

Company no. 10479711  
Charity no. 1180943

**The Gregynog Trust**  
**Report and Audited Financial Statements**  
**31 March 2021**

## The Gregynog Trust

### Reference and administrative details

#### For the year ended 31 March 2021

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<b>Company number</b>	10479711	
<b>Charity number</b>	1180943	
<b>Registered office and operational address</b>	Gregynog Hall Tregynon Powys Wales SY16 3PW	
<b>Trustees</b>	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:	
	Carole-Anne Davies Andrew Jedwell Dr Janet Lewis Professor Robert Meyrick Simon Richards Dr Jane Elizabeth Siberry	(appointed 12 April 2021)
<b>Chief executive officer</b>	Jan Wallwork-Clarke	(resigned 31 December 2020)
<b>Head of operations and programmes</b>	Russell Roberts	(appointed 27 July 2021)
<b>Bankers</b>	HSBC Bank Queen Street Cardiff CF10 2PX	
<b>Solicitors</b>	Russell Cooke Solicitors 2 Putney Hill London SW15 6AB	
<b>Auditors</b>	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD	

## **The Gregynog Trust**

### **Report of the trustees**

#### **For the year ended 31 March 2021**

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The trustees present their annual report together with the audited financial statements of the charity and group for the year 1 April 2020 to 31 March 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

#### **Overview from the Chair of trustees**

The Gregynog Trust was incorporated on 15 November 2016 as a private limited company, number 10479711. The Trust was granted charitable status by the Charity Commission on 30 November 2018; registered charity number 1180943. The transfer of the ownership, from the University of Wales to the Gregynog Trust, was completed on 21 June 2019 following complex negotiations involving the University of Wales and the Margaret Davies Charity. These financial reports therefore reflect the second year of activity of the independent Trust as owners, operators and stewards of Gregynog Hall and Estate.

The 750 acre estate includes the Grade II\* listed Hall, early concrete structures, William Emes designed gardens, along with a national nature reserve and arboretum, Gwgia reservoir, a lake, farmland, and associated buildings, some of which also have listed status. Gregynog has a long history and is perhaps best known for its 20th century occupants, sisters Gwendoline and Margaret Davies originally of Llandinam. These two remarkable philanthropists, social entrepreneurs and renowned art collectors played a vital role in Welsh cultural, educational, and social history. Their achievements are of international significance and the archive at their former home at Gregynog is of considerable public, academic and cultural interest – continuing to inform the focus for several of the Trust's activities in addressing its charitable purposes. Gregynog was bequeathed by Margaret Davies in 1964 to the University of Wales who owned the estate in its entirety until transfer to the Gregynog Trust in 2019.

The Trust appointed its first Chief Executive early in 2019 and her time with the Trust ended in early December 2020. These financial reports therefore reflect the period 1 April 2020 – 31 March 2021, as immensely challenging, requiring significant strategic and operational input from trustees. This was particularly sharply felt between December 2020 and late spring 2021, prior to the recruitment of a new Head of Operations & Programme (confirmed in late June 2021 – outside this accounting period) following open recruitment.

In late March 2020 and throughout this accounting period, public health measures introduced to combat the spread of Coronavirus Covid-19 severely affected our operations and activity. Nationwide restrictions defined our operating environment resulting in a significant hiatus to our trading and development plans, heavily restricted operations and significant staff numbers being placed on to the UK government 'furlough' Coronavirus Job Retention Scheme. At times complete buildings and estate closure were required with significant human and financial resource impact. Gregynog's accommodation, conferencing and café business was profoundly affected. A phased reopening only became possible in early July 2021 along with limited visits and use of the grounds.

## **The Gregynog Trust**

### **Report of the trustees**

#### **For the year ended 31 March 2021**

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The period 1 April 2020 – 31 March 2021 is characterised therefore by very limited activity due to the pandemic and a very challenging, heavily restricted winter where a dedicated core staff of five maintained basic functions and estate care with daily support from trustees. All appropriate measures were maintained to allow safe working conditions. The trustees wish to record their sincere thanks to this small core team including the Trust Secretary Kylie Phillips, Finance Manager Laura Bennett, Estates and Grounds Manager Owen Pugh. We are also immensely grateful to the wider staff team who endured long periods of furlough, uncertainty, and extremely challenging personal and professional circumstances.

During this time trustees focused on strengthening governance arrangements and ensuring all policies and procedures relevant to the Trust, its objects and purpose were fully updated. Within the Trust full board meeting calendar and structure, a sub-committee for the purposes of Audit, Finance & Remuneration (AF&R) was also formed, facilitating detailed financial analysis and control, timely guidance, scrutiny, and recommendations to the full board of trustees for effective decision making as well providing support to the small staff team.

Trustees also used the dormant periods imposed by the pandemic to carefully assess several inherited activities for their suitability and alignment to our charitable purpose, leading to the termination of traditional sporting licenses on our land. This has allowed us to realign activity with our objects and to halt the negative environmental impact on the condition and value of our designated National Nature Reserve, areas of Special Scientific Interest (SSSI), ancient woodland and abundant species of lichen and invertebrates recognised by Natural Resources Wales as globally important. Enhancing the natural capital and biodiverse health of our estate is a major feature of our future and the negative impact of the public health crisis worked to positive effect in creating time for strategic considerations such as these. The prudent strategic actions we took in this period are now informing our revised business planning.

The period also saw the completion of the final accounting process and payment of monies owed to the Trust to date by the previous owners, University of Wales, as per the Business Transfer Agreement documents. This includes reaching agreement and commitment to payment of sums detailed in the Business Transfer Agreement related to estate watercourse liabilities and the successful transfer of the significant restricted fund known as the Music Fund. We acknowledge that the first year of our journey has been challenging however we have been successful in achieving support from Government recovery funds as well as maintaining income from our agricultural and residential tenancies.

