

THE CYFARTHFA FOUNDATION

England & Wales · Charity number 1199025

Details

Status Registered

Legal form Charitable company

Company number [12990619](#)

Registered 2022-05-19

Register [View on the Charity Commission register](#)

Contact

Address Mitchell Associates Chartered Accountants
Suite 7
The Business Centre
Triangle Business Park
Pentrebach
MERTHYR

Phone 01685702560

Email finance@cyfarthfafoundation.wales

Website <https://www.cyfarthfafoundation.wales/>

Activities

Objects: THE CHARITY'S OBJECTS ARE RESTRICTED SPECIFICALLY TO THE FOLLOWING, IN EACH CASE FOR THE BENEFIT OF THE PUBLIC AND IN PARTICULAR THE AREA OF MERTHYR TYDFIL:4.1 THE PROMOTION AND ADVANCEMENT OF ARTS, CULTURE, HERITAGE, EDUCATION AND THE ENVIRONMENT IN PARTICULAR BUT NOT EXCLUSIVELY BY:4.1.1 HOLDING, MANAGING, REPAIRING, MAINTAINING, PRESERVING AND PROTECTING HERITAGE AND CULTURAL ASSETS AND MAKING THEM AVAILABLE TO THE PUBLIC;4.1.2 ESTABLISHING AND MAINTAINING A MUSEUM AND/OR ART GALLERY;4.1.3 PROVIDING FACILITIES, PARKS AND OPEN SPACES, IN THE INTEREST OF SOCIAL WELFARE, FOR RECREATION AND LEISURE TIME OCCUPATION; AND4.1.4 UNDERTAKING AND PROMOTING THE CONSERVATION PROTECTION AND IMPROVEMENT OF THE PHYSICAL AND NATURAL ENVIRONMENT IN CONNECTION WITH THE HERITAGE AND CULTURAL ASSETS, FACILITIES, PARKS AND OPEN SPACES TO BE HELD BY THE CHARITY;4.2 THE PURSUIT OF SUCH OTHER CHARITABLE PURPOSES ANALOGOUS TO THE ABOVE AS THE TRUSTEES IN THEIR ABSOLUTE DISCRETION SHALL DETERMINE.

Activities: To transform Cyfarthfa Castle and Park at Merthyr Tydfil - a crucible of the industrial revolution - into a cultural centre and visitor attraction of international quality, to heal and enhance its natural environment

and to be an engine of social renewal.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Sponsors Or Undertakes Research
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage, Economic/community Development/employment, Recreation
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Merthyr Tydfil

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£454,510	£475,615	-	-
2024-03-31	£545,706	£592,267	£151,462	4
2023-03-31	£367,486	£182,920	-	-
2022-03-31	£75,275	£61,818	-	-

Trustees

Name	Role	Appointed
GERAINT TALFAN DAVIES OBE	Chair	2020-11-02
Alison Copus		2024-01-12
Brent Anthony Carter		2024-11-24
DAVID EWAN JONES		2021-08-19
Dr CAROL BELL		2021-08-19
Dr MARION BEATRICE LOEFFLER PHD		2021-08-19
GEOFFREY NEVIL HUNT		2021-08-19
Julie Finch		2024-01-12
Lisa Victoria Mytton		2020-11-02
ROBERT RUMMEY		2021-08-19

THE CYFARTHFA FOUNDATION

England & Wales - Charity number 1199025

Accounts

Company registration number 12990619 (England and Wales)

THE CYFARTHFA FOUNDATION

Annual Report and Unaudited Financial Statements

for the Year Ended 31 March 2025

THE CYFARTHA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The Trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2025. The Foundation is a registered charity. Charity No: 1199025.

Objectives and activities

Our Vision

To transform Cyfarthfa Castle and Park in Merthyr Tydfil - a crucible of the industrial revolution - into a cultural centre and visitor attraction of international quality and an engine of social renewal.

Our Mission

To celebrate the history and heritage of the place, to heal and enhance its natural environment, to be a platform for culture and creativity, and to do so with regard for the needs of all parts of the community and the principles of sustainability.

Progress during the year

The year under review was notable for four things: i) an acceleration in progress, ii) the beginning of Cyfarthfa's bicentenary year with its attendant publicity, iii) the appointment of a new Chief Executive, and iv) some changes to Board membership.

i) An acceleration in progress

In partnership with Merthyr Tydfil Council, considerable progress was made in defining some of the first tasks needed to safeguard Cyfarthfa Castle from further deterioration. The castle is a Grade 1 listed property. A programme of works has been agreed that will bring about improvements to the roof over the currently operational parts of the castle, as well as repairs to windows. In addition, there will be major repairs to the historic Pont-y-Cafnau bridge that suffered damage in severe storms a few years ago. Following a visit to the castle by Welsh Government's Culture Minister, Jack Sergeant, this initial work is being funded by the Welsh Government and Merthyr Tydfil Council on a 50/50 basis at a total cost of £4.5m. and is expected to be completed in 2026. This will safeguard that portion of the building that is currently open to the public.

In February 2025, in partnership with the Council, we submitted an Expression of Interest to the National Heritage Lottery Fund. This has been accepted and we anticipate submitting the full application in the autumn of 2025. At the same time, we appointed architectural and project management consultants to define the brief for the first phase of the castle development.

Although it is intended that responsibility for the castle and park will eventually be transferred from the Council to the Foundation, in advance of this we are collaborating closely with the Council staff who are currently responsible. With the longer term in mind we have undertaken further work to shape a narrative for the future of both the museum and gallery elements. This will lead on to a new branding scheme for the castle and park.

Last year we reported that we had submitted a bid for Cyfarthfa to become the anchor gallery for a proposed National Contemporary Arts Gallery for Wales, but that, in the event, the Welsh Government had decided not to proceed with the anchor site concept. Although this was a disappointment, we believe that the work undertaken to formulate our bid will be of great value in planning the future of direction of the castle's collection and art displays. We are also urging government to include Cyfarthfa in the current chain of galleries, as there is currently no participating gallery in the south Wales valleys.

We have also initiated discussions with *Llafur, the Welsh People's History Society*, a broad-based academic organization, as well as with local history societies so that we can begin to shape themes within a more rounded story of the industrial revolution that we will be able to relate when the galleries are enlarged.

THE CYFARTHFA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

ii) Bicentenary of Cyfarthfa Castle

We have been fortunate that this crucial stage in the development of the castle has coincided with its bicentenary. The Foundation, the Council and its Cyfarthfa staff collaborated to plan a year-long programme of events – under the Cyfarthfa 200 branding - that will raise the profile of Cyfarthfa across the year.

In the first three months of 2025 no less than 25 events took place. The Foundation's exhibition at the museum - *Cyfarthfa: Past. Present. Future.* – was designed to give a glimpse of the Foundation's future plans for the castle and, following a well-attended launch event, was visited by nearly 4,000 people. This also established a strong partnership with the team at the University of South Wales who provided 3D scans of the castle building to be used as part of the exhibition.

Bicentenary activities included: Cyfarthfa200 Schools and Community Exhibition by students of Merthyr College; history talks and lectures; workshops for families and other tours and activities at the museum; the Merthyr Half Marathon was directed through Cyfarthfa. Many more events are planned for the remainder of the bicentenary year.

Strong partnership projects have been established with Merthyr College and the University of South Wales. Students on Merthyr College's HND Creative Visual Arts course developed and designed an exhibition based on primary school pupil's sketches made at Cyfarthfa which culminated in an exhibition at the college in January 2025. We will also be engaging with 130 college students to work at Cyfarthfa on a 'Then and Now' end of year exhibition.

To expand professional practice and gain an understanding of the career paths in a museum, a small cohort of students have had the opportunity to work closely with the museum team once a week over a four-week period. This allowed the students to discover the different role opportunities within museums.

Across the academic year 2023-24 we engaged with 17 of the 21 Primary Schools in Merthyr Tydfil. The education programme, in partnership with the Cyfarthfa Museum team and Merthyr's Roots was well attended and well received. An external evaluation of the education package was undertaken by a heritage education specialist and highlighted some outstanding learning opportunities for pupils as recommendations for future action. Working with the museum and Merthyr's Roots, we produced an activity sheet aimed at families with young children and which is now available free of charge from the castle reception desk.

With funding from the UK's Shared Prosperity Fund extensive communications activity took place to support the launch of the bicentenary including lamppost banners throughout Merthyr and other outdoor, digital activity, PR, merchandising, print distribution and community activity. Preliminary figures showed a 38% increase in visits to Cyfarthfa Castle in January to April 2025 compared with the same period in the previous year.

The Foundation supported with coordination of a Halloween trail around various organisations and locations on the park which participators all fed back had led to an increase in visitors and engagement to the castle and park. This saw over 700 participations and formed part of a programme of increased in-person community engagement by the Cyfarthfa Foundation.

Just after the end of the financial year a new art prize was awarded, made possible thanks to support from the Cyfarthfa Foundation: *Cyfarthfa: Juxtaposed.* This drew entries from 76 artists working in Wales, who were asked to explore the existing art collection at Cyfarthfa to produce a 'juxtaposed' contemporary response.

THE CYFARTHFA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

iii) Communications

Cyfarthfa's bicentenary proved an excellent platform for publicising the Cyfarthfa project, not only within Merthyr Tydfil but also much further afield. This was done via an extensive season of Merthyr-related radio and television programmes by BBC Wales, as well as through a number of public lectures.

We also made good progress with the introduction of new digital communication channels including a new website, LinkedIn and Instagram, as well as a wealth of branded materials to support our community and outreach. A webpage now directs people to all organisations that operate within the park. We also started work towards a new signage strategy designed to guide people to all activities within Cyfarthfa Park.

