

REGISTERED COMPANY NUMBER: 3955918 (England and Wales)
REGISTERED CHARITY NUMBER: 1080667

**Report of the Trustees and
Unaudited Financial Statements For The Year Ended
31 March 2011
For
Ymddiriedolaeth Cadwraeth Adeiladau Cadwgan
Cadwgan Building Preservation Trust**



Ashmole & Co
Manchester House
Grosvenor Hill
Cardigan
Ceredigion
SA43 1HY

Cadwgan Building Preservation Trust

**Contents of the Financial Statements
for the Year Ended 31 March 2011**

	Page
Report of the Trustees	1 to 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8 to 9
Notes to the Financial Statements	10 to 11
Detailed Statement of Financial Activities	12

Cadwgan Building Preservation Trust

Report of the Trustees for the Year Ended 31 March 2011

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2011. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
3955918 (England and Wales)

Registered Charity number
1080667

Registered office
The Old Stables
1 Green Street
CARDIGAN
Ceredigion
SA43 1JA

Trustees	
G G Davies	
W H R Thomas	
Mrs E J Tucker	
G Cooper	- resigned 7 2 11
Mrs S Lewis	
Councillor K Evans	
Dr H P Jones	
Mrs E D Poulton	
D Grace	- appointed 16 12 10
G J D Morgan	- appointed 16 12 10

Company Secretary
J Tumms

Independent Examiner
Ashmole & Co
Manchester House
Grosvenor Hill
Cardigan
Ceredigion
SA43 1HY

Bankers
HSBC Bank plc
11 High Street
Cardigan
Ceredigion
SA43 1JN

Solicitors
Messrs Morgan & Richardson
7 St Mary Street
Cardigan
Ceredigion
SA43 1HB

Cadwgan Building Preservation Trust

Report of the Trustees for the Year Ended 31 March 2011

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006

The organisation is a charitable company limited by guarantee, incorporated on 21 March 2000 and registered as a charity on 11 May 2000. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association, the number nearest to one third of the trustees must be re-elected at each Annual General Meeting.

Risk management

The trustees maintain a risk register which is updated regularly. They also have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Management

All trustees give their time voluntarily and receive no benefits from the charity.

Mr Gary Cooper resigned as a trustee on 7 February 2011. The trust would like to pay tribute to his substantial contribution over a number of years to the Cardigan Castle project and, through his involvement with the Townscape Heritage Initiative, to the built environment in the whole of Cardigan. Mr David Grace and Mr Gerwyn Morgan were appointed as trustees on 16 December 2010. Unfortunately Mr Gerwyn Morgan had to resign because of pressure from his many other commitments and his resignation was accepted by the trust on 11 August 2011. We welcome Mr David Grace, who, as foreshadowed in last year's trustees report, represents Cardigan Town Council on the trust. As he was appointed since the last AGM, he will offer himself for re-election at this AGM. Councillor Keith Evans, who represents our partners, Ceredigion County Council, Dr Hedydd Jones and Mrs Denise Poulton retire by rotation and, being eligible, offer themselves for re-election.

We would like to acknowledge the hard work and enthusiasm of our Project Administrator, Jill Horwood, whose appointment came to an end after the submission of our Round 2 submission to the Heritage Lottery Fund (HLF), and of our team of professional advisers led by Niall Phillips of Purcell Miller Tritton and Ian Parkin of Parkin Heritage and Tourism. We have also received strong support and generous and expert advice from the Prince's Regeneration Trust over the last five years. The expertise and commitment of our advisers and supporters have been vital to us in taking the project to the next stage.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Our charity's purposes as set out in the company's memorandum of association are to -

Preserve for the benefit of the people of Cardigan Town and of the Nation, the historical, architectural and constructional heritage that may exist in and around Cardigan Town in buildings (including any buildings as defined in section 336 of the Town and Country Planning Act 1990) of particular beauty, historical or constructional interest.

Cadwgan Building Preservation Trust

Report of the Trustees for the Year Ended 31 March 2011

OBJECTIVES AND ACTIVITIES

Significant activities

The focus of our work is the restoration of Cardigan Castle, a Scheduled Ancient Monument of immense importance in Welsh heritage and culture as the site of the first Welsh Eisteddfod in 1176

Cardigan Castle was one of the first stone-built castles in Wales and the Eisteddfod was held to celebrate its completion. It was built by Rhys ap Gruffud, Prince of Deheubarth and one of the most important rulers of pre-conquest Wales. Its position at the lowest bridging point over the River Teifi led to the growth of Cardigan as a major port, eventually becoming an important point of departure for Welsh people emigrating to North and South America. As such, Cardigan and its castle are of great significance to the worldwide Welsh community.