Whilst conference, wedding and café business was heavily affected, several bookings were retained and we were able to defer some to later dates when we hoped to be able to reopen. Trustees also recognised that whilst some business retention was possible, we expected to have to make very difficult decisions toward spring 2021, the period immediately following this reporting period.

Closure periods in early 2021 did however allow for an assessment of the condition of the built fabric of our key assets and allowed us to embark upon some of the most manageable refurbishment of common areas and accommodation at Gregynog Hall along with one other residential property, to be able to increase our income generating capacity and enhance visitor experience.

## **The Gregynog Trust**

### **Report of the trustees**

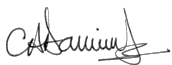
#### **For the year ended 31 March 2021**

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Fresh engagement with stakeholders, colleagues, volunteers, and long-standing supporters has been largely positive. Relationships with suppliers and specialist advisors have been positively revised and strengthened overall including the identification and retention of employment law services and human resource support. Partnerships including Gregynog Young Musicians, Sinfonia Cymru, Montgomeryshire Beekeepers Association have all been strengthened. Despite staffing, funding, and wider social challenges, we continue to deliver on our purpose, to promote new and emerging talent for the benefit of audiences and reinforce our active approach to conservation of and access to nature.

I also wish to record my sincere thanks to an immensely skilled board of trustees who have applied their time, specialist skills and expertise to the most challenging of contexts in this period to incredibly positive effect.

Despite the challenges of our first and second operating year, we remain committed to the care, refurbishment and enhancement of this important historic house and working estate. We have experienced a more stable recent operating period and the measures we have put in place to closely monitor financial movement and performance, budgeting, transparency of reporting and new operating procedures have had a largely positive effect. Having been able to reopen in late July 2021 we are now better equipped to welcome visitors, to host and originate stimulating conferences and debate, along with events for all to enjoy and new activities, offering a restorative creative environment for the enjoyment of our visitors and for wider public benefit. We continue to offer a warm welcome to all and are confident that Gregynog will go from strength to strength as the fullest possible recovery is achieved in the coming years.



Carole-Anne Davies  
Chair of Trustees, Gregynog Trust

17 January 2022

## **The Gregynog Trust**

### **Report of the trustees**

**For the year ended 31 March 2021**

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#### **Objectives and activities**

##### **a. Policies and objectives**

The charitable objects of the Trust are, for the public benefit without distinction of age, race, gender or political, religious, or other opinion:

- to conserve, develop, maintain, and improve the natural and historical environment of Gregynog Hall and Gregynog Estate;
  - to advance the arts, culture and heritage;
  - to advance education;
  - to advance protection and improvement of the environment;
  - to contribute to the improvement of the conditions of life for people within and beyond Wales by providing facilities in the interest of social welfare for recreation and leisure time occupation; and
  - to further such other exclusively charitable objects as the Trust may from time to time determine.
- > The Trust aims to secure a successful future for Gregynog as Wales' most welcoming home for the arts, creativity, and access to nature, where people may gather to discover, debate, and learn in our outstanding landscape setting.
- > The Trust works to ensure a robust financial future for the Trust through sustainable and ethical approach to income generation, investment and activities aligned with its objects and purpose.
- > We aim to ensure our built, cultivated, and natural assets are transformed by our refurbishment and conservation work for the enjoyment of a diverse audience across physical, intellectual, and virtual platforms.
- > In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

##### **b. Strategies for achieving objectives**

- > We enable a broad range of access opportunities to all the heritage assets and collections in our care.
- > We generate income through our agricultural and residential tenancies, trading, and fundraising.
- > We are prudent with our resources operating appropriate financial controls and achieving best value from suppliers, in kind contributions and activity in line with our values and charitable objects.
- > We communicate and interpret our work across a broad spectrum of platforms and promote the use of the Welsh language where possible.

## **The Gregynog Trust**

### **Report of the trustees**

#### **For the year ended 31 March 2021**

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##### **c. Activities undertaken to achieve objectives**

The following activities were undertaken:

Trading and income generation activities that are sustainable and minimise detrimental impacts on our natural environment and resources. Where trading activities within the Gregynog Enterprises Ltd generates profit, that is reinvested in the Gregynog Trust.

We have an Audit, Finance & Remuneration sub-committee which meets monthly to review such activities and make recommendations to the board of trustees. Trading activities undertaken include accommodation for residential conference guests (including educational, corporate and leisure); food & beverage; retail; events venue hire, historic house tours and events supporting the arts, culture, music, and conservation; weddings and civil ceremonies. Income from the estate includes rental income from residential, commercial, and agricultural tenants.

Access & Interpretation - We enable access to and interpretation of our assets and collections working to conserve and promote them. This includes physical display and interpretation, social media communications, engagement opportunities, concerts, musical festivals, literary festivals, local community group events and partner activity.

We provide free access to the Hall on Heritage Open Days; provide online information and resources for people to learn about the history, heritage and culture of Gregynog, and the wider richness of the cultural landscape of Wales. We provide volunteering opportunities across most of our conservation activities through a clear volunteering policy and strategy which engages members of our immediate communities.

##### **d. Social investment policies**

The Gregynog Trust has not yet considered its social investment capacity or policy. It is too early in its existence.

##### **e. Grant-making policies**

The Gregynog Trust does not make grant awards.

##### **f. Volunteers**

Promoting opportunities to volunteer across a broad spectrum of the Trust's activities is a key policy that continues to make a tangible contribution to our work in the grounds, heritage assets and archive. The Volunteering Policy and statements are regularly updated along with administration associated with this area to ensure compliance with GDPR and other legislation relating to volunteering, including health & safety and risk assessments for all activities, training and recording of hours to support funding bids as recognition of matched funding and in-kind support.

