

BODELWYDDAN CASTLE TRUST

ANNUAL REPORT AND CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2001

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BODELWYDDAN CASTLE TRUST

A Company Limited by Guarantee with Charitable Status

Registered in Wales No. 2899285

Registered Charity No. 1040969

The Trust's Mission Statement aims to reflect the charitable objects within the Memorandum and Articles of Association

- i. The protection of the charitable and educational status of the Trust
- ii. The fullest understanding and support for the curatorial and educational objectives, and the retention of Museum Registration status
- iii. The achievement of maximum income consistent with a high quality visitor experience
- iv. The most cost effective use of earned income and grant support
- v. The call on annual funding from the host Authority, over and above the assured base, is minimised
- vi. Good neighbourliness towards the other site partners and communities which from time to time may be affected by the Trust's operations

The Bodelwyddan Castle Trust will provide the best customer experience within our market realm. We will do this by constantly realising our full potential and actively learning from every opportunity, thus empowering our staff to meet every changing customer need.

The Trust's Registered Office is as follows:

Bodelwyddan Castle Trust, Bodelwyddan Castle, Bodelwyddan, Denbighshire LL18 5YA

Telephone: 01745 584060

Fax: 01745 584563

Contact: Kevin Mason, Company Secretary

Principal Bankers: Nat West Bank plc, Rhyl, Denbighshire

Auditors: Royce Peeling Green, Chartered Accountants, Irish Square,
St Asaph, Denbighshire LL17 0RN

REPORT OF THE TRUSTEES

The Trustees submit their seventh report together with the audited financial statements for the year ended 31 March 2001.

PRINCIPAL ACTIVITY

The Trust's principal activity is the advancement of education for the public benefit through the organisation and display of collections, exhibitions and heritage, and the management of its premises. The Trust provides its property for the recreation of the public, and seeks to promote and encourage a wide public appreciation and usage of all its facilities and services.

REVIEW OF THE YEAR

A report highlighting the year is attached.

RESULTS

The income and expenditure account shows the deficit for the period.

TRUSTEES

The liability of the Trustees in the event of the trust being wound up is limited to a sum not exceeding £1.

The Trustees met as a Council of Management on six occasions during the period, and their names are shown on page 7 together with any variations in the numbers of Trustees during the period.

STATEMENT OF TRUSTEES RESPONSIBILITIES

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 Trust for that period. In preparing the financial statements the Trustees are required to:

- i. Select suitable accounting policies and then apply them consistently
- ii. Make judgements and estimates that are reasonable and prudent

iii. Prepare financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue to operate.

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

AUDITORS

Royce Peeling Green, Chartered Accountants, of St Asaph, Denbighshire have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

Approved by the Trustees and signed on their behalf by:

K S Mason

K S Mason (Company Secretary)

R. Hughes

R. Hughes (Chairman)

2nd November 2001

Date

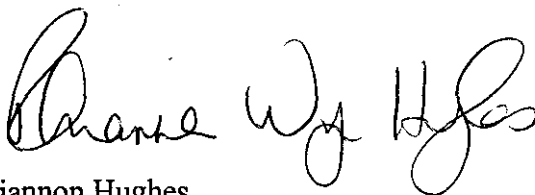
BODELWYDDAN CASTLE TRUST
CHAIRMAN'S STATEMENT

I am pleased to introduce this Annual Report and Accounts with a statement on the developments that have taken place within the organisation over the past year.

This has been an exciting year for the Trust. The difficulties of the past have given way to the prospect of future development and a new strategic outlook. A number of special projects and activities have been adopted by the Trust as it seeks to establish a foundation for future years. These include the Techniquet temporary exhibition, work with the Joint Area Museums Education Service, and a change in the way in which many of the services are presented to the public.

The proposal to redevelop the permanent galleries on the first floor of the gallery has received official support from the Department of Culture Media and Sport who have provided the National Portrait Gallery with additional capital funds for the scheme. We are now aware that further funds to ensure the development of this exciting scheme will be available from the Heritage Lottery Fund. This development is of tremendous benefit to the Trust's future public service potential. It should also be remembered that the availability of grant support is also a statement of confidence in the Trust's strategy and ability.

There is little doubt that the activities of the Trust rely heavily on the dedication of its staff. I would like to record my thanks to them all for their hard work in ensuring that the Trust has achieved yet another year of good public service and sound business activity.

