. We also met with and planned the training programme with the Tywi Centre in Carmarthenshire, Pembrokeshire College Construction Department, the West Wales CITB and Cyfle Building Skills.

We were able to allow the MSC Student in Applied Mathematics at Cardiff University Department of Operational Research and Applied Statistics to complete the research he was carrying out for us for his dissertation. This was to 'Value Freestanding Heritage Assets - Pembroke Town Walls'. This is a detailed and unique study to value heritage assets, the main findings of which provided evidence to suggest that curtilage town walls attribute a negative value towards property. This is of interest to Cadw and will be of use in developing our funding programme for the future as well as unlocking potential grant aid for other privately owned heritage properties in Wales - a key outcome from the research.

We were unable to put out any publicity about the grant until we had received, agreed and signed the Grant Funding Agreement. However, we appointed Tanyard Youth Project's Postcard & Podcast project to create a promotional film about the project which is on our website entitled More than the Walls. The film has been seen as very successful.

Our new website was launched early in the year and continues to be developed and managed very well by one of our Trustees.

Due to the Covid pandemic we were again unable to hold our usual fundraising events. However, we ran a Pledge a Stone in the Wall fundraising campaign on line which raised 40 pledges for 264 stones at a value of £5 each. This met the amount we would usually have raised.

PEMBROKE TOWN WALLS TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW

Reserves policy

Pembroke Town Walls Trust exists to protect and conserve the unique archaeology of the built heritage of Pembroke and in particular that of the peripheral walls, to promote understanding of and access to the heritage, and to realise the international importance of this historic site. By working with the local community, partners and stakeholders, careful conservation of the town will contribute to the social and economic benefit of our local community through skills development, sustainable tourism and a sense of place.

Our Values:

Pembroke Town Walls Trusts believes in:

- Working in co-operation and partnership with a wide range of stakeholders
- Building a sense-of-community by welcoming, engaging and involving all sectors of the community
- Creating a sense of health and wellbeing for those involved in and benefiting from our work
- Creating a sense of pride of place in Pembroke as a town
- Valuing and promoting our local culture
- Ensuring that our work does not have a detrimental effect on the environment

Our Current Work:

Following the successful completion of a pilot project in 2019, is concentrating on the phased, long term regeneration of Pembroke's northern perimeter town walls which are in a bad state of repair and mostly covered with ivy, brambles and trees. We have started by carefully cutting back this overgrowth, working to take a seasonal approach to protect and record local biodiversity. Once the broad sweep of walls is visible we will clear out and repair the most urgent damage for safety and to prevent further decay. In the longer term this will lead to rebuilding extensive sections.

The work will be voluntary and training will be given. We will offer work experience to construction students from Pembrokeshire College who are working with us to provide training in lime mortar stone masonry. In the long term we aim to fund bursaries and apprenticeships.

Rationale for setting our reserves:

The PTWT runs training, capacity building, community engagement, fundraising and regeneration programmes that benefit wall owners and the whole community. This work is funded largely by grants and our own fundraising covers our operating costs.

Increasingly Grant givers make payments retrospectively requiring claims to be made quarterly in arrears. PTWT is a small charity with few unallocated resources to manage a quarterly cash flow model for the level of funding we require. Where possible we make a case for payments in advance. The Welsh Government's policy set out in its document Annex to the Third Sector Scheme - Code of Practice for Funding the Third Sector, states that it recognises that most Third Sector organisations do not hold large reserves and do not have the resources available to undertake work and receive payments afterwards. Therefore, provision of funding for committed expenditure may be considered in advance of payment where evidence of need is clearly established. We strive to set out clear evidence of need in funding applications and take this into account when setting our reserves.

The organisation is governed by volunteer Trustees with the aid of a volunteer Secretary. However, when needed PTWT sub-contracts to professionals for services such as Project Management, Accountancy, and Research. The organisation is growing and needs working capital to be financially resilient and sustainable.

This Reserves Policy will enable us to maintain sufficient levels of reserves for normal operating activities to continue for up to 6 months should a shortfall of income occur and take account of potential risks and contingencies that may arise from time to time.

In order to demonstrate transparency, accountability and sound financial management the PTWT Reserves Policy clearly justifies keeping back 6 months of unrestricted reserves each year.

Steps taken to establish reserves:

In order to make a judgement on the amount of reserves needed, the Trustees have considered the risks in respect of expenditure, unrestricted income and, where appropriate, restricted income from grants as set out above.

PEMBROKE TOWN WALLS TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Also taken into consideration are any external identified potential risks to income and expenditure during the year under consideration such as a change of Government, and changes in the economic environment.