These policies, procedures and activities remain in place despite the disruption of the pandemic in this accounting period.

##### **g. Main activities undertaken to further the charity's purposes for the public benefit**

- > Provide free access to the high-quality open space environment including a fully maintained Green gym.
- > Provide free rehearsal space to the local schools and choirs.
- > Promote free access to all our assets and estate via the Gregynog Friends Scheme.

## **The Gregynog Trust**

### **Report of the trustees**

#### **For the year ended 31 March 2021**

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- > Support or host community and partner events and societies such as the Montgomery Beekeeping Society.
- > Volunteering opportunities to support well-being, career development, encourage social interaction and engage directly with our work and the heritage environment.

### **Achievements and performance**

#### **a. Main achievements of the charity**

The transfer of ownership to the Gregynog Trust from the University of Wales in June 2019, was the most significant achievement in the prior year, alongside the careful stewardship and management in the challenging context of this financial year. The process was complex however the residual outstanding transactions due to date have been completed in this financial year with the payment of significant monies owed. Despite the severe impact of the pandemic and some hiatus, trustees have taken difficult but essential decisions to effect business recovery and continuity.

Key partnerships with the National Museum of Wales, Sinfonia Cymru, Gregynog Young Musicians and others have been maintained and strengthened as have relationships with the university sector in particular, Bangor, Aberystwyth, and Cardiff.

#### **b. Key performance indicators**

A new and fully refined vision and business planning, brand development and marketing strategy is underway as part of the recovery and strategic direction for the future. Key indicators will be reflected in throughout.

#### **c. Review of activities (including fundraising and income generation)**

During the period covered by this report new fundraising sources have been identified and our business planning reflects suitable alignment with several of these sources. Details of our activities and the review undertaken by trustees is detailed in the Chair's overview above. In addition, tariff reviews have been undertaken and will be subject to review again in the next financial year.

#### **d. Factors relevant to the achievement of objectives**

Human and financial resource impact have been significant as detailed above.

Immediate ageing water infrastructure repairs have been carried out reducing our liabilities and this work will continue for a further year which will address a significant inherited legacy. Effective action has been taken in this period to secure the heritage assets in terms of weather proofing and basic refurbishment allowing income generation through conference and wedding activity. Our courtyard accommodation continues to be upgraded in terms of fixtures, fittings and service infrastructure as does our café.

There is overall considerable support for the Trust and a welcome response to the news that the highly valued heritage and cultural asset that is Gregynog is to be cared for by an appropriate entity. This is particularly apparent in the renewed local authority relationship at officer and political levels.

#### **e. Investment policy**

The trustees have the power under the Charities Act to invest surplus funds. Trading activity (through Gregynog Enterprises Ltd) that results in any retained income being reinvested in the Trust. Our wider policy will evolve as part of our new business planning and will focus on ethical and environmentally beneficial investments supporting opportunities that are in line with our charitable purpose.



## **The Gregynog Trust**

### **Report of the trustees**

**For the year ended 31 March 2021**

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#### **Financial review**

##### **a. Going concern**

The Gregynog Trust commenced trading on 21 June 2019 following the transfer of Gregynog Hall and Estate from the University of Wales. A trading loss was expected during transition, whilst revenue streams were established and developed however these have been further challenged by the impact of the pandemic in the accounting period to which this report refers.

However, trustees have taken relevant action to ensure the completion of final accounting and the payment of restricted and unrestricted funds owed. Additionally, trustees continue to operate sound financial control and monitoring with regular budgeting and cashflow production and monitoring, allowing swift action as necessary.

Trustees have assessed and taken prudent but controlled action to dispose of lower heritage value assets to realise significant capital in the early part of next year and to refurbish residential accommodation and property which will come on stream early in 2022 contributing to significant income generation.

Trustees' assessment of secured bookings and new events gives us confidence that the coming year will be one of considerable recovery and progress, despite the remaining challenges of the public health context. Interest and demand is high and bookings are strong including repeat and returning clients. Our fresh business planning, brand development and marketing improvements will also help drive our profile and attract new business as will our refurbished café offer.

The Trust closely monitors its trading subsidiary, Enterprises Ltd. In the current context, we are content to support the entity and understand that trading has been significantly challenged by the context of the pandemic (resulting in a net liabilities position at 31 March 2021). We will continue to monitor performance, increase opportunity for enhanced trading and ensure recovery of our investment.

After making appropriate enquiries and whilst they recognise the challenge and the need for continued close monitoring, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

For these reasons, they continue to adopt the going concern basis in preparing the financial statements for this period. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

##### **b. Reserves policy**

Trustees are engaged in revised financial and business planning resulting from the impact of the pandemic on its activities. Our reserves policy will be developed and informed by our budgeting considerations as part of this process, by available Charity Commission guidance and by our professional advisors and ratified by trustees.

##### **c. Principal risks and uncertainties**

Longer term impact of Covid-19 is a key consideration in our trading and activities for future years. The trustees continue to be supported by its legal advisors, Russell Cooke Solicitors to ensure commitments under the Business Transfer Agreement are met.

## **The Gregynog Trust**

### **Report of the trustees**

#### **For the year ended 31 March 2021**

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Other risks include:

- general economic environment - further affected by unpredictable pattern of Covid-19 in coming years;
- changes in taxation and regulation;
- safeguarding of assets;
- fraud & theft; and
- health & safety.