A handwritten signature in black ink, appearing to read 'Rhiannon Hughes', written in a cursive style.

Rhiannon Hughes
Chair

BODELWYDDAN CASTLE TRUST REVIEW OF THE YEAR

The constitutional framework and financial structure of the Trust remain as described in previous annual reports. As an independent charitable company, the Trust has responsibility for the custodianship of public finances. These finances include a significant contribution from Denbighshire County Council for which the Trust is very grateful.

Partnerships with the National Portrait Gallery, Warner Holidays Ltd., and local support groups such as the Friends of Bodelwyddan Castle Trust enable the Trust to develop a strong public educational focus. They also ensure that the work of the Trust has a significant impact on local tourism and economic strategies. The day-to-day operation of the Trust during the year has reflected these primary aims with a mix of activities catering for a variable clientele. The Trust has continued to maintain its educational role through the Joint Area Museums Education Service as well as other educational facilities.

The restructuring of the Trust's activities is described in previous annual reports. This can be summarised as being the development of a sound financial basis that can then act as a foundation for new and exciting educational activities. The difficult period of reorganisation has now given way to a more positive developmental period. A number of significant projects and developments are noteworthy. The most recent of these is a partnership arrangement with Techniquess to provide a temporary exhibition of science exhibits through the first half of the financial year. In addition, significant progress has been made on a project to refurbish the National Portrait Gallery displays on the first floor of the Williams Hall with an announcement of grant aid from the National Portrait Gallery for the project.

The Trust has recognised the need to improve its marketing and during the year appointed a consultant to produce and implement a marketing strategy. This strategy has signalled a further turning point in the Trust's work and is set to become a vehicle for greater public involvement in the educational use of the gallery and other facilities. The benefits of this strategic approach are shown in the increasing numbers of visitors, something that the Trust is very pleased to record.

BODELWYDDAN CASTLE TRUST
TRUSTEES, ADVISORS AND PATRONS

Councillor Rhiannon Hughes (Chair)	appointed by Denbighshire CC 27 th August 1999
Councillor Richard Jones	appointed by Denbighshire CC 27 th August 1999
Mr George Rushton	appointed by Warner Holidays Ltd. 28 Feb 1994
Mr Joe Stenson	appointed by Warner Holidays Ltd. 17 Sept 1998
Dr Ken Davies	appointed by Bodelwyddan Castle Friends Association 11 Mar 1998
Mr Mervyn Phillips	appointed 28 Feb 1994; reappointed 27 th August 1999
Mr Llion Williams	appointed 28 Feb 1994 reappointed 19 th October 2000
Mr Dewi Davies	appointed 5 May 1994 reappointed 19 th October 2000
Mrs Glynis Shaw	appointed 28 June 1994
Mr Alan Bryan	appointed 7 Sept 1994
Mr Philip Eyton-Jones	appointed 17 July 1995; reappointed 27 th August 1999
Dr June Arnold	co-opted 16 Oct 1998; appointed 27 th August 1999
Mr Aldham Robarts	appointed 27 th August 1999
Mr Trevor Carter	appointed 27 th August 1999
Mrs Anne Waller	appointed 27 th August 1999

Ex Officio members and advisors

Dr Charles Saumarez-Smith, Director, The National Portrait Gallery
Mr Elwyn Conway
Mr Colin Drake
Cllr. Mrs D. Jones
Cllr Patrick Heesom

Patrons

The Marchioness of Anglesey
The Hon Lord Kenyon of Credington
The Hon Lord Rees

Company Secretary

Dr Kevin Mason

REVIEW OF THE YEAR

Bodelwyddan Castle Enterprises Ltd. was incorporated on the 7 October 1994 to manage the Bodelwyddan Castle Trust's trading outlets and promote the charitable objects of the Trust. The Company employs no staff but pays to the Trust the apportionment of costs for the trading operation. The main trading activities undertaken by the Company involve providing a service to Trust customers within the Castle Gift Shop. In addition the Company has continued to act on behalf of the Trust in the refurbishment and letting of St Asaph Lodge. Additional trading activities added during the year include the letting of the Castle events field to event organisers and the provision of space for civil marriage ceremonies within the terms of a licence granted to the Trust.

