

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 2007

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COMPANIES HOUSE

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 R D B Pailthorpe - (appointed 31 January 2007)
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)
CONTENTS

	Page
Trustees' Report	1 - 2
Auditors' Report	3 - 4
Statement of financial activities	5
Balance sheet	6
Notes to the financial statements	7 - 11

**THE COWDRAY HERITAGE TRUST
(A COMPANY LIMITED BY GUARANTEE, NOT HAVING A SHARE CAPITAL)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2007**

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.

The charity is governed by its' memorandum and articles of association.

Trustees

The charity's trustees during the year ended 31 March 2007 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

N Decker

Dr D J Owen

R D B Pailthorpe - (appointed 31 January 2007)

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
(A COMPANY LIMITED BY GUARANTEE, NOT HAVING A SHARE CAPITAL)
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2007

Plans for future periods

The continuing restoration of Cowdray Ruins, to enable continued access to the public

Financial review

The charity has secured funds during the year to enable the major restoration projects on the main building and the Visitor Centre, which was necessary to allow members of the public into the ruins. £1,654,362 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 trustees have examined the charity's requirements for reserves in light of the main risks to the organisation. It has established a policy where the unrestricted reserves will be used to in the day to day running of the ruins and aims to cover 12 months costs. These reserves have been built up through voluntary donations.

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.

So far as each of the directors is aware, there is no relevant information that has not been disclosed to the company's auditors and each of the directors believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the company's auditors have been made aware of that information.

On behalf of the Trustees



R A Windle

Director

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

Opinion

- the financial statements give a true and fair view of the charity's state of affairs as at 31 March 2007 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; and
- the information given in the trustees' report is consistent with the financial statements.



Saffery Champness



(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 2007

	Notes	Unrestricted Funds £	Restricted Funds £	2007 Total £	2006 Total £
INCOMING RESOURCES					
Incoming Resources from Generated Funds					
Voluntary Income	2	309,186	1,756,362	2,065,548	453,461
Investment Income	3	1,647	-	1,647	5,200
Other Incoming Resources		321	-	321	127
Total Incoming Resources		<u>311,154</u>	<u>1,756,362</u>	<u>2,067,516</u>	<u>458,788</u>
RESOURCES EXPENDED					
Cost of generating funds					
Charitable activities - preservation and restoration of Cowdray Ruins					
	4	26,742	2,120,304	2,147,046	432,571
Governance costs	4	10,626	-	10,626	8,648
Total resources expended		<u>37,368</u>	<u>2,120,304</u>	<u>2,157,672</u>	<u>441,219</u>
Net incoming/(outgoing) resources	5	273,786	(363,942)	(90,156)	17,569
Transfers	11	(358,740)	358,740	-	-
Net movement in funds		<u>(84,954)</u>	<u>(5,202)</u>	<u>(90,156)</u>	<u>17,569</u>
Balances brought forward at 1 April 2006		<u>130,408</u>	<u>5,202</u>	<u>135,610</u>	<u>118,041</u>
Balance carried forward at 31 March 2007	11	<u>45,454</u>	<u>-</u>	<u>45,454</u>	<u>135,610</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 2007


	Notes	2007 £	£	2006 £	£
Fixed Assets					
Intangible Assets	9		645		525
Current Assets					
Stock		4,369		79	
Debtors	11	444,340		138,359	
Cash at bank and in hand		29,119		191,244	
		<u>477,828</u>		<u>329,682</u>	
Creditors: amounts falling due within one year	12	<u>(433,019)</u>		<u>(194,597)</u>	
Net Current Assets			<u>44,809</u>		<u>135,085</u>
NET ASSETS			<u><u>45,454</u></u>		<u><u>135,610</u></u>
Capital and reserves					
Unrestricted Income Fund	13	45,454		130,408	
Restricted Income Fund	13	-		5,202	
		<u>45,454</u>		<u>135,610</u>	

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

The financial statements were approved by the Board on 11 OCTOBER 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 2007

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.

1.7 Heritage assets

Under the agreement with the Heritage Lottery Fund the costs towards the ruins were expensed.

THE COWDRAY HERITAGE TRUST
(A COMPANY LIMITED BY GUARANTEE, NOT HAVING A SHARE CAPITAL)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2007

	2007	2007	2006	2006
	£	£	£	£
2 Voluntary Income				
Donations and grants				
Midhurst Town Council	2,000		2,000	
Heritage Lottery Fund	1,654,362		342,479	
English Heritage	100,000		-	
Total restricted income		1,756,362		344,479
Birthday House Trust	248,590		-	
Garfield Weston Foundation	50,000		-	
Mercer Trustee	5,000		-	
Alan Evans Memorial Trust	2,000		-	
Goodwood Estate	1,000		-	
Golden Charity Trust	-		1,000	
A Bolton	-		1,000	
S Sainsbury	-		78,000	
Prince Albert Esiri	-		5,378	
Gift aid reclaims	107		22,423	
Other	2,489		1,181	
Total unrestricted income		309,186		108,982
		<u>2,065,548</u>		<u>453,461</u>
3 Investment Income				
		2007	2006	
		£	£	
Bank Interest		1,647	2,453	
Rental Income		-	2,747	
		<u>1,647</u>	<u>5,200</u>	