### **Structure, governance and management**

#### **a. Constitution**

The Gregynog Trust is registered as a charitable company limited by guarantee and was set up by a Trust deed. The Gregynog Trust's objects ("Objects") are, for the public benefit without distinction of age, race, gender or political, religious, or other opinion:

1. to conserve, develop, maintain, and improve the natural and historical environment of Gregynog Hall and Gregynog Estate;
2. to advance the arts, culture, and heritage;
3. to advance education;
4. to advance protection and improvement of the environment;
5. to contribute to the improvement of the conditions of life for people within and beyond Wales by providing facilities in the interest of social welfare for recreation and leisure time occupation; and
6. to further such other exclusively charitable objects as the Trust may from time to time determine.

#### **b. Methods of appointment or election of trustees**

The management of the group and the charity is the responsibility of the trustees who are elected and co-opted under the terms of the Trust deed.

#### **c. Organisational structure and decision-making policies**

The trustees are responsible for the management of the group and the charity. The trustees have appointed a Head of Operations & Programme who is supported by a relevant staff structure. Reporting lines are clear, team collaboration and commitment are highly valued. A full and regularly updated handbook of policies and procedures is in place. All staff are provided with role descriptions, appropriate contracts, and regular appraisal.

#### **d. Policies adopted for the induction and training of trustees**

New trustees are appointed on the basis of clearly outlined role descriptions and inducted as to their responsibilities by the Chair and Board of trustees. Each new trustee is provided with a copy of the Charity Commission publication "The Essential trustee" and a copy of the Trust's constitution along with other relevant documents and full induction. The Trust's professional advisors also provide timely regulatory updates.

#### **e. Pay policy for key management personnel**

All policies relating to remuneration and conditions are set out in the staff handbook and individual terms are included in staff contracts and are reviewed regularly through the Audit, Finance and Remunerations subcommittee.

## **The Gregynog Trust**

### **Report of the trustees**

**For the year ended 31 March 2021**

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#### **f. Related party relationships**

The trustees and key management personnel have completed related party, conflict of interest and register of interest declarations and these are recorded and reviewed on a regular basis as part of the audit process. All trustees and key management personnel are prompted to complete new declarations in the event of a change of circumstances.

#### **g. Financial risk management**

The trustees have assessed the major risks to which the group and the charity are exposed, in particular those related to the operations and finances of the group and the charity and are satisfied those systems and procedures are in place to mitigate exposure to the major risks.

#### **h. Trustees' indemnities**

The Trust has not taken out indemnity insurance on behalf of the trustees.

#### **Plans for future periods**

A new business plan is in progress which will articulate the new activities, policies, and related supporting financial information to create a sustainable future for the Trust and its charitable purposes.

#### **Statement of responsibilities of the trustees**

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the group and the incoming resources and application of resources, including the net income or expenditure, of the charity and the group for the year. In preparing those financial statements the trustees are required to:

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

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

## **The Gregynog Trust**

### **Report of the trustees**

#### **For the year ended 31 March 2021**

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In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

#### **Auditors**

Godfrey Wilson Limited were appointed as auditors to the group and parent charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 17 January 2022 and signed on their behalf by



Carole-Anne Davies - Chair

## **Independent auditors' report**

### **To the members of**

### **The Gregynog Trust**

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#### **Opinion**

We have audited the financial statements of The Gregynog Trust (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, consolidated and parent charity balance sheets, consolidated statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the group and parent charity financial statements and our auditor's report thereon. Our opinion on the group and parent charity financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **Independent auditors' report**

### **To the members of**

#### **The Gregynog Trust**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charity and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us;
- the parent charity financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Independent auditors' report**

### **To the members of**

### **The Gregynog Trust**

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#### **Our responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.
- Investments in subsidiaries are valued at cost less provision for impairment.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

## **Independent auditors' report**

### **To the members of**

#### **The Gregynog Trust**

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Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Alison Godfrey*

Date: 18 January 2022

**Alison Godfrey FCA**  
**(Senior Statutory Auditor)**

For and on behalf of:

**GODFREY WILSON LIMITED**

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD



**The Gregynog Trust**

**Consolidated statement of financial activities** *(incorporating an income and expenditure account)*

**For the year ended 31 March 2021**

	Note	Restricted £	Unrestricted £	2021 Total £	Restated 2020 Total £
<b>Income from:</b>					
Donations	3	279,341	376,062	<b>655,403</b>	7,623,730
Charitable activities	4	-	101,499	<b>101,499</b>	71,005
Other trading activities	5	-	64,761	<b>64,761</b>	602,415
Other income	6	-	4,295	<b>4,295</b>	774
<b>Total income</b>		<u>279,341</u>	<u>546,617</u>	<u><b>825,958</b></u>	<u>8,297,924</u>
<b>Expenditure on:</b>					
Raising funds		-	598,717	<b>598,717</b>	661,018
Charitable activities		-	287,636	<b>287,636</b>	177,211
<b>Total expenditure</b>	8	<u>-</u>	<u>886,353</u>	<u><b>886,353</b></u>	<u>838,229</u>
<b>Net income / (expenditure) and net movement in funds</b>	9	279,341	(339,736)	<b>(60,395)</b>	7,459,695
<b>Reconciliation of funds:</b>					
Total funds brought forward		-	7,459,695	<b>7,459,695</b>	-
<b>Total funds carried forward</b>		<u>279,341</u>	<u>7,119,959</u>	<u><b>7,399,300</b></u>	<u>7,459,695</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 22 to the accounts.

The 2020 comparatives have been restated in line with the Charities SORP (FRS 102). The restatements are purely reclassifications of income and expenditure and do not affect net income.