The results for the year indicate a much better level of covenant reflecting the increased income from additional trading functions as well as an increase in visitor numbers to the Castle as a whole. This year represents an encouraging start to a new way of operation. Some of the additional facilities and equipment provided by the Trust is making a noticeable difference to the ability of the Enterprises Company to operate profitably. A good example is the installation of a new entrance door to the Tea Room, which has resulted in a significant improvement in the number of visitors using the facility.

The Enterprises Company wishes to ensure an optimum level of covenant to support the Trust's work. This year's results suggest that the strategies adopted by the company will achieve the desired result.

BODELWYDDAN CASTLE ENTERPRISES LIMITED

A Private Limited Company incorporated on 7 October 1994
Company No. 2976509 VAT No. 625448826

DIRECTORS OF THE COMPANY
AS AT 31 MARCH 2001

Mr Philip Eyton-Jones (Chair)
Councillor Rhiannon Hughes, MBE
Mr Colin Drake
Cllr Patrick Heesom
Mr Aldham Robarts, DL
Mrs Anne Waller
Dr Ken Davies
Dr Kevin Mason, Director Bodelwyddan Castle Trust

Company Secretary:
Mr Charles Jenkins, Assistant Director, Bodelwyddan Castle Trust

BODELWYDDAN CASTLE TRUST

INDEPENDANT AUDITORS' REPORT TO THE TRUSTEES OF BODELWYDDAN CASTLE TRUST

We have audited the financial statements on pages 11 to 19 which have been prepared under the historical cost convention and on the basis of accounting policies set out on page 15.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described in the Statement of Trustees' Responsibilities, the Charity's trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

We have been appointed under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charity has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.


BASIS OF OPINION

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

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

OPINION

In our opinion the financial statements give a true and fair view of the state of the company and the groups affairs as at 31 March 2001 and of its surplus for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.


.....
Royce Peeling Green
Chartered Accountants
Registered Auditors
Irish Square
Upper Denbigh Road
St Asaph
Denbighshire
LL17 0RN

Date: *2nd November 2001*

BODELWYDDAN CASTLE TRUST**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2001**

	Notes	General Fund	Designated Art Fund	£ Total Fund	2000 £
INCOME & EXPENDITURE					
Incoming Resources					
Admission charges		95,490	-	95,490	81,852
Events and sundry income		3,897	-	3,897	9,115
Donations and sponsorship		-	-	-	264
Grants received	3	201,841	-	201,841	218,500
Investment income	4	64,231	875	65,106	67,217
Net income of trading subsidiary	2	26,113	-	26,113	4,577
Other income receivable as turnover income		1,707	-	1,707	1,103
Total Income		<u>393,279</u>	<u>875</u>	<u>394,154</u>	<u>382,628</u>
Resources Expended					
Management and Administration	6	(324,653)	-	(324,653)	(327,423)
Net Incoming/(Outgoing) Resources Before Transfers		68,626	875	69,501	55,205
Total funds brought forward		<u>96,213</u>	<u>64,973</u>	<u>161,186</u>	<u>105,981</u>
Total funds carried forward		<u>164,839</u>	<u>65,848</u>	<u>230,687</u>	<u>161,186</u>

The notes on pages 15 to 19 form part of these financial statements.

BODELWYDDAN CASTLE TRUST**CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2001**

	Notes	2001 £	2000 £
INCOME			
Admission charges		95,490	81,852
Events and sundry income		3,897	9,115
Donations and sponsorship		-	264
Grants received	3	201,841	218,500
Net income of trading subsidiary	2	26,113	4,577
Investment income	4	65,106	67,217
Other income receivable as turnover income		1,707	1,103
TOTAL INCOME		394,154	382,628
EXPENDITURE			
Administrative expenses	6	(324,653)	(327,423)
NET INCOME FOR THE YEAR		69,501	55,205
APPLIED			
General fund	11	69,009	53,941
Designated arts fund	12	875	1,752
Non charitable trading fund	13	(383)	(489)
		69,501	55,204

Continuing operations

None of the Trust's activities were acquired or discontinued during the above two financial years.

Total recognised gains and losses

The Trust has no recognised gains or losses other than the surplus or deficit for the above two financial years.

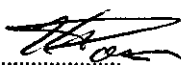
The notes on pages 15 to 19 form part of these financial statements.

