

CHARITY REGISTRATION NUMBER: 507587

Castle Park Trust
Unaudited Financial Statements
31 March 2022

AGP
Chartered Accountants
Sycamore House
Sutton Quays Business Park
Sutton Weaver
Runcorn
Cheshire
WA7 3EH

Castle Park Trust
Financial Statements
Year ended 31 March 2022

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Castle Park Trust
Trustee's Annual Report
Year ended 31 March 2022

The trustee presents his report and the unaudited financial statements of the charity for the year ended 31 March 2022.

Reference and administrative details

Registered charity name Castle Park Trust

Charity registration number 507587

Principal office Council Offices
4 Civic Way
Ellesmere Port
CH65 0BE

The trustee Cheshire West and Chester
Council, which comprises 75
Members, none of whom are
remunerated by the charity.

Independent examiner Rachel Palombella FCA
AGP Chartered Accountants
Sycamore House
Sutton Quays Business Park
Sutton Weaver
Runcorn
Cheshire
WA7 3EH

Solicitors Cheshire West and Chester Council Solicitors

Bank Lloyds Bank PLC through Cheshire West and Chester Council

Castle Park Trust
Trustee's Annual Report *(continued)*
Year ended 31 March 2022

Structure, governance and management

The Charity is administered under a "Scheme" approved by the Charity Commissioners for England and Wales.

During 2021-22 the day to day operations of the Charity were administered by an Executive Management Committee comprising of Councillors from the wards local to Castle Park, namely:

Frodsham (2 representatives)
Helsby
Sandstone

The Members of the Committee may also include other organisations which use the Park or are closely associated with the park to send representatives to the Executive Committee meetings in a non-voting capacity. Organisations represented in 2021-22 include Frodsham Town Council and Castle Park Arts Centre Trust.

The "House" and "Grounds" are managed in accordance with two Service Level Agreements (SLA's) between the Trust (Owner) and Cheshire West and Chester Council (Provider).

The "House" SLA provides for the Council to manage the building on behalf of the Trust and account for any rental income from licences and lettings after the deduction of management, maintenance, insurance, and administration costs.

The "Grounds" SLA allows for the Council to use the grounds and facilities for the provision of its leisure function as a Local Authority. In return the Council agrees to maintain the grounds to an agreed standard at nil cost to the Trust.

Objectives and activities

The Castle Park Trust, Frodsham Charity (the 'Trust') was established during 1933. The governing documents are two trust deeds dated 30 March 1933 as varied by a deed of gift dated 14 April 1934.

The building and park land were given to the former Runcorn Rural District Council in 1933 to hold on trust for the public benefit of the area. Restrictions under the governing document in force at 31 March 2022 included:

- to use the buildings for Council Offices, the advancement of education, a museum, art gallery, or public library (although they can be leased if there is no requirement for these purposes);
- to use the grounds for an historic park for public use;
- only to erect new buildings if they are necessary or desirable to further the objects of the charity, and do not effect the historic character of the park.

The objects of the Charity are:

The use of the buildings known as Castle Park House and outbuilding for:

- Council offices for the purposes of the Council as Local Authority and the inhabitants of the area of benefit (the administrative area of Cheshire West and Chester Council);
- the advancement of the education of the inhabitants of the area of benefit;
- a museum, art gallery or public library;
- the use of the remaining land and buildings as a public park for the benefit of inhabitants of the area.

Whilst daily admission for the public to the park is generally free, the Trust may allow the park to be used for special events from time to time for which a charge may be made.

When making such decisions upon the use of the Trust's buildings and grounds, consideration has been given to the Charity Commission's public benefit guidance where this guidance is relevant.

Castle Park Trust
Trustee's Annual Report *(continued)*
Year ended 31 March 2022

Achievements and performance

Facilities available at Castle Park include office accommodation, conference room and an arts centre. External facilities include landscaped gardens, a café, bowling greens and tennis courts.

Financial review

The Trust's principal source of funding is from the letting of office space within the "House" and during 2021-22 the Trust received £132,407 (£106,254) in rental, licenses and other property related income. The Trust also received investment income of £527 (£370).

The Trust incurred expenditure of £120,833 (£103,539) in respect of the maintenance and administration of the "House".

It is also relevant to note that a further amount of £2,683 has been transferred to the permanent endowment in accordance with the Charity Commission agreement to re-instate the £161,000 contribution made in 2005-06 from this fund towards the cost of the refurbishment of the house.

A grant of £5,000 was received from Public Health to develop Health & Wellbeing activities, which has been put into Reserves for use in 2022-23. A sum of £10,000 has been transferred into the capital works fund to be used to finance future major property refurbishment and replacement costs. This balance continues to be available as an unrestricted fund.

