

Registered Company Number 3445246

Registered Charity Number 1071422

Constitution Hill Limited
Directors' and Trustees' Report
and Financial Statements
for the year ended 31 March 2003



Constitution Hill Limited

Company Information

Directors and Trustees	Pamela Marsden Mona Morris John Andrews (resigned 1 April 2002) Richard Lewis Llinos Roberts Young (resigned 19 th April 2002) Adele Griffiths (resigned 8 th May 2002) Margaret Walters (manager) Ruby Walters (appointed 11 November 2002)
Secretary	P.A. Marsden
Company Number	3445246
Registered Office	Cliff Railway House Cliff Terrace Aberystwyth Ceredigion SY23 2DN
Internet address	www.aberystwythcliffrailway.co.uk
Independent Auditors	Davies & Lewis Oregon House Powell Street Aberystwyth Ceredigion SY23 1QQ
Bankers	Girobank plc Bootle Merseyside GIR 0AQ
Solicitors	Morris & Bates P.O. Box 1 Alexandra Road Aberystwyth Ceredigion SY23 1PT

Constitution Hill Limited

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Constitution Hill Limited

Directors' and trustees' report for the year ended 31 March 2003

The trustees present their report for the year ended 31 March 2003.

Objects, Principal Activities and Organisation of the Charity

Constitution Hill Limited is a registered Charity (Charity Number 1071422). It is incorporated as a company limited by guarantee with no profit or gain. It is governed by a memorandum and articles of association.

The Charity's object and its principal activity is to advance the education of the public through conservation of the Aberystwyth Cliff Railway for the public benefit and through the encouragement of voluntary work in support of the Aberystwyth Cliff Railway.

The site is leased from Cyngor Sir Ceredigion for 99 years from July 1998 at a peppercorn rent. The lease consists of the top and bottom station with a track on which a funicular railway runs, and the land at the summit on which a Camera Obscura and café is built. The café and Camera Obscura is rented to Plas Lluest Working Together, a no profit/gain community business which involves and trains people with learning disabilities.

The company is managed by the Management Committee who are elected by the members at the Annual General Meeting of the Company. The Management Committee may at any time co-opt up to three persons to the Management Committee. Members of the Management Committee are also appointed as Directors of the Company. The Management Committee meet regularly to manage its affairs. The charity employs a manager to operate the Cliff Railway, who is also a trustee.

Development, activities and achievements

The company continues to improve the site. The completion of disability access on top station is due over winter 2003. This project is part funded by grant payable on completion of the project of £32,000. There is a European grant to complete the renovation of bottom station and build a new visitors' centre which should be completed by Winter 2003.

Again, we are indebted to the number of volunteers who have helped with the gardens and regular maintenance. Constitution Hill Limited works in partnership with Plas Lluest Day Centre and Ceredigion Social Services to provide work experience to people with learning disabilities, European Voluntary Service volunteers and through the Community Service.

Future developments

We have been successful in attracting an Enfys grant towards the appointment of an educational officer for the hill who will have the responsibility of developing our educational activities.

General fund

The general fund has a deficit of £31,324 at 31 March 2003 funded by current and long-term liabilities. This deficit is expected to clear over the course of the coming three years.

Grants received during the year ended 31 March 2003

Bailey Thomas	£15,000
European Development Fund	£190,000
Shell Better Britain	£500

Constitution Hill Limited

Directors' and trustees' report for the year ended 31 March 2003 continued

Risks

The trustees have identified major risks to which the charity is exposed. These risks have been reviewed and systems established to mitigate their possible effect on the charity.

Directors and Trustees

The directors who are also the trustees of the charity serving at the date of this report or who served during the period are as stated below:

Pamela Marsden	
Mona Morris	
John Andrews	resigned 1 April 2002
Richard Lewis	
Llinos Roberts Young	resigned 19 April 2002
Adele Griffiths	resigned 8 May 2002
Margaret Walters	
Ruby Walters	appointed 11 November 2002

Trustees' Responsibilities

The Trustees are required by law to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity and of its financial position at the end of that year. In preparing those financial statements the trustees are required to:

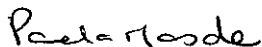
- a) select suitable accounting policies and apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether the policies adopted are in accordance with the Companies Act 1985 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements; and
- d) prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in operation.

