

Company number 1944650

# *Castle Bromwich Hall and Gardens Trust*

(A Company Limited by Guarantee and not having a Share Capital)

**Annual Report**

**For the Year Ended 31 December 2010**

# *Castle Bromwich Hall and Gardens Trust*

## ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

<b>Contents</b>	<b>Page</b>
Report of the Trustees	2
Independent Examiner's Report	6
Statement of Financial Activities and Income & Expenditure Account	7
Balance Sheet	8
Notes to the Financial Statements	10
Donations	Appendix

# *Castle Bromwich Hall and Gardens Trust*

## **ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2010**

### **REFERENCE AND ADMINISTRATIVE INFORMATION**

Company number: 1944650

Registered Charity number: 516855

*Registered Office:*  
Castle Bromwich Hall Gardens  
Chester Road  
Castle Bromwich  
Birmingham  
B36 9BT

*Bankers:* Lloyds TSB Bank Ltd  
248 Stratford Road  
Shirley, Solihull B90 3AE

*Independent Examiner:* Feltons  
8 Sovereign Court  
8 Graham Street  
Birmingham B1 3JR

### **Trustees**

The current Trustees, who are also directors for the purposes of the Companies Act, are as follows:

Roger S. Burman CBE DL  
David L. Adams  
Pauline S. Allen  
Sheila A. Aucott  
David M. Bennett  
The Earl of Bradford  
Simon J. Cleaver  
Richard J. Easton FCA  
William A Esslemont  
Jean A Draycott  
M Elizabeth Hatchman (appointed 31 July 2010)  
David Hopkins  
David J Howell  
Gerard F. Lawlor  
George E. Richards  
Michael Robinson  
Jennifer A Teall

*Chairman*  
*Representing St. Mary & St. Margaret's Church*  
*Representing Castle Bromwich Parish Council*

*Hon. Treasurer & Company Secretary*

*Representing The National Trust*

*Representing Solihull MBC*  
*Representing Solihull MBC*

Anna Russell resigned on 21 January 2010.  
Nigel D Dawkins resigned on 28 June 2010.  
Anita Ward resigned on 28 June 2010

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Castle Bromwich Hall and Gardens Trust, a charitable trust set up in 1985, is a Company limited by guarantee and not having a share capital.

The Trust is governed by its Memorandum and Articles of Association, which were revised in 2008.

The following organisations, being Foundation Members, are entitled to nominate and appoint Trustees;

Birmingham City Council (2), Castle Bromwich Parish Council(1), The National Trust (1), St Mary and St Margaret's Castle Bromwich Parochial Church Council (1), Solihull Metropolitan Borough Council (2). At present Birmingham City Council have declined to make appointments.

The Earl of Bradford, or a person appointed by him, is entitled to be a Trustee.

At the Annual General Meeting up to three Ordinary Members, or such other number as may be set out in the Bye Laws, shall be entitled to be elected to be Trustees.

The Trustees have power to co-opt for such period they think fit any member, who in their opinion is able to contribute to the objects of the Trust, as an addition to the existing Trustees provided the total number of Trustees does not exceed twenty-five. There are at present no policies or procedures adopted for the induction and training of Trustees.

The administration of the Trust is effected by a Management Committee, which is appointed by the Trustees and meets monthly. This committee implements and monitors the matters of policy determined by the Trustees. The Gardens Committee advises on horticultural and heritage matters affecting the Trust. There are no related party transactions with the Trustees.

The Management Committee have examined the major business and operational risks which the Trust faces; these have been reported to the Trustees and procedures have been established to minimise and review these risks.

### **OBJECTIVES AND ACTIVITIES**

The objects of the Trust are to promote the permanent preservation and restoration of the Gardens (including any structures and buildings contained therein), which adjoin Castle Bromwich Hall, for the benefit and education of the public generally.

The Trust continues to restore and maintain the Gardens and keep them open to the public. Fund raising events take place on a number of weekends during the year.

The Trust depends upon the contribution of a large number of volunteers who work across the whole range of its activities.

