

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 CYFARTHA 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 21/01/24 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

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Restricted funds 2023 £
<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	
		194,395		198,692	
Creditors: amounts falling due within one year	12	(50,333)		(4,604)	
Net current assets			144,062		194,088
Total assets less current liabilities			151,462		198,023
Income funds					
Restricted funds	13	151,438		198,023	
Unrestricted funds		24		-	
		151,462		198,023	

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 2024 £	Charitable Expenditure 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 Number	2023 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>

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 Contemporary 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).