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

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approval

This report was approved by the Management Committee on 5/12/03 and signed on their behalf by



PA Marsden
Trustee



Constitution Hill Limited

Independent auditors' report to the members of Constitution Hill Limited

We have audited the financial statements of Constitution Hill Limited for the year ended 31 March 2003 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities and the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of trustees and auditors

As described in the trustees' report the trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 and the Companies Act 1985. 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, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charity is not disclosed.

We are not required to consider whether the statement in the Trustees' Report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read other information contained in the Trustees' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with UK 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 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 that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

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 2003 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

9th December 2003

Davies & Lewis

Davies & Lewis

Chartered Certified Accountants and Registered Auditors

Oregon House, Powell Street, Aberystwyth, Ceredigion, SY23 1QQ

Constitution Hill Limited

**Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 March 2003**

		for the years ended 31 March:			
	Note	2003	2003	2003	2002
		Unrestricted	Restricted	Total	Total
		£	£	£	£
Incoming Resources					
Grants & Donations	2	2,000	205,000	207,000	18,212
Activities in furtherance of the charity's objects:					
Ticket Sales		77,913	-	77,913	77,531
Membership		225	-	225	320
Rent Receivable		2,400	-	2,400	3,473
Grant for Carnival from CCC		264	-	264	-
Investment income: UK interest		3,529	472	4,001	467
Other: Insurance claims		-	-	-	6,541
Total Incoming Resources		<u>86,331</u>	<u>205,472</u>	<u>291,803</u>	<u>106,544</u>
Resources Expended					
Costs of Generating Funds					
Interest payable		4,731	-	4,731	5,149
Other		41	-	41	-
		<u>4,772</u>	<u>-</u>	<u>4,772</u>	<u>5,149</u>
Charitable Expenditure					
Site running costs	3	64,769	41	64,810	70,334
Administration	4	4,898	-	4,898	2,432
Total Resources Expended		<u>74,439</u>	<u>41</u>	<u>74,480</u>	<u>77,915</u>
Net incoming resources					
- Net income for the year	5	11,892	205,431	217,323	28,629
Transfer of fixed assets acquired to designated reserve for fixed assets					
		29,242	(29,242)	-	-
Net Movements in Funds		<u>41,134</u>	<u>176,189</u>	<u>217,323</u>	<u>28,629</u>
Total Funds Brought Forward		175,149	20,820	195,969	167,340
Total Funds Carried Forward		<u>216,283</u>	<u>197,009</u>	<u>413,292</u>	<u>195,969</u>

Notes 1 to 14 form part of these financial statements

Constitution Hill Limited

**Balance Sheet
as at 31 March 2003**

		2003	2002
	Note	£	£
Tangible Fixed Assets	7	239,919	219,996
Current Assets			
Debtors & Prepayments	8	4,719	2,818
UK Investment Bond		10,476	10,023
Cash at Bank and in Hand		197,491	4,688
		<u>212,686</u>	<u>17,529</u>
Creditors: amounts falling due within one year	9	<u>(28,292)</u>	<u>(23,354)</u>
Net Current Assets/(Liabilities)		184,394	(5,825)
Total Assets Less Current Liabilities		<u>424,313</u>	<u>214,171</u>
Creditors: amounts falling due after more than one year	10	(11,021)	(18,202)
Net Assets		<u><u>413,292</u></u>	<u><u>195,969</u></u>
Represented by:			
Unrestricted Funds			
General fund	12	(32,809)	(44,846)
Designated funds	12	249,092	219,995
Restricted Funds	12	197,009	20,820
		<u><u>413,292</u></u>	<u><u>195,969</u></u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Management Committee on 5 December 2003 and signed on its behalf by



R Lewis
Chairman

Notes 1 to 14 form part of these financial statements

Constitution Hill Limited

Notes to the Accounts for the year ended 31 March 2003

1. Accounting Policies

1.1 Basis of preparation of the Accounts.

The Accounts are prepared under the historical cost convention and include the results of the charity's operations which are described in the Directors' and trustees' report and all of which are continuing.