### **ACHIEVEMENTS AND PERFORMANCE**

The Trust has continued during the period to devote all its resources to the maintenance and restoration of the Gardens, which are now nationally acknowledged to be of a high standard.

The Chairman Roger Burman reports:

CBHGT was established to regenerate and maintain an important 18<sup>th</sup> century garden. The Trust has a Gardens Committee consisting of experts in historic gardens, plant and trees which oversees the authenticity of the garden. It also employs a team of professional gardeners who, together with the help of volunteers, implement the Committee's strategy.

The volunteers also include those who manage the operations, supervise visitors, man the gift, plant and coffee shops and support the Trust generally.

During the year action has been taken to reduce the workload in the Garden for example, by lowering the height of hedges. Work has continued in replanting in the Upper and Lower Wilderness areas.

The quality of the Gardens continues to improve and many compliments have been received. Visitor numbers have been maintained and our grateful thanks go to David Fullard, the gardeners and volunteers.

Our schools programme has continued to expand during the year under the supervision of Ann Brookman. Most of the visits have still been from Birmingham schools but we are working hard with Solihull to encourage their schools to participate.

Financially, the Trust entered the difficult ground of government cuts imposed on local authorities. We heard during the year the Birmingham were withdrawing their grant completely and although we were advised to budget for a cut of 10% in the contribution from Solihull, there was a strong likelihood that the cut might be much greater. On that basis we had to take drastic action by reducing staff and cutting all expenditure to a minimum. At the year end the position was still critical, with no indication of what grant we might ultimately receive.

Restoration work continued on the Hall with the intention of converting it into an Hotel. By kind invitation of Mr. Liu, the owner, the Trust were allowed to organise guided tours of the partly refurbished Hall in December. These were fully subscribed and in spite of severe snow were carried out with great success. In addition, we continue to maintain their gardens.

Finally, may I take this opportunity to thank everyone involved in the Gardens for their huge support in the year. I would particularly wish to mention Sue Brain, our Administrator, who has coped magnificently under the very difficult conditions of the latter part of the year.

## **FINANCIAL REVIEW**

The Financial Statements for the year show a deficit on General Funds of £21159 (2009 deficit £12465) after taking into account the unrealised gains on investments of £2787. The increase in the deficit is mainly due to the cessation of sponsorship by Birmingham City Council ( 2009 £7500). However we were expecting an increase in visitor income, which did not materialise due to the general economic circumstances.

This year's deficit further reduces the Trust's Unrestricted Reserves to £34304 (2009 - £55463) which is clearly inadequate, and action has been taken in 2011 to prevent further deterioration.

In addition to the generous donations received from charitable trusts and individuals, the principal funding source is Solihull MBC ; we are most grateful for all these contributions.

## **Reserves Policy**

There is much work still to be done in the Gardens of both a restoration and maintenance nature, and due to the lack of stability of much of the Trust's income, the Trustees' policy is to increase reserves to a much more substantial figure in order to give better long term financial stability to the Trust.

## **Investment Policy**

The Trustees' policy for the investment of the small amount of surplus funds is to obtain a balance between capital growth and income with medium risk. A proportion of the funds are held on interest bearing deposits which enable the funds to be readily available, but at present unfortunately continue to give a very poor return.

## **PLANS FOR FUTURE PERIODS**

The Trust plans to continue with the restoration and maintenance of the Gardens. The replacement of the visitor centre is becoming more urgent, and work on this project is now progressing well. However the funding of this project will be difficult.

## **RESPONSIBILITIES OF THE TRUSTEES**

We are required under charity and company law to prepare financial statements for each financial year, which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair

view we are required to:

- Select suitable accounting policies and apply them consistently;
- Make reasonable and prudent judgements and estimates;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

We are also responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable us to ascertain the financial position of the charity and to ensure that the financial statements comply with the Companies Act 2006. We 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.

The Trustees have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small entities.