Strong partnerships were established over the course of the year. A new Cyfarthfa Park Forum was created to bring together organisations resident within the park. This has been a catalyst for joint working, problem solving and collaborative events, focussing on issues that impact on the quality of visitor experiences. Eight meetings of the forum took place across the year.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The sole purpose of the Foundation is to develop Cyfarthfa as a single location where powerfully connected themes and purposes will work holistically to benefit the community and to attract a large and wide audience.

This will include the promotion and advancement of the arts, culture, education and the environment through development of the castle and its museum as well as related historical structures and the landscape in which they sit. This will entail deep engagement with the community in ways that will also assist social renewal. In all these ways it will perform a national as well as local function.

In advance of the restoration of the castle (that will take some years) and following the appointment of our Community Engagement Manager, we began to lay down foundations for our work with the community. This saw the establishment of a Park Forum to bring together the many businesses and organisations currently operating within Cyfarthfa Park, together with a Bicentenary Working Group to shape a programme of events for the castle's bicentenary year in 2025.

Board of Trustees

The Board's membership has been determined by the need to draw together a range of high-level expertise, skills and experience, as well as community representation, necessary to carry out the full remit of the Board's responsibilities and to progress the realisation of the Cyfarthfa Plan. Merthyr Tydfil County Borough Council has the right to nominate two of its elected members to the Board of the Foundation.

There were three changes to Board membership in 2024-25. Following local elections, the new Leader of the Council, Councillor Brent Carter, replaced Councillor Geraint Thomas. I would like to thank Councillor Thomas for his enthusiastic support of this project from the outset, and to welcome Councillor Carter. Two members of the Board tendered their resignations: Sara Hopkins and Hanif Kara. I would like to thank them both for their wise contributions and warm encouragement from the outset of the project.

My thanks are also due to all Board colleagues and to the whole staff for their considerable energies and wisdom as well as dedication to a project that cannot be fully achieved in short order.

THE CYFARTHA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

Organisational structure

The Board of Trustees, which now has 13 members, is responsible for approving overall policies, plans and organisation. It has three standing committees to which responsibility is delegated for scrutiny of specialist areas.

Each Committee reports to the Board of Trustees, which is the decision-making body. It meets not less than six times a year and delegates appropriate matters to the committees listed below:

- Operations & Finance Committee – Geoff Hunt (Chair and Vice Chair of the Board)
- Community & Commerce Committee – Sara Turnbull (Chair)
- Capital & Content Committee – Ewan Jones (Chair)

Each Committee determines its own frequency for meetings – normally, at least quarterly – and subject to the formal requirement to meet not less than twice each year.

Senior management

As reported last year, our first Chief Executive, Anna Baker, had decided to stand down for personal reasons. In September 2024 Jess Mahoney was appointed to succeed her and took up the post in January 2025. Jess is familiar with the cultural and creative industries, having been Head of Creative Cardiff at Cardiff University's Centre for the Creative Economy and having held a senior policy role at the Greater London Authority. She grew up in Merthyr Tydfil.

Induction and training of trustees

All new Trustees are provided with an induction to the Company and given guidance as to the role and responsibilities of being both a charity trustee and a company director. A copy of the Company's Governance Code is provided for each director as part of the induction process.

Financial review

The financial period under review is covered in the financial statements on pages 9 and 10. Activities encompassed establishing future programmes, projects and feasibility studies alongside recruiting Trustees and members of the staff team.

The Charity's funding thus far during the development phase has been provided through a grant from Welsh Government of £1.2m. For practical reasons, this grant has been administered on the Foundation's behalf by Merthyr Council, with the Foundation calling down funds as required. £620,067 of this grant has been drawn thus far.

In 2022-23 the Foundation was awarded £429,171 under the UK Government's Shared Prosperity Fund for a variety of purposes including the appointment of the Community Engagement Manager and further investigation of both landscape and art proposals at Cyfarthfa and has now been fully drawn down.

During the year the Foundation was awarded additional UK Government Shared Prosperity Fund grant of £21,966 towards events and promotional activity in relation to the Bicentenary Celebrations across 2024/25 and £15,000 towards the hosting of an exhibition at Cyfarthfa Museum and Art Gallery to celebrate the bicentenary and demonstrate the Foundation's work to the community and stakeholders, as well as £212,579 towards the core running costs of the Foundation.

At the end of the accounting period covered by this report, the Foundation had Restricted Funds carried forward of £173,260. This does not include the balance of the Welsh Government grant of £579,933 held on the Foundation's behalf by Merthyr Council.

THE CYFARTHA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The Foundation monitors its current and expected cashflows carefully, through its Operations and Finance Committee, to ensure continued liquidity. Its fundraising activities are integrated into financial planning. Major projects will be undertaken only when a clear financing strategy has been approved by the Trustees. In the year the Trustees identified the need to cover core costs on an ongoing basis through earned income and are investigating opportunities for potential revenue raising activities.

Policy on reserves

The Cyfarthfa Foundation will be engaged in fundraising to cover the major capital plans that will emerge over time in order to achieve its aims.

The Foundation's Reserves Policy is to ensure that reserves are maintained at a level of at least three months' charitable expenditure.

Principal funding sources

Initial funding of this project has been via a combination of £250,000 from Merthyr Council for the commissioning of the masterplan and the provision of £1.2m by the Welsh Government for a development phase. The masterplan process was undertaken before the formation of the charity. The Community & Commerce committee of the board has been established and has oversight of the fundraising strategy.

Funding has been obtained in the period under review from:

1. Merthyr Tydfil CBC to contribute towards the production of an updated Conservation Management Plan for Cyfarthfa Castle.
2. UK Government Shared Prosperity Fund administered by Merthyr Tydfil CBC to contribute towards the running costs of the Foundation in 2024-25.

We anticipate that further funding will be sought from a combination of government sources, the National Lottery Heritage Fund and private foundations.

Plans for future periods

Aims and key objectives for future periods

The appointment of the full staff team and the creation of the standing committees will create conditions which we hope will enable accelerated progress in terms of:

- i) Formulating development proposals,
- ii) Fundraising, and
- iii) Community engagement.

Nature of governing document

The charity is controlled by its governing document, a Memorandum and Articles of Association, and constitutes a limited company limited by guarantee, as defined by the Companies Act 2006.

Arrangements for setting key management personnel remuneration

The Foundation had four employees during the year under review. A remuneration policy will be developed and reported upon in the next Annual Report and Financial Statements.

Management

Overall responsibility for the management of the charity remains with the Chair and Vice-Chair. Responsibility for the day-to-day management and administration of the charity is delegated to the CEO. The CEO and Finance Manager are accountable to the board for resources expended.

THE CYFARTHA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Relationships with related parties

Trustees have no interests in the group or any related bodies.

The Foundation has no related parties.

Major risks and management of those risks

A Risk Register has been developed and approved by the board, and is reviewed quarterly by the Operations and Finance committee.

Reference and Administrative Details

Registered Charity Number: 1199025

Registered Company Number: 12990619 (England & Wales)

Trustees:

Dr Carol Bell

Ms. Bryony Bond

Mr Brent Carter (appointed 24 November 2024)

Mr G Thomas (resigned 24 November 2024)

Ms. Alison Copus

Mr Geraint T Davies (Chair)

Julie Finch

Mr Geoff N Hunt (Vice Chair)

Sir Simon Jenkins

Mr D Ewan Jones

Dr Marion B Loeffler

Councillor Lisa V Mytton

Mr Robert W Rummey

Ms S Hopkins (resigned 16 July 2024)

Prof Hanif M Kara (resigned 10 May 2025)

Ms. Sara K McConnell Turnbull

Senior Managers

Jess Mahoney (Chief Executive)

Registered Office: C/o Mitchell Associates Limited

The Business Centre

Triangle Business Park

Merthyr Tydfil

CF48 4TQ

Bankers: Barclays Bank plc

Aberfan Branch

9 Aberfan Road

Aberfan

Merthyr Tydfil

CF48 4QL

Independent Examiner: Mitchell Associates Limited

The Business Park

Triangle Business Centre

Merthyr Tydfil

CF48 4TQ

THE CYFARTHA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

The trustees (who are also the directors of The Cyfarthfa Foundation for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations. The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial period. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in business.

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

THE CYFARTHA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

Disclosure of information to the independent examiner

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's independent examiner is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the independent examiner is unaware.

The annual report was approved by the trustees of the charity on 21/11/25 and signed on its behalf by



Mr G T Davies
Trustee

THE CYFARTHFA FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEE OF THE CYFARTHFA FOUNDATION

I report to the trustee on my examination of the financial statements of The Cyfarthfa Foundation (the charity) for the year ended 31 March 2025.

Responsibilities and basis of report

As the trustee of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

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

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



Mitchell Associates Ltd

J P Mitchell ACA BFP

The Business Centre
Triangle Business Park
Merthyr Tydfil
CF48 4TQ

Dated:21/11/25.....

