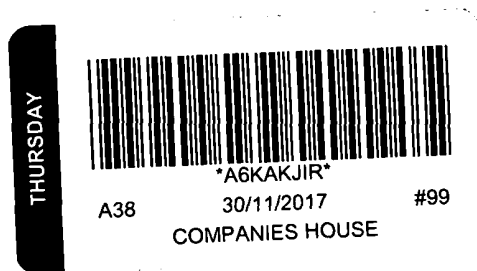


REGISTERED COMPANY NUMBER: 07639471 (England and Wales)
REGISTERED CHARITY NUMBER: 1144524

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 APRIL 2017
FOR
HAY CASTLE TRUST LIMITED



Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

HAY CASTLE TRUST LIMITED

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FOR THE YEAR ENDED 30 APRIL 2017**

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HAY CASTLE TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 APRIL 2017

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 30 April 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objects are to preserve the heritage of Hay Castle in Hay-on-Wye and to advance education on the architecture of the building, local history and the arts by the purchase and preservation of the building and its surrounding land. The charity aims to promote the appreciation of heritage, providing a source of education and training, and promote community involvement and a local amenity through the provision of an active, living site, as befits a building having enjoyed more than 800 years of continuous occupancy.

Strategies for achieving these objectives and aims include:

- the regeneration and preservation of Hay Castle;
- provision of a future of cultural enrichment;
- educational opportunities; and
- community benefit and enjoyment.

Success is currently measured in terms of: progress made in completing the Trust's Heritage Lottery Fund Round 2 Delivery Phase project ("HLF 2"); the amount of funds secured towards the Trust's own £1.58 million own match-funding requirement as part of HLF2; ensuring the full regeneration of Hay Castle is achieved; the continued provision of events, tours, concerts, performances (to the extent permitted by the restoration project); promoting community consultation involvement, support and engagement.

The Trust's activities, and the non-cash portion of the requirement to provide a total of £1.58 million from its own resources, depend on a significant input of volunteer time. This occurs at the level of the trustees, the Friends of Hay Castle, and informal commitments by individuals. Over 3500 hours were logged in the year ending 30 April 2017.

In the short term the Trust intends to pursue its commitments as part of the HLF2, the chief ones being the successful appointment of a General Contractor for the Project, the delivery of RIBA Stage 4 architectural plans, and maintaining progress towards the £1.58 million match-funding requirement.

In the medium term, the Trust is anticipating the successful completion of the restoration project in 2019, and starting to estimate the resources and skill sets necessary to deliver the elements of its Business Plan which was approved as part of its HLF2 grant. Other institutions with similar exhibition spaces and literary connections are being contacted with a view to potential collaborations in this area.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities for the year.

ACHIEVEMENT AND PERFORMANCE

The Board of Trustees, together with a group of active committee members, reflect a range of complementary skills and experience in executing and funding large public and community-centred projects. The Managing Director leads the efforts to develop the project, raise funds, manage the property, ensure compliance in all governance matters, ensure financial oversight, maintain sound environmental practices, and continue to raise the profile of the project through communications with the community and local and national media.

The Trust's most important achievement in 2016-2017 was gaining a Heritage Lottery Fund Round 2 Delivery Phase ("HLF 2") grant of £4.47 million. The conditions of this award dictated the other key milestones for the Trust during the year, namely: the appointment of Mott MacDonald as project management consultants; receipt of planning permission in November 2016; the start of surveys to fulfil pre-commencement conditions; the receipt of Transport Statement.

During the period, the Trust received over £250,000 from external donors, taking its cumulative total of grants and donations to over £850,000.

HAY CASTLE TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 APRIL 2017

ACHIEVEMENT AND PERFORMANCE

The Friends of Hay Castle group continued to grow, reaching a total of 170 members. Activities for the local community and wider public included participation in a celebration to mark the 40th anniversary of Hay's Unilateral Declaration of Independence from the UK, events for refugee writers, and dementia awareness. The Hay Tours group continued to offer guided tours of the Castle.

Formal consultative round-table meetings continued with community groups.

FINANCIAL REVIEW

The attached financial statements reflect the transactions and position of the Trust for the year to 30 April 2017.

The Statement of Financial Activities shows net income for the year of £494,201. In accordance with accounting policies all grant income (including capital grants) has been recognised in Statement of Financial Activities.