The site fell into ruinous condition while in private ownership and since 1975 the castle walls have had to be supported by steel buttresses, external advertisements of the crisis the castle has been facing. Since 2003, the site has been owned by Ceredigion County Council (CCC) and we are working in partnership with CCC on a £10m restoration project to bring the site, its several listed buildings and its historic gardens into public use.

In December 2008, it was announced that our Round 1 application to the Heritage Lottery Fund (HLF) had been successful, with the HLF making a grant of approximately £0.3m towards a £0.5m project development phase. This phase was completed in the year under review and involved detailed and sustainable planning of the project, negotiation of a long term lease of the site from CCC and obtaining the many necessary consents and licences required for the project to go forwards. We have consulted with specialists on archaeology, ecology, ground investigations, landscaping, access, building surveys and asbestos surveys and have prepared interpretive proposals, an Activity Plan, a Training Plan and a Conservation Management Plan. The Round 2 application to the HLF was submitted at the end of November 2010 and in March 2011, just before the end of the financial year, the HLF announced the wonderful news that our application had been successful and that we had been awarded a grant of £4.7m, subject to our securing appropriate matched funding. We celebrated the news on the castle site on the morning of the announcement, in front of TV cameras as the sun rose over the mists of the river Teifi and surrounded by hundreds of our supporters.

The task now turned to securing the substantial matched funding that was still required. A lot of work had already been done and we have received further strong support throughout 2011 from national as well as local bodies. In September 2011, Welsh Assembly Government Housing, Regeneration and Heritage Minister, Huw Lewis, visited the castle and announced a grant of £4.3m from the European Regional Development Fund. With further grants from Cadw and the Community Asset Transfer Programme (funded by Big Lottery), the project is now fully under way, with detailed design work and archaeological investigations in progress and contracts for restoration work expected to be tendered during summer 2012. Some work on site to repair the medieval walls has already been completed and the main restoration works are expected to start in late summer 2012, with completion due in 2014. The trust still has considerable fundraising to do but is confident of its ability to raise the required funds over the period of the project.

Cadwgan Building Preservation Trust

Report of the Trustees for the Year Ended 31 March 2011

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The listed buildings on either side of Green Street, which leads up to the castle gates, did not form part of the original site and have already been put back into public use. The two cottages on the east side of Green Street were renovated earlier in the decade following a Cadwgan BPT initiative and support from Ceredigion County Council. More recently, Ty Castell, on the west side of Green Street, was acquired and partially restored by Cardigan Castle Building Preservation Trust with support from the Architectural Heritage Fund and the Townscape Heritage Initiative. These buildings will form the entrance, reception, welcome and first impressions of the site and play important roles in cultural exhibitions and the planned visitor experience. We would like to thank the Brioude Garden Committee for their constructive assistance in finalising plans for access to the castle.

The main castle site is normally closed to the public for health and safety reasons, because of the derelict state of the buildings and the dangerous condition of the castle walls. The restoration phase will employ significant numbers of local people and enable training in traditional building skills. We plan a high level of community engagement, including involvement of local residents and schoolchildren in community archaeology initiatives and in recording the progress of the project. Progress will be relayed to wider audiences via television programmes from S4C and the BBC. Once the restoration is complete, the interlinking themes of the built heritage, historic gardens, artistic traditions and cultural exhibitions and events are expected to involve large numbers of the local community as regular users and volunteers. We also expect to attract a substantial number of holidaymakers each year, bringing significant economic benefits to the area. The project will enhance knowledge of Welsh language, culture and artistic traditions in a county which already enjoys a high proportion of Welsh speakers.