THE CYFARTHFA FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income and endowments from:							
Grant Income	3	-	454,510	454,510	-	545,682	545,682
Other income	4	-	-	-	24	-	24
Total income		-	454,510	454,510	24	545,682	545,706
Expenditure on:							
Charitable activities	5	-	475,615	475,615	-	592,267	592,267
Net income/(expenditure) for the year/ Net movement in funds		-	(21,105)	(21,105)	24	(46,585)	(46,561)
Fund balances at 1 April 2024		24	151,438	151,462	-	198,023	198,023
Fund balances at 31 March 2025		24	130,333	130,357	24	151,438	151,462

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE CYFARTHFA FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	10		10,734		7,400
Current assets					
Debtors	11	1,827		17,654	
Cash at bank and in hand		169,778		176,741	
		171,605		194,395	
Creditors: amounts falling due within one year	12	(51,982)		(50,333)	
Net current assets			119,623		144,062
Total assets less current liabilities			130,357		151,462
Income funds					
Restricted funds	13		130,333		151,438
Unrestricted funds			24		24
			130,357		151,462

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustee on 21/1/25

Mr G T Davies
Trustee

Mr G N Hunt
Trustee

Company registration number 12990619

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

The Cyfarthfa Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is The Business Park, Triangle Business Centre, Merthyr Tydfil, CF48 4TQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustee have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustee continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustee in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% straight line
Computers	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustee are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

3 Grant Income

	Restricted funds	Restricted funds
	2025 £	2024 £
Grants received (see note 12)	454,510	545,682

4 Other income

	Total	Unrestricted funds
	2025 £	2024 £
Other income	-	24

5 Charitable activities

	Charitable Expenditure 2025 £	Charitable Expenditure 2024 £
Staff costs	227,626	219,905
Share of support costs (see note 8)	234,786	359,278
Share of governance costs (see note 8)	13,203	13,084
	<u>475,615</u>	<u>592,267</u>

6 Trustee

None of the trustee (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Charitable activity	<u>4</u>	<u>4</u>

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

7 Employees

Employment costs	2025 £	2024 £
Wages and salaries	202,348	197,292
Social security costs	18,318	17,101
Other pension costs	6,960	5,512
	<u>227,626</u>	<u>219,905</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
Over £80,000	-	1
Over £60,000	<u>1</u>	<u>-</u>

8 Support costs

	Support costs £	Governance costs £	2025 £	2024 £
Office expenses	19,212	1,369	20,581	19,784
Subscriptions	145	-	145	804
Advertising and marketing	898	-	898	30,750
Project costs	186,249	-	186,249	257,790
Legal & professional	-	4,141	4,141	2,728
Depreciation	2,394	-	2,394	1,795
Bank charges	102	-	102	112
Other expenses	1,039	-	1,039	2,721
Travel & subsistence	1,192	-	1,192	12,200
Staff Training	248	-	248	11,737
Recruitment costs	23,307	-	23,307	34,473
Accountancy	-	5,620	5,620	5,202
Cost of Trustee meetings	-	2,073	2,073	4,003
	<u>234,786</u>	<u>13,203</u>	<u>247,989</u>	<u>372,362</u>
Analysed between				
Charitable activities	<u>234,786</u>	<u>13,203</u>	<u>247,989</u>	<u>372,362</u>

Included within accountancy are costs for the Independent examiners fees of £3,940 (2024- £3,850) for examination of the financial statements.

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2024	2,784	6,732	9,516
Additions	1,452	4,276	5,728
	<u>4,236</u>	<u>11,008</u>	<u>15,244</u>
At 31 March 2025			
Depreciation and impairment			
At 1 April 2024	654	1,741	2,395
Depreciation charged in the year	571	1,544	2,115
	<u>1,225</u>	<u>3,285</u>	<u>4,510</u>
At 31 March 2025			
Carrying amount			
At 31 March 2025	<u>3,011</u>	<u>7,723</u>	<u>10,734</u>
At 31 March 2024	<u>2,213</u>	<u>5,187</u>	<u>7,400</u>

11 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Prepayments and accrued income	1,827	17,654
	<u>1,827</u>	<u>17,654</u>

12 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	4,370	45,875
Accruals and deferred income	47,612	4,458
	<u>51,982</u>	<u>50,333</u>

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Balance at 1 April 2024 £	Incoming resources £	Resources expended 31 March 2025 £	Balance at March 2025 £
WG Seed Fund	206,260	231,000	(295,155)	142,105	-	(28,600)	113,505
MTCBC Seed Fund	2,756	-	(423)	2,333	-	(180)	2,153
Art Consultancy	-	63,966	(63,966)	-	-	-	-
National Contemporary Art Gallery	-	15,010	(15,010)	-	-	-	-
UK Shared Prosperity Fund 1	(10,993)	218,706	(207,713)	-	204,965	(201,905)	3,060
Architectural Heritage fund	-	10,000	(10,000)	-	-	-	-
CMP	-	7,000	-	7,000	-	-	7,000
MTCBC Bicentenary Events & Promotions	-	-	-	-	21,966	(21,966)	-
Uk Shared Prosperity Fund 2	-	-	-	-	212,579	(212,270)	309
Uk Shared Prosperity Fund Bicentenary Grant	-	-	-	-	15,000	(10,694)	4,306
	<u>198,023</u>	<u>545,682</u>	<u>(592,267)</u>	<u>151,438</u>	<u>454,510</u>	<u>(475,615)</u>	<u>130,333</u>

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

13 Restricted funds

WG Seed Fund - to support the development and delivery of The Cyfarthfa Plan.

MTCBC Seed Fund - to support the development and delivery of The Cyfarthfa Plan.

Art Consultancy - to develop an art proposition at Cyfarthfa Castle, via consultancy.

National Contemporary Art Gallery Welsh Government- to develop an Art Proposition at Cyfarthfa Castle and to support with the bid to become the National Contemporary Art Gallery.

UK Shared Prosperity Fund - to support the development of community engagement and to assess the feasibility of associated projects.

The Architectural Heritage Fund - to enable the engagement of professionals and contribution to the costs of outline activity plan development.

CMP Funding - a contribution to the production of an updated Conservation Management Plan for Cyfarthfa Castle.

MTCBC Bicentenary Events & Promotions to support the promotion of Bicentenary events in 2024/25.

UK Shared Prosperity Fund 2 - to support the core running costs of the foundation.

UK Shared Prosperity Fund Bicentenary Grant - to fund the Cyfarthfa Past, Present and Future Exhibition.

14 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Fund balances at 31 March 2025 are represented by:						
Tangible assets	-	10,734	10,734	-	7,400	7,400
Current assets/(liabilities)	-	119,623	119,623	24	144,038	144,062
	-	130,357	130,357	24	151,438	151,462

15 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

THE CYFARTHFA FOUNDATION

England & Wales - Charity number 1199025

Accounts

Company registration number 12990619 (England and Wales)

THE CYFARTHFA FOUNDATION

Annual Report and Unaudited Financial Statements

for the Year Ended 31 March 2024

THE CYFARTHFA FOUNDATION

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THE CYFARTHFA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

The Trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2024. The Foundation is a registered charity. Charity No: 1199025.

Objectives and activities

Our Vision

To transform Cyfarthfa Castle and Park in Merthyr Tydfil - a crucible of the industrial revolution - into a cultural centre and visitor attraction of international quality and an engine of social renewal.

Our Mission

To celebrate the history and heritage of the place, to heal and enhance its natural environment, to be a platform for culture and creativity, and to do so with regard for the needs of all parts of the community and the principles of sustainability.

Progress during the year

The year under review has been another year of valuable planning and development: developing the business plan, exploring options for a compelling narrative for a redeveloped Cyfarthfa Castle and Park, further work on the landscape potential within the Park, building our relationship with schools and the wider community in the area and, not least, recruiting key staff to our team.

The Foundation's small team grew to a complement of five during the year, led by the Chief Executive, Anna Baker. The other posts filled were Project Coordinator (Mari Lowe), Finance Manager (Wren Bull) and Community Engagement Manager (Anneleise Shepherd) and, shortly after the year end, a Brand and Engagement Director (Gemma Durham).

The year also saw considerable progress in defining the Foundation's approach to the future content of the castle, reviewing both historical themes and approaches and exploring options for developing the art collection.

The last of these included considerable work in developing the Foundation's bid for the Welsh Government's proposed National Contemporary Art Gallery for Wales. There were five other sites bidding for this role. In July 2024, after the financial year under review ended, the Welsh Government decided, for financial reasons, not to proceed with the project. Although this was a disappointment, the work in preparing the application will not go to waste, as it has given us a much deeper understanding of Cyfarthfa's current art collection and the directions in which it can be developed. We still aspire to play a valuable role in this field, filling a major gap in the south Wales valleys.

Funding of the development phase.

It was in 2021 that the Welsh Government provided £1.2m for a development phase, seeing it as a pivotal project and a 'discovery gateway' in the emerging Valleys Regional Park. It was envisaged that this would fund the Foundation for its first three years. However, having been awarded additional funding towards core operating costs, we are confident that through careful management these funds will sustain us for a fourth year – up to March 2026. The Foundation is confident that it will find sources of funding to sustain it well beyond that date.

The Foundation has continued its negotiations with Merthyr Tydfil CBC and Merthyr Tydfil Leisure Trust in respect of the asset transfer of the castle and park to the Foundation. Although the Leisure Trust has been wound up, and its functions transferred to the Council, the transfer of assets will continue to require further careful negotiation between the Foundation and the Council over the next year. In the meantime the condition of the castle's fabric remains a concern. The Council is considering additional measures to provide further protection to the building.

THE CYFARTHFA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The sole purpose of the Foundation is to develop Cyfarthfa as a single location where powerfully connected themes and purposes will work holistically to benefit the community and to attract a large and wide audience.

This will include the promotion and advancement of the arts, culture, education and the environment through development of the castle and its museum as well as related historical structures and the landscape in which they sit. This will entail deep engagement with the community in ways that will also assist social renewal. In all these ways it will perform a national as well as local function.