Principal funders

The Trust continued to receive support from the Heritage Lottery Fund throughout the year. Grants were also received from The Rothschild Foundation, The Hobson Charity, Lloyd Webber Foundation, Garfield Weston Foundation, The D'Oyly Carte Charitable Trust and the Brecon Beacons National Park.

During the year, grants were awarded to the Trust by The Leche Trust and Oakdale Trust.

Reserves

The total funds of £3,673,986 (2016: £3,179,785) include £700,403 (2016: £458,830) which is held for restricted purposes. After excluding the net book value of tangible fixed assets which been included within a designated fund, the remaining £47,512 (2016: £151,221) are free reserves.

It is the policy of the Trust that unrestricted funds which have not been designated for a specific use should be maintained at a level of approximately £65,000. The trustees consider that this will ensure that if in the event of a significant interruption to anticipated funding, they will be able to maintain the Trust's current activities while consideration is given to ways in which additional funds maybe raised.

The Trust is currently trying to build reserves in excess of this level in order to contribute its own funds to the regeneration project.

FUTURE PLANS

In the three months following the balance-sheet date, the Trust received further substantial commitments from external donors.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company was incorporated on 18 May 2011 and is limited by guarantee. Charitable status was granted on 3 November 2011. The company is governed by its Memorandum and Articles of Association.

Recruitment and appointment of new trustees

The power of appointing new or additional trustees is vested in the trustees.

Organisational structure

The day-to-day administration of the charity is carried out by the trustees. None of the trustees have any beneficial interest in the charity. All the trustees are members of the charity and guarantee to contribute a sum not exceeding £10 in the event of a winding up.

Induction and training of new trustees

Trustees are expected to identify their training needs and take measures to ensure these needs are met.

Key management remuneration

The pay of senior staff is set by the Board of Trustees having regard to market rates.

Risk management

We confirm the major risks have been reviewed and systems or procedures have been established to manage those risks.

HAY CASTLE TRUST LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 APRIL 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07639471 (England and Wales)

Registered Charity number

1144524

Registered office

Hay Castle
Oxford Road
HAY-ON-WYE
Herefordshire
HR3 5DG

Trustees

J T Albert
L Cooke
A Craven
P K Florence
P Greatbatch
E Haycox
M P Morgan - resigned 1/7/2016
R L Hughes

Senior management

N L Albert - Managing Director

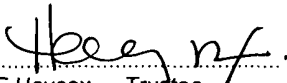
Independent examiner

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Bankers

Barclays
Broad Street
HAY-ON-WYE
Hereford
HR3 5DD

Approved by order of the Board of Trustees 18.10.17 and signed on its behalf by:


.....
E Haycox - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
HAY CASTLE TRUST LIMITED**

I report on the accounts for the year ended 30 April 2017 set out on pages five to nineteen.

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 144(2) of the Charities Act 2011 (the 2011 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 ACCA.

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 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)

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.

Julia Mortimer FCCA
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Date: 20 October 2017

HAY CASTLE TRUST LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 APRIL 2017**

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	10,248	251,375	261,623	447,840
Charitable activities	6				
Preservation of the heritage of Hay Castle		-	278,719	278,719	253,723
Other trading activities	4	45,122	-	45,122	50,869
Investment income	5	84	-	84	71
Total		55,454	530,094	585,548	752,503
EXPENDITURE ON					
Raising funds	7	13,179	23,162	36,341	39,370
Charitable activities	8				
Preservation of the heritage of Hay Castle		14,475	40,531	55,006	79,428
Total		27,654	63,693	91,347	118,798
NET INCOME		27,800	466,401	494,201	633,705
Transfers between funds	18	224,828	(224,828)	-	-
Net movement in funds		252,628	241,573	494,201	633,705
RECONCILIATION OF FUNDS					
Total funds brought forward		2,720,955	458,830	3,179,785	2,546,080
TOTAL FUNDS CARRIED FORWARD		<u>2,973,583</u>	<u>700,403</u>	<u>3,673,986</u>	<u>3,179,785</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