# The Gregynog Trust

## Consolidated balance sheets

As at 31 March 2021

	Note	The group 2021 £	Restated The group 2020 £	The charity 2021 £	Restated The charity 2020 £
<b>Fixed assets</b>					
Tangible assets	12	34,951	25,385	15,188	-
Heritage assets	13	6,062,355	6,062,355	6,062,355	6,062,355
Investments	14	-	-	2	2
		<u>6,097,306</u>	<u>6,087,740</u>	<u>6,077,545</u>	<u>6,062,357</u>
<b>Current assets</b>					
Stocks	17	16,688	20,170	-	-
Debtors	18	241,453	463,396	632,759	655,462
Cash at bank and in hand		<u>1,213,190</u>	<u>1,093,945</u>	<u>1,096,894</u>	<u>854,768</u>
		<u>1,471,331</u>	<u>1,577,512</u>	<u>1,729,653</u>	<u>1,510,230</u>
<b>Liabilities</b>					
Creditors: amounts falling due within 1 year	19	<u>119,337</u>	<u>205,557</u>	<u>66,300</u>	<u>54,289</u>
<b>Net current assets</b>		<u>1,351,994</u>	<u>1,371,955</u>	<u>1,663,353</u>	<u>1,455,941</u>
Creditors: amounts falling due after 1 year	20	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
<b>Net assets</b>	21	<u>7,399,300</u>	<u>7,459,695</u>	<u>7,690,898</u>	<u>7,518,298</u>
<b>Funds</b>	22				
Restricted funds		279,341	-	279,341	-
Unrestricted funds					
General funds		<u>7,119,959</u>	<u>7,459,695</u>	<u>7,411,557</u>	<u>7,518,298</u>
<b>Total charity funds</b>		<u>7,399,300</u>	<u>7,459,695</u>	<u>7,690,898</u>	<u>7,518,298</u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 17 January 2022 and signed on their behalf by



Carole-Anne Davies - Chair

**The Gregynog Trust**

**Consolidated statement of cash flows**

**For the year ended 31 March 2021**

	<b>2021</b>	2020
	<b>£</b>	<b>£</b>
<b>Cash provided by / (used in) operating activities:</b>		
Net movement in funds	<b>(60,395)</b>	7,459,695
<i>Adjustments for:</i>		
Depreciation charges	<b>9,419</b>	391
Decrease / (increase) in stock	<b>3,482</b>	(20,170)
Decrease / (increase) in debtors	<b>221,945</b>	(463,396)
Increase / (decrease) in creditors	<b>(86,221)</b>	205,556
<b>Net cash provided by / (used in) operating activities</b>	<b>88,230</b>	7,182,076
<b>Cash flows from investing activities:</b>		
Donation of heritage assets	-	(6,062,355)
Purchase of tangible fixed assets	<b>(18,985)</b>	(25,776)
<b>Net cash provided by / (used in) investing activities</b>	<b>(18,985)</b>	(6,088,131)
<b>Cash flows from financing activities:</b>		
Net inflows from borrowing	<b>50,000</b>	-
<b>Net cash provided by / (used in) financing activities</b>	<b>50,000</b>	-
<b>Increase / (decrease) in cash and cash equivalents in the year</b>	<b>119,245</b>	1,093,945
Cash and cash equivalents at the beginning of the year	<b>1,093,945</b>	-
<b>Cash and cash equivalents at the end of the year</b>	<b>1,213,190</b>	1,093,945

**Analysis of changes in net debt**

	At 1 April 2020 £	Cash flows £	New loans £	Other non- cash movements £	At 31 March 2021 £
Cash	1,093,945	69,245	50,000	-	1,213,190
Loans falling due within 1 year	-	-	-	-	-
Loans falling due after 1 year	-	-	(50,000)	-	(50,000)
<b>Total</b>	<b>1,093,945</b>	<b>69,245</b>	<b>-</b>	<b>-</b>	<b>1,163,190</b>

## The Gregynog Trust

### Notes to the financial statements

For the year ended 31 March 2021

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#### 1. Accounting policies

##### a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Gregynog Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

##### b) Group accounts

These financial statements consolidate the results of the charitable company and its wholly-owned (controlled) subsidiary on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

##### c) Going concern basis of accounting

The accounts have been prepared on the assumption that the group is able to continue as a going concern. The trustees consider this appropriate having regard to the current level of unrestricted reserves and having considered the impact of the ongoing Covid-19 pandemic on the budget and financial plans for 2021/22. There are no material uncertainties about the group's ability to continue as a going concern.

##### d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of goods or services is deferred until criteria for income recognition are met.

##### e) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

## The Gregynog Trust

### Notes to the financial statements

For the year ended 31 March 2021

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#### 1. Accounting policies (continued)

##### e) Donated services and facilities (continued)

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

##### f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

##### g) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

##### h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

##### i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to charitable activities.

##### j) Tangible fixed assets

Tangible fixed assets costing £1,000 or more are capitalised and initially measured at cost (or fair value if donated).

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Fixtures and fittings	5 years straight line
Plant and equipment	5 years straight line
Office equipment	3 years straight line

## **The Gregynog Trust**

### **Notes to the financial statements**

**For the year ended 31 March 2021**

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#### **1. Accounting policies (continued)**

##### **k) Heritage assets**

The Trust holds and maintains a number of properties, land and a collection of chattels of historical, artistic or scientific importance. In accordance with section 34 of FRS102, heritage assets have been recognised on the balance sheet. In all cases the items have been recorded at cost at the time of acquisition, or an estimate of cost if the assets are donated. Adjustments have been made to reflect additions and disposals.

Heritage assets are not depreciated since their indefinite or long economic life and high residual value mean that any depreciation would not be material. One of the objectives of the Trust is the preservation and conservation of assets, therefore it is the Trust's responsibility to ensure that the condition of the heritage assets do not deteriorate over time.

At each reporting date, the charity assesses whether there is any indication of impairment. If such indication exists, the value of the asset is written down to its recoverable amount.

##### **l) Investments**

Investments in subsidiaries are valued at cost less provision for impairment.

##### **m) Stock**

Stock is included at the lower of cost or net realisable value after making provision for obsolete and slow moving stock.