In advance of the restoration of the castle (that will take some years) and following the appointment of our Community Engagement Manager, we began to lay down foundations for our work with the community. This saw the establishment of a Park Forum to bring together the many businesses and organisations currently operating within Cyfarthfa Park, together with a Bicentenary Working Group to shape a programme of events for the castle's bicentenary year in 2025.

An Education Working Group has also been operating with the Director of Education and community-focussed school leads to support and shape the development and delivery of a Merthyr-wide primary and secondary school Cyfarthfa programme. Presentations were made to the heads of primary schools in Merthyr Tydfil with the aim of increasing educational visits.

Work also began on establishing a comprehensive network including statutory and voluntary organisations, community groups, local authority, housing associations, youth groups, and businesses. Bilingual activity resources have been created to encourage community and family engagement and footfall in Cyfarthfa Castle and park grounds. A Community Forum is being established in 2024-5.

Board of Trustees

The Board's membership has been determined by the need to draw together a range of high-level expertise, skills and experience, as well as community representation, necessary to carry out the full remit of the Board's responsibilities and to progress the realisation of the Cyfarthfa Plan. Merthyr Tydfil County Borough Council has the right to nominate two of its elected members to the Board of the Foundation.

The Foundation had managed to recruit and retain a very high quality Board from the outset. However, the last year saw the departure of two Board Members – Rowland Davies and Helen Protheroe – both of whom were amongst the earliest recruits to the Board. Rowland Davies, had served as Vice Chair of the Foundation and played a crucial part in the creation of the organisation. Helen Protheroe, too, gave us invaluable advice and assistance in those early years. We offer them our warmest thanks and wish them both well.

We have been fortunate in managing to recruit three new members the Board who have a wealth of relevant experience: **Bryony Bond**, a very experienced Director and Curator with more than 20 years' of service with various organisations including Manchester's Whitworth Gallery and The Tetley in Leeds; **Alison Copus**, a marketing professional with an extensive international career, including 12 years as Marketing Director of Virgin Atlantic. She is also a Board member of the Institute of Welsh Affairs; **Julie Finch**, Chief Executive of the Hay Festival, and a former chief executive of the Compton Verney House Trust and former Director of Bristol's Museums, Galleries and Archives.

THE CYFARTHA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

Organisational structure

The Board of Trustees, which now has 15 members, is responsible for approving overall policies, plans and organisation. It has three standing committees to which responsibility is delegated for scrutiny of specialist areas.

Each Committee reports to the Board of Trustees, which is the decision-making body. It meets not less than six times a year and delegates appropriate matters to the committees listed below:

- Operations & Finance Committee – Geoff Hunt (Chair and Vice Chair of the Board)
- Community & Commerce Committee – Sara Turnbull (Chair)
- Capital & Content Committee – Ewan Jones (Chair)

Each Committee determines its own frequency for meetings – normally, at least quarterly – and subject to the formal requirement to meet not less than twice each year.

Senior management

Soon after the year end, our first Chief Executive, Anna Baker, decided to stand down for personal reasons. Anna brought great skill and energy to the task in the crucial early years of this project, and has laid important foundations. We are very grateful to her for what she achieved and wish her well.

The process of appointing a successor was set in train immediately and was under way as this report was being prepared.

Induction and training of trustees

All new Trustees are provided with an induction to the Company and given guidance as to the role and responsibilities of being both a charity trustee and a company director. A copy of the Company's Governance Code is provided for each director as part of the induction process.

Financial review

The financial period under review is covered in the financial statements on pages 9 and 10. Activities encompassed establishing future programmes, projects and feasibility studies alongside recruiting Trustees and members of the staff team.

The Charity's funding thus far during the development phase has been provided through a grant from Welsh Government of £1.2m. For practical reasons, this grant has been administered on the Foundation's behalf by Merthyr Council, with the Foundation calling down funds as required. £620,067 of this grant has been drawn thus far.

In 2022-23 the Foundation was awarded £429,171 under the UK Government's Shared Prosperity Fund for a variety of purposes including the appointment of the Community Engagement Manager and further investigation of both landscape and art proposals at Cyfarthfa. £210,074 of this grant has been drawn down thus far.

During the year the Foundation was awarded an additional UK Government Shared Prosperity Fund grant of £212,579 towards the running costs of the Foundation in 2024-25.

At the end of the accounting period covered by this report, the Foundation had Restricted Funds carried forward of £151,438. This does not include the balance of the Welsh Government grant of £579,933 held on the Foundation's behalf by Merthyr Council.

The Foundation monitors its current and expected cashflows carefully, through its Operations and Finance Committee, to ensure continued liquidity. Its fundraising activities are integrated into financial planning. Major projects will be undertaken only when a clear financing strategy has been approved by the Trustees.

THE CYFARTHA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

In the year the Trustees identified the need to cover core costs on an ongoing basis through earned income and are investigating opportunities for potential revenue raising activities.

Policy on reserves

The Cyfarthfa Foundation will be engaged in fundraising to cover the major capital plans that will emerge over time in order to achieve its aims.

The Foundation's Reserves Policy is to ensure that reserves are maintained at a level of at least three months' charitable expenditure.

Principal funding sources

Initial funding of this project has been via a combination of £250,000 from Merthyr Council for the commissioning of the masterplan and the provision of £1.2m by the Welsh Government for a development phase. The masterplan process was undertaken before the formation of the charity. The Community & Commerce committee of the board has been established and has oversight of the fundraising strategy.

Funding has been obtained in the period under review from:

1. Merthyr Tydfil CBC to contribute towards the production of an updated Conservation Management Plan for Cyfarthfa Castle.
2. UK Government Shared Prosperity Fund administered by Merthyr Tydfil CBC to contribute towards the running costs of the Foundation in 2024-25.

We anticipate that further funding will be sought from a combination of government sources, the National Lottery Heritage Fund and private foundations.

Plans for future periods

Aims and key objectives for future periods

The appointment of the full staff team and the creation of the standing committees will create conditions which we hope will enable accelerated progress in terms of:

- i) Formulating development proposals,
- ii) Fundraising, and
- iii) Community engagement.

Nature of governing document

The charity is controlled by its governing document, a Memorandum and Articles of Association, and constitutes a limited company limited by guarantee, as defined by the Companies Act 2006.

Arrangements for setting key management personnel remuneration

The Foundation had four employees during the year under review. A remuneration policy will be developed and reported upon in the next Annual Report and Financial Statements.

Management

Overall responsibility for the management of the charity remains with the Chair and Vice-Chair. Responsibility for the day-to-day management and administration of the charity is delegated to the CEO. The CEO and Finance Manager are accountable to the board for resources expended.

Relationships with related parties

Trustees have no interests in the group or any related bodies.

THE CYFARTHA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The Foundation has no related parties.

Major risks and management of those risks

A Risk Register has been developed and approved by the board, and is reviewed quarterly by the Operations and Finance committee.

Reference and Administrative Details

Registered Charity Number: 1199025

Registered Company Number: 12990619 (England & Wales)

Trustees:

Dr Carol Bell

Ms. Bryony Bond (appointed January 2024)

Ms. Alison Copus (appointed January 2024)

Mr Geraint T Davies (Chair)

Mr G Rowland Davies (Vice Chair) (resigned November 2023)

Julie Finch (appointed January 2024)

Mr Geoff N Hunt (Vice Chair)

Sir Simon Jenkins

Mr D Ewan Jones

Prof Hanif M Kara

Dr Marion B Loeffler

Councillor Lisa V Mytton

Ms Helen Protheroe (resigned November 2023)

Mr Robert W Rummey

Councillor Geraint V Thomas

Ms. Sara K McConnell Turnbull

Ms S Hopkins (resigned July 2024)

Senior Managers

Ms Anna Baker (Chief Executive)

Registered Office: C/o Mitchell Associates Limited

The Business Centre

Triangle Business Park

Merthyr Tydfil

CF48 4TQ

Bankers: Barclays Bank plc

Aberfan Branch

9 Aberfan Road

Aberfan

Merthyr Tydfil

Mid Glamorgan

CF48 4QL

Independent Examiner: Mitchell Associates Limited

The Business Park

Triangle Business Centre

Merthyr Tydfil

CF48 4TQ

THE CYFARTHA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

The trustees (who are also the directors of The Cyfarthfa Foundation for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations. The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial period. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in business.

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

THE CYFARTHA FOUNDATION

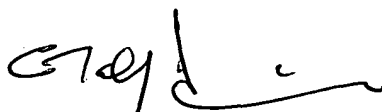
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 23/03/24 and signed on its behalf by



Mr G T Davies
Trustee

THE CYFARTHFA FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEE OF THE CYFARTHFA FOUNDATION

I report to the trustee on my examination of the financial statements of The Cyfarthfa Foundation (the charity) for the year ended 31 March 2024.

Responsibilities and basis of report

As the trustee of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ACA BFP, which is one of the listed bodies.

