

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 Sargeant, 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.

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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 participants 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

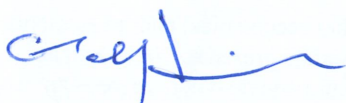
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

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 24/11/25 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

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
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)	<u>454,510</u>	<u>545,682</u>

4 Other income

	Total	Unrestricted funds
	2025 £	2024 £
Other income	<u>-</u>	<u>24</u>

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)	<u>13,203</u>	<u>13,084</u>
	<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	<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	<u>47,612</u>	<u>4,458</u>
	<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:

	Balance at 1 April 2023 £	Movement in funds		Balance at 1 April 2024 £	Movement in funds		Balance at 31 March 2025 £
		Incoming resources £	Resources expended £		Incoming resources £	Resources expended £	
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).