THE COWDRAY HERITAGE TRUST
(A COMPANY LIMITED BY GUARANTEE, NOT HAVING A SHARE CAPITAL)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2007

4 Analysis of total resources expended

	Direct funding of activities £	Support costs £	2007 £	2006 £
Charitable activities - preservation and restoration of Cowdray Ruins				
Grant funded by Heritage Lottery Fund				
Building Consolidation Works	1,774,257	-	1,774,257	253,979
Architects Fees	49,680	-	49,680	68,625
Engineering Services	15,600	-	15,600	9,494
Surveying Services	15,900	-	15,900	43,383
Project Management Fees	38,340	-	38,340	27,640
Other Professional Fees	9,470	-	9,470	6,000
Scaffolding	28,083	-	28,083	18,454
Project interpretation costs	188,974	-	188,974	-
Office Support and administration	-	11,627	11,627	4,996
Salaries and NIC	-	15,115	15,115	-
	<u>2,120,304</u>	<u>26,742</u>	<u>2,147,046</u>	<u>432,571</u>
Governance costs				
Property Maintenance and insurance	-	1,241	1,241	1,686
Office administration and misc.	-	7,687	7,687	5,681
Legal costs	-	350	350	65
Audit fee	-	1,100	1,100	1,000
Bank charges	-	118	118	111
Copyright amortisation	-	130	130	105
	<u>-</u>	<u>10,626</u>	<u>10,626</u>	<u>8,648</u>
Total	<u>2,120,304</u>	<u>37,368</u>	<u>2,157,672</u>	<u>441,219</u>

5 Net incoming/(outgoing) resources

	2007 £	2006 £
Net incoming/(outgoing) resources is stated after charging:		
Amortisation of intangible assets	130	105
Auditors' remuneration	<u>1,100</u>	<u>1000</u>

6 Support costs

Management costs	35,879	11,742
Finance	118	111
Overheads	<u>1,371</u>	<u>1,791</u>
	<u>37,368</u>	<u>13,644</u>

THE COWDRAY HERITAGE TRUST
(A COMPANY LIMITED BY GUARANTEE, NOT HAVING A SHARE CAPITAL)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2007

7	Staff costs	2007 £	2006 £
	Salaries	13,730	-
	Social security costs	1,385	-
		<u>15,115</u>	<u>-</u>

No employee received emoluments of more than £60,000.

The average number of employees during the year, calculated on the basis of full time equivalents was as follows:

Staff costs and numbers	2007 Number	2006 Number
Admin	1	-

There were no payments made during the year into a pension scheme.

8 Taxation

As a charity, Cowdray Heritage Trust is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

9	Intangible fixed assets	Copyrights £
	Cost	
	At 1 April 2006	1,050
	Additions during the year	<u>250</u>
	At 31 March 2007	<u>1,300</u>
	Amortisation	
	At 1 April 2006	525
	Charge for year	<u>130</u>
	At 31 March 2007	<u>655</u>
	Net book value	
	At 31 March 2007	<u>645</u>
	At 31 March 2006	<u>525</u>

10 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 peppercorn. The Cowdray Heritage Trust is entitled to the rent from the Conduit House and has undertaken to maintain the ruins in their current state.

THE COWDRAY HERITAGE TRUST
(A COMPANY LIMITED BY GUARANTEE, NOT HAVING A SHARE CAPITAL)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2007

11	Debtors	2007	2006
		£	£
	Heritage Lottery Fund Grant	364,111	100,585
	VAT	79,032	37,482
	Other Debtors and Prepayments	1,197	292
		<u>444,340</u>	<u>138,359</u>

12	Creditors: Amounts falling due within one year	2007	2006
		£	£
	Project costs	414,753	192,269
	Audit fees	1,100	1,000
	Administration costs	17,166	1,328
		<u>433,019</u>	<u>194,597</u>

13	Fund movement in the year					Balance as at
	Balance as at 1st April 2006 £	Income	Expended	Transfers & Investments	31st March 2007 £	
Unrestricted fund	130,408	311,154	(37,368)	(358,740)	45,454	
Restricted Fund	5,202	1,756,362	(2,120,304)	358,740	-	
Total	<u>135,610</u>	<u>2,067,516</u>	<u>(2,157,672)</u>	<u>-</u>	<u>45,454</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 £358,740 were office support and administration costs charged in the 2005/6 year for which a retrospective grant was made in 2006/7.

14 Related party transactions

The trustees are not remunerated. One of the trustees, D Baker, has received £598 in reimbursement of travel expenses for attending trustee meetings. None of the other trustees have received any reimbursement of expenses for attending trustee meetings.