BODELWYDDAN CASTLE TRUST**CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2001**

	Notes	£	2001 £	£	2000 £
FIXED ASSETS					
Tangible assets	7		33,546		28,085
CURRENT ASSETS					
Stocks		18,206		20,227	
Debtors	8	84,457		45,093	
Cash at bank and in hand		191,712		174,916	
		<u>294,375</u>		<u>240,236</u>	
CREDITORS: amounts falling due within one year	9	<u>(58,421)</u>		<u>(48,321)</u>	
NET CURRENT ASSETS			235,954		191,915
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>269,500</u>		<u>220,000</u>
CREDITORS: amounts falling due after more than one year	10		<u>(38,943)</u>		<u>(58,943)</u>
NET ASSETS			<u>230,557</u>		<u>161,057</u>
CAPITAL AND RESERVES					
Designated art fund	12		65,849		64,974
General fund	11		165,709		96,701
Non charitable trading fund	13		<u>(1,001)</u>		<u>(618)</u>
			<u>230,557</u>		<u>161,057</u>

The financial statements were approved by the trustees on 2/11/01
and signed on its behalf by:

..... 
Trustee

..... 
Trustee

BODELWYDDAN CASTLE TRUST**BALANCE SHEET
AT 31 MARCH 2001**

	Notes	£	2001 £	£	2000 £
FIXED ASSETS					
Tangible assets	7		15,847		9,826
Investments	8		20		20
			<u>15,867</u>		<u>9,846</u>
CURRENT ASSETS					
Debtors	9	148,900		111,997	
Cash at bank and in hand		149,598		143,759	
		<u>298,498</u>		<u>255,756</u>	
CREDITORS: amounts falling due within one year	10	(43,863)		(44,984)	
NET CURRENT ASSETS			<u>254,635</u>		<u>210,772</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>270,502</u>		<u>220,618</u>
CREDITORS: amounts falling due after more than one year	11		(38,943)		(58,943)
NET ASSETS			<u>231,559</u>		<u>161,675</u>
CAPITAL AND RESERVES					
Designated Art Fund	13		65,849		63,222
General Fund	12		165,710		98,453
			<u>231,559</u>		<u>161,675</u>

The financial statements were approved by the trustees on 2/11/01 and signed on its behalf by:

.....
Trustee

.....
Trustee

BODELWYDDAN CASTLE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2001

1. STATEMENT OF ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention, in accordance with the provisions of the Companies Act 1985 and Statement of Recommended Practice 2, Accounting by Charities.

Consolidation

The group financial statements consolidate the financial statements of the Trust and its subsidiary made up to 31st March 2000.

Cash flow

The Company qualifies as a small company under the Companies Act 1985. The trustees have elected to take advantage of the exemption under FRS1 not to prepare a cash flow statement.

Income

Donations and legacies are accounted for when received by the Trust.

Other income is accounted for on an accruals basis as far as it is prudent to do so, exclusive of VAT.

Depreciation of tangible fixed assets

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

Furniture & fittings	20% straight line
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No depreciation is charged on freehold and long leasehold land and buildings.

Where zero depreciation of freehold buildings is appropriate

Freehold buildings are depreciated to write down the cost less estimated residual value over their remaining useful life by equal annual instalments. Where buildings are maintained to such a standard that their residual value is not less than their cost or valuation, no depreciation is charged as it is not material.

Grants

Revenue grants are credited to the income and expenditure account in the period when the related expenditure is incurred.

Capital Grants made from the Designated Arts Fund, in respect of capital expenditure, are credited to the income and expenditure account over the estimated useful life of the relevant fixed asset.

Taxation

As a registered charity, the Trust benefits from Rates relief and is generally exempt from Income Tax and Capital Gains Tax.

BODELWYDDAN CASTLE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2001

2. NET INCOME/(EXPENDITURE) OF TRADING SUBSIDIARY

Bodelwyddan Castle Trust has a wholly owned trading subsidiary incorporated in the UK. The entire share capital of Bodelwyddan Castle Enterprises Limited was gifted to the Trust on 31st October 1994.

Bodelwyddan Castle Enterprises Limited operates a gift shop and tea rooms at Bodelwyddan Castle and covenants its taxable profits to the Trust.

A summary of its trading results for the year ended 31st March 2001 is shown below. Audited financial statements have been filed with the Registrar of Companies.