In August 2010, we held a week-long exhibition of our plans in the Green Street cottages, which included hard-hat guided tours of the castle and presentations on its history and cultural significance. This exhibition attracted over 700 visitors, many of whom offered to assist the project either financially or as volunteers. Our plans were extremely well received and there were a number of constructive suggestions that were incorporated in our final submission to the HLF. The exhibition culminated in a sell-out concert of Welsh music in Ty Castell. Since then, volunteers have undertaken numerous guided tours around the site for individuals and groups. In August 2011, the castle attracted large numbers of visitors to the Cardigan Medieval Day and a few days later a highly successful "Songs of Praise" set against the backdrop of Castle Green House highlighted the attractiveness of the site for open air concerts and events. For well over a year, now, the cottages and Ty Castell have been used for Welsh Language and Learning classes and during summer 2011 a castle shop to sell Welsh products was open in the cottages, manned by enthusiastic volunteers. Not shown in the accounts is over £50,000 of volunteer time in the period to November 2010 which the HLF takes account of as part of the required matched funding and this wonderful level of volunteer support has continued throughout 2011.

FINANCIAL REVIEW

Reserves policy

2010/11 saw a very substantial increase in income and expenditure as work on the development phase of the project was completed. The £10,000 deficit for the year shown in the accounts reflects timing differences between the receipt of grants and expenditure on design work within restricted funds. There was a small surplus in unrestricted funds.

Nearly all our income and expenditure fell into the restricted category in 2010/11, relating directly to the development phase of the project. Thanks to volunteer support, the day-to-day expenses of the trust remain at a low and controllable level. The trustees would wish to see unrestricted reserves of at least three months unrestricted expenditure, but recognise that the priority at this stage is to commit as many resources as possible to meet matched funding requirements. With the project now fully under way, there will be a further quantum leap in restricted income and expenditure in future years and this will inevitably lead to increases in unrestricted expenditure. The trustees are planning future fundraising efforts to build sufficient unrestricted reserves over time to support this increase in expenditure.

PRINCIPAL FUNDING SOURCES

The progress made to date could not have been achieved without the strong commitment and support we have received, particularly from the Heritage Lottery Fund, our partners, Ceredigion County Council and, most recently, the European Regional Development Fund. We are also very grateful for tremendous support from the Community Asset Transfer Programme (funded by Big Lottery), Cardigan Town Council, Cadw, the Architectural Heritage Fund, and a large number of community councils and organisations in Cardigan and surrounding areas. Throughout the process, we have received generous and expert advice from the Prince's Regeneration Trust.

We would also like to thank the many enthusiastic Cardigan Castle Friends and Volunteers, who have given generously of their time and financial support. Without their support and enthusiasm, the tremendous progress that has been made would not have been possible.

Cadwgan Building Preservation Trust

**Report of the Trustees
for the Year Ended 31 March 2011**

ON BEHALF OF THE BOARD



J Timms - Secretary

Date

6 December 2011

**Independent Examiner's Report to the Trustees of
Cadwgan Building Preservation Trust**

I report on the accounts for the year ended 31 March 2011 set out on pages seven to eleven

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 43(2) of the Charities Act 1993 (the 1993 Act)) and that an independent examination is required. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of F C C A.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to

- examine the accounts under Section 43 of the 1993 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 43(7)(b) of the 1993 Act), and
- to state whether particular matters have come to my attention

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006, and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities

have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

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Date 7 - 12 - 11

Cadwgan Building Preservation Trust

**Statement of Financial Activities
for the Year Ended 31 March 2011**

	Notes	Unrestricted funds £	Restricted funds £	31 3 11 Total funds £	31 3 10 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income		3,031	1,099	4,130	1,988
Activities for generating funds	2	4,797	9,558	14,355	18,813
Incoming resources from charitable activities					
Castle renovation		<u>-</u>	<u>386,706</u>	<u>386,706</u>	<u>20,299</u>
Total incoming resources		7,828	397,363	405,191	41,100
 RESOURCES EXPENDED					
Charitable activities					
Castle renovation		-	378,294	378,294	23,310
Governance costs		<u>3,759</u>	<u>33,879</u>	<u>37,638</u>	<u>662</u>
Total resources expended		3,759	412,173	415,932	23,972
 NET INCOMING/(OUTGOING) RESOURCES before transfers					
		4,069	(14,810)	(10,741)	17,128
Gross transfers between funds	7	<u>(2,411)</u>	<u>2,411</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources		1,658	(12,399)	(10,741)	17,128
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>7,637</u>	<u>16,639</u>	<u>24,276</u>	<u>7,148</u>
TOTAL FUNDS CARRIED FORWARD		<u>9,295</u>	<u>4,240</u>	<u>13,535</u>	<u>24,276</u>

