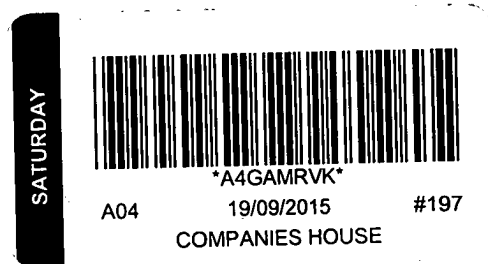


REGISTERED COMPANY NUMBER: 03955918 (England and Wales)
REGISTERED CHARITY NUMBER: 1080667

**Report of the Trustees and
Financial Statements for the Year Ended 31 March 2015
for
Ymddiriedolaeth Cadwraeth Adeiladau Cadwgan
Cadwgan Building Preservation Trust**



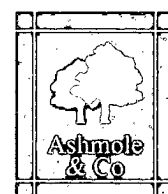
Ashmole and Co.
Manchester House
Grosvenor Hill
Cardigan
Ceredigion
SA43 1HY



Cadwgan Building Preservation Trust

**Contents of the Financial Statements
for the year ended 31 March 2015**

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Cadwgan Building Preservation Trust

Report of the Trustees for the year ended 31 March 2015

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 2015. 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

03955918 (England and Wales)

Registered Charity number

1080667

Registered office

Cardigan Castle
Green Street
CARDIGAN
Ceredigion
SA43 1JA

Trustees

WHR Thomas	
Mrs EJ Tucker	
Mrs S Lewis	- resigned 12.01.15
Dr HP Jones	
Mrs ED Poulton	- resigned 30.11.14
D Grace	- resigned 26.11.14
Mrs S Davies	
M Freeman	- resigned 26.11.14
J Cole	- resigned 18.03.15
G Lloyd	
R O'Neill	- resigned 02.03.15
J Jones	- resigned 24.02.15
GK Johnson	- appointed 26.11.14

Company Secretary

J Timms

Auditors

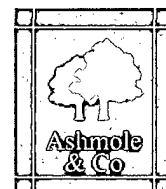
Ashmole and Co.
Manchester House
Grosvenor Hill
Cardigan
Ceredigion
SA43 1HY

Solicitors

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

Bankers

Barclays Bank plc
32 High Street
Cardigan
Ceredigion
SA43 1HH



Cadwgan Building Preservation Trust

Report of the Trustees for the year ended 31 March 2015

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 elected trustees must be re-elected at each Annual General Meeting.

Recruitment and appointment of new trustees

New trustees are briefed on their legal obligations under charity and company law, the Charity Commission Guidance on public benefit, content of the Memorandum and Articles of Association, the committee and decision-making process and the recent financial performance of the charity.

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.



Cadwgan Building Preservation Trust

Report of the Trustees for the year ended 31 March 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT

Management

Membership of the trust is open to anyone who supports the trust's objectives and aims. Applications for membership are welcomed and are considered at each monthly trustees meeting. Membership takes effect from the date of approval by the trustees and the subscription is currently £15 per calendar year. Membership is renewable annually in January and is terminated if members are six months in arrears in their subscription.

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

Under the Memorandum and Articles of Association, the number of trustees is limited to twelve, including three trustees who may be nominated respectively by Ceredigion County Council, Cardigan Town Council and the trust's registered volunteers. Councillor Gareth Lloyd serves as the nominee of Ceredigion County Council. Councillor Mark Cole served as the nominee of Cardigan Town Council but resigned on 18 March 2015 as a connected person wished to support Cardigan Castle by becoming a member of staff. Mrs Jean Jones served as the trustee nominated by the trust's registered volunteers but resigned on 24 February 2015.

Mr David Grace, a long-standing trustee and supporter of the Cardigan Castle restoration project resigned by rotation at the 2014 AGM and was not re-elected. Dr Michael Freeman led the planning of the interpretation and exhibition areas of Cardigan Castle but resigned on 26 November 2014 when this work was mainly complete because of difficulties in committing appropriate time to his wider responsibilities as a trustee. Mrs Denise Poulton made a major contribution to the cultural and heritage experience and to planning the castle's marketing and public relations activities, but resigned on 30 November 2014 because she had difficulty in attending meetings in the important period leading up to the castle opening. Mrs Sue Lewis has been a long-serving trustee supporting all aspects of the restoration project, but resigned on 12 January 2015 as she wished to continue to support Cardigan Castle by becoming a member of staff. Dr Rowan O'Neill also contributed substantially to the cultural and heritage aspects of the visitor experience but resigned on 2 March 2015 in order that she could be employed to use her particular expertise in overseeing the installation of exhibits. Glen Johnson, who has supported the restoration of Cardigan Castle for 30 years, was elected as a trustee at the 2014 AGM and has played vital roles in preparing the Cardigan Castle Guide, training tour guides and bringing to life the turbulent history of the site. Although he felt forced to resign with effect from 9 September 2015 because ill-informed and often personal comment on social media was impacting on his wife and children, he will continue his strong support for the castle and the trust as a volunteer. The trustee retiring by rotation and offering herself for re-election at the 2015 AGM is Mrs Jann Tucker, founder trustee and chair of the trust.