Signed on behalf of the Trustees

R J Easton  
Company Secretary  
4 August 2011

# *Castle Bromwich Hall and Gardens Trust*

## **INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF CASTLE BROMWICH HALL AND GARDENS TRUST**

We report on the accounts for the year ended 31 December 2010 set out on pages 7 to 13.

### **Respective responsibilities of trustees and examiner**

As described on page 5 the trustees, who are also the directors of Castle Bromwich Hall and Gardens Trust (A Company Limited by Guarantee) for the purposes of company law, are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

Having satisfied ourselves that the charity is not subject to audit under company law and is eligible for independent examination, it is our responsibility:

- to examine the accounts under section 43 of the 1993 Act;
- to follow the procedures laid down in the general directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- to state whether particular matters have come to our attention.

### **Basis of independent examiner's report**

Our 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 statement below.

### **Independent examiner's statement**

In connection with our examination, no matter has come to our attention which gives us reasonable cause to believe that:-

1) in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; and

2) there are no material matters to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Feltons  
Chartered Accountants  
Birmingham B1 3JR  
2 September 2011

# *Castle Bromwich Hall and Gardens Trust*

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2010

### Incorporating the Income & Expenditure Account and Statement of Total Recognised Gains and Losses

	Note	General Funds £	Restricted Funds £	Total 2010 £	Total 2009 £
<b>Incoming Resources</b>					
Incoming Resources from generated funds					
- Voluntary income					
Donations		10676	12616	23292	19859
Local authority grants	2	50169	-	50169	56446
- Activities for generating funds					
Income from fund raising events		9843	-	9843	6908
- Investment Income					
Dividends		2027	-	2027	2023
Interest on deposits		147	-	147	402
Incoming resources from charitable activities					
Garden entry fees		21742	-	21742	21844
Income from sale of goods		22510	-	22510	25665
Membership		4021	-	4021	3085
<b>Total incoming resources</b>		121135	12616	133751	136232
<b>Resources expended</b>					
Costs of generating funds					
- Fund raising events					
		4832	-	4832	3462
Charitable activities	3	138989	19741	158730	154173
Governance costs					
- Independent examiner's fee					
		1260	-	1260	1740
<b>Total resources expended</b>		145081	19741	164822	159375
<b>Net expenditure being net outgoing resources before other recognised gains</b>		-23946	-7125	-31071	-23143
Unrealised gains on investments		2787	-	2787	3104
<b>Net movement in funds</b>		-21159	-7125	-28284	-20039
Funds brought forward at 1 January 2010		55463	229286	284749	304788
<b>Funds carried forward at 31 December 2010</b>		34304	222161	256465	284749

The statement of financial activities includes all gains and losses recognised during the year. All incoming resources and resources expended derive from continuing activities.

# *Castle Bromwich Hall and Gardens Trust*

**BALANCE SHEET**

AS AT 31 DECEMBER 2010

	Note	General Funds £	Restricted Funds £	Total 2010 £	Total 2009 £
<b>Fixed Assets</b>					
Tangible Fixed Assets	6	-	221065	221065	228190
Investments at market value	7	40829	-	40829	38042
		40829	221065	261894	266232
<b>Current Assets</b>					
Debtors	8	5981	-	5981	14481
Cash on deposit and at bank		25326	12080	37406	45623
Cash in hand		491	-	491	313
		31798	12080	43878	60417
<b>Creditors</b>					
Amounts falling due within one year	9	-38323	-10984	-49307	-41900
<b>Net Current (Liabilities)/Assets</b>		-6525	1096	-5429	18517
<b>Total Assets less Current Liabilities</b>		34304	222161	256465	284749
<b>The Funds of the Trust</b>					
Unrestricted Funds					
General Fund		34304	-	34304	55463
Restricted Funds					
	10	-	222161	222161	229286
<b>Total Funds</b>		34304	222161	256465	284749

...continued

# *Castle Bromwich Hall and Gardens Trust*

## **BALANCE SHEET AS AT 31 DECEMBER 2010 CONTINUED**

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2010.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2010 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its net income or expenditure 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 company.

The financial statements are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small entities.

