

Company Registration No. 3472093 (England and Wales)
Charity Registration No. 1071069

THE COWDRAY HERITAGE TRUST

(A COMPANY LIMITED BY GUARANTEE, NOT HAVING A SHARE CAPITAL)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006**



Saffery Champness

CHARTERED ACCOUNTANTS

THE COWDRAY HERITAGE TRUST
(A COMPANY LIMITED BY GUARANTEE, NOT HAVING A SHARE CAPITAL)
COMPANY INFORMATION

Directors and trustees	The Viscount Cowdray E A B Hamilton D B Baker P A Bostock C Hughes Lt Col T Pemberton R A Windle M A Fay N Dekker Dr D J Owen – (Appointed 25 November 2005)
Secretary	R A Windle
Company number	3472093
Charity number	1071069
Registered office	Cowdray Estate Office Midhurst West Sussex GU29 0AQ
Principal office	Midhurst Resource Centre Rosemary's Parlour North Street Midhurst West Sussex, GU29 9DR
Auditors	Saffery Champness Lion House Red Lion Street London WC1R 4GB
Bankers	Barclays Bank Plc Midhurst West Sussex GU29 9DJ

THE COWDRAY HERITAGE TRUST
(A COMPANY LIMITED BY GUARANTEE, NOT HAVING A SHARE CAPITAL)
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THE COWDRAY HERITAGE TRUST
(A COMPANY LIMITED BY GUARANTEE, NOT HAVING A SHARE CAPITAL)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2006

Structure, governance and management

The Cowdray Heritage Trust is a Company Limited by Guarantee. The company was incorporated on 27 November 1997 and its company number is 3472093. It is a registered charity, number 1071069. *The company is jointly organised and managed by representatives of the Cowdray Estate, Easebourne Parish Council, Midhurst Town Council and West Sussex County Council. The joint committees meet quarterly to discuss the trust affairs.*

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2005) 'Accounting and Reporting by Charities' issued in March 2005, in preparing the annual financial report and financial statements of the charity.

Trustees

The charity's trustees during the year ended 31 March 2006 were:-

The Viscount Cowdray

E A B Hamilton

D B Baker

P A Bostock

C Hughes

R A Windle

Lt Col T Pemberton

M A Fay

Miss J Drummond (resigned 14.4.05)

N Decker

Dr D J Owen (appointed 25.11.05)

Objectives and activities

The object of the charity is to preserve, maintain, improve and manage for the public benefit, the ruins of the Tudor mansion known as Cowdray Ruins together with its chattels and adjoining amenity land, and to facilitate and encourage access to and study and appreciation of the Cowdray Ruins and the chattels by the general public.

Policies and procedures for recruiting, induction and training of Trustees

Trustees are carefully selected to ensure the various local councils and the communities are represented alongside Cowdray Estate.

They are appointed by the existing Trustees as and when they deem it appropriate and necessary.

Induction and training of new trustees is completed by the existing trustees.

Trustees are kept up to date with Charity issues by attending updates when necessary.

In addition trustees keep up to date with relevant issues by reading the Charity Commission website.

Achievements and performance

The consolidation work has now commenced on the main parts of the Ruins, together with the Conduit House. Considerable progress has also been made over the fundraising campaign, thanks to a number of large donations.

THE COWDRAY HERITAGE TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2006

Plans for future periods

The renovation scheme was mainly completed 2006 after delays following the discovery of death watch beetles and it is proposed to open the Ruins to the public in April 2007.

Financial review

The charity has secured funds during the year to enable the major restoration projects on the main building and the Visitor Centre. £342,479 of the £2.7 million grant funding awarded by the Heritage Lottery Fund was received in the year in relation to grant applications.

Reserves policy

The trust's policy on reserves is to accumulate sufficient reserves to enable prudent property management of Cowdray Ruins. When sufficient reserves have been accumulated, the trustees will implement the planned maintenance programme on the Cowdray ruins for general public benefit.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the Trustees



R A Windle

Director

23 JANUARY 2007

(date)

**THE COWDRAY HERITAGE TRUST
(A COMPANY LIMITED BY GUARANTEE, NOT HAVING A SHARE CAPITAL)
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF COWDRAY HERITAGE TRUST**

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

The trustees' (who are also the directors of Cowdray Heritage Trust for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK & Ireland).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Annual report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it or material inconsistencies with the financial statements.