The trust would like to acknowledge the exceptional support that it has received from Ceredigion County Council (CCC) and its officers throughout the processes of applying to the Heritage Lottery Fund (HLF), the European Regional Development Fund, the Community Asset Transfer programme, Cadw and other funding sources, the appointment of design teams, contractors and staff under European procurement rules and managing the restoration and archaeological work already carried out. Ceredigion County Council Leader, Councillor Ellen ap Gwynn, recently said: "Ceredigion County Council is extremely pleased that the opening of Cardigan Castle has proved to be such a successful and worthwhile venture. The Council will continue to be supportive of this project, to ensure that it goes from strength to strength in order to secure its continued success in the long term. It has been fantastic to see this historic building being given a new lease of life. Hopefully it will now become a huge asset to the economy of Cardigan and south Ceredigion."

The strong generous support as well as expert advice of the Prince's Regeneration Trust over the last seven years has also been invaluable. The trust is also extremely grateful to the Brioude Twinning Committee for their co-operation in the redesign of the Brioude garden adjacent to the entrance to Cardigan Castle.

No progress on the Cardigan Castle restoration project would have been possible without the support of our funders, volunteers, businesses, organisations, supporters and staff whose immense contributions we acknowledge elsewhere in this report.

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 2015

OBJECTIVES AND ACTIVITIES

Significant activities

The focus of our work is the restoration and preservation of Cardigan Castle for the benefit the people of Cardigan Town and of the Nation. Cardigan Castle is a Scheduled Ancient Monument of immense importance in Welsh heritage and culture as the site of what has been regarded as the first Welsh Eisteddfod in 1176. Through its 900 year history the site has taken on a number of different roles and its evolution continues to this day.

Cardigan Castle was one of the first stone castles built by a Welsh prince and the Eisteddfod was held to celebrate its completion. It was built by Rhys ap Gruffudd, 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 was badly damaged during the Civil War and subsequently passed into private ownership. A Georgian villa was built into the old North Tower of the castle and successive owners have played important roles in Cardigan's maritime and civic history. The house was occupied by the army during the Second World War and fell into an increasingly ruinous condition during the second half of the 20th century. From 1975 the castle walls had to be supported by steel buttresses to prevent further collapse, while the house was condemned as unfit for human occupation. Since 2003, the site has been owned by Ceredigion County Council (CCC) and the charity has been working in partnership with CCC on a £12m restoration project to bring the site, its several listed buildings and its historic gardens into public use.

In December 2008, it was announced that the trust's 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 2010 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. The trust consulted with specialists on archaeology, ecology, ground investigations, landscaping, access, building surveys and asbestos surveys and 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 the HLF announced that the application had been successful and that the trust had been awarded a grant of £4.7m, subject to securing appropriate match funding.

The trust received further strong support throughout 2011 from Cadw and other national and local bodies, which allowed repairs to the castle walls most liable to collapse to be completed during 2011/12. 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 this further key financing in place, the trust was able to begin to advertise for, assess, interview and appoint managers and designers of the different elements of the project as well as staff members, all in accordance with European Union procurement rules. In June 2012 the trust was awarded over £700,000 under the Community Asset Transfer Programme (funded by Big Lottery), enabling inclusion of extra elements of the scheme. Archaeological excavations during summer and autumn 2012, a vital first stage ahead of the main works, attracted 75 community volunteers working alongside the professional team, leading to the discovery of 9,500 artefacts including exciting remains of Lord Rhys' first stone castle. Many more volunteers assisted in clearing much of the undergrowth in the gardens and preparing the ground for planting. The contract to repair the castle walls and remove the buttresses was tendered and awarded to Andrew Scott Limited in July 2012 with the buttresses finally removed in March 2013. The work on the main restoration contract was also awarded to Andrew Scott Limited following a comprehensive tendering process.

On 14 April 2015, fifteen years of hard work came to fruition and veteran Cardigan Castle campaigners, Fr Seamus Cunnane and Cllr Gwynfi Jenkins cut the ribbon to open the castle. First Minister of Wales, Carwyn Jones, conducted the official opening ceremony on 25 June 2015 and the day ended with a memorable concert that celebrated the Cardigan area's contribution to national and international talent. The site's different facilities have been coming on stream progressively through the summer. The exhibition areas celebrate Cardigan Castle's huge significance as the site of the first eisteddfod in 1176 and trace the history of both the castle and the town through to the present day. This is a national strategic monument with an evolving history and a vibrant and continuing role within the local community.