HAY CASTLE TRUST LIMITED

**BALANCE SHEET
AT 30 APRIL 2017**

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
FIXED ASSETS					
Tangible assets	15	2,926,071	-	2,926,071	2,569,734
CURRENT ASSETS					
Debtors	16	48,989	490,948	539,937	522,550
Cash at bank and in hand		<u>39,252</u>	<u>289,703</u>	<u>328,955</u>	<u>118,263</u>
		88,241	780,651	868,892	640,813
CREDITORS					
Amounts falling due within one year	17	(40,729)	(80,248)	(120,977)	(30,762)
NET CURRENT ASSETS					
		<u>47,512</u>	<u>700,403</u>	<u>747,915</u>	<u>610,051</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>2,973,583</u>	<u>700,403</u>	<u>3,673,986</u>	<u>3,179,785</u>
NET ASSETS					
		<u>2,973,583</u>	<u>700,403</u>	<u>3,673,986</u>	<u>3,179,785</u>
FUNDS					
Unrestricted funds	18			2,973,583	2,720,955
Restricted funds				<u>700,403</u>	<u>458,830</u>
TOTAL FUNDS					
				<u>3,673,986</u>	<u>3,179,785</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2017.

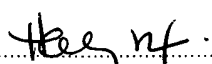
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 30 April 2017 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- 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.

The financial statements were approved for issue by the Board of Trustees on 18.10.17 and were signed on its behalf by:


E Haycox - Trustee

The notes form part of these financial statements

HAY CASTLE TRUST LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2017**

	Notes	2017 £	2016 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>570,123</u>	<u>251,656</u>
Net cash provided by (used in) operating activities		<u>570,123</u>	<u>251,656</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(359,515)	(319,759)
Interest received		<u>84</u>	<u>71</u>
Net cash provided by (used in) investing activities		<u>(359,431)</u>	<u>(319,688)</u>
Change in cash and cash equivalents in the reporting period		210,692	(68,032)
Cash and cash equivalents at the beginning of the reporting period		<u>118,263</u>	<u>186,295</u>
Cash and cash equivalents at the end of the reporting period		<u>328,955</u>	<u>118,263</u>

The notes form part of these financial statements

HAY CASTLE TRUST LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2017

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2017	2016
	£	£
Net income for the reporting period (as per the statement of financial activities)	494,201	633,705
Adjustments for:		
Depreciation charges	3,178	3,465
Interest received	(84)	(71)
Increase in debtors	(17,387)	(344,559)
Increase/(decrease) in creditors	<u>90,215</u>	<u>(40,884)</u>
Net cash provided by (used in) operating activities	<u>570,123</u>	<u>251,656</u>

HAY CASTLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

1. STATUTORY INFORMATION

Hay Castle Trust Limited is a company limited by guarantee incorporated in Wales within the United Kingdom. The registered office is Hay Castle, Oxford Road, Hay-on-Wye, Herefordshire, HR3 5DG.

The financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

The principal activities and nature of the charity's operations is to preserve the heritage of Hay Castle in Hay-on-Wye and to advance education on the architecture of the building, local history, and the arts by the purchase of the building and its surrounding land.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Hay Castle Trust Limited meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction values unless otherwise stated in the relevant accounting policy note(s).

First-time adoption of FRS102

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS102 the restatement of comparative items was required.

There have also been no adjustments to the opening position at 1 May 2015 nor the closing position at 30 April 2016.

There have been no material departures from Financial Reporting Standard 102.

The transition to Financial Reporting Standard 102 has resulted in no changes to existing accounting policies.

2. ACCOUNTING POLICIES - continued

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

This includes capital grants.

Donations and legacies income

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Income from other trading activities

Income from other trading activities includes income received under contract. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Investment income

Investment income is recognised on a receivable basis.

Basis of recognition of liabilities

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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.

Expenditure on costs of raising funds include costs fundraising, advertising, marketing and direct mail materials as well as a consultancy fees.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

HAY CASTLE TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 APRIL 2017**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost.

Freehold land and buildings are held at cost and not depreciated, whilst being restored.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any residual value, over their expected useful economic life as follows:

Plant and machinery	-	25% straight line basis
Fixtures and fittings	-	10% straight line basis
Computer equipment	-	33% straight line basis

Taxation

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

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Creditors

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

Fund accounting

Unrestricted funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds

Designated funds are unrestricted funds which are set aside by the trustees for a specific purpose.

