

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

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE PERIOD
1 JUNE 2012 TO 30 APRIL 2013
FOR
HAY CASTLE TRUST LIMITED**



Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

HAY CASTLE TRUST LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JUNE 2012 TO 30 APRIL 2013**

	Page
Report of the Trustees	1 to 3
Report of the independent Auditors	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7 to 12

HAY CASTLE TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE PERIOD 1 JUNE 2012 TO 30 APRIL 2013

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 period 1 June 2012 to 30 April 2013. 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
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	- appointed 17/7/2013
H M Charles	- resigned 22/11/2013
N L Albert	- resigned 5/4/2013

Senior management

N L Albert - Managing Director

Auditors

Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

Bankers

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

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.

Induction and training of new trustees

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

HAY CASTLE TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE PERIOD 1 JUNE 2012 TO 30 APRIL 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

Risk management

The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

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.

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 Directors, 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 charity hired a Managing Director, to lead efforts to develop the project, raise funds, manage the property, ensure compliance in all governance matters, improve financial oversight and continue to raise the profile of the project through communications with the community and media locally and nationally.

The charity commissioned an Options Appraisal study and commissioned architects drawings to show an alternate option. Improvements and repairs were undertaken to the Castle and grounds. The charity began to develop an application to the Heritage Lottery Fund.

A Conservation Steering Committee has been established to guide the charity in important conservation matters. A pilot heritage skills training project was successfully completed.

The Friends of Hay Castle have held fundraising events and continue to provide a conduit for communication and dialogue with the local community.

FINANCIAL REVIEW

During the previous period Lindenleaf Charitable Trust made a loan of £2 million to enable Hay Castle Trust Limited to acquire and preserve Hay Castle. During the period to 30 April 2013, the trustees of Lindenleaf Charitable Trust approved converting this loan to a donation, the set-off becoming effective on execution of the deed dated January 2014.

Three of the trustees of the charity are also trustees of Lindenleaf Charitable Trust.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level which will ensure that, in the event of a significant drop in funding, they will be able to maintain the charity's current activities while consideration is given to ways in which additional funds may be raised.

FUTURE DEVELOPMENTS

The coming year will see a continuation of the charity's Options Appraisal process with the intention of refining the scope of the restoration project. The charity will also seek to develop the human and financial resources necessary to achieving its chosen project.

The charity will continue to approach public and private grant-making bodies to ensure the resources are available to achieve its aims. In addition, it will seek to promote the Friends of Hay Castle as a body which supports the Castle's development and serves as a medium for communication and consultation, as well as other outreach and consultative forums within the local community.

HAY CASTLE TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE PERIOD 1 JUNE 2012 TO 30 APRIL 2013

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Hay Castle Trust Limited 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, Watts Gregory LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD


E Haycox - Trustee

Date 28 February 2014

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HAY CASTLE TRUST LIMITED

We have audited the financial statements of Hay Castle Trust Limited for the period ended 30 April 2013 on pages five to twelve. 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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 members 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 three, 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.

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. 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 30 April 2013 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Other matter

The charity was exempt from audit under legislation in respect of the prior year and therefore we have not audited the corresponding amounts for that year.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees.

David Williams BSc FCA DChA (Senior Statutory Auditor)
for and on behalf of Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House, Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

Date 28 February 2014

HAY CASTLE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE PERIOD 1 JUNE 2012 TO 30 APRIL 2013

				Period 1/6/12 to 30/4/13	Period 18/5/11 to 31/5/12
	Notes	Unrestricted fund £	Restricted funds £	Total funds £	Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	204,742	2,025,308	2,230,050	9,486
Activities for generating funds	3	21,089	-	21,089	17,050
Incoming resources from charitable activities					
Preservation of the heritage of Hay Castle	4	1,647	-	1,647	-
Total incoming resources		227,478	2,025,308	2,252,786	26,536
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income	5	415	-	415	-
Charitable activities					
Preservation of the heritage of Hay Castle	6	33,929	5,900	39,829	17,970
Governance costs	8	8,706	-	8,706	7,840
Total resources expended		43,050	5,900	48,950	25,810
NET INCOME FOR THE PERIOD BEFORE TRANSFERS					
		184,428	2,019,408	2,203,836	726
Gross transfers between funds	16	28,894	(28,894)	-	-
Net income/(expenditure) for the period		213,322	1,999,486	2,203,836	726
RECONCILIATION OF FUNDS					
Total funds brought forward		(8,760)	9,486	726	-
TOTAL FUNDS CARRIED FORWARD		204,562	2,000,000	2,204,562	726