##### **n) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### **o) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### **p) Creditors**

Creditors and provisions are recognised where there is 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### **q) Financial instruments**

The charitable company 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 with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

##### **r) Pension costs**

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

## The Gregynog Trust

### Notes to the financial statements

For the year ended 31 March 2021

#### 1. Accounting policies (continued)

##### s) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

##### Heritage assets

As described in note 1k to the financial statements, donated heritage assets are valued at estimated cost. Due to the unique nature of heritage assets, their valuation is a key source of estimation uncertainty.

##### Depreciation

As described in note 1j to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

##### t) Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

#### 2. Prior period comparatives: statement of financial activities (restated)

	Restricted	Unrestricted	2020 Total
	£	£	£
<b>Income from:</b>			
Donations	-	7,623,730	<b>7,623,730</b>
Charitable activities	-	71,005	<b>71,005</b>
Other trading activities	-	602,415	<b>602,415</b>
Other income	-	774	<b>774</b>
<b>Total income</b>	-	<b>8,297,924</b>	<b>8,297,924</b>
<b>Expenditure on:</b>			
Raising funds	-	661,018	<b>661,018</b>
Charitable activities	-	177,211	<b>177,211</b>
<b>Total expenditure</b>	-	<b>838,229</b>	<b>838,229</b>
<b>Net income and net movement in funds</b>	-	<b>7,459,695</b>	<b>7,459,695</b>

## The Gregynog Trust

### Notes to the financial statements

For the year ended 31 March 2021

#### 3. Income from donations

	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Donations	279,341	110,193	389,534	512,899
Donation - transfer of assets	-	-	-	7,110,831
Coronavirus Job Retention Scheme	-	265,869	265,869	-
<b>Total income from donations</b>	<b>279,341</b>	<b>376,062</b>	<b>655,403</b>	<b>7,623,730</b>

All donations income in the prior year was unrestricted.

On 21 June 2019 the ownership of the Gregynog Estate was transferred to The Gregynog Trust from the University of Wales. The transfer was recorded as a donation and was made up of heritage assets (£6,062,355), stock (£22,981) and cash and other funds (£1,025,495).

#### 4. Income from charitable activities

	Restricted £	Unrestricted £	2021 Total £	Restated 2020 Total £
Estate income	-	101,499	101,499	71,005

All income from charitable activities in the prior year was unrestricted.

#### 5. Income from other trading activities

	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Income from Gregynog Enterprises Ltd	-	64,761	64,761	602,415

All income from other trading activities in the prior year was unrestricted.

#### 6. Other income

	Restricted £	Unrestricted £	2021 Total £	Restated 2020 Total £
Other income	-	4,295	4,295	774



## The Gregynog Trust

### Notes to the financial statements

#### For the year ended 31 March 2021

#### 7. Government grants

The charitable company receives government grants, defined as funding from the Coronavirus Job Retention Scheme, Powys Council and the Cultural Recovery Fund to fund charitable activities. The total value of such grants in the year ending 31 March 2021 was £375,094 (2020: £nil). There are no unfulfilled conditions or contingencies attaching to these grants.

#### 8. Total expenditure

	Raising funds £	Charitable activities £	Support costs £	Governance costs £	2021 Total £
Staff costs (note 10)	403,580	103,472	-	-	<b>507,052</b>
Trading purchases	150,355	-	-	-	<b>150,355</b>
Marketing and communications	12,500	-	-	-	<b>12,500</b>
Other staff costs	-	1,740	-	-	<b>1,740</b>
Repairs and maintenance	-	49,246	-	-	<b>49,246</b>
Rates and utilities	-	54,509	-	-	<b>54,509</b>
Insurance	-	18,408	-	-	<b>18,408</b>
Depreciation	5,622	3,797	-	-	<b>9,419</b>
Legal and professional	26,660	-	27,717	17,875	<b>72,252</b>
Licences and subscriptions	-	-	224	-	<b>224</b>
Bank charges	-	-	563	-	<b>563</b>
Accountancy costs	-	-	-	10,085	<b>10,085</b>
<b>Sub-total</b>	<b>598,717</b>	<b>231,172</b>	<b>28,504</b>	<b>27,960</b>	<b>886,353</b>
Allocation of support and governance costs	-	56,464	(28,504)	(27,960)	-
<b>Total expenditure</b>	<b>598,717</b>	<b>287,636</b>	<b>-</b>	<b>-</b>	<b>886,353</b>

**The Gregynog Trust**

**Notes to the financial statements**

**For the year ended 31 March 2021**

**8. Total expenditure (continued)**

<b>Prior year comparative</b>	<b>Raising funds £</b>	<b>Charitable activities £</b>	<b>Support costs £</b>	<b>Governance costs £</b>	<b>2020 Total £</b>
Staff costs (note 10)	389,120	64,847	-	-	<b>453,967</b>
Trading purchases	271,507	-	-	-	<b>271,507</b>
Other staff costs	-	615	-	-	<b>615</b>
Repairs and maintenance	-	30,763	-	-	<b>30,763</b>
Rates and utilities	-	19,641	-	-	<b>19,641</b>
Insurance	-	17,256	-	-	<b>17,256</b>
Depreciation	391	-	-	-	<b>391</b>
IT costs	-	-	11,322	-	<b>11,322</b>
Legal and professional	-	-	23,709	-	<b>23,709</b>
Licences and subscriptions	-	-	55	-	<b>55</b>
Bank charges	-	-	2,333	-	<b>2,333</b>
Accountancy costs	-	-	-	6,670	<b>6,670</b>
<b>Sub-total</b>	<b>661,018</b>	<b>133,122</b>	<b>37,419</b>	<b>6,670</b>	<b>838,229</b>
Allocation of support and governance costs	-	44,089	(37,419)	(6,670)	-
<b>Total expenditure</b>	<b>661,018</b>	<b>177,211</b>	<b>-</b>	<b>-</b>	<b>838,229</b>

# The Gregynog Trust

## Notes to the financial statements

### For the year ended 31 March 2021

#### 9. Net movement in funds

This is stated after charging:

	2021 £	2020 £
Depreciation	9,419	391
Operating lease payments	12,938	11,088
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	414	2,745
Auditors' remuneration:		
▪ Statutory audit (including VAT)	8,400	9,200

During the year, expenses totalling £414 (2020: £2,745) were reimbursed to 1 trustee (2020: 1 trustee) in respect of purchases made on behalf of The Gregynog Trust..