Basis of Opinion

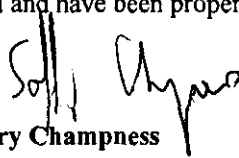
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

THE COWDRAY HERITAGE TRUST
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AUDITORS' REPORT
TO THE MEMBERS OF COWDRAY HERITAGE TRUST

Opinion

In our opinion the financial statements give a true and fair view of the charity's state of affairs as at 31 March 2006 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Saffery Champness

23/11/07

(date)

Chartered Accountants
Registered Auditors

Lion House
Red Lion Street
London WC1R 4GB

THE COWDRAY HERITAGE TRUST
(A COMPANY LIMITED BY GUARANTEE, NOT HAVING A SHARE CAPITAL)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2006

	Notes	Unrestricted Funds £	Restricted Funds £	2006 Total £	2005 Total £
INCOMING RESOURCES					
Incoming Resources from Generated Funds					
Voluntary Income	2	108,982	344,479	453,461	198,987
Investment Income	3	5,200	-	5,200	1,058
Other Incoming Resources		127	-	127	1,488
Total Incoming Resources		<u>114,309</u>	<u>344,479</u>	<u>458,788</u>	<u>201,533</u>
RESOURCES EXPENDED					
Cost of generating funds					
Charitable activities	4	-	432,571	432,571	97,676
Governance costs	4	8,648	-	8,648	8,885
Total resources expended		<u>8,648</u>	<u>432,571</u>	<u>441,219</u>	<u>106,561</u>
Net incoming/(outgoing) resources	5	105,661	(88,092)	17,569	94,972
Transfers	11	6,843	(6,843)	-	-
Net movement in funds		<u>112,504</u>	<u>(94,935)</u>	<u>17,569</u>	<u>94,972</u>
Balances brought forward at 1 April 2005		<u>17,904</u>	<u>100,137</u>	<u>118,041</u>	<u>23,069</u>
Balance carried forward at 31 March 2006	11	<u>130,408</u>	<u>5,202</u>	<u>135,610</u>	<u>118,041</u>

All income and expenditure of the company has been shown above in the statement of financial activity and so a separate profit and loss account has not been prepared. The statement of financial activities has been prepared on the basis that all operations are continuing operations.

The notes of pages 7 to 11 form part of these financial statements.

THE COWDRAY HERITAGE TRUST
(A COMPANY LIMITED BY GUARANTEE, NOT HAVING A SHARE CAPITAL)
BALANCE SHEET
AS AT 31 MARCH 2006


	Notes	2006 £	£	2005 £	£
Fixed Assets					
Intangible Assets	7		525		630
Current Assets					
Stock		79		82	
Debtors	9	138,359		47,654	
Cash at bank and in hand		<u>191,244</u>		<u>125,575</u>	
		329,682		173,311	
Creditors: amounts falling due within one year	10	<u>(194,597)</u>		<u>(55,900)</u>	
Net Current Assets			<u>135,085</u>		<u>117,411</u>
NET ASSETS			<u><u>135,610</u></u>		<u><u>118,041</u></u>
Capital and reserves					
Unrestricted Income Fund	11	130,408		17,904	
Restricted Income Fund	11	<u>5,202</u>		<u>100,137</u>	
		<u><u>135,610</u></u>		<u><u>118,041</u></u>	

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The notes on pages 7 to 11 form part of these financial statements.

The financial statements were approved by the Board on

23 JANUARY 2007 (date)



P A Bostock
Director



R A Windle
Director

THE COWDRAY HERITAGE TRUST
(A COMPANY LIMITED BY GUARANTEE, NOT HAVING A SHARE CAPITAL)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention and have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2005), published in March 2005 and the Companies Act 1985.

1.2 Copyrights

Copyrights are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives of ten years.

1.3 Stock

Stock is valued at the lower of cost and net realisable value.

1.4 Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Trust for a particular purpose. The aim and use of each restricted fund is set out in the notes to the financial statements.

The unrestricted fund represents the accumulated surpluses and deficits of the Charity. The funds generated by the Trust are available for use at the discretion of the trustees in furtherance of the general objectives of the Trust.

1.5 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the trust is legally entitled to the income and the amount can be quantified with reasonable accuracy. The financial statements therefore reflect income due to the Trust but not received by the end of the year. Funds received for the purchase of fixed assets are accounted for as restricted income. The treatment of the assets provided depends upon the restriction imposed by the grant and as the fixed assets' acquisition discharges the restriction then the assets will be held in the unrestricted funds. A corresponding transfer of the associated restricted income will be made to the unrestricted fund in the year of purchase.

1.6 Resources expended and the allocation of expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to this category. Where costs cannot be attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day to day management of the charity's activities.

Support costs are those costs incurred in support of the expenditure on the objects of the Trust. These support costs are allocated across the categories of charitable expenditure, governance costs and the cost of generating funds.