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

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

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

Mitchell Associates Ltd



The Business Park
Triangle Business Centre
Merthyr Tydfil
CF48 4TQ

Dated: 22/11/24

THE CYFARTHFA FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Restricted funds 2023 £
	Notes				
<u>Income and endowments from:</u>					
Grant Income	3	-	545,682	545,682	367,486
Other income	4	24	-	24	-
Total income		<u>24</u>	<u>545,682</u>	<u>545,706</u>	<u>367,486</u>
<u>Expenditure on:</u>					
Charitable activities	5	-	592,267	592,267	182,920
Net income/(expenditure) for the year/ Net movement in funds		<u>24</u>	<u>(46,585)</u>	<u>(46,561)</u>	<u>184,566</u>
Fund balances at 1 April 2023		-	198,023	198,023	13,457
Fund balances at 31 March 2024		<u>24</u>	<u>151,438</u>	<u>151,462</u>	<u>198,023</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE CYFARTHFA FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	10		7,400		3,935
Current assets					
Debtors	11	17,654		984	
Cash at bank and in hand		176,741		197,708	
		<u>194,395</u>		<u>198,692</u>	
Creditors: amounts falling due within one year	12	<u>(50,333)</u>		<u>(4,604)</u>	
Net current assets			<u>144,062</u>		<u>194,088</u>
Total assets less current liabilities			<u>151,462</u>		<u>198,023</u>
Income funds					
Restricted funds	13		151,438		198,023
Unrestricted funds			24		-
			<u>151,462</u>		<u>198,023</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustee on 22/11/24



Mr G T Davies
Trustee



Mr G N Hunt
Trustee

Company registration number 12990619

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

The Cyfarthfa Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is The Business Park, Triangle Business Centre, Merthyr Tydfil, CF48 4TQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustee have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustee continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustee in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% straight line
Computers	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustee are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

3 Grant Income

	Restricted funds	Restricted funds
	2024	2023
	£	£
Grants received (see note 12)	545,682	367,486

4 Other Income

	Unrestricted funds	Total
	2024	2023
	£	£
Other income	24	-

5 Charitable activities

	Charitable Expenditure	Charitable Expenditure
	2024	2023
	£	£
Staff costs	219,905	53,763
Share of support costs (see note 6)	359,278	109,853
Share of governance costs (see note 6)	13,084	19,304
	592,267	182,920

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

6 Support costs

	Support costs	Governance costs	2024	2023
	£	£	£	£
Office expenses	18,633	1,151	19,784	1,761
Subscriptions	804	-	804	608
Advertising and marketing	30,750	-	30,750	20,862
Project costs	257,790	-	257,790	79,086
Legal & professional	-	2,728	2,728	11,482
Depreciation	1,795	-	1,795	321
Bank charges	112	-	112	82
Other expenses	2,721	-	2,721	55
Travel & subsistence	463	-	463	1,294
Staff Training	11,737	-	11,737	-
Recruitment costs	34,473	-	34,473	6,011
Accountancy	-	5,202	5,202	4,467
Cost of Trustee meetings	-	4,003	4,003	3,128
	<u>359,278</u>	<u>13,084</u>	<u>372,362</u>	<u>129,157</u>
Analysed between				
Charitable activities	<u>359,278</u>	<u>13,084</u>	<u>372,362</u>	<u>129,157</u>

Included within accountancy are costs for the Independent examiners fees of £3,850 (2023- £3,747) for examination of the financial statements.

7 Trustee

None of the trustee (or any persons connected with them) received any remuneration or benefits from the charity during the year.

8 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Charitable activity	<u>4</u>	<u>1</u>
Employment costs	2024	2023
	£	£
Wages and salaries	197,292	47,231
Social security costs	17,101	5,799
Other pension costs	5,512	733
	<u>219,905</u>	<u>53,763</u>

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

8 Employees

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
Over £80,000	1	-

9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2023	809	3,447	4,256
Additions	1,975	3,284	5,259
At 31 March 2024	2,784	6,731	9,515
Depreciation and impairment			
At 1 April 2023	32	288	320
Depreciation charged in the year	539	1,256	1,795
At 31 March 2024	571	1,544	2,115
Carrying amount			
At 31 March 2024	2,213	5,187	7,400
At 31 March 2023	776	3,159	3,935

11 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Prepayments and accrued income	17,654	984

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

12 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	45,875	-
Accruals and deferred income	4,458	4,604
	<u>50,333</u>	<u>4,604</u>
	<u><u>50,333</u></u>	<u><u>4,604</u></u>

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2022	Incoming resources	Resources expended	Balance at 1 April 2023	Incoming resources	Resources expended	Balance at 31 March 2024
	£	£	£	£	£	£	£
WG Seed Fund	8,817	318,792	(121,349)	206,260	231,000	(295,155)	142,105
MTCBC Seed Fund	4,640	-	(1,884)	2,756	-	(423)	2,333
Art Consultancy	-	33,204	(33,204)	-	63,966	(63,966)	-
National Contemporar y Art Gallery	-	9,990	(9,990)	-	15,010	(15,010)	-
UK Shared Prosperity Fund	-	5,500	(16,493)	(10,993)	218,706	(207,713)	-
Architectural Heritage fund	-	-	-	-	10,000	(10,000)	-
CMP	-	-	-	-	7,000	-	7,000
	<u>13,457</u>	<u>367,486</u>	<u>(182,920)</u>	<u>198,023</u>	<u>545,682</u>	<u>(592,267)</u>	<u>151,438</u>

WG Seed Fund - to support the development and delivery of The Cyfarthfa Plan.

MTCBC Seed Fund - to support the development and delivery of The Cyfarthfa Plan.

Art Consultancy - to develop an art proposition at Cyfarthfa Castle, via consultancy.

National Contemporary Art Gallery Welsh Government- to develop an Art Proposition at Cyfarthfa Castle and to support with the bid to become the National Contemporary Art Gallery.

UK Shared Prosperity Fund - to support the development of community engagement and to assess the feasibility of associated projects.

The Architectural Heritage Fund - to enable the engagement of professionals and contribution to the costs of outline activity plan development.

CMP Funding - a contribution to the production of an updated Conservation Management Plan for Cyfarthfa Castle.

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

14 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Restricted funds 2023 £
Fund balances at 31 March 2024 are represented by:				
Tangible assets	-	7,400	7,400	3,935
Current assets/(liabilities)	24	144,038	144,062	194,088
	<u>24</u>	<u>151,438</u>	<u>151,462</u>	<u>198,023</u>

15 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

THE CYFARTHFA FOUNDATION

England & Wales - Charity number 1199025

Accounts

Charity registration number 1199025

Company registration number 12990619 (England and Wales)

THE CYFARTHFA FOUNDATION

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023



THE CYFARTHFA FOUNDATION

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THE CYFARTHFA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The Trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2023. The Foundation achieved charitable status during the year.

Objectives and activities

Objects and aims

The period under review has been a continuation of the preparatory phase, albeit involving a marked change of gear following our first staff appointment – that of Anna Baker as our Chief Executive. She took up the appointment in September 2022. Prior to her appointment she had led the work to restore the 200-year-old Cleveland Pools complex at Bath, that had been completed to widespread acclaim. In January 2023, Mari Lowe, took up the new post of Project Coordinator. Two further staff members – Wren Bull, Finance Manager, and Anneleise Shepherd, Community Development Manager – joined shortly after the year end, in April 2023. During the year the Foundation also established its office within the Bothy Building in Cyfarthfa Park.

Since the appointment of the Chief Executive, work has accelerated on three fronts:

- the development of a prioritised strategy and business plan, assisted by Counterculture LLP
- the development of landscape proposals, assisted by Grant Associates;
- and a positive response to the Welsh Government's request for proposals to establish a National Contemporary Art Gallery for Wales, as the anchor gallery in a chain of galleries across Wales. Work on this proposal was led by Cultural Associates Oxford and was due for completion later in 2023. A decision is expected in 2024.

These are important elements in the development of robust proposals to give Cyfarthfa Castle and Park a visitor attraction of national and international appeal that will also contribute greatly to social renewal.

The Foundation has continued its negotiations with Merthyr Tydfil CBC and Merthyr Tydfil Leisure Trust in respect of the asset transfer of the castle and park to the Foundation. This transfer of assets will continue to require further careful negotiation between the Foundation, the Leisure Trust and the Council over the next year. In the meantime the condition of the castle's fabric remains a concern. The Council is considering additional measures to provide further protection to the building.

During the year the Foundation was awarded £429,171 under the UK Government's Shared Prosperity Fund. This will be applied to a variety of purposes including the appointment of the Community Development Manager and further investigation of both landscape and art proposals and archaeological investigations at the site the Cyfarthfa Furnaces.

All these activities will combine to shape more precise proposals in subsequent years.

Our Vision

To transform Cyfarthfa Castle and Park - a crucible of the industrial revolution - into a cultural centre and visitor attraction of international quality and an engine of social renewal.

Our Mission

To celebrate the history and heritage of the place, to heal and enhance its natural environment, to be a platform for culture and creativity, and to do so with regard for the needs of all parts of the community and the principles of sustainability.

THE CYFARTHA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

Objectives, strategies and activities

The main objectives for the period under review were:

- i) to identify further sources of funding to continue the development phase, and
- ii) to define the shape of a management team and the criteria for the appointment of a CEO.

Both were successfully accomplished.

Funding of the development phase.

In 2021 the Welsh Government provided £1.2m for a development phase, seeing it as a pivotal project and a 'discovery gateway' in the emerging Valleys Regional Park. It is this development phase that is now under way.

Public benefit

The sole purpose of the Foundation is to develop Cyfarthfa as a single location where powerfully connected themes and purposes will work holistically to benefit the community and to attract a large and wide audience.

This will include the promotion and advancement of the arts, culture, education and the environment through development of the castle and its museum as well as related historical structures and the landscape in which they sit. This will entail deep engagement with the community in ways that will also assist social renewal.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial review

The financial period under review is covered in the financial statements on pages 9 and 10. These activities have been confined to setting up the charity, recruiting Trustees and a Chief Executive and other staff together with discussions concerning future plans and feasibility studies.

The Charity's funding thus far, during the development phase, has been provided through a grant from Welsh Government of £1.2m. For practical reasons, this grant has been administered on the Foundation's behalf by Merthyr Council, with the Foundation calling down funds as required. £338,792 of this grant has been drawn down thus far.