#### 10. Staff costs and numbers

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	460,901	411,374
Social security costs	31,113	29,966
Pension costs	15,038	12,627
	<b>507,052</b>	<b>453,967</b>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	2020 No.
£70,001 - £80,000	1	1

The key management personnel of the charitable company comprise the trustees, Chief Executive Officer, Finance Manager, HR & Admin Manager, System & Support Manager, Sales & Marketing Manager, Bar Manager and the Facilities & Maintenance Manager (2020: trustees and Chief Executive Officer). The total employee benefits of the key management personnel were £229,012 (2020: £73,923).

The average number of employees employed by the group during the year was as follows:

	2021 No.	2020 No.
Trust	7	6
Enterprises	33	31
Total	40	37

# The Gregynog Trust

## Notes to the financial statements

### For the year ended 31 March 2021

#### 11. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The trading subsidiary donates its taxable profits to the parent charity under the gift aid scheme.

#### 12. Tangible fixed assets - group

	Fixtures and fittings £	Plant and equipment £	Office equipment £	Total £
<b>Cost</b>				
At 1 April 2020	978	-	24,798	<b>25,776</b>
Additions in year	-	18,985	-	<b>18,985</b>
At 31 March 2021	978	18,985	24,798	<b>44,761</b>
<b>Depreciation</b>				
At 1 April 2020	22	-	369	<b>391</b>
Charge for the year	956	3,797	4,666	<b>9,419</b>
At 31 March 2021	978	3,797	5,035	<b>9,810</b>
<b>Net book value</b>				
<b>At 31 March 2021</b>	<b>-</b>	<b>15,188</b>	<b>19,763</b>	<b>34,951</b>
At 31 March 2020	956	-	24,429	<b>25,385</b>

#### Tangible fixed assets - charity

	Plant and equipment £	Total £
<b>Cost</b>		
At 1 April 2020	-	-
Additions in year	18,985	<b>18,985</b>
At 31 March 2021	18,985	<b>18,985</b>
<b>Depreciation</b>		
At 1 April 2020	-	-
Charge for the year	3,797	<b>3,797</b>
At 31 March 2021	3,797	<b>3,797</b>
<b>Net book value</b>		
<b>At 31 March 2021</b>	<b>15,188</b>	<b>15,188</b>
At 31 March 2020	-	-

## The Gregynog Trust

### Notes to the financial statements

#### For the year ended 31 March 2021

#### 13. Heritage assets - group and charity

	Gregynog Hall £	Chattels £	Estate land and buildings £	Total £
<b>Value</b>				
At 1 April 2020 and at 31 March 2021	<u>375,000</u>	<u>671,355</u>	<u>5,016,000</u>	<u>6,062,355</u>

Gregynog Hall is a substantial mansion house dating from the 1840s. The freehold interest in the hall has been valued at the market value on the date that the asset was donated to the Trust. The valuation takes into account a cost estimate of repairs for £3,345,000 which was taken from a report prepared in 2013 which was undertaken for valuation purposes.

Chattels include a collection of fine and decorative art, furniture, musical instruments and books. These assets are of historical significance to the estate and have been valued at the market value on the date that the assets were donated to the trust. The value is intended to indicate the cost of buying the assets at auction. Gregynog Hall also cares for and securely displays assets including original works by Rodin and other renowned artists, on long-term loan from the National Museum of Wales and which the Davies sisters expressly wished to see remain at Gregynog via this arrangement. These assets have an approximate value of £1.065m. These are not recognised in the chattels valuation above.

Estate land and buildings includes 425 acres of let agricultural land together with some farm and Estate buildings, 218 acres of in hand forestry, 10 let residential properties, a commercial property on a long lease and a reservoir. The estate land and buildings have been valued at the market value on the date that the asset was donated to the Trust. This valuation is based on a valuation of the property in June 2013 updated for general changes to comparable values over the intervening period, changes of tenure or occupations, and any significant works during the period.

All of the heritage assets were gifted to the Trust for nil consideration under a transfer agreement with the University of Wales dated 21 June 2019. There have been no other additions, disposals, depreciation or impairment since the assets were gifted to the charity.

#### 14. Investments

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Investments in subsidiary	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>

The investment represents 100% of the ordinary share capital of Gregynog Enterprises Limited (company number 08998400), whose principal activity is to carry out trading activities in support of the charity. A summary of the financial results and position of trading subsidiary is given in note 15.