Public benefit

The Trustees have reviewed the Charity's impact on the people of Ceredigion having regard to the Charity Commission guidance on public benefit and believe that maintaining and preserving this historic monument is to the public benefit.



Cadwgan Building Preservation Trust

Report of the Trustees for the year ended 31 March 2015

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The restoration of Cardigan Castle has been completed thanks to hard work by all concerned and huge support from volunteers and funders. But the objects of the trust are to preserve the castle for the benefit of the people of Cardigan Town and of the Nation. "Preserving" the site requires the trust to maintain the gardens and the external and internal fabric of the buildings, while "for the benefit of the people" requires the site to be kept open in a manner that ensures the safety of the public. Insuring the buildings, keeping them warm, clean and in good repair, tending the gardens and maintaining visitor safety all cost a great deal of money and the trust is fortunate that a large body of local volunteers has come forward to assist in these tasks. Nevertheless, in order to secure grant funding and demonstrate that the site is sustainable, areas have been set aside to generate income. These areas are available as a local community resource for the use of any individual or organisation to stage meetings, concerts, events or celebrations.

Last year's trustees' report referred to the structural and operational changes that were necessary as Cardigan Castle moved from the restoration phase to being open to the public. Most of these changes have now been completed and the trust is grateful to all staff, volunteers and advisors who have contributed at each stage. Although the transition has not always been smooth many aspects of the opening have progressed very well. The flow of visitors has been excellent, totalling over 20,000 in the first five months, and their comments and enthusiasm for the site and the heritage displays have generally been very positive. The Eisteddfod Chair, standing nine feet tall and made by local woodcarving artist Paul Clarke, is a focus for communicating the cultural significance of Cardigan Castle as the site of the first eisteddfod and has provided attractive photo opportunities for members of the public. The team of castle volunteers has done sterling work in the reception area, the heritage displays and the gardens (which have made remarkable progress in the first year). Guided tours, led by volunteers, have been particularly popular and have highlighted the continuously evolving history of the castle right through to the present day. Entertainments during the summer, arranged jointly with Theatr Mwldan and Small World Theatre, have been very popular and there were full capacity audiences at both the Cyngerdd Beirdd a Chantorion (which was an in-house production) and the 9Bach/Bellowhead concerts. The first Proclamation Ceremony for Gwyl Fawr Aberteifi was held at the Castle this year, as well as a very successful and well attended Talwrn y Beirdd, and this association is set to continue and flourish. A Sewing Group is based at the castle, supported by a grant from the Ashley Family Foundation, and is working on the heritage of Welsh costumes and domestic textiles in the region. A number of Welsh Language and Learning courses are held in the castle every week during term time and are proving extremely popular, while a Welsh Harp Club is starting later this month. Conferences are due to be hosted at the castle in the next few weeks by Visit Wales, The Heritage Lottery Fund and Canolfan Tywi.

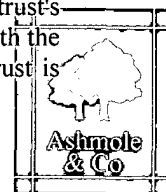
The project has had and continues to have a significant impact on the local economy. During the restoration phase, 70% of those working on the site lived within 25 miles of Cardigan and the work included significant apprenticeship training. In the period since the castle opened 25 local residents have been employed, supported by a much larger number of enthusiastic volunteers. When the castle's accommodation is full, the website provides links to other nearby accommodation providers.

A project of such historic and cultural importance is always likely to lead to differences of opinion about how to proceed. For instance, some individuals have expressed concerns about the commercial aspects of the site, even though grant funding for the restoration would not have been forthcoming without a credible business plan involving the generation of trading income to cover costs. It is estimated that the commercial facilities cover less than 20% of the site and are available to all local residents as well as to visitors from further afield.

There were some operational difficulties during the start-up phase. The castle could not be opened to the public until paths were completed and safe, the timing of which depended on weather conditions, so little pre-opening publicity was possible. A new telephone system was ordered without reference to trustees and left the castle without telephone and internet connections for an extended period, causing delays in responding to telephone calls and emails. There were problems in connecting some buildings to the main sewer, with the result that accommodation opened later than planned. Delays in installing updated management accounting software created additional work to input data for a second time.