At the end of the accounting period covered by this report, the Foundation had Restricted Funds Carried forward of £198,023 This does not include the balance of the Welsh Government grant amounting to £861,208 held on the Foundation's behalf by Merthyr Council.

The Foundation monitors its current and expected cashflows carefully, through its Finance and Audit Committee, to ensure continued liquidity. Its fundraising activities are integrated into financial planning. Major projects will be undertaken only when a clear financing strategy has been approved by the Trustees.

Policy on reserves

The Cyfarthfa Foundation, given that it is newly established, will be engaged in fundraising to cover the major capital plans that will emerge over time in the achievement of its aims.

The Foundation's Reserves Policy is to ensure that reserves are maintained at a level of at least three months' charitable expenditure.

THE CYFARTHA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

Principal funding sources

Initial funding of this project has been via a combination of £250,000 from Merthyr Tydfil Council for the commissioning of the masterplan and the provision of £1.2m by the Welsh Government for a development phase. The masterplan process was undertaken before the formation of the company. A Fundraising & Communications committee of the board has been established, charged with formulating a fundraising strategy.

Funding has been obtained in the period under review from:

1. The Architectural Heritage Fund to develop an activity plan,
2. The Welsh Government to develop an art proposition at Cyfarthfa Castle.
3. Merthyr Tydfil CBC to support the development phase,
4. The UK Shared Prosperity Fund administered by Merthyr Tydfil CBC to support the development of community engagement and to assess the feasibility of associated projects.

We anticipate that further funding will be sought from a combination of government sources, the National Heritage Lottery Fund and private foundations.

Plans for future periods

Aims and key objectives for future periods

The appointment of Anna Baker as CEO and leader of the staff team was a pivotal moment in the development of the project. She began in post in September 2022. A Project Co-ordinator, Community Development Manager and Finance Manager have been recruited and will start in post in April 2023. This will create conditions which we hope will enable accelerated progress in terms of:

- i) formulating development proposals,
- ii) fundraising and
- iii) community engagement.

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, a Memorandum and Articles of Association, and constitutes a limited company limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of trustees

The Board's membership has been determined by the need to draw together a range of high-level expertise, skills and experience, as well as community representation, necessary to carry out the full remit of the Board's responsibilities and to progress the realisation of the Cyfarthfa Plan. Merthyr Tydfil County Borough Council has the right to nominate two of its elected members to the Board of the Foundation.

Induction and training of trustees

All new Trustees are provided with an induction to the Company and given guidance as to the role and responsibilities of being both a charity trustee and a company director. A copy of the Company's Governance Code is provided for each director as part of the induction process.

We believe we have recruited a Board of exceptional quality and experience.

Arrangements for setting key management personnel remuneration

The Foundation had one employee during the year under review. A remuneration policy will be developed and reported upon in the next Annual Report and Financial Statements.

THE CYFARTHA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

Organisational structure

The Board of Trustees, which now has 14 members, is responsible for approving overall policies, plans and organisation. It has four standing committees to which responsibility is delegated for scrutiny of specialist areas.

Each Committee reports to the Board of Trustees, which is the decision-making body. It meets not less than six times per year and delegates appropriate matters to the committees listed below:

- Finance & Audit Committee - Dr Carol Bell (Chair)
- Development Committee - Ewan Jones (Chair)
- Fundraising & Communications Committee - Helen Protheroe (Chair)
- Sustainability & Community Committee - Sara Turnbull (Chair)

Each Committee determines its own frequency for meetings subject to the requirement to meet at least twice each year.

Management

Overall responsibility for the management of the company has been undertaken by the Chair and Vice-Chair. A full-time CEO has been appointed and took up her post in September 2022. Recruitment of further members of a management team was undertaken, with one further staff member having started work in the 2022-23 financial year.

Relationships with related parties

Trustees have no interests in the group or any related bodies.

The Foundation has no related parties.

Major risks and management of those risks

The Foundation - having had only one employee, no premises and no capital commitments - has had minimal risk exposure during the reporting period. A full assessment will be given in the next Annual Report and Financial Statements.

THE CYFARTHA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

Reference and Administrative Details

Registered Charity Number: 1199025

Registered Company Number: 12990619 (England & Wales)

Trustees:

Dr C Bell

Mr G N Hunt

Sir Simon Jenkins

Ms H Protheroe

Ms L V Mytton

Mr R W Rummey

Dr M B Loeffler

Mr D E Jones

S K McConnell Turnbull

Prof H M Kara

G V Thomas

Mr G Talfan Davies (Chair)

Mr G Rowland Davies (Vice Chair)

Ms S Hopkins

Senior Managers

Ms A Baker (CEO)

Registered Office: C/o Mitchell Meredith

The Business Centre

Triangle Business Park

Merthyr Tydfil

CF48 4TQ

Bankers: Barclays Bank plc

Aberfan Branch

9 Aberfan Road

Aberfan

Merthyr Tydfil

Mid Glamorgan

CF48 4QL

Independent Examiner: Mitchell Meredith Limited

The Business Park

Triangle Business Centre

Merthyr Tydfil

CF48 4TQ

THE CYFARTHA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

The trustees (who are also the directors of The Cyfarthfa Foundation for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations. The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial period. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in business.

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

THE CYFARTHA FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 10/11/2023 and signed on its behalf by



Mr G T Davies
Trustee

THE CYFARTHFA FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEE OF THE CYFARTHFA FOUNDATION

I report to the trustee on my examination of the financial statements of The Cyfarthfa Foundation (the charity) for the year ended 31 March 2023.

Responsibilities and basis of report

As the trustee of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

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

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

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



Mitchell Meredith Limited

The Business Park
Triangle Business Centre
Merthyr Tydfil
CF48 4TQ

Dated: 10/11/2023

THE CYFARTHFA FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Restricted funds 2023 £	Restricted funds 2022 £
<u>Income from:</u>			
Grant Income	3	367,486	75,275
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	4	182,920	61,818
		<hr/>	<hr/>
Net income for the year/ Net movement in funds		184,566	13,457
Fund balances at 1 April 2022		13,457	-
		<hr/>	<hr/>
Fund balances at 31 March 2023		198,023	13,457
		<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE CYFARTHFA FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	9		3,935		-
Current assets					
Debtors	10	984		-	
Cash at bank and in hand		197,708		16,356	
		<u>198,692</u>		<u>16,356</u>	
Creditors: amounts falling due within one year	11	<u>(4,604)</u>		<u>(2,899)</u>	
Net current assets			194,088		13,457
Total assets less current liabilities			<u>198,023</u>		<u>13,457</u>
Income funds					
Restricted funds	12	198,023			13,457
Unrestricted funds		-			-
		<u>198,023</u>			<u>13,457</u>

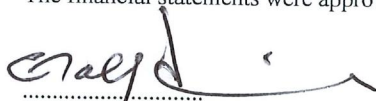
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023.


The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustee on 10/11/2023


.....
Mr G T Davies
Trustee


.....
Mr G R Davies
Trustee

Company registration number 12990619

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

The Cyfarthfa Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is C/o Mitchell Meredith, The Business Centre, Triangle Business Park, Merthyr Tydfil, CF48 4TQ, UK.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustee have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustee continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustee in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% straight line
Computers	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustee are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Grant Income

	Restricted funds	Restricted funds
	2023	2022
	£	£
Grants received (see note 12)	367,486	75,275

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

	Charitable Expenditure 2023 £	Charitable Expenditure 2022 £
Staff costs	53,763	-
Share of support costs (see note 5)	109,853	10,628
Share of governance costs (see note 5)	19,304	51,190
	<u>182,920</u>	<u>61,818</u>

5 Support costs

	Support costs £	Governance costs £	2023 £	2022 £
Office expenses	1,534	227	1,761	1,408
Subscriptions	608	-	608	360
Advertising and marketing	20,862	-	20,862	9,744
Project costs	79,086	-	79,086	-
Legal & professional	-	11,482	11,482	5,742
Depreciation	321	-	321	-
Bank charges	82	-	82	-
Other expenses	55	-	55	-
Travel & subsistence	1,294	-	1,294	649
Recruitment costs	6,011	-	6,011	-
Accountancy	-	4,467	4,467	2,484
Cost of Trustee meetings	-	3,128	3,128	2,544
Board recruitment expenses	-	-	-	38,887
	<u>109,853</u>	<u>19,304</u>	<u>129,157</u>	<u>61,818</u>
Analysed between				
Charitable activities	<u>109,853</u>	<u>19,304</u>	<u>129,157</u>	<u>61,818</u>

Included within accountancy are costs for the Independent examiners fees of £3,747 (2022- £2,484) for examination of the financial statements.

6 Trustee

None of the trustee (or any persons connected with them) received any remuneration or benefits from the charity during the year.

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

7 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	1	-
	<u>1</u>	<u>-</u>
Employment costs	2023	2022
	£	£
Wages and salaries	53,030	-
Other pension costs	733	-
	<u>53,763</u>	<u>-</u>

There were no employees whose annual remuneration was more than £60,000.