The notes form part of these financial statements


HAY CASTLE TRUST LIMITED

**BALANCE SHEET
AT 30 APRIL 2013**

	Notes	Unrestricted fund £	Restricted funds £	Total 2013 funds £	Total 2012 funds £
FIXED ASSETS					
Tangible assets	12	2,076,515	-	2,076,515	2,036,601
CURRENT ASSETS					
Debtors	13	979	2,019,818	2,020,797	-
Cash at bank		<u>189,157</u>	<u>(6,814)</u>	<u>182,343</u>	<u>12,011</u>
		190,136	2,013,004	2,203,140	12,011
CREDITORS					
Amounts falling due within one year	14	(2,062,089)	(13,004)	(2,075,093)	(47,886)
NET CURRENT ASSETS/(LIABILITIES)		<u>(1,871,953)</u>	<u>2,000,000</u>	<u>128,047</u>	<u>(35,875)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		204,562	-	2,204,562	2,000,726
CREDITORS					
Amounts falling due after more than one year	15	-	-	-	(2,000,000)
NET ASSETS		<u>204,562</u>	<u>2,000,000</u>	<u>2,204,562</u>	<u>726</u>
FUNDS	16				
Unrestricted funds				204,562	(8,760)
Restricted funds				<u>2,000,000</u>	<u>9,486</u>
TOTAL FUNDS				<u>2,204,562</u>	<u>726</u>

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 28 February 2014 and were signed on its behalf by


E Haycox - Trustee

The notes form part of these financial statements

HAY CASTLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JUNE 2012 TO 30 APRIL 2013

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

Voluntary income, including donations, gifts and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty 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 the Honesty Bookshop is recognised only once banked.

This includes capital grants.

Investment income

Investment income is recognised on a receivable basis.

Incoming resources from charitable activities

Incoming resources 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, certainty 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.

It is not the policy of the charity to show incoming resources net of expenditure.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which can not be fully recovered and is reported as part of the expenditure to which it relates.

"Charitable expenditure" 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.

"Governance costs" include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

"Support costs" are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. These costs have been allocated to activity cost categories on a basis consistent with the use of resources.

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.

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

Taxation

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

HAY CASTLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE PERIOD 1 JUNE 2012 TO 30 APRIL 2013

1 ACCOUNTING POLICIES - continued

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

Basis of recognition of liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation which commits the charity to the expenditure

2 VOLUNTARY INCOME

	Period 1/6/12 to 30/4/13 £	Period 18/5/11 to 31/5/12 £
Donations	2,160,383	-
Gift aid tax reclaimed	40,647	-
Grants	25,308	9,486
Subscriptions	3,712	-
	<u>2,230,050</u>	<u>9,486</u>

Grants received, included in the above, are as follows

	Period 1/6/12 to 30/4/13 £	Period 18/5/11 to 31/5/12 £
Brecon Beacons National Park Authority - Sustainable Development Fund	-	9,486
Glasu	13,004	-
Welsh Government - CADW	2,039	-
Northwick Trust	1,000	-
Architectural Heritage Fund	9,265	-
	<u>25,308</u>	<u>9,486</u>

3 ACTIVITIES FOR GENERATING FUNDS

	Period 1/6/12 to 30/4/13 £	Period 18/5/11 to 31/5/12 £
Honesty bookshop sales	3,777	-
Rental income	15,267	17,050
Hire of premises	2,045	-
	<u>21,089</u>	<u>17,050</u>

HAY CASTLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 1 JUNE 2012 TO 30 APRIL 2013

4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Period 1/6/12 to 30/4/13 £	Period 18/5/11 to 31/5/12 £
Events income	1,592	-
Tours income	<u>55</u>	<u>-</u>
	<u>1,647</u>	<u>-</u>

5 COSTS OF GENERATING VOLUNTARY INCOME

	Period 1/6/12 to 30/4/13 £	Period 18/5/11 to 31/5/12 £
Depreciation	<u>415</u>	<u>-</u>

6 CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 7) £	Totals £
Preservation of the heritage of Hay Castle	<u>39,829</u>	<u>39,829</u>

7 DIRECT COSTS OF CHARITABLE ACTIVITIES

	Period 1/6/12 to 30/4/13 £	Period 18/5/11 to 31/5/12 £
Staff costs	3,253	-
Establishment costs	10,874	7,654
Postage and stationery	84	-
Advertising and promotions	1,581	5,949
Sundries	390	-
Repairs and maintenance	14,852	3,842
Travel	-	165
Legal and professional costs	7,184	360
Office expenses	225	-
Subscriptions and donations	1,276	-
Bank charges	<u>110</u>	<u>-</u>
	<u>39,829</u>	<u>17,970</u>

HAY CASTLE TRUST LIMITED**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 1 JUNE 2012 TO 30 APRIL 2013****8 GOVERNANCE COSTS**

	Period 1/6/12 to 30/4/13 £	Period 18/5/11 to 31/5/12 £
Accountancy	5,106	3,600
Legal fees	-	3,040
Independent Examiner's fees	-	1,200
Auditors' remuneration	<u>3,600</u>	-
	<u>8,706</u>	<u>7,840</u>

9 NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting)

	Period 1/6/12 to 30/4/13 £	Period 18/5/11 to 31/5/12 £
Auditors' remuneration	3,600	-
Depreciation - owned assets	<u>415</u>	-

10 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 30 April 2013 or for the period ended 31 May 2012

N L Albert resigned as trustee in April 2013 and was subsequently employed as Managing Director. She received remuneration of £3,253 during the period.