Other issues that have arisen include:-

Staffing. A staffing review was commenced in summer 2014 and involved new staff roles and responsibilities to prepare for the opening of the castle. Advertising for the new roles commenced immediately after the review was completed in mid-December 2014 in order that staff would be in place as soon as possible after the relocation of the office back into castle premises, planned for the end of January 2015. All procurement processes required by the trust's funders were adhered to and a significant number of applications were received. Following the office move and with the restoration phase largely completed, the Castle Director left his post by mutual agreement in July 2015. The trust is grateful to all staff, both past and present, who have contributed to the success of the restoration project



Cadwgan Building Preservation Trust

Report of the Trustees for the year ended 31 March 2015

ACHIEVEMENT AND PERFORMANCE

Charitable activities

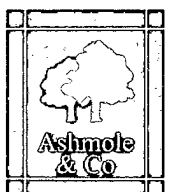
The Gorsedd. The proposed visit by the Gorsedd to the castle in May 2015 was discussed by the board in August 2014. At the time there was considerable uncertainty about when the castle could be opened and it was an unanimous trust decision to explain to the Gorsedd that the trust was not in a position to confirm a visit on that date. The Gorsedd could not offer a later date in 2015 because of existing commitments, but agreed to consider this matter again in 2016.

The 9Bach/Bellowhead Concert. The concert was arranged jointly by castle staff and Theatr Mwldan and was advertised as "The Cardigan Castle Opening Concert" without reference to trustees. It was always intended that there would be a concert of celebration on the evening of the First Minister's visit a month earlier. In the event, both the Cyngerdd Beirdd a Chantorion and the 9Bach/Bellowhead concerts were enthusiastically received by sell-out audiences.

The Castle Renovation. Cardigan Castle is a Scheduled Ancient Monument, so all renovation has been carried out to heritage standards. The castle is presented as an historically hugely important site which has continued to evolve through the many phases of its 850 years of history right through to the present day and into the future.

The timing of the AGM. The resignation of Glen Johnson as a trustee, for reasons already disclosed, takes effect from 9 September 2015. At that date the trust will have only five trustees. The minimum number of trustees for a meeting to be quorate is four and the trust ran the risk of not being able to take decisions because of not being quorate. The trustees have the right to co-opt additional trustees, but felt that it would be much more appropriate (and democratic) to call an earlier than usual AGM to allow members to nominate additional trustees.

The restoration of Cardigan Castle has been completed and the transformation of the site is a tribute to the vision of founder chair, Trevor Griffiths OBE, and to all trustees, staff, volunteers, professional advisers, funders and fundraisers who have worked so hard on the project. The local community has made a remarkable contribution, raising over £200,000 of match funding and contributing over 20,000 volunteer hours.



Cadwgan Building Preservation Trust

Report of the Trustees for the year ended 31 March 2015

FINANCIAL REVIEW

Reserves policy

The 2014/15 accounts record completion of the main restoration contract, though additional contract and fit-out costs will accrue during 2015/16. Grant income amounted to £3.4m, a figure that is largely reflected in the increase in Fixed Assets from £5.8m to £8.6m and the increase in total funds from £6.1m to £9.2m. Included in additions to Fixed Assets was the purchase of the adjoining property, Bayvil House, to which reference was made in last year's accounts. Work on the renovation of this property is now getting under way. Heritage assets are amortised over the term of the long term lease from Ceredigion County Council, so financial statements will include a non-cash charge each year of about £60,000 in order to write these assets down to nil value at the end of the lease. The trustees will monitor the financial performance of the project before taking account of this non-cash charge. It should also be noted that Fixed Assets include over £300,000 of plant & machinery and fixtures & fittings which are depreciated at a rate of 25% each year. The charge in 2014/15 was over £75,000 and although this is again a non-cash charge, trustees will need to prepare for renewal of these shorter-life assets in due course.

As with very many charities, commercial activities are carried out through a trading subsidiary, Cardigan Castle Enterprises Ltd. This company made a small loss during 2014/15 because income was nil during the period while the trust was based in temporary accommodation, while some staff costs were incurred during March 2015, ahead of the opening in April. This is a timing issue and it is expected that this subsidiary will make profits during 2015/16 and beyond, which will be donated to the trust to support its charitable activities.

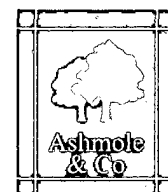
Fundraising activities continued during the year, with a contribution of nearly £15,000 from the raffle of a Fiat car, generously donated by B V Rees. The trust received further generous support from the Cardigan Mayor's Fund and a grant from the Ashley Family Foundation to support the sewing group. Income from grants and fundraising has run at a high level for several years to support the restoration of the Cardigan Castle, but now that restoration is largely complete, trustees must plan for the castle to be sustainable with much reduced grant income and fundraising.