Our current reserves are sufficient to maintain normal operating activities which will be sustained and built up through fundraising activities and events, and by an increase in membership. The results will be recorded in the budget for that period.

Monitoring and reviewing this Policy:

This policy will be reviewed by Trustees after consultation with the Finance Sub-Committee each year. The Chair of Trustees will present the Board with a draft document and supporting materials to enable them to make an informed decision about the levels of reserves needed in their annual budget.

FUTURE PLANS

The Trust will deliver the Long Term Management Plan for the Town Walls with the grant from the UK Community Renewal Fund which must be completed by the further extended date of 31st December 2022.

The training and stone masonry capital work will now be taken over by the Pembrokeshire Built Heritage Community Interest Company (PBH CIC) of which we are the Asset Locked Body. The CIC has four Directors, one of whom, Howard Rudge, is also a Trustee of the PTWT CIO.

They will be running two ten day training programmes with learners from Pembrokeshire College, the first week in the College and the second on site working on one of the burgage walls in the town. The first group of ten students will be NVQ Level 1 and the second group of ten NVQ Level 2 or above. The aim will be to offer some of those students work experience on the town walls with one of our contractors as an outcome of the training.

We will be working with 6 owners of both listed and scheduled properties along the North Walls and will be looking to appoint a solicitor to develop a model lease to offer to wall owners for us to be able to seek funding to enable us to work on their walls. However, we will also be investigating Heritage Partnership Agreements with the Owners, Cadw and PCC which will be a more straightforward approach. We had been intending to set up a Community Benefit Society to offer shares to the owners and the community. However, it is clear that as the PBH CIC is limited by shares this will provide a more straightforward route for managing community funding to encourage investment and funding to undertake the work.

Once we have this project completed and have put together the long term management plan we will aim to move forward to seek and create long term funding for our repair and maintenance of the Walls. We will continue to work closely in partnership with our local community, stakeholders and the relevant public and private bodies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a charitable incorporated organisation and is controlled by its incorporation documents.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1157626

Principal address

Foundry House
Orange Way
Pembroke
Pembrokeshire
SA71 4DR

PEMBROKE TOWN WALLS TRUST

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

Trustees

Mr M Bell
Mrs E H J Gossage
Mr P M Thomas
Mr H Rudge
Mrs D M J Bush
Mr M White (appointed 10/5/2021)
Ms L Evans (appointed 10/5/2021)
Mr A James (appointed 10/5/2021)

Independent Examiner

Kenneth John Randall
Llewelyn Davies
Chartered Accountants
50 Queen Street
Pembroke Dock
Pembrokeshire
SA72 6JE

Approved by order of the board of trustees on and signed on its behalf
by:

.....
Mr H Rudge - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PEMBROKE TOWN WALLS TRUST

Independent examiner's report to the trustees of Pembroke Town Walls Trust

I report to the charity trustees on my examination of the accounts of Pembroke Town Walls Trust (the Trust) for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Kenneth John Randall
Llewelyn Davies
Chartered Accountants
50 Queen Street
Pembroke Dock
Pembrokeshire
SA72 6JE

Date:

PEMBROKE TOWN WALLS TRUST**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	3,028	-	3,028	639
Charitable activities	3				
Pembroke Town Walls		3,000	12,435	15,435	12,659
		<hr/>	<hr/>	<hr/>	<hr/>
Total		6,028	12,435	18,463	13,298
 EXPENDITURE ON					
Charitable activities	4				
Pembroke Town Walls		2,478	27,374	29,852	13,337
		<hr/>	<hr/>	<hr/>	<hr/>
NET INCOME/(EXPENDITURE)		3,550	(14,939)	(11,389)	(39)
Transfers between funds	10	<u>(9,260)</u>	<u>9,260</u>	<u>-</u>	<u>-</u>
Net movement in funds		(5,710)	(5,679)	(11,389)	(39)
 RECONCILIATION OF FUNDS					
Total funds brought forward		9,040	5,679	14,719	14,758
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		<u>3,330</u>	<u>-</u>	<u>3,330</u>	<u>14,719</u>

The notes form part of these financial statements

PEMBROKE TOWN WALLS TRUST**BALANCE SHEET
31 DECEMBER 2021**

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
CURRENT ASSETS					
Debtors	7	-	-	-	35
Cash at bank		<u>5,513</u>	<u>-</u>	<u>5,513</u>	<u>17,034</u>
		5,513	-	5,513	17,069
CREDITORS					
Amounts falling due within one year	8	<u>(2,183)</u>	<u>-</u>	<u>(2,183)</u>	<u>(2,350)</u>
NET CURRENT ASSETS		<u>3,330</u>	<u>-</u>	<u>3,330</u>	<u>14,719</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,330</u>	<u>-</u>	<u>3,330</u>	<u>14,719</u>
NET ASSETS		<u>3,330</u>	<u>-</u>	<u>3,330</u>	<u>14,719</u>
FUNDS	10				
Unrestricted funds				3,330	9,040
Restricted funds				<u>-</u>	<u>5,679</u>
TOTAL FUNDS				<u>3,330</u>	<u>14,719</u>