The Accounts have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (2000), the Financial Reporting Standard for Smaller Entities (effective June 2002) and the requirements of the Companies Act 1985.

The charity has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cashflow statement.

1.2 Tangible fixed assets for use by the charity and depreciation

Tangible fixed assets for use by the charity are stated at cost less depreciation. Assets costing less than £100 are not capitalised.

Depreciation is provided at rates calculated to write off the cost of fixed assets less their estimated residual value, over their expected useful lives on the following basis:

Leasehold Property	Straight line over the life of the lease.
Improvements to land and buildings	Straight line over the life of the lease.
Fixtures, Fittings and Equipment	Straight line basis over 10, 5 or 4 years.
Assets in the course of construction	NIL

1.3 Voluntary income and donations

Voluntary income and donations are accounted for in full as received by the charity. The value of services provided by volunteers has not been included.

1.4 Grants received

Grants received towards capital expenditure have been credited to a restricted fund and transferred to a fixed asset reserve as the expenditure is incurred. Depreciation of the assets is charged against the fixed asset reserve.

Grants towards revenue expenditure are credited to a restricted fund and released as the expenditure is incurred.

1.5 Resources Expended

Resources expended are recognised in the period in which they are incurred.

1.6 Management and administration expenses

Administration expenditure includes all expenditure not directly related to the charitable activities or to costs of generating funds.

1.7 Value Added Tax

Value added tax is recoverable by the charity. Expenses and sundry standard rated income are shown net of value added tax.

1.8 Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are reflected in the Statement of Financial Activities as incurred.

Constitution Hill Limited

Notes to the Accounts for the year ended 31 March 2003 continued

2. Donations and grants received

	2003	2002
	£	£
Individual Donors	-	250
Corporate Sponsors	15,500	325
Local Government	-	10,000
Welsh European Funding Office	190,000	-
Other Government Bodies	1,500	-
Charitable Trusts	-	7,637
	<u>207,000</u>	<u>18,212</u>

3. Site Running Costs

	2003	2002
	£	£
Wages & Salaries	33,401	40,050
Other staff costs	283	230
Repairs & Maintenance	4,231	13,192
Advertising & Artwork	1,849	2,026
Rates, Water, Power & Insurance	10,368	7,689
Amortisation & Depreciation	13,818	7,147
Open day and events costs	860	-
	<u>64,810</u>	<u>70,334</u>

4. Administration Expenditure

	2003	2002
	£	£
Telephone, Postage & Stationery	1,082	198
Reporting Accountants' Fees	-	1,600
Audit - statutory	1,500	-
- grant report	985	-
Other Accountancy	1,000	140
Legal & Professional Fees	15	15
Bank charges	11	50
General expenses	305	429
	<u>4,898</u>	<u>2,432</u>

Constitution Hill Limited

Notes to the Accounts for the year ended 31 March 2003 continued

5. Net Movement in Funds for the Year

The net movement in funds for the year is stated after charging:

	2003	2002
	£	£
Depreciation of tangible assets – for use by the charity:		
- Depreciation written back	-	(7,229)
- Depreciation charge for the year	<u>13,055</u>	<u>13,613</u>
	13,055	6,384
Amortisation of leasehold property	763	763
Audit fee – statutory audit	1,500	-
- grant report	985	-
Reporting Accountants' fee	-	1,600
Other Accountancy	<u>1,000</u>	<u>140</u>

6. Staff Costs

No remuneration was paid to trustees in the year, except for the railway manager's salary of £11,995 paid by provision of the Memorandum and Articles of Association. The railway manager's husband is also an employee of the charity, appointed by the Management Committee at a salary of £9,028 for the year ended 31 March 2003. Trustees' travel expenses of £5 were reimbursed to 1 trustee during the year.

	2003	2002
	£	£
Wages and Salaries	35,863	38,131
Social Security Costs	<u>2,038</u>	<u>1,919</u>
	<u>37,901</u>	<u>40,050</u>

The average weekly number of staff employed during the year is two full time and three seasonal involved directly with the railway.