A very high proportion of the trust's income in recent years has been into restricted funds, fully committed to restoration work. During the year, a further £15,000 raised by fundraising was transferred from unrestricted to restricted funds to meet match funding requirements. This has meant that the balance on unrestricted funds has reduced further. Importantly, donations to the trust from Cardigan Castle Enterprises Ltd will be to unrestricted funds and the trustees aim to see the balance on unrestricted funds increase over the longer term.

The trust would like to thank the many volunteers, businesses, organisations and supporters who have given so generously of their time and financial support over the lifetime of the project. Their contribution has enabled the trust to meet its match funding targets and complete the restoration. Cardigan Castle will be an important focus for the presentation and dissemination of Welsh culture and heritage and a major community asset for present and future generations.

Principal funding sources

The restoration of Cardigan Castle could not have been completed without the strong commitment and support the trust has received, particularly from the Heritage Lottery Fund, the European Regional Development Fund, the Community Asset Transfer Programme, Cadw, the Architectural Heritage Fund and our partners, Ceredigion County Council. We are also grateful for support received from Cardigan Town Council and a large number of community councils and organisations in Cardigan and surrounding areas. Throughout the restoration process the trust has received generous and expert advice from the Prince's Regeneration Trust.



Cadwgan Building Preservation Trust

Report of the Trustees for the year ended 31 March 2015

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Cadwgan Building Preservation Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

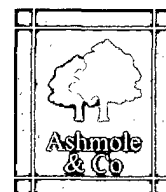
AUDITORS

The auditors, Ashmole and Co., will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 10-09-2015 and signed on its behalf by:



J Timms - Secretary



Report of the Independent Auditors to the Trustees of Cadwgan Building Preservation Trust

We have audited the financial statements of Cadwgan Building Preservation Trust for the year ended 31 March 2015 on pages eleven to twenty. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page eight, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

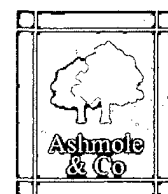
Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.



**Report of the Independent Auditors to the Trustees of
Cadwgan Building Preservation Trust**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Ashmole & Co

Ashmole and Co.

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Manchester House

Grosvenor Hill

Cardigan

Ceredigion

SA43 1HY

Date: 11/9/15

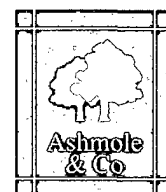


Cadwgan Building Preservation Trust

**Statement of Financial Activities
for the year ended 31 March 2015**

		Unrestricted fund	Restricted fund	31.3.15 Total funds	31.3.14 Total funds
	Notes	£	£	£	£
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	6,275	-	6,275	18,885
Activities for generating funds	3	28,721	-	28,721	81,790
Investment income	4	66	-	66	48
Incoming resources from charitable activities					
Castle renovation	5	-	3,414,236	3,414,236	4,604,398
Total incoming resources		35,062	3,414,236	3,449,298	4,705,121
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising trading: cost of goods sold and other costs	6	1,741	-	1,741	17,498
Charitable activities					
Castle renovation	7	27,829	370,807	398,636	294,845
Governance costs	9	-	4,000	4,000	4,350
Total resources expended		29,570	374,807	404,377	316,693
NET INCOMING RESOURCES BEFORE TRANSFERS					
		5,492	3,039,429	3,044,921	4,388,428
Gross transfers between funds	19	(15,000)	15,000	-	-
Net incoming/(outgoing) resources		(9,508)	3,054,429	3,044,921	4,388,428
RECONCILIATION OF FUNDS					
Total funds brought forward		15,219	6,095,819	6,111,038	1,722,610
TOTAL FUNDS CARRIED FORWARD		5,711	9,150,248	9,155,959	6,111,038

The notes form part of these financial statements

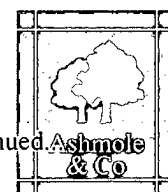


Cadwgan Building Preservation Trust

**Balance Sheet
At 31 March 2015**

	Notes	Unrestricted fund £	Restricted fund £	31.3.15 Total funds £	31.3.14 Total funds £
FIXED ASSETS					
Tangible assets	15	-	1,152,044	1,152,044	460,711
Heritage assets	16	-	<u>7,425,966</u>	<u>7,425,966</u>	<u>5,400,941</u>
		-	8,578,010	8,578,010	5,861,652
CURRENT ASSETS					
Stocks		3,294	-	3,294	-
Debtors	17	50,445	809,672	860,117	2,090,527
Cash at bank and in hand		<u>27,787</u>	<u>30,698</u>	<u>58,485</u>	<u>252,431</u>
		81,526	840,370	921,896	2,342,958
CREDITORS					
Amounts falling due within one year	18	(75,815)	(268,132)	(343,947)	(2,093,572)
NET CURRENT ASSETS		<u>5,711</u>	<u>572,238</u>	<u>577,949</u>	<u>249,386</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,711</u>	<u>9,150,248</u>	<u>9,155,959</u>	<u>6,111,038</u>
NET ASSETS		<u>5,711</u>	<u>9,150,248</u>	<u>9,155,959</u>	<u>6,111,038</u>
FUNDS	19				
Unrestricted funds				5,711	15,219
Restricted funds				<u>9,150,248</u>	<u>6,095,819</u>
TOTAL FUNDS				<u>9,155,959</u>	<u>6,111,038</u>