Restricted funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund, together with a fair allocation of support and governance costs.

Transfers are made from restricted to unrestricted funds relating to the purchase of fixed assets from restricted income where such expenditure fulfils the terms of the restriction.

HAY CASTLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 APRIL 2017

3. DONATIONS AND LEGACIES

	2017	2016
	£	£
Donations	6,078	308
Gift aid tax reclaimed	936	1,660
Grants	251,375	442,300
Subscriptions	<u>3,234</u>	<u>3,572</u>
	<u>261,623</u>	<u>447,840</u>

Grants received, included in the above, are as follows:

	2017	2016
	£	£
Brecon Beacons National Park Authority	4,200	6,300
Brecon Beacons Trust	-	30,000
Sylvia Waddilove Foundation	-	35,000
Ernest Cook Trust	-	10,000
Country Houses Foundation	-	100,000
The Wolfson Foundation	-	96,000
The Dulverton Trust	-	20,000
The Pilgrim Trust	-	25,000
Visit Wales	-	120,000
The Rothschild Foundation	5,000	-
The Hobson Charity	10,000	-
Andrew Lloyd Webber Foundation	25,675	-
Garfield Weston Foundation	200,000	-
The Leche Trust	2,500	-
The D'Oyly Carte Charitable Trust	3,000	-
Oakdale Trust	<u>1,000</u>	<u>-</u>
	<u>251,375</u>	<u>442,300</u>

4. OTHER TRADING ACTIVITIES

	2017	2016
	£	£
Honesty bookshop sales	3,972	2,205
Keepers of the Castle fundraising	5,000	-
Card and other shop sales	46	-
Rental income	17,142	18,163
Hire of premises	4,275	21,386
Events income	<u>14,687</u>	<u>9,115</u>
	<u>45,122</u>	<u>50,869</u>

5. INVESTMENT INCOME

	2017	2016
	£	£
Deposit account interest	<u>84</u>	<u>71</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	2017	2016
	£	£
Grants	<u>278,719</u>	<u>253,723</u>
Activity		
Preservation of the heritage of Hay Castle	<u>278,719</u>	<u>253,723</u>

HAY CASTLE TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 APRIL 2017**

6. INCOME FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	2017	2016
	£	£
Heritage Lottery Fund grant	<u>278,719</u>	<u>253,723</u>

7. RAISING FUNDS

Raising donations and legacies

	2017	2016
	£	£
Consultancy fees	<u>25,198</u>	<u>25,781</u>

Other trading activities

	2017	2016
	£	£
Bad debts	1,353	-
Cost of functions and events	6,612	10,124
Depreciation	<u>3,178</u>	<u>3,465</u>
	<u>11,143</u>	<u>13,589</u>

Aggregate amounts	<u>36,341</u>	<u>39,370</u>
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8. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 9)	Support costs (See note 10)	Totals
	£	£	£
Preservation of the heritage of Hay Castle	<u>22,746</u>	<u>32,260</u>	<u>55,006</u>

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2017	2016
	£	£
Establishment costs	12,265	15,205
Postage and stationery	213	197
Advertising and promotions	714	1,626
Sundries	-	784
Repairs and maintenance	6,461	18,675
Travel	1,054	236
Legal and professional costs	-	346
Office expenses	1,570	3,166
Subscriptions and donations	-	135
Website costs	100	100
Bank charges	<u>369</u>	<u>457</u>
	<u>22,746</u>	<u>40,927</u>

HAY CASTLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 APRIL 2017

10. SUPPORT COSTS

	Staff costs £	Other £	Governance costs £	Totals £
Preservation of the heritage of Hay Castle	<u>5,107</u>	<u>21,928</u>	<u>5,225</u>	<u>32,260</u>

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2017 £	2016 £
Depreciation - owned assets	3,178	3,465
Independent examination fees	<u>1,750</u>	<u>1,500</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 April 2017 or for the year ended 30 April 2016.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 April 2017 or for the year ended 30 April 2016.