No employees were remunerated in excess of £50,000

Constitution Hill Limited

Notes to the Accounts for the year ended 31 March 2003 continued

7. Tangible Fixed Assets

	Long Leasehold Property £	Improvements to Leasehold Property £	Fixtures, Fittings and Equipment £	Total £
Cost				
Balance at 1 April 2002	75,535	114,164	83,744	273,443
Additions	-	29,241	4,500	33,741
Balance at 31 March 2003	<u>75,535</u>	<u>143,405</u>	<u>88,244</u>	<u>307,184</u>
Accumulated Depreciation				
Balance at 1 April 2002	3,052	2,557	47,838	53,447
Charge for the year	763	1,137	11,918	13,818
Balance at 31 March 2003	<u>3,815</u>	<u>3,694</u>	<u>59,756</u>	<u>67,265</u>
Net Book Value				
As at 31 March 2003	<u>71,720</u>	<u>139,711</u>	<u>28,488</u>	<u>239,919</u>
As at 31 March 2002	<u>72,483</u>	<u>111,607</u>	<u>35,906</u>	<u>219,996</u>

Included in the cost of improvements to leasehold property is £22,607 of assets which were under construction at the year end (2002: £7,365).

Included in assets are two railway stations and the railway bogies which are Grade II listed.

8. Debtors

	2003 £	2002 £
Due within one year:		
Insurance claim receivable	2,660	2,660
Other debtors	302	-
Prepayments	-	42
Accrued income	1,757	116
	<u>4,719</u>	<u>2,818</u>

Constitution Hill Limited

Notes to the Accounts for the year ended 31 March 2003 continued

9. Creditors: amounts falling due within one year

	2003 £	2002 £
Bank overdraft	-	2,065
Other loans	6,840	18,972
Trade Creditors	15,396	-
Other creditors	383	1,116
Accruals	4,188	1,200
	<u>26,807</u>	<u>23,354</u>

The amount of £6,840 other loans is secured on the leasehold property known as Cliff Railway House.

10. Creditors: amounts falling due after more than one year

	2003 £	2002 £
Other loans due within 5 years	<u>11,021</u>	<u>18,202</u>

The amount of £11,021 other loans is secured on the leasehold property known as Cliff Railway House.

The total loan secured represents 10% of the net book value of the leasehold property.

11. Analysis of fund balances between the net assets

	Restricted £	Unrestricted Designated	Unrestricted General £	Total £
Tangible fixed assets	-	239,919	-	239,919
Current assets	197,009	9,173	6,504	212,686
Current liabilities	-	-	(26,807)	(26,807)
Long-term loans	-	-	(11,021)	(11,021)
	<u>197,009</u>	<u>249,092</u>	<u>(31,324)</u>	<u>414,777</u>

Constitution Hill Limited

Notes to the Accounts for the year ended 31 March 2003 continued

12. Summary of Movements on Funds

	Balance at 1-4-2002 £	Income 2003 £	Expenditure 2003 £	Transfers 2003 £	Balance at 31-3-2003 £
Restricted funds					
Site development fund	18,161	205,472		(29,242)	194,392
Other funds	2,659	-	(41)		2,618
Total Restricted Funds	<u>20,820</u>	<u>205,472</u>	<u>(41)</u>	<u>(29,242)</u>	<u>197,009</u>
Unrestricted funds					
General fund	(44,846)	86,331	(37,965)	(34,844)	(31,324)
Site development fund	-		(21,172)	30,444	9,172
Fixed asset reserve	219,995		(13,818)	33,742	239,919
Total Unrestricted Funds	<u>175,149</u>	<u>86,331</u>	<u>(72,955)</u>	<u>29,242</u>	<u>217,768</u>

The site development fund represents grants received and funds set aside towards site acquisition, improvements and renovations of buildings and acquisition of fixed assets. £34,844 of the company's own funds were designated for this project during the year.

The fixed asset reserve represents the net book value of all assets held by the company.

The transfer to the fixed asset reserve represents the cost of fixed assets acquired during the year.

13. Contingent liability

The charity has spent £5,076 on a disability access project during the year ended 31 March 2004 and is committed to spending a further £31,300, part funded by grant assistance, payable on completion of the project, of £32,000. Should the project not be completed within the appropriate timescale then it is possible that this grant funding may not be received.

14. Going Concern

The directors consider that sufficient funds will be generated in the coming year to finance the payment of creditors as they fall due.