N L Albert is the wife of J T Albert, trustee.

Trustees' expenses

There were no trustees' expenses paid for the period ended 30 April 2013 or for the period ended 31 May 2012.

11 STAFF COSTS

	Period 1/6/12 to 30/4/13 £	Period 18/5/11 to 31/5/12 £
Wages and salaries	<u>3,253</u>	-

The average monthly number of employees during the period was as follows

	Period 1/6/12 to 30/4/13	Period 18/5/11 to 31/5/12
Employees	<u>1</u>	-

No employees received emoluments in excess of £60,000

HAY CASTLE TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 1 JUNE 2012 TO 30 APRIL 2013**

12 TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 June 2012	2,036,601	-	2,036,601
Additions	<u>24,921</u>	<u>15,408</u>	<u>40,329</u>
At 30 April 2013	<u>2,061,522</u>	<u>15,408</u>	<u>2,076,930</u>
DEPRECIATION			
At 1 June 2012	-	415	415
NET BOOK VALUE			
At 30 April 2013	<u>2,061,522</u>	<u>14,993</u>	<u>2,076,515</u>
At 31 May 2012	<u>2,036,601</u>	-	<u>2,036,601</u>

13 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £	2012 £
Other debtors	<u>2,020,797</u>	-

14 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £	2012 £
Trade creditors	24,399	16,634
Taxation and social security	493	-
Other creditors	<u>2,050,201</u>	<u>31,252</u>
	<u>2,075,093</u>	<u>47,886</u>

15 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2013 £	2012 £
Other creditors	-	<u>2,000,000</u>

16 MOVEMENT IN FUNDS

	At 1/6/12 £	Net movement in funds £	Transfers between funds £	At 30/4/13 £
Unrestricted funds				
General fund	(8,760)	184,428	28,894	204,562
Restricted funds				
Restricted fixed asset fund	9,486	19,408	(28,894)	-
Loan settlement fund		2,000,000		2,000,000
TOTAL FUNDS	<u>726</u>	<u>2,203,836</u>	-	<u>2,204,562</u>

HAY CASTLE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE PERIOD 1 JUNE 2012 TO 30 APRIL 2013

16 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	227,478	(43,050)	184,428
Restricted funds			
Restricted fixed asset fund	20,408	(1,000)	19,408
Loan settlement fund	2,000,000	-	2,000,000
Mentoring fund	4,900	(4,900)	-
	2,025,308	(5,900)	2,019,408
TOTAL FUNDS	<u>2,252,786</u>	<u>(48,950)</u>	<u>2,203,836</u>

Restricted fixed asset fund

Income to this fund consisted of £2,039 from CADW, £1,000 from the Northwick Trust, £13,004 from Glasu and £4,364 from Architectural Heritage Fund. All were fully spent during the period.

Loan settlement fund

During the period the charity recognised a donation of £2,000,000 from the Lindenleaf Charitable Trust. The donation was to settle the loan made in the previous period towards the purchase of Hay Castle. The restricted fund will clear on settlement of the loan in January 2014.

Mentoring fund

The charity recognised income of £4,900 from the Architectural Heritage Fund towards the costs of mentoring incurred.

Transfers between funds

During the period, transfers were made from restricted funds to general funds in respect of capital expenditure since the restriction was met once the expenditure was made.

17 RELATED PARTY DISCLOSURES

Mr P Greatbatch, Ms E Haycox and Mr H M Charles were trustees of both Hay Castle Trust and Lindenleaf Charitable Trust for the period to 30 April 2013.

During the previous period Lindenleaf Charitable Trust made a loan of £2 million to enable Hay Castle Trust Limited to acquire and preserve Hay Castle. During the period to 30 April 2013, the trustees of Lindenleaf Charitable Trust approved converting this loan to a donation. The set-off becoming effective on execution of the deed dated January 2014.

Mr P Greatbatch and Ms E Haycox advanced the charity a loan of £15,000 during the period. At 30 April 2013, the charity owed them £37,617 (2012 - £22,617).

18 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.