8 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

9 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
Additions	809	3,447	4,256
At 31 March 2023	<u>809</u>	<u>3,447</u>	<u>4,256</u>
Depreciation and impairment			
Depreciation charged in the year	33	288	321
At 31 March 2023	<u>33</u>	<u>288</u>	<u>321</u>
Carrying amount			
At 31 March 2023	<u>776</u>	<u>3,159</u>	<u>3,935</u>

10 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Prepayments and accrued income	984	-
	<u>984</u>	<u>-</u>

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

11 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	-	415
Accruals and deferred income	4,604	2,484
	<u>4,604</u>	<u>2,899</u>

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources	Resources expended	Balance at 1 April 2022	Incoming resources	Resources expended	Balance at 31 March 2023
	£	£	£	£	£	£
WG Seed Fund	70,275	(61,458)	8,817	318,792	(121,349)	206,260
MTCBC Seed Fund	5,000	(360)	4,640	-	(1,884)	2,756
Art Consultancy	-	-	-	33,204	(33,204)	-
National Contemporary Art Gallery	-	-	-	9,990	(9,990)	-
UK Shared Prosperity Fund	-	-	-	5,500	(16,493)	(10,993)
	<u>75,275</u>	<u>(61,818)</u>	<u>13,457</u>	<u>367,486</u>	<u>(182,920)</u>	<u>198,023</u>

WG Seed Fund - to support the development and delivery of The Cyfarthfa Plan.

MTCBC Seed Fund - to support the development and delivery of The Cyfarthfa Plan.

Art Consultancy - to develop an art proposition at Cyfarthfa Castle, via consultancy.

National Contemporary Art Gallery Welsh Government- to develop an Art Proposition at Cyfarthfa Castle and to support with the bid to become the National Contemporary Art Gallery.

UK Shared Prosperity Fund - to support the development of community engagement and to assess the feasibility of associated projects.

13 Analysis of net assets between funds

	Restricted funds 2023	Restricted funds 2022
	£	£
Fund balances at 31 March 2023 are represented by:		
Tangible assets	3,935	-
Current assets/(liabilities)	194,088	13,457
	<u>198,023</u>	<u>13,457</u>

THE CYFARTHFA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

14 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

THE CYFARTHFA FOUNDATION

England & Wales - Charity number 1199025

Accounts

Company registration number: 12990619

Charity registration number: 1199025

The Cyfarthfa Foundation

(A company limited by guarantee)

Annual Report and Financial Statements

for the period from 2 November 2020 to 31 March 2022

The Cyfarthfa Foundation

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Independent Examiner's Report	9
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Notes to the Financial Statements	12 to 17

The Cyfarthfa Foundation

Trustees' Report

The Cyfarthfa Foundation was incorporated on 2nd November 2020. The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the period ended 31 March 2022.

The Foundation has been granted charitable status by the Charity Commission. (Charity No. 5186086)

Objectives and activities

Objects and aims

The period under review has been a continuation of a preparatory phase. The incorporation of the Foundation followed more than three years of thorough preparatory work to create a vision for the development of Cyfarthfa Castle and Park at Merthyr Tydfil into a museum and gallery of international quality, resting on Merthyr Tydfil's historical status as a crucible of the industrial revolution.

The process had started with a design charrette in October 2017 that convened more than 60 people representing the local community along with historians, architects and landscape planners, under the auspices of the Design Commission for Wales and with assistance from the Welsh School of Architecture.

The outcome was the 'Crucible' report that envisaged the development of Cyfarthfa as a national centre for industrial heritage. The report was accepted unanimously by Merthyr Tydfil Council that agreed to commission a masterplan for the area. Following a competitive process Ian Ritchie Architects were appointed, leading an internationally renowned multi-disciplinary team.

In 2020 the Ian Ritchie team set out a 20-year vision in The Cyfarthfa Plan, a plan that was accepted unanimously by Merthyr Tydfil Council. The Council also agreed in principle to transfer the castle and park to a new charitable enterprise – The Cyfarthfa Foundation – created to realise this vision. This was also agreed in principle by the Merthyr Tydfil Leisure Trust that currently manages the castle and park. This transfer of assets will require careful negotiation between the Foundation, the Leisure Trust and the Council over the next year.

Merthyr Tydfil is a town that has written itself into the history of Wales and the world – a place of pioneering technological, industrial, political, social and environmental change. Its history is so rich that it deserves a modern re-telling in all its variety. Its themes and stories speak to the present and hold lessons for the future; a history that can inspire a community's re-invention.

At Merthyr Tydfil's heart are the dramatic relics of furnaces built a quarter of a millennium ago, together with Cyfarthfa Castle and its 160-acre park – the latter an unsung jewel in its crown – built for the ironmaster William Crawshay II in 1825. It now approaches its bicentennial.

Our Vision

To transform Cyfarthfa Castle and Park - a crucible of the industrial revolution - into a cultural centre and visitor attraction of international quality and an engine of social renewal.

Our Mission

To celebrate the history and heritage of the place, to heal and enhance its natural environment, to be a platform for culture and creativity, and to do so with regard for the needs of all parts of the community and the principles of sustainability.

The Cyfarthfa Foundation

Trustees' Report

Objectives, strategies and activities

The main objectives for the period under review were i) to identify core funding for the early development phase, ii) the recruitment of a full Board of Trustees with the required experience to steer a project of this magnitude, and iii) to define the shape of a management team and the criteria for the appointment of a Project Director. All were successfully accomplished
Funding of the development phase.

In 2021 the Welsh Government provided £1.2m for a development phase, seeing it as a pivotal project and a 'discovery gateway' in the emerging Valleys Regional Park. It is this development phase that is now under way. The proposed expanded art galleries will also have a capacity to play an important role in a chain of galleries across Wales.

Public benefit

The sole purpose of the Foundation is to develop Cyfarthfa as a single location where powerfully connected themes and purposes will work holistically to benefit the community and to attract a large and wide audience. This will include the promotion and advancement of the arts, culture, education and the environment through development of the castle and its museum as well as related historical structures and the landscape in which they sit. This will entail deep engagement with the community in ways that will also assist social renewal.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial review

The financial period covering the initiation of the Foundation's activities is covered in the financial statements on pages 9 to 10. These activities have been confined to setting up the charity, recruiting Trustees and a Chief Executive together with discussions concerning future plans and feasibility studies.

The Charity's funding thus far, during the development phase, has been provided through a grant from Welsh Government of £1.2m. For practical reasons, in this first year this grant has been administered on the Foundation's behalf by Merthyr Council, with the Foundation calling down funds as required. £75,275 of this grant has been drawn down thus far.

At the end of the accounting period covered by this report, the Foundation had Restricted Funds Carried forward of £13,457. This does not include the balance of the Welsh Government grant amounting to £1,124,725 held on the Foundation's behalf by Merthyr Council.

The Foundation monitors its current and expected cashflows carefully, through its Finance and Audit Committee, to ensure continued liquidity. Its policy is to ensure that reserves are maintained at a level of at least three months' charitable expenditure, as described by the Reserves Policy. Its fundraising activities are integrated into financial planning and major projects will only be undertaken when a clear financing strategy has been approved by the Trustees.

Policy on reserves

The Cyfarthfa Foundation, given that it is newly established, will be engaged in fundraising to cover the major capital plans that will emerge over time in the achievement of its aims. It has a reserves policy currently of three months' charitable expenditure.

The Cyfarthfa Foundation

Trustees' Report

Principal funding sources

Initial funding of this project has been a via a combination of £250,000 from Merthyr Tydfil Council for the commissioning of the masterplan and the provision of £1.2m by the Welsh Government for a development phase. The masterplan process was undertaken before the formation of the company. A Fundraising & Communications committee of the board has been established, charged with formulating a fundraising strategy. We anticipate that funding will be sought from a combination of government sources, the National Heritage Lottery Fund and private foundations. In August 2022 the Foundation also submitted a funding bid to the UK Government's Shared Prosperity Fund. This was done via Merthyr Tydfil Council.

Plans for future periods

Aims and key objectives for future periods

The appointment of Anna Baker as Project Director and leader of the staff team is a pivotal moment in the development of the project. She began in post in September 2022. The intention is to recruit other key personnel in the next months. This will create conditions which we hope will enable accelerated progress in terms of i) formulating development proposals, ii) fundraising and iii) community engagement.

Structure, governance and management

Nature of governing document

The Cyfarthfa Foundation is a company limited by guarantee that also has charitable status. Its remit, purposes and arrangements for the conduct of business are defined in its Articles of Association

Recruitment and appointment of trustees

In its initial period the Foundation had five directors - three independent directors and two Council representatives. In 2021 the Foundation set about the recruitment of a full Board of 14 Trustees. This was an open public process, aided by recruitment consultants.

The Board's membership has been determined by the need to draw together a range of high-level expertise, skills and experience, as well as community representation, necessary to carry out the full remit of the Board's responsibilities and to progress the realisation of the Cyfarthfa Plan. Merthyr Tydfil County Borough Council has the right to nominate two of its elected members to the Board of the Foundation.

The Cyfarthfa Foundation

Trustees' Report

Induction and training of trustees

All new Trustees are provided with an induction to the Company and given guidance as to the role and responsibilities of being both a charity trustee and a company director. A copy of the Company's Governance Code is provided for each director as part of the induction process.

We believe we have recruited a Board of exceptional quality and experience. The Board members are:
Geraint Talfan Davies (Chair) - a writer and broadcaster who has had a long involvement with public policy and the arts in Wales, including as Chair of Welsh National Opera.

Dr Carol Bell - originally from Felindre, Swansea, and an experienced industrialist, financier and charity trustee, including as a Vice President of National Museum Wales.

Rowland Davies - a solicitor and the former head of the real estate practice of Geldards LLP where he specialised in major long-term projects for the public, private and third sectors.

Sarah Hopkins - Headteacher at Bishop Hedley Catholic High School in Merthyr Tydfil.

Geoff Hunt - a Senior Director and Board member at Arup in the UK and was its Chief Operating Officer from 2016-2022.