The notes form part of these financial statements



Cadwgan Building Preservation Trust

Balance Sheet - continued
At 31 March 2015

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2015.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

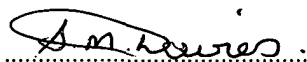
The trustees acknowledge their responsibilities for

- (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 audited under the requirements of Section 144 of the Charities Act 2011.

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).

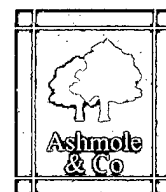
The financial statements were approved by the Board of Trustees on 10-09-2015 and were signed on its behalf by:



Mrs S Davies - Trustee



Mrs EJ Tucker - Trustee



Cadwgan Building Preservation Trust

Notes to the financial statements for the year ended 31 March 2015

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 group 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.

Allocation and apportionment of costs

Costs are allocated between direct charitable and trading expenditure according to the nature of the cost.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- not provided
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on cost and 25% on reducing balance

Heritage assets

Heritage assets are the tangible assets of the Charity that are of historical importance and are being held to advance the preservation, conservation and educational objectives of the Charity and through public access contribute to the nation's culture and education.

The castle and its grounds and all subsequent restoration and development expenditure in these assets are considered to be heritage assets.

In accordance with the Trust's accounting policy, the value of the original heritage asset acquired under the lease is not included within the financial statements as due to the historic and unique nature of the assets concerned, conventional approaches lack sufficient reliability to give a meaningful value to the asset.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

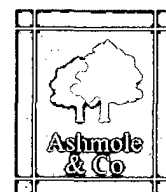
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.



Cadwgan Building Preservation Trust

**Notes to the Financial Statements - continued
for the year ended 31 March 2015**

2. VOLUNTARY INCOME

	31.3.15	31.3.14
	£	£
Donations	<u>6,275</u>	<u>18,885</u>

3. ACTIVITIES FOR GENERATING FUNDS

	31.3.15	31.3.14
	£	£
Fundraising	15,890	66,378
Shop income	-	2,429
Room hire	12,081	12,983
Rental income	<u>750</u>	<u>-</u>
	<u>28,721</u>	<u>81,790</u>

4. INVESTMENT INCOME

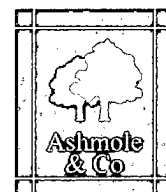
	31.3.15	31.3.14
	£	£
Bank account interest	<u>66</u>	<u>48</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	31.3.15	31.3.14
	£	£
Community Asset Transfer -		
Big Lottery Grant	196,779	393,436
Heritage Lottery Fund	2,083,597	2,088,157
European Regional		
Development Fund	1,124,174	1,839,894
Cadw	-	280,911
Cardigan Town Council	-	2,000
Ashley Family Foundation	<u>9,686</u>	<u>-</u>
	<u>3,414,236</u>	<u>4,604,398</u>

6. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	31.3.15	31.3.14
	£	£
Purchases	-	36
Fundraising costs	1,741	17,422
Shop expenses	<u>-</u>	<u>40</u>
	<u>1,741</u>	<u>17,498</u>



Cadwgan Building Preservation Trust

**Notes to the Financial Statements - continued
for the year ended 31 March 2015**

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 8)	Totals
	£	£	£
Castle renovation	<u>81,237</u>	<u>317,399</u>	<u>398,636</u>

8. SUPPORT COSTS

	Management	Other	Totals
	£	£	£
Castle renovation	<u>180,829</u>	<u>136,570</u>	<u>317,399</u>

9. GOVERNANCE COSTS

	31.3.15	31.3.14
	£	£
Accountancy	1,800	2,250
Auditors' remuneration	<u>2,200</u>	<u>2,100</u>
	<u>4,000</u>	<u>4,350</u>

10. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

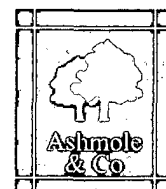
	31.3.15	31.3.14
	£	£
Auditors' remuneration	2,200	2,100
Depreciation - tangible assets	76,684	10,266
Depreciation – heritage assets	<u>59,887</u>	<u>-</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2015 nor for the year ended 31 March 2014.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2015 nor for the year ended 31 March 2014.