13. STAFF COSTS

	2017 £	2016 £
Wages and salaries	48,498	62,905
Social security costs	<u>2,573</u>	<u>4,130</u>
	<u>51,071</u>	<u>67,035</u>

The average number of employees during the year was as follows:

	2017	2016
Employees	<u>1</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

HAY CASTLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 APRIL 2017

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – 30 APRIL 2016

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
<i>Donations and legacies</i>	5,540	442,300	447,840
Charitable activities			
Preservation of the heritage of Hay Castle	-	253,723	253,723
Other trading activities	50,869	-	50,869
Investment income	71	-	71
Total	56,480	696,023	752,503
EXPENDITURE ON			
Raising funds	11,795	27,575	39,370
Charitable activities			
Preservation of the heritage of Hay Castle	23,488	55,940	79,428
Total	35,283	83,515	118,798
NET INCOME	21,197	612,508	633,705
Transfers between funds	322,122	(322,122)	-
Net movement in funds	343,319	290,386	633,705
RECONCILIATION OF FUNDS			
Total funds brought forward	2,377,636	168,444	2,546,080
TOTAL FUNDS CARRIED FORWARD	2,720,955	458,830	3,179,785

15. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 May 2016	2,563,156	9,486	6,222	1,424	2,580,288
Additions	359,515	-	-	-	359,515
At 30 April 2017	<u>2,922,671</u>	<u>9,486</u>	<u>6,222</u>	<u>1,424</u>	<u>2,939,803</u>
DEPRECIATION					
At 1 May 2016	-	7,091	2,281	1,182	10,554
Charge for year	-	2,372	622	184	3,178
At 30 April 2017	-	<u>9,463</u>	<u>2,903</u>	<u>1,366</u>	<u>13,732</u>
NET BOOK VALUE					
At 30 April 2017	<u>2,922,671</u>	<u>23</u>	<u>3,319</u>	<u>58</u>	<u>2,926,071</u>
At 30 April 2016	<u>2,563,156</u>	<u>2,395</u>	<u>3,941</u>	<u>242</u>	<u>2,569,734</u>

HAY CASTLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 APRIL 2017

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade debtors	2,440	-
Other debtors	491,467	520,223
VAT	<u>46,030</u>	<u>2,327</u>
	<u>539,937</u>	<u>522,550</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	105,468	11,662
Social security and other taxes	59	59
Other creditors	1,100	6,641
Accruals and deferred income	<u>14,350</u>	<u>12,400</u>
	<u>120,977</u>	<u>30,762</u>

Included within accruals and deferred income, is the following events income which has been deferred as a result of the income being received in advance of its performance conditions.

Deferred income brought forward	£ 600
Amounts released	(600)
Amounts deferred in the year	<u>-</u>
Deferred income carried forward	<u>-</u>

18. MOVEMENT IN FUNDS

	At 1/5/16	Net movement	Transfers	At 30/4/17
	£	in funds	between funds	£
		£	£	
Unrestricted funds				
General fund	151,221	27,800	(131,509)	47,512
Fixed asset fund	<u>2,569,734</u>	<u>-</u>	<u>356,337</u>	<u>2,926,071</u>
	2,720,955	27,800	224,828	2,973,583
Restricted funds				
Medieval gate fund	27,830	-	-	27,830
HLF fund	-	224,828	(224,828)	-
The Headley Trust fund	50,000	-	-	50,000
Regeneration of Hay Castle fund	155,000	200,000	-	355,000
Ernest Cook Trust fund	10,000	(5,602)	-	4,398
Country Houses Foundation fund	100,000	-	-	100,000
The Wolfson Foundation fund	96,000	-	-	96,000
The Leche Trust fund	-	2,500	-	2,500
Reading room fund	-	6,000	-	6,000
Education and activity fund	-	10,000	-	10,000
Heritage skills training fund	<u>20,000</u>	<u>28,675</u>	<u>-</u>	<u>48,675</u>
	458,830	466,401	(224,828)	700,403
TOTAL FUNDS	<u>3,179,785</u>	<u>494,201</u>	<u>-</u>	<u>3,673,986</u>

HAY CASTLE TRUST LIMITED**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 APRIL 2017****18. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	55,454	(27,654)	27,800
Restricted funds			
HLF fund	278,719	(53,891)	224,828
Brecon Beacons National Park fund	4,200	(4,200)	-
Regeneration of Hay Castle fund	200,000	-	200,000
Ernest Cook Trust fund	-	(5,602)	(5,602)
The Leche Trust fund	2,500	-	2,500
Reading room fund	6,000	-	6,000
Education and activity fund	10,000	-	-10,000
Heritage skills training fund	<u>28,675</u>	<u>-</u>	<u>28,675</u>
	530,094	(63,693)	466,401
	<u>585,548</u>	<u>(91,347)</u>	<u>494,201</u>
TOTAL FUNDS			

Designated fixed asset fund

The fixed asset fund represents the net book value of tangible fixed assets.