Sir Simon Jenkins - a journalist, author and broadcaster who has also served as the Chairman of the National Trust.

Ewan Jones - an architect and a partner at Grimshaw, the international practice that designed the Eden Project. He is also a former Board member of the Design Commission for Wales.

Professor Hanif Kara - co-Founder and Design Director of AKT II, a design-led structural and civil engineering firm in London. He is also Professor in Practice of Architectural Technology at Harvard Graduate School of Design.

Lisa Mytton - a former Leader of Merthyr Tydfil Council, former Cabinet Member for Learning and a governor of Cyfarthfa Park Primary School

Helen Protheroe - Director of Development and Alumni Relations at The Royal College of Art.

Dr Marion Loeffler - historian and broadcaster and Reader in Welsh History at Cardiff University specialising in the industrial and cultural history of modern Wales.

Robert Rummey - an architect and landscape architect specialising in re-purposing historic assets. He has undertaken projects in the UK and Italy.

Cllr Geraint Thomas - Leader of Merthyr Tydfil Council who represents the Cyfarthfa ward.

Sara Turnbull - a chartered environmentalist and social entrepreneur, former Vice Chair of the European Sustainable Development Council and a non-executive director of the Swansea-based Coastal Housing Group.

Arrangements for setting key management personnel remuneration

The Foundation had no employees during the year under review. A remuneration policy will be developed and reported upon in the next Annual Report and Financial Statements.

The Cyfarthfa Foundation

Trustees' Report

Organisational structure

The Board of Trustees, which now has 14 members, is responsible for approving overall policies, plans and organisation. It has four standing committees to which responsibility is delegated for scrutiny of specialist areas. Each Committee reports to the Board of Trustees, which is the decision making body. It meets not less than six times per year and delegates appropriate matters to the committees listed below

- a Finance & Audit Committee - Dr Carol Bell (Chair)
- a Development Committee - Ewan Jones (Chair)
- a Fundraising & Communications Committee - Helen Protheroe (Chair)
- a Sustainability & Community Committee - Sara Turnbull (Chair)

Each Committee determines its own frequency for meetings subject to the requirement to meet at least twice each year.

Management

During this initial accounting period the Foundation has not employed any full-time staff. Overall responsibility for the management of the company has been undertaken by the Chair and Vice-Chair. A full-time Project Director has been appointed and will take up her post in September 2022. Recruitment of further members of a management team is planned.

Relationships with related parties

Trustees have no interests in the group or any related bodies.

The Foundation has no related parties.

Major risks and management of those risks

The Foundation, having had no employees, premises or capital commitments has had minimal risk exposure during the reporting period. A full assessment will be given in the next Annual Report and Financial Statements.

The Cyfarthfa Foundation

Trustees' Report

Reference and Administrative Details

Trustees:	Dr C Bell (appointed 19 August 2021) Mr G N Hunt (appointed 19 August 2021) Sir S D Jenkins (appointed 19 August 2021) Ms H Protheroe (appointed 11 December 2020) Ms L V Mytton (appointed 2 November 2020) Mr R W Rummey (appointed 19 August 2021) Dr M B Loeffler (appointed 19 August 2021) Mr D E Jones (appointed 19 August 2021) S K McConnell Turnbull (appointed 19 August 2021) Prof H M Kara (appointed 19 August 2021) G V Thomas (appointed 2 November 2020) Mr G Talfan Davies (appointed 2 November 2020) Mr G R Davies (appointed 2 November 2020)
Charity Registration Number:	1199025
Company Registration Number:	12990619 The charity is incorporated in Wales.
Principal Office:	C/o Mitchell Meredith The Business Centre Triangle Business Park Merthyr Tydfil CF48 4TQ
Bankers:	Barclays Bank plc Aberfan Branch 9 Aberfan Road Aberfan Merthyr Tydfil Mid Glamorgan CF48 4QL
Independent Examiner:	Mitchell Meredith Limited The Business Park Triangle Business Centre Merthyr Tydfil CF48 4TQ

The Cyfarthfa Foundation

Trustees' Report

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

The trustees (who are also the directors of The Cyfarthfa Foundation for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations. The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial period. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in business.

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

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The Cyfarthfa Foundation

Trustees' Report

The annual report was approved by the trustees of the charity on 30.9.22 and signed on its behalf by:



.....
Mr G Talfan Davies
Trustee

The Cyfarthfa Foundation

Independent Examiner's Report to the trustees of The Cyfarthfa Foundation ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

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


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

Independent examiner's statement

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

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

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


.....
Mr J Mitchell - BFP ACA
Mitchell Meredith Chartered Accountants
The Business Park
Triangle Business Centre
Merthyr Tydfil
CF48 4TQ

Date: 25.10.2022

The Cyfarthfa Foundation

Statement of Financial Activities for the Period from 2 November 2020 to 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and Legacies				
Grant - Merthyr Tydfil County Borough Council	3	-	75,275	75,275
Charitable activities		<u>-</u>	<u>-</u>	<u>-</u>
Total income		<u>-</u>	<u>75,275</u>	<u>75,275</u>
Expenditure on:				
Raising funds		-	-	-
Charitable activities	5	<u>-</u>	<u>(61,818)</u>	<u>(61,818)</u>
Total expenditure		<u>-</u>	<u>(61,818)</u>	<u>(61,818)</u>
Net income		<u>-</u>	<u>13,457</u>	<u>13,457</u>
Net movement in funds		-	13,457	13,457
Reconciliation of funds				
Total funds brought forward		<u>-</u>	<u>-</u>	<u>-</u>
Total funds carried forward	11	<u>-</u>	<u>13,457</u>	<u>13,457</u>

All of the charity's activities derive from continuing operations during the above period.

The notes on pages 12 to 17 form an integral part of these financial statements.

The Cyfarthfa Foundation

(Registration number: 12990619)
Balance Sheet as at 31 March 2022

	Note	2022 £
Current assets		
Cash at bank and in hand		16,356
Creditors: Amounts falling due within one year	10	<u>(2,899)</u>
Net assets		<u>13,457</u>
Funds of the charity:		
Restricted income funds		
Restricted funds		<u>13,457</u>
Total funds	11	<u>13,457</u>


For the financial period ending 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 10 to 17 were approved by the trustees, and authorised for issue on 30.03.22 and signed on their behalf by:


.....
Mr G Talfan Davies
Trustee


.....
Mr G R Davies
Trustee

The notes on pages 12 to 17 form an integral part of these financial statements.

The Cyfarthfa Foundation

Notes to the Financial Statements for the Period from 2 November 2020 to 31 March 2022

1 Charity status

The charity is limited by guarantee, incorporated in Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The principal place of business is:

C/o Mitchell Meredith
The Business Centre
Triangle Business Park
Merthyr Tydfil
CF48 4TQ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The Cyfarthfa Foundation 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 notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

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

The Cyfarthfa Foundation

Notes to the Financial Statements for the Period from 2 November 2020 to 31 March 2022

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

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

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

The Cyfarthfa Foundation

Notes to the Financial Statements for the Period from 2 November 2020 to 31 March 2022

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

3 Income from donations and legacies

	Restricted funds £	Total 2022 £
Grants receivable (Note 4)	75,275	75,275
	<u>75,275</u>	<u>75,275</u>

4 Grants

	Restricted Funds £	Total Funds 2022 £
Welsh Government via Merthyr Tydfil County Borough Council	75,275	75,275
	<u>75,275</u>	<u>75,275</u>

The Cyfarthfa Foundation

Notes to the Financial Statements for the Period from 2 November 2020 to 31 March 2022

5 Expenditure on charitable activities

	Note	Restricted funds £	Total funds £
Allocated support costs	6	10,628	10,628
Governance costs	6	51,190	51,190
Total for period ended 31 March 2022		61,818	61,818

6 Analysis of governance and support costs

Governance costs

	Restricted funds £	Total 2022 £
Independent examiner fees	2,484	2,484
Cost of trustee meetings	2,544	2,544
Travel and subsistence	649	649
Board Recruitment Expenses	38,887	38,887
Insurance	884	884
Legal and professional fees	5,742	5,742
	51,190	51,190

Analysis of support costs

	Charitable Activity £	Total 2022 £
Office expenses	524	524
Advertising and Marketing	9,744	9,744
Subscriptions	360	360
	10,628	10,628
	10,628	10,628

The Cyfarthfa Foundation

Notes to the Financial Statements for the Period from 2 November 2020 to 31 March 2022

7 Trustees remuneration and expenses

During the period the charity made the following transactions with trustees:

3 Trustees were reimbursed for expenses in the period totalling £649

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

8 Independent examiner's remuneration

	2022 £
Examination of the financial statements	<u>2,484</u>

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

10 Creditors: amounts falling due within one year

	2022 £
Trade creditors	415
Accruals	<u>2,484</u>
	<u>2,899</u>

11 Funds

	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Restricted funds			
Welsh Government via Merthyr Tydfil County Borough Council	<u>75,275</u>	<u>(61,818)</u>	<u>13,457</u>

The specific purposes for which the funds are to be applied are as follows:

Welsh Government via Merthyr Tydfil County Borough Council - to support the development and delivery of The Cyfarthfa Plan

The Cyfarthfa Foundation

Notes to the Financial Statements for the Period from 2 November 2020 to 31 March 2022

12 Analysis of net assets between funds

	Restricted funds £	Total funds at 31 March 2022 £
Current assets	16,356	16,356
Current liabilities	<u>(2,899)</u>	<u>(2,899)</u>
Total net assets	<u><u>13,457</u></u>	<u><u>13,457</u></u>

13 Related party transactions

There were no related party transactions in the period.