The valuation of Castle Park House at the end of 2021-22 was £414,900 (£325,700) and so tangible fixed assets have increased by £89,200.

Overall net incoming resources for the year were £12,101 (£3,085) giving total cash backed reserves carried forward of £389,700 (£377,599).

Reserves Policy

The Charity's reserves of £389,700 (excluding those funds tied up in property) are represented by the residual sale proceeds of 63 Park Lane (permanent endowment), the expendable endowment fund, and an Unrestricted Income fund. The Unrestricted Fund has been split between a General Fund which is available to fund any aspect of expenditure and a capital works fund which is set aside to fund future repairs and maintenance costs on the premises. These reserves are considered sufficient to meet the on-going needs of the charity.

Investment Policy

The Charity's policy is for Cheshire West and Chester Council to invest all reserves in line with its own Annual Investment Strategy, which gives priority to the security and liquidity of investments rather than to their yield. The return achieved on investments in 2021-22 was 0.14%.

Castle Park Trust
Trustee's Annual Report *(continued)*
Year ended 31 March 2022

Risk Review

The activities and property of the charity form part of Cheshire West and Chester Council's ongoing corporate risk management arrangements and are considered within the Trust's business planning process.

There was a small impact on rental due to COVID-19 and the Council repaid three months unpaid rent via Covid grants.

There have been unusually large water costs incurred in 2021-22. This also occurred in 2020-21 but this was partly addressed by correction of an incorrect meter reading. Whilst there was some flooding in the early part of the year the costs are still high and are being investigated.

The Trust will continue to work with the Council to ensure that its risks are given due prominence within the Council's corporate risk and asset management processes, and Trust assets do not suffer significant detriment through unreasonable actions or inactions.

Plans for future periods

The charity plans to continue to provide the activities and facilities outlined in "Objectives and Activities" and "Achievements and Performance".

Trustees

The Trustees of the Trust as at 31 March 2022 are detailed on Page 1.

The trustee's annual report was approved on ...12.01.2023... and signed on behalf of the board of trustees by:



Cllr L Riley
By order of the committee

Castle Park Trust

Independent Examiner's Report to the Trustee of Castle Park Trust

Year ended 31 March 2022

I report to the trustee on my examination of the financial statements of Castle Park Trust ('the charity') for the year ended 31 March 2022.

Responsibilities and basis of report

As the trustee of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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



Rachel Palombella FCA
AGP Chartered Accountants
Independent Examiner

Sycamore House
Sutton Quays Business Park
Sutton Weaver
Runcorn
Cheshire
WA7 3EH

12 January 2022

Castle Park Trust
Statement of Financial Activities
Year ended 31 March 2022

		Unrestricted funds	2022 Endowment funds	Total funds	2021 Total funds
	Note	£	£	£	£
Income and endowments					
Charitable activities	4	132,407	–	132,407	106,254
Investment income	5	–	527	527	370
Total income		<u>132,407</u>	<u>527</u>	<u>132,934</u>	<u>106,624</u>
Expenditure					
Expenditure on charitable activities	6,7	120,833	–	120,833	103,539
Total expenditure		<u>120,833</u>	<u>–</u>	<u>120,833</u>	<u>103,539</u>
Net income		<u>11,574</u>	<u>527</u>	<u>12,101</u>	<u>3,085</u>
Transfers between funds		(2,683)	2,683	–	–
Other recognised gains and losses					
Gains/(losses) on valuation of investment property		–	89,200	89,200	17,400
Net movement in funds		<u>8,891</u>	<u>92,410</u>	<u>101,301</u>	<u>20,485</u>
Reconciliation of funds					
Total funds brought forward		183,480	519,819	703,299	682,814
Total funds carried forward		<u>192,371</u>	<u>612,229</u>	<u>804,600</u>	<u>703,299</u>

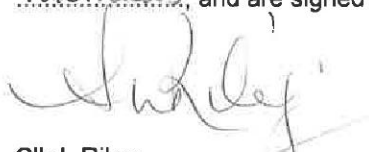
The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 8 to 15 form part of these financial statements.

Castle Park Trust
Statement of Financial Position
31 March 2022

	Note	2022 £	£	2021 £
Fixed assets				
Tangible fixed assets	12		414,900	325,700
Current assets				
Debtors	13	1,763		22,548
Cash at bank and in hand		389,196		358,956
		<u>390,959</u>		<u>381,504</u>
Creditors: amounts falling due within one year	14	<u>1,259</u>		<u>3,905</u>
Net current assets			<u>389,700</u>	<u>377,599</u>
Total assets less current liabilities			<u>804,600</u>	<u>703,299</u>
Funds of the charity				
Endowment funds:				
Permanent endowment funds			476,101	384,218
Expendable endowment funds			136,128	135,601
Unrestricted funds			<u>192,371</u>	<u>183,480</u>
Total charity funds	15		<u>804,600</u>	<u>703,299</u>

These financial statements were approved by the board of trustees and authorised for issue on 12.01.2023, and are signed on behalf of the board by:


Cllr L Riley
By order of the committee

The notes on pages 8 to 15 form part of these financial statements.