The notes form part of these financial statements

Cadwgan Building Preservation Trust

**Balance Sheet
At 31 March 2011**

	Notes	Unrestricted funds £	Restricted funds £	31 3 11 Total funds £	31 3 10 Total funds £
CURRENT ASSETS					
Debtors amounts falling due within one year	5	1,953	53,910	55,863	20,830
Cash at bank		<u>8,250</u>	<u>179,881</u>	<u>188,131</u>	<u>4,593</u>
		10,203	233,791	243,994	25,423
CREDITORS					
Amounts falling due within one year	6	(908)	(229,551)	(230,459)	(1,147)
		<u>9,295</u>	<u>4,240</u>	<u>13,535</u>	<u>24,276</u>
NET CURRENT ASSETS					
		<u>9,295</u>	<u>4,240</u>	<u>13,535</u>	<u>24,276</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>9,295</u>	<u>4,240</u>	<u>13,535</u>	<u>24,276</u>
NET ASSETS					
		<u>9,295</u>	<u>4,240</u>	<u>13,535</u>	<u>24,276</u>
FUNDS					
Unrestricted funds	7			9,295	7,637
Restricted funds				<u>4,240</u>	<u>16,639</u>
TOTAL FUNDS					
				<u>13,535</u>	<u>24,276</u>

The notes form part of these financial statements

Cadwgan Building Preservation Trust

**Balance Sheet - continued
At 31 March 2011**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2011


The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2011 in accordance with Section 476 of the Companies Act 2006

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Trustees on **6 - 12 - 11** and were signed on its behalf by



Mrs E J Tucker -Trustee

Cadwgan Building Preservation Trust

Notes to the Financial Statements for the Year Ended 31 March 2011

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

Resources expended

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

Taxation

The charity is exempt from corporation tax on its charitable activities

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements

2. ACTIVITIES FOR GENERATING FUNDS

	31 3 11	31 3 10
	£	£
Fundraising	<u>14,355</u>	<u>18,813</u>

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2011 nor for the year ended 31 March 2010

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 March 2011 nor for the year ended 31 March 2010

4. STAFF COSTS

No employee received in excess of £60,000

5. DEBTORS' AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 11	31 3 10
	£	£
Trade debtors	9,558	4,905
VAT	1,953	926
Accrued income	41,212	11,899
Prepayments	<u>3,140</u>	<u>3,100</u>
	<u>55,863</u>	<u>20,830</u>

Cadwgan Building Preservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2011**

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 11 £	31 3 10 £
Trade creditors	-	-
Social security and other taxes	-	567
Accrued expenses	938	580
Ceredigion County Council	<u>229,521</u>	<u>-</u>
	<u>230,459</u>	<u>1,147</u>

7. MOVEMENT IN FUNDS

	At 1 4 10 £	Net movement in funds £	Transfers between funds £	At 31 3 11 £
Unrestricted funds				
General fund	7,637	4,069	(2,411)	9,295
Restricted funds				
Restricted	16,639	(14,810)	2,411	4,240
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>24,276</u>	<u>(10,741)</u>	<u>-</u>	<u>13,535</u>

Net movement in funds, included in the above are as follows

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	7,828	(3,759)	4,069
Restricted funds			
Restricted	397,363	(412,173)	(14,810)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>405,191</u>	<u>(415,932)</u>	<u>(10,741)</u>

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2011**

	31 3 11 £	31 3 10 £
INCOMING RESOURCES		
Voluntary income		
Donations	4,130	1,988
Activities for generating funds		
Fundraising	14,355	18,813
Incoming resources from charitable activities		
Grants	<u>386,706</u>	<u>20,299</u>
Total incoming resources	405,191	41,100
RESOURCES EXPENDED		
Charitable activities		
Professional fees	374,057	19,900
Repairs and renewals	<u>1,137</u>	<u>140</u>
	375,194	20,040
Governance costs		
Accountancy	650	580
Bank charges	<u>152</u>	<u>82</u>
	802	662
Support costs		
Management		
Wages	19,800	1,800
Social security	1,863	169
Water rates	292	-
Insurance	3,728	620
Light and heat	1,691	-
Office costs	8,597	325
Sundries	419	356
Cleaning	882	-
Room hire	<u>2,664</u>	<u>-</u>
	<u>39,936</u>	<u>3,270</u>
Total resources expended	415,932	23,972
Net (expenditure)/income	<u><u>(10,741)</u></u>	<u><u>17,128</u></u>