Medieval gate fund

The fund consists of £25,000 received from The Pilgrim Trust towards the cost of conserving the medieval gate and donations received in 2014 for the Great Gate appeal remained unspent during the course of the year.

HLF fund

Grant funding received from the Heritage Lottery Fund, is project funding for the phase 1 - development of Hay Castle.

The Headley Trust fund

Grant funding received from The Headley Trust towards the restoration of the Hay Castle and the creation of a visitor and arts centre.

Brecon Beacons National Park fund

Grant funding received from Brecon Beacons National Park Sustainable Development Fund to support the Castle's archaeological investigations through the grounds of the Scheduled Ancient Monument.

Regeneration of Hay Castle fund

A £200,000 grant was received from Garfield Weston Foundation during the year towards the costs of "The Regeneration of the Hay Castle" project. This fund also includes £35,000 received from the Sylvia Waddilove Foundation in 2016 and a Visit Wales grant award of £120,000 which is yet to be received.

Ernest Cook Trust fund

The Hay Castle Trust received a £10,000 grant from the Ernest Cook Trust towards the cost of a heritage learning officer post and activities plan.

Country Houses Foundation fund

Hay Castle Trust received notification in May 2016 from the trustees of Country Houses Foundation of a £100,000 grant for the replacement of the roof on the Jacobean section of Hay Castle.

HAY CASTLE TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 APRIL 2017**

18. MOVEMENT IN FUNDS - continued

The Wolfson Foundation fund

Hay Castle Trust received notification on 16 December 2016 from the trustees of The Wolfson Foundation of a £96,000 grant towards the cost of a new sculpture gallery.

Reading Room fund

During the year a £5,000 grant was received from The Rothschild Foundation and a £1,000 grant was received from Oakdale Trust towards the cost of a new reading room at Hay Castle.

The Leche Trust fund

Grant funding received from The Leche Trust which is to be used towards the costs of window repairs at Hay Castle.

Education and Activity fund

A £10,000 grant was received from The Hobson Charity to support the education and activity programme at Hay Castle.

Heritage skills training fund

Hay Castle Trust received a £20,000 grant from The Dulverton Trust, a £25,675 grant from the Andrew Lloyd Webber Foundation and a £3,000 grant from The D'Oyly Carte Charitable Trust which is to be used establishing a heritage skill training programme.

Transfers between funds

A transfer of £356,337 has been made from the general fund to a designated fixed asset fund in respect of the net book value of fixed assets at the balance sheet date.

A transfer of £224,828 was made during the year from Heritage Lottery restricted fund to unrestricted funds in respect of assets purchased, where the purchase of the asset results in the restriction being met.

19. CONTINGENT LIABILITIES

In line with the terms of the grant, the Heritage Lottery fund require prior approval should the property be sold and may require a share of the net proceeds. It is not the intention of the trustees to sell the property.

20. RELATED PARTY DISCLOSURES

At 30 April 2017, the charity owed Mr P Greatbatch and Ms E Haycox £Nil (2016 - £5,000).

The total donations made to the charity by its trustees amounted to £5,000 (2016: Nil).

During the year Mrs N L Albert received remuneration of £48,498 (2016: £48,498). Mrs Albert is the spouse of Mr J Albert, a trustee of the charity.

Key Management remuneration for the year ended 30 April 2017 amounted to £48,498 (2016: £48,498).

HAY CASTLE TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 APRIL 2017**

21. FINANCIAL INSTRUMENTS

	2017 £	2016 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>822,862</u>	<u>1,042,773</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>120,918</u>	<u>30,703</u>

Financial assets measured at amortised cost comprise of cash, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors and accruals.

22. MEMBERS' LIABILITY

The charity is a company limited by guarantee and consequently does not have any share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.