Castle Park Trust
Notes to the Financial Statements
Year ended 31 March 2022

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Council Offices, 4 Civic Way, Ellesmere Port, CH65 0BE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustee for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Expendable endowment

The balance carried forward on the Expendable Endowment fund is £136,128.

Castle Park Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Incoming resources

Investment income

Investment income is credited to the account based on the average rate of return on investments earned by Cheshire West & Chester Council during the financial year. Interest is calculated on the average balance held by the charity during the year.

Income from charitable activities

Income from Charitable Activities comprises mainly rent from the letting of rooms within the Castle Park Building. All lets have been approved by the Charity Commission as required within the governing document.

Revenue recognition

All income included in the Financial Statements has been accounted for on an accruals basis and relates to the financial year 1st April 2021 to 31st March 2022.

Resources expended

Direct Charitable expenditure

The governing document requires the maintenance and preservation of the Castle Park Building. The costs of maintenance and preservation are recorded as "Direct Charitable Expenditure".

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Castle Park Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of banks loans which are subsequently measured at amortised cost using the effective interest method.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

4. Charitable activities

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Rent income	98,330	98,330	72,819	72,819
Ice cream licence and cafe income	4,277	4,277	6,667	6,667
Front of house funding	22,000	22,000	22,000	22,000
Other contributions	7,800	7,800	4,768	4,768
	<u>132,407</u>	<u>132,407</u>	<u>106,254</u>	<u>106,254</u>

5. Investment income

	Endowment Funds	Total Funds 2022	Endowment Funds	Total Funds 2021
	£	£	£	£
Bank interest receivable	527	527	370	370

Castle Park Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Maintenance and preservation of Castle Park building and grounds	77,824	77,824	64,342	64,342
Support costs	43,009	43,009	39,197	39,197
	<u>120,833</u>	<u>120,833</u>	<u>103,539</u>	<u>103,539</u>

7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Maintenance and preservation of Castle Park building and grounds	77,824	42,009	119,833	102,539
Governance costs	—	1,000	1,000	1,000
	<u>77,824</u>	<u>43,009</u>	<u>120,833</u>	<u>103,539</u>

8. Analysis of support costs

	Support costs £	Total 2022 £	Total 2021 £
Premises	2,831	2,831	2,559
Governance costs	1,000	1,000	1,000
Legal, professional and admin fees	39,178	39,178	35,638
	<u>43,009</u>	<u>43,009</u>	<u>39,197</u>

9. Independent examination fees

	2022 £	2021 £
Fees payable to the independent examiner for: Independent examination of the financial statements	1,000	1,000

10. Staff costs

No salaries or wages have been paid to employees, including members of the committee, during the year.

11. Trustee remuneration and expenses

No remuneration or expenses were paid to trustees during the current or previous year.

Castle Park Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

12. Tangible fixed assets

	Land and buildings £
Cost	
At 1 April 2021	325,700
Revaluations	89,200
At 31 March 2022	414,900
Depreciation	
At 1 April 2021 and 31 March 2022	—
Carrying amount	
At 31 March 2022	414,900
At 31 March 2021	325,700

Property valuations

The building has been valued on an open market (existing use) basis by Cheshire West & Chester Councils Estates Officer in accordance with the Statements of Asset Valuation Principles and Guidance Notes issued by the Royal Institution of Chartered Surveyors (RICS). The basis of valuation does not require the asset to be depreciated and reflects the fact that under the terms of the Trust deed it cannot be sold. Any such depreciation would be immaterial. The last valuation was completed to reflect the value at 31st March 2022 and was an increase in value of £89,200 compared to 31st March 2021.