Cadwgan Building Preservation Trust

**Notes to the Financial Statements - continued
for the year ended 31 March 2015**

12. STAFF COSTS

	31.3.15 £	31.3.14 £
Wages and salaries	130,023	175,312
Social security costs	<u>9,794</u>	<u>17,062</u>
	<u><u>139,817</u></u>	<u><u>192,374</u></u>

No employee received in excess of £60,000.

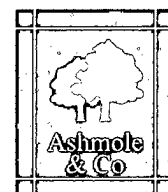
Staff Categories

The average number of staff employed by the charity during the year was as follows:

Management	1
Operational	3
Finance	<u>1</u>
	<u><u>5</u></u>

13. BALANCE SHEETS OF THE CONSOLIDATED ENTITIES

	Cadwgan Building Preservation Trust 31.3.15 £	Cardigan Castle Enterprises Limited 31.3.15 £	Total 31.3.15 £	Total 31.3.14 £
Fixed Assets	8,578,010	-	8,578,010	5,861,652
Stock	-	3,294	3,294	-
Debtors	880,779	-	880,779	2,090,527
Cash at bank	<u>42,089</u>	<u>16,396</u>	<u>58,485</u>	<u>256,382</u>
	9,500,878	19,690	9,520,568	8,208,561
Current liabilities	<u>(342,423)</u>	<u>(22,186)</u>	<u>(364,609)</u>	<u>(2,097,523)</u>
Net Assets	<u><u>9,158,455</u></u>	<u><u>(2,496)</u></u>	<u><u>9,155,959</u></u>	<u><u>6,111,038</u></u>
Restricted funds	9,150,248	-	9,150,248	6,095,819
Unrestricted funds	<u>8,207</u>	<u>(2,496)</u>	<u>5,711</u>	<u>15,219</u>
Total funds	<u><u>9,150,248</u></u>	<u><u>(2,496)</u></u>	<u><u>9,155,959</u></u>	<u><u>6,111,038</u></u>



Cadwgan Building Preservation Trust

**Notes to the Financial Statements - continued
for the year ended 31 March 2015**

14. SUBSIDIARY COMPANY

The charity has a wholly owned subsidiary Cardigan Castle Enterprises Ltd, a company limited by guarantee and incorporated in England and Wales. The company carries out trading and commercial activity with the purpose of raising money for donation to the charity.

A summary of its financial activity is given below:

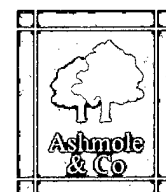
	31.03.15 £	31.03.14 £
Turnover	-	2,429
Cost of sales	-	1,696
Overheads	<u>2,496</u>	<u>486</u>
Net (deficit)/surplus before donation to the Charity	<u>(2,496)</u>	<u>247</u>
Donation to the Charity	<u>-</u>	<u>247</u>

15. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 April 2014	431,824	17,394	27,648	476,866
Additions	<u>498,994</u>	<u>12,594</u>	<u>256,429</u>	<u>768,017</u>
At 31 March 2015	<u>930,818</u>	<u>29,988</u>	<u>284,077</u>	<u>1,244,883</u>
DEPRECIATION				
At 1 April 2014	-	7,331	8,824	16,155
Charge for year	<u>-</u>	<u>5,665</u>	<u>71,019</u>	<u>76,684</u>
At 31 March 2015	<u>-</u>	<u>12,996</u>	<u>79,843</u>	<u>92,839</u>
NET BOOK VALUE				
At 31 March 2015	<u>930,818</u>	<u>16,992</u>	<u>204,234</u>	<u>1,152,044</u>
At 31 March 2014	<u>431,824</u>	<u>10,063</u>	<u>18,824</u>	<u>460,711</u>

Included in cost or valuation of land and buildings is freehold land of £930,818 (2014 - £431,824)

Freehold property comprises Bayvil House which was acquired by the charity in 2014-15 and also Ty Castell which was acquired by the charity in 2011-12 and improvements to this property. No depreciation is being charged on these properties.



Cadwgan Building Preservation Trust

**Notes to the Financial Statements - continued
for the year ended 31 March 2015**

16. HERITAGE ASSETS

	Totals £
COST	
At 1 April 2014	5,400,941
Restoration work done in the year	<u>2,084,912</u>
At 31 March 2015	7,485,853
DEPRECIATION	
At 1 April 2014	-
Depreciation charge for the year	<u>59,887</u>
At 31 March 2015	59,887
NET BOOK VALUE	
At 31 March 2015	<u>7,425,966</u>
At 31 March 2014	<u>5,400,941</u>

The heritage assets consist of the costs of restoration works to the castle buildings and its grounds.