# The Gregynog Trust

## Notes to the financial statements

For the year ended 31 March 2021

### 15. Investments in subsidiaries

*Gregynog Enterprises Ltd*

	2021 £	2020 £
Turnover	64,761	602,415
Cost of sales	<u>(7,038)</u>	<u>(77,658)</u>
Gross profit	57,723	524,757
Administrative expenses	(552,519)	(583,360)
Other operating income	<u>261,802</u>	<u>-</u>
Operating profit / (loss)	<u><u>(232,994)</u></u>	<u><u>(58,603)</u></u>

The aggregate of the assets, liabilities and funds was:

	2021 £	2020 £
Assets	181,182	517,783
Liabilities	<u>(472,777)</u>	<u>(576,384)</u>
Funds	<u><u>(291,595)</u></u>	<u><u>(58,601)</u></u>

### 16. Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021 £	2020 £
Gross income	499,395	7,695,509
Results for the year	<u><u>172,599</u></u>	<u><u>7,518,298</u></u>

### 17. Stock

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Goods for resale	<u><u>16,688</u></u>	<u><u>20,170</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

# The Gregynog Trust

## Notes to the financial statements

For the year ended 31 March 2021

### 18. Debtors

#### Amounts due within 1 year

	The group		The charity	
	2021	Restated 2020	2021	Restated 2020
	£	£	£	£
Trade debtors	39,206	253,322	38,393	42,868
Amounts owed by group undertakings	-	-	418,737	425,116
Prepayments and accrued income	34,839	26,555	12,809	3,959
Other debtors	17,408	8,519	12,820	8,519
	<u>91,453</u>	<u>288,396</u>	<u>482,759</u>	<u>480,462</u>

#### Debtors: amounts due after 1 year

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	<u>150,000</u>	<u>175,000</u>	<u>150,000</u>	<u>175,000</u>
<b>Total debtor balance at 31 March 2021</b>	<u><b>241,453</b></u>	<u><b>463,396</b></u>	<u><b>632,759</b></u>	<u><b>655,462</b></u>

### 19. Creditors: amounts due within 1 year

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	35,606	49,012	24,712	18,302
Accruals	37,622	42,713	26,611	14,770
Other taxation and social security	8,612	19,838	8,612	9,029
Other creditors	37,497	93,994	6,365	12,188
	<u>119,337</u>	<u>205,557</u>	<u>66,300</u>	<u>54,289</u>

### 20. Creditors: amounts due after 1 year

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Loans	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>-</u>

The charity secured a Government backed Business Interruption Payment - Bounce Back Loan via HSBC. The loan was secured at 2.5% interest with no payments due within the first year of the loan. The loan is fully repayable within 5 years.

**The Gregynog Trust**

**Notes to the financial statements**

**For the year ended 31 March 2021**

**21. Analysis of net assets between funds**

	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	34,951	<b>34,951</b>
Heritage assets	-	6,062,355	<b>6,062,355</b>
Current assets	279,341	1,191,990	<b>1,471,331</b>
Current liabilities	-	(119,337)	<b>(119,337)</b>
Non current liabilities	-	(50,000)	<b>(50,000)</b>
<b>Net assets at 31 March 2021</b>	<b><u>279,341</u></b>	<b><u>7,119,959</u></b>	<b><u>7,399,300</u></b>
<b>Prior year comparative</b>			
	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	25,385	<b>25,385</b>
Heritage assets	-	6,062,355	<b>6,062,355</b>
Current assets	-	1,577,512	<b>1,577,512</b>
Current liabilities	-	(205,557)	<b>(205,557)</b>
<b>Net assets at 31 March 2020</b>	<b><u>-</u></b>	<b><u>7,459,695</u></b>	<b><u>7,459,695</u></b>



# The Gregynog Trust

## Notes to the financial statements

For the year ended 31 March 2021

### 22. Movements in funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2021 £
<b>Restricted funds</b>					
Gregynog music fund	-	279,341	-	-	<b>279,341</b>
<b>Total restricted funds</b>	-	279,341	-	-	<b>279,341</b>
<b>Unrestricted funds</b>					
General funds	7,459,695	546,617	(886,353)	-	<b>7,119,959</b>
<b>Total unrestricted funds</b>	7,459,695	546,617	(886,353)	-	<b>7,119,959</b>
<b>Total funds</b>	<u>7,459,695</u>	<u>825,958</u>	<u>(886,353)</u>	<u>-</u>	<u><b>7,399,300</b></u>

### Purposes of restricted funds

Gregynog music fund

The purpose of the fund is the promotion of the art and science of music and the advancement of musical education in the Principality of Wales, assisting the furtherance of courses in music and other musical activities to be carried out under the auspices of the Trustee at Gregynog Hall, in the County of Powys.

	At 1 April 2019 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2020 £
<b>Prior year comparative</b>					
<b>Unrestricted funds</b>					
General funds	-	8,297,924	(838,229)	-	<b>7,459,695</b>
<b>Total unrestricted funds</b>	-	8,297,924	(838,229)	-	<b>7,459,695</b>
<b>Total funds</b>	<u>-</u>	<u>8,297,924</u>	<u>(838,229)</u>	<u>-</u>	<u><b>7,459,695</b></u>

### 23. Operating lease commitments

The group and charity had operating leases at the year end with total future minimum lease payments as follows:

	<b>The group</b>		<b>The charity</b>	
	<b>2021</b>	2020	<b>2021</b>	2020
	£	£	£	£
Amount falling due:				
Within 1 year	<b>15,657</b>	4,235	<b>15,657</b>	4,235
Within 1 - 5 years	<b>42,927</b>	12,704	<b>42,927</b>	12,704
	<u><b>58,584</b></u>	<u>16,939</u>	<u><b>58,584</b></u>	<u>16,939</u>

## **The Gregynog Trust**

### **Notes to the financial statements**

#### **For the year ended 31 March 2021**

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#### **24. Related party transactions**

In accordance with FRS102, transactions with Gregynog Enterprises Limited have not been disclosed here since it is a wholly owned subsidiary of The Gregynog Trust.

The charity did not enter into any other related party transactions during the current or prior year.

#### **25. Post balance sheet events**

In response to the devastating business impact of the Covid-19 pandemic, on 8 April 2021 the group announced a significant restructure. This resulted in several staff redundancies. This process was concluded in October 2021.