THE COWDRAY HERITAGE TRUST
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2006

	2006	2006	2005	2005
	£	£	£	£
2 Voluntary Income				
Donations and grants				
Midhurst Town Council	2,000		-	
Heritage Lottery Fund	342,479		70,174	
Chichester District Council	-		120,000	
English Heritage	-		7,639	
Total restricted income		344,479		197,813
Golden Charity Trust	1,000		-	
A Bolton	1,000		-	
S Sainsbury	78,000		-	
Prince Albert Esiri	5,378		-	
Gift aid reclaims	22,423		-	
Other	1,181		1,174	
Total unrestricted income		108,982		1,174
		<u>453,461</u>		<u>198,987</u>

3 Investment Income		
	2006	2005
	£	£
Bank Interest	2,453	358
Rental Income	2,747	700
	<u>5,200</u>	<u>1,058</u>

THE COWDRAY HERITAGE TRUST
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2006

4 Analysis of total resources expended

	Grant funding of activities £	Support costs £	2006 £	2005 £
Charitable expenditure				
Grant funded by English Heritage				
Photographic survey fees	-	-	-	7,639
Grant funded by Heritage Lottery Fund				
Building Consolidation Works	253,979	-	253,979	-
Architects Fees	68,625	-	68,625	32,000
Engineering Services	9,494	-	9,494	12,500
Surveying Services	43,383	-	43,383	13,750
Project Management Fees	27,640	-	27,640	22,100
Other Professional Fees	6,000	-	6,000	-
Scaffolding	18,454	-	18,454	6,937
Office Support and administration	-	4,996	4,996	-
Other Professional Fees	-	-	-	2,750
	<u>427,575</u>	<u>4,996</u>	<u>432,571</u>	<u>97,676</u>
Governance costs				
Property Maintenance and insurance	-	1,686	1,686	-
Office administration and misc.	-	5,681	5,681	7,431
Legal costs	-	65	65	279
Audit fee	-	1,000	1,000	950
Bank charges	-	111	111	120
Copyright amortisation	-	105	105	105
	<u>-</u>	<u>8,648</u>	<u>8,648</u>	<u>8,885</u>
Total	<u>427,575</u>	<u>13,644</u>	<u>441,219</u>	<u>106,561</u>

5 Net incoming/(outgoing) resources

	2006 £	2005 £
Net incoming/(outgoing) resources is stated after charging:		
Amortisation of intangible assets	105	105
Auditors' remuneration	<u>1,000</u>	<u>950</u>

6 Support costs

Management costs	11,742	8,660
Finance	111	120
Overheads	<u>1,791</u>	<u>105</u>
	<u>13,644</u>	<u>8,885</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2006

7	Intangible fixed assets	Copyrights
		£
	Cost	
	At 1 April 2005 and 31 March 2006	<u>1,050</u>
	Amortisation	
	At 1 April 2005	420
	Charge for year	<u>105</u>
	At 31 March 2006	<u>525</u>
	Net book value	
	At 31 March 2006	<u>525</u>
	At 31 March 2005	<u>630</u>

8 Lease of Cowdray Ruins

On 8th February 2005, Cowdray Heritage Trust signed a 99 year lease for Cowdray Ruins and the Conduit House from Cowdray Trust Ltd. The annual rent is a pepper corn. The Cowdray Heritage Trust is entitled to the rent from the Conduit House and has undertaken to maintain the ruins in their current state.

9	Debtors	2006	2005
		£	£
	Heritage Lottery Fund Grant	100,585	35,482
	VAT	37,482	11,402
	Other Debtors and Prepayments	292	770
		<u>138,359</u>	<u>47,654</u>

10	Creditors: Amounts falling due within one year	2006	2005
		£	£
	Project costs	192,269	54,781
	Audit fees	1,000	950
	Administration costs	<u>1,328</u>	<u>169</u>
		<u>194,597</u>	<u>55,900</u>

THE COWDRAY HERITAGE TRUST
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2006

11 Fund movement in the year

	Balance as at 1st April 2005 £	Income	Expended	Transfers & Investments	Balance as at 31st March 2006 £
Unrestricted fund	17,904	114,309	(8,648)	6,843	130,408
Restricted Fund	100,137	344,479	(432,571)	(6,843)	5,202
Total	<u>118,041</u>	<u>458,788</u>	<u>(441,219)</u>	<u>-</u>	<u>135,610</u>

The purpose of the restricted funds is to fund particular work in accordance with the terms of the funding from the Chichester District Council, Heritage Lottery Fund, English Heritage and the Midhurst Town Council.

Transfers of £6,843 were office support and administration costs charged in the 2004/5 year for which a retrospective grant was made in 2005/6.

12 Related party transactions

The trustees are not remunerated. One of the trustees, D Baker, has received £368 in reimbursement of travel expenses for attending trustee meetings. None of the other trustees have received any reimbursement of expenses for attending trustee meetings.

Midhurst Town Council, who are represented on the trustees, gave a donation of £2,000 during the year.