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

.....
Mr H Rudge - Trustee

The notes form part of these financial statements

PEMBROKE TOWN WALLS TRUST

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, 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 Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all 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.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

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

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

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	1,750	60
Gift aid	633	-
Subscriptions	<u>645</u>	<u>579</u>
	<u>3,028</u>	<u>639</u>

PEMBROKE TOWN WALLS TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021****3. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	2021 £	2020 £
Grants	Pembroke Town Walls	<u>15,435</u>	<u>12,659</u>

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

	2021 £	2020 £
Welsh Government	4,121	5,250
Pembrokeshire County Council	8,314	7,409
P & M Thomas fund	<u>3,000</u>	<u>-</u>
	<u>15,435</u>	<u>12,659</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs £	Totals £
Pembroke Town Walls	<u>28,900</u>	<u>952</u>	<u>29,852</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	639	-	639
Charitable activities			
Pembroke Town Walls	<u>5,250</u>	<u>7,409</u>	<u>12,659</u>
Total	<u>5,889</u>	<u>7,409</u>	<u>13,298</u>
EXPENDITURE ON			
Charitable activities			
Pembroke Town Walls	<u>2,800</u>	<u>10,537</u>	<u>13,337</u>
NET INCOME/(EXPENDITURE)	<u>3,089</u>	<u>(3,128)</u>	<u>(39)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>5,951</u>	<u>8,807</u>	<u>14,758</u>
TOTAL FUNDS CARRIED FORWARD	<u>9,040</u>	<u>5,679</u>	<u>14,719</u>

PEMBROKE TOWN WALLS TRUST

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

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other debtors	<u>-</u>	<u>35</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other creditors	<u>2,183</u>	<u>2,350</u>

9. LOANS

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year on demand:		
Other loans	<u>1,582</u>	<u>1,750</u>

10. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	9,040	3,550	(9,260)	3,330
Restricted funds				
Pembroke Town Walls	5,679	(14,939)	9,260	-
TOTAL FUNDS	<u>14,719</u>	<u>(11,389)</u>	<u>-</u>	<u>3,330</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	6,028	(2,478)	3,550
Restricted funds			
Pembroke Town Walls	12,435	(27,374)	(14,939)
TOTAL FUNDS	<u>18,463</u>	<u>(29,852)</u>	<u>(11,389)</u>

PEMBROKE TOWN WALLS TRUST

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

10. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	5,951	3,089	9,040
Restricted funds			
Pembroke Town Walls	8,807	(3,128)	5,679
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>14,758</u>	<u>(39)</u>	<u>14,719</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,889	(2,800)	3,089
Restricted funds			
Pembroke Town Walls	7,409	(10,537)	(3,128)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>13,298</u>	<u>(13,337)</u>	<u>(39)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	5,951	6,639	(9,260)	3,330
Restricted funds				
Pembroke Town Walls	8,807	(18,067)	9,260	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>14,758</u>	<u>(11,428)</u>	<u>-</u>	<u>3,330</u>

PEMBROKE TOWN WALLS TRUST

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

10. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	11,917	(5,278)	6,639
Restricted funds			
Pembroke Town Walls	19,844	(37,911)	(18,067)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>31,761</u>	<u>(43,189)</u>	<u>(11,428)</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

PEMBROKE TOWN WALLS TRUST**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,750	60
Gift aid	633	-
Subscriptions	<u>645</u>	<u>579</u>
	3,028	639
Charitable activities		
Grants	<u>15,435</u>	<u>12,659</u>
Total incoming resources	18,463	13,298
EXPENDITURE		
Charitable activities		
Insurance	870	756
Office costs and overheads	3,179	2,008
Miscellaneous expenses	7	56
Subscriptions	131	30
Architect	2,394	-
Contractor services	22,223	9,723
Repairs and renewals	-	57
Donations	<u>96</u>	<u>-</u>
	28,900	12,630
Support costs		
Finance		
Bank charges	172	72
Governance costs		
Accountancy fees	600	600
Professional fees	<u>180</u>	<u>35</u>
	<u>780</u>	<u>635</u>
Total resources expended	<u>29,852</u>	<u>13,337</u>
Net expenditure	<u>(11,389)</u>	<u>(39)</u>

This page does not form part of the statutory financial statements