Profit and loss account

	2001 £	2000 £
Turnover	75,361	45,149
Cost of sales	<u>(35,012)</u>	<u>(24,916)</u>
Gross Profit	40,349	20,233
Administrative Expenses	<u>(19,343)</u>	<u>(19,242)</u>
	21,006	991
Rent received	4,200	3,798
Covenant paid to Trust	<u>(26,495)</u>	<u>(5,066)</u>
Operating profit/(loss)	(1,289)	(277)
Investment income and interest receivable	1,781	663
Interest payable and similar charges	<u>(875)</u>	<u>(875)</u>
Profit/(loss) on ordinary activities before taxation	<u>(383)</u>	<u>(489)</u>

3. GRANTS RECEIVED

	2001 £	2000 £
Significant grants received include the following:		
Denbighshire County Council	194,000	194,000
Grant aid re: exhibitions	<u>7,841</u>	<u>24,500</u>
	<u>201,841</u>	<u>218,500</u>

BODELWYDDAN CASTLE TRUST**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2001****4. INVESTMENT INCOME**

	2001 £	2000 £
Rent receivable	58,670	58,670
Interest Receivable:		
General Fund	5,561	6,795
Designated Arts Fund	875	1,752
	<u>65,106</u>	<u>67,217</u>

5. SALARY INFORMATION

	2001 £	2000 £
Staff costs		
Wages and salaries	<u>184,033</u>	<u>227,857</u>
	2001 No.	2000 No.
The average monthly number of employees during the year was made up as follows:		
Administration	5	4
Museum Assistants	17	15
Cleaners	2	3
	<u>24</u>	<u>22</u>

6. EXPENDITURE

Expenditure is stated:	2001 £	2000 £
after charging:		
Depreciation of fixed assets	6,919	7,358
Audit Services	1,000	1,000
Consultancy and Accountancy	<u>3,428</u>	<u>3,000</u>

BODELWYDDAN CASTLE TRUST**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2001****7. TANGIBLE FIXED ASSETS**

	Land and buildings £	Fixtures and fittings £	Total £
Cost:			
At 1 April 2000	17,300	98,590	115,890
Additions	-	12,940	12,940
At 31 March 2001	17,300	111,530	128,830
Depreciation:			
At 1 April 2000	-	87,805	87,805
Charge for year	-	7,479	7,479
At 31 March 2001	-	95,284	95,284
Net book value:			
At 31 March 2001	17,300	16,246	33,546
At 31 March 2000	17,300	10,785	28,085
		2001	2000
		£	£
Analysis of net book value of land and buildings:			
Long leasehold		17,300	17,300

8. DEBTORS

	2001 £	2000 £
Trade debtors	22,318	7,542
Owed by Denbighshire County Council	36,792	19,408
Other debtors and prepayments	25,347	18,143
	84,457	45,093

9. CREDITORS: amounts falling due within one year

	2001 £	2000 £
Trade creditors	15,410	8,916
Owed to Denbighshire County Council	20,000	20,000
Other creditors	999	-
Accruals	22,012	19,405
	58,421	48,321

BODELWYDDAN CASTLE TRUST**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2001****10. CREDITORS: amounts falling due after more than one year**

	2001 £	2000 £
Other loans:		
Between one and two years	20,000	20,000
Between two and five years	18,943	38,943
	<u>38,943</u>	<u>58,943</u>

Other loans represent an amount owed to Denbighshire County Council, in respect of salary costs, which the Trust has negotiated to repay at a rate of £10,000 per half year.

11. GENERAL FUND

	2001 £	2000 £
Retained surplus at 1 April 2000	96,701	42,760
Surplus for the year	69,008	53,941
Retained surplus at 31 March 2001	<u>165,709</u>	<u>96,701</u>

12. DESIGNATED ARTS FUND

	2001 £	2000 £
Balance at beginning of year	64,974	63,222
Surplus for the year	875	1,752
Balance at year end	<u>65,849</u>	<u>64,974</u>

13. NON CHARITABLE TRADING FUND

	2001 £	2000 £
Accumulated losses at 1 April 2000	(618)	(129)
Loss for the year	(383)	(489)
Accumulated losses at 31 March 2001	<u>(1,001)</u>	<u>(618)</u>