Cardigan Castle and its grounds are leased to Cadwgan Building Preservation Trust for 125 years effective from February 2013. The cost of the acquisition of the lease is nil. An open market valuation is impractical and conventional valuation techniques cannot be applied.

Depreciation is provided to amortise the improvement expenditure over the term of the lease (125 years).

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.15 £	31.3.14 £
Trade debtors	7,131	5,715
VAT	30,905	132,008
Ceredigion County Council	463,954	-
Accrued income	352,163	1,947,504
Prepayments	<u>5,964</u>	<u>5,300</u>
	<u>860,117</u>	<u>2,090,527</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.15 £	31.3.14 £
Social security and other taxes	-	4,046
Other creditors	1,524	1,336
Accrued expenses	342,423	307,289
Ceredigion County Council	<u>-</u>	<u>1,780,901</u>
	<u>343,947</u>	<u>2,093,572</u>



Cadwgan Building Preservation Trust

**Notes to the Financial Statements - continued
for the year ended 31 March 2015**

19. MOVEMENT IN FUNDS

	At 1.4.14 £	Net movement in funds £	Transfers between funds £	At 31.3.15 £
Unrestricted funds				
General fund	15,219	5,492	(15,000)	5,711
Restricted funds				
Restricted	6,095,819	3,039,429	15,000	9,150,248
TOTAL FUNDS	<u>6,111,038</u>	<u>3,044,921</u>	<u>-</u>	<u>9,155,959</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	35,062	(29,570)	5,492
Restricted funds			
Restricted	3,414,236	(374,807)	3,039,429
TOTAL FUNDS	<u>3,449,298</u>	<u>(404,377)</u>	<u>3,044,921</u>

20. CAPITAL COMMITMENTS

	31.3.15 £	31.3.14 £
Contracted but not provided for in the financial statements	<u>615,730</u>	<u>2,250,462</u>

The above relates to contractual commitments existing at the year end which are not included in creditors.

21. RELATED PARTY DISCLOSURES

During the year there were no related party disclosures which required disclosure in these accounts.

Cadwgan Building Preservation Trust

**Detailed Statement of Financial Activities
for the year ended 31 March 2015**

	31.3.15 £	31.3.14 £
INCOMING RESOURCES		
Voluntary income		
Donations	6,275	18,885
Activities for generating funds		
Fundraising	15,890	66,378
Shop income	-	2,429
Room hire	12,081	12,983
Rental income	<u>750</u>	<u>-</u>
	28,721	81,790
Investment income		
Bank account interest	66	48
Incoming resources from charitable activities		
Community Asset Transfer - Big Lottery Grant	196,779	393,436
Heritage Lottery Fund	2,083,597	2,088,157
European Regional Development Fund	1,124,174	1,839,894
Cadw	-	280,911
Cardigan Town Council	-	2,000
Ashley Family Foundation	<u>9,686</u>	<u>-</u>
	<u>3,414,236</u>	<u>4,604,398</u>
Total incoming resources	3,449,298	4,705,121
RESOURCES EXPENDED		
Fundraising trading: cost of goods sold and other costs		
Purchases	-	36
Fundraising costs	1,741	17,422
Shop expenses	<u>-</u>	<u>40</u>
	1,741	17,498
Charitable activities		
Professional fees	34,982	49,929
Repairs and renewals	127	388
Volunteer expenses	180	1,840
Marketing and publicity	41,405	13,849
Events and activities	752	2,606
Educational projects	2,241	1,597
Gardening expenses	<u>1,550</u>	<u>2,341</u>
	81,237	72,550



Cadwgan Building Preservation Trust

Detailed Statement of Financial Activities for the year ended 31 March 2015

	31.3.15 £	31.3.14 £
Governance costs		
Accountancy	1,800	2,250
Auditors' remuneration	2,200	2,100
	<u>4,000</u>	<u>4,350</u>
Support costs		
Management		
Wages	131,433	175,312
Social security	9,794	17,062
Pension	4,365	-
Water rates	207	3,868
Insurance	6,193	5,096
Light and heat	4,742	5,813
Office costs	10,020	9,008
Sundries	1,544	805
Cleaning	2,964	833
Room hire	1,795	1,012
Staff recruitment and training	3,924	7,464
Travel and subsistence	1,639	1,669
Bank charges	92	234
Legal and professional costs	2,117	1,380
	<u>180,829</u>	<u>229,556</u>
Other		
Depreciation of tangible assets	76,683	10,266
Depreciation of heritage assets	59,887	-
Depreciation written back on reclassification of fixed assets	-	(17,527)
	<u>136,570</u>	<u>(7,261)</u>
Total resources expended	<u>404,377</u>	<u>316,693</u>
Net income	<u>3,044,921</u>	<u>4,388,428</u>