13. Debtors

	2022 £	2021 £
Other debtors	1,763	22,548

14. Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	1,259	3,905

Castle Park Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

15. Analysis of charitable funds

Unrestricted funds

	At 1 Apr 21	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 22
	£	£	£	£	£	£
General funds	16,712	132,407	(120,833)	(17,683)	—	10,603
Designated Fund	166,768	—	—	15,000	—	181,768
	<u>183,480</u>	<u>132,407</u>	<u>(120,833)</u>	<u>(2,683)</u>	<u>—</u>	<u>192,371</u>

	At 1 Apr 20	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 21
	£	£	£	£	£	£
General funds	21,448	106,254	(103,539)	(7,451)	—	16,712
Designated Fund	162,000	—	—	4,768	—	166,768
	<u>183,448</u>	<u>106,254</u>	<u>(103,539)</u>	<u>(2,683)</u>	<u>—</u>	<u>183,480</u>

Transfers between funds

Since 2012-13 a designated fund has existed against the need to finance future major capital works and lifecycle replacement costs. This fund will receive regular annual contributions from the unrestricted general fund and in years where significant costs are incurred, balances will be released to finance these costs. In 2021-22 this also contains a £5,000 contribution from Public Health to be used for specific Wellbeing initiatives to start in 2022-23.

Castle Park Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

15. Analysis of charitable funds *(continued)*

Endowment funds

	At 1 Apr 21 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 22 £
Permanent endowment - Permanent endowment fund	384,218	—	—	2,683	89,200	476,101
Expendable endowment - Investment income	135,601	527	—	—	—	136,128
	<u>519,819</u>	<u>527</u>	<u>—</u>	<u>2,683</u>	<u>89,200</u>	<u>612,229</u>

	At 1 Apr 20 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 21 £
Permanent endowment - Permanent endowment fund	364,135	—	—	2,683	17,400	384,218
Expendable endowment - Investment income	135,231	370	—	—	—	135,601
	<u>499,366</u>	<u>370</u>	<u>—</u>	<u>2,683</u>	<u>17,400</u>	<u>519,819</u>

The Permanent endowment fund is comprised of the following:

- Castle Park Building
- Residual sale proceeds of 63 Park Lane
- Annual contribution towards re-instatement of Permanent Endowment.

The building and park land were given to the former Runcorn District Council in 1933 to hold on trust for the public benefit of the area. Restrictions under the governing document in force at 31 March 2022 included:

- to use the buildings for Council Offices, the advancement of education, a museum, art gallery or public library (although they can be leased if there is no requirement for these purposes);
- to use the grounds for an historic park for public use;
- only to erect new buildings if they are necessary or desirable to further the objects of the charity, and do not effect the historic character of the park.

Castle Park Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

16. Analysis of net assets between funds

	Unrestricted Funds £	Endowment Funds £	Total Funds 2022 £
Tangible fixed assets	—	414,900	414,900
Current assets	193,630	197,329	390,959
Creditors less than 1 year	(1,259)	—	(1,259)
Net assets	192,371	612,229	804,600

	Unrestricted Funds £	Endowment Funds £	Total Funds 2021 £
Tangible fixed assets	—	325,700	325,700
Current assets	187,385	194,119	381,504
Creditors less than 1 year	(3,905)	—	(3,905)
Net assets	183,480	519,819	703,299

17. Related parties

The SORP requires that information in respect of material transactions with related parties be disclosed. In 2021-22 Cheshire West and Chester Council made the following payments to Castle Park Trust: rent of £13,806, £22,000 in lieu of providing a front of house service. A maintained school paid rent to the value of £39,582 and Public Health gave a grant of £5,000. Similarly, the Trust paid Cheshire West and Chester Council £19,861 in respect of management and legal fees. Frodsham Town Council paid rent of £5,100 to the Trust and received income from the Trust of £18,940 for front of house services provided.

Castle Park Trust
Management Information
Year ended 31 March 2022

The following pages do not form part of the financial statements.

Castle Park Trust
Detailed Statement of Financial Activities
Year ended 31 March 2022

	2022 £	2021 £
Income and endowments		
Charitable activities		
Rent income	98,330	72,819
Ice cream licence and cafe income	4,277	6,667
Front of house funding	22,000	22,000
Other contributions	7,800	4,768
	<u>132,407</u>	<u>106,254</u>
Investment income		
Bank interest receivable	527	370
	<u>527</u>	<u>370</u>
Total income	<u>132,934</u>	<u>106,624</u>
Expenditure		
Expenditure on charitable activities		
Maintenance and preservation of Castle Park building and grounds		
<i>Activities undertaken directly</i>		
Rates and water	36,334	18,732
Light, heat and communications	10,722	11,687
Repairs and maintenance	30,530	33,525
Telephone	238	398
	<u>77,824</u>	<u>64,342</u>
Support costs		
Building security	772	738
Insurance	2,059	1,821
Legal, professional and administration fees	39,178	35,638
	<u>42,009</u>	<u>38,197</u>
Governance costs		
Independent examiners fee	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Expenditure on charitable activities	<u>120,833</u>	<u>103,539</u>
Net income	<u>12,101</u>	<u>3,085</u>