Approved by the Trustees on 4 August 2011 and signed on their behalf by:

R S Burman  
Chairman

R J Easton  
Hon. Treasurer

# Castle Bromwich Hall and Gardens Trust

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

### 1 Accounting Policies

#### a. Basis of Accounting

The Financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) and the Companies Act 2006.

#### b. Charitable Status

Castle Bromwich Hall and Gardens Trust is a registered charity and is exempt from corporation tax and capital gains tax provided its income and gains are applied for charitable purposes.

#### c. Donations, Grants and Legacies

Donations, grants and legacies are accounted for when receivable, and include recoverable income tax under the Gift Aid scheme where appropriate.

#### d. Resources Expended

All expenditure, which includes irrecoverable VAT is accounted for on an accruals basis and has been classified under the headings that aggregate all costs related to the category.

#### e. Fixed Assets

Depreciation of fixed assets is calculated to write off the cost less any residual value over the estimated useful life. The rate applied is 2% straight line basis for buildings and 10%, 20% and 15% reducing balance for portacabins, greenhouse and garden equipment respectively.

#### f. Investments

Investments held as fixed assets are valued at mid-market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

### 2. Local Authority Grants

A grant of £50169 towards general revenue expenses was received from Solihull Metropolitan Council during the year.

### 3. Resources Expended – Charitable Activities

	Note	General Funds £	Restricted Funds £	Total 2010 £	Total 2009 £
Staff costs – Garden	4	52353	-	52353	54374
- Administration	4	43660	-	43660	43307
Garden Maintenance		7559	-	7559	6221
Insurance		6952	-	6952	7131
Light, heat and water		8140	-	8140	7032
Building maintenance and cleaning		2766	-	2766	3239
Security		4935	-	4935	5301
Special projects	5	1358	12616	13974	7455
Publicity		2290	-	2290	2874
Office supplies and sundries		4887	-	4887	4772
Depreciation		-	7125	7125	7574
Total Garden Maintenance Expenditure		134900	19741	154641	149280
Cost of goods sold		4089	-	4089	4893
		138989	19741	158730	154173

<b>4. Staff Costs</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Salaries	94049	90600
Social Security costs	6984	6912
Other employee costs	2572	889
Work placement subsidy	-1000	-720
	102605	97681

During the year the Trust employed on average 4 gardeners (2009 – 4), 2 employees in the office (2009 – 2), and 1 part-time education officer (for whom the salary of £6592 is charged to Special Projects).

No employee earned more than £60000 in either year.

No remuneration or out of pocket expenses were paid to the Trustees in either year.

#### **5. Special Projects**

This expenditure generally relates to that for which the Trust has received a specific donation. The major item for which the Trust received donations was towards the continuing cost of employing an education officer, primarily to work with the local schools.

#### **6. Fixed Assets**

	<b>Permanent Buildings £</b>	<b>Portacabins &amp; Greenhouse £</b>	<b>Total £</b>
Cost			
At 1 January 2010	249374	28064	277438
At 31 December 2010	249374	28064	277438
Depreciation			
At 1 January 2010	34909	14339	49248
Charge for the year	4987	2138	7125
At 31 December 2010	39896	16477	56373
Net book value at 31 December 2010	209478	11587	221065
Net book value at 31 December 2009	214465	13725	228190

#### Freehold Land

The land relating to the gardens passed into the ownership of the Trust by Deed of Gift from the Earl of Bradford dated 31 December 1986. As the land is to be retained indefinitely for the use of the Trust and cannot be sold, it is considered to be an inalienable asset and is excluded from the balance sheet. There is no reliable information about cost available and the costs involved in obtaining a valuation would not produce additional benefits to the user of the accounts.

#### Buildings

Portacabins and the Keder greenhouse, which have been purchased, have been capitalised. Alterations and the costs of erecting the donated visitor centre have been charged as expenditure in the year incurred, as have subsequent improvements.

**7 Fixed Asset Investments**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Market Value at 1 January 2010	38042	34938
Unrealised investment gain	2787	3104
Market value at 31 December 2010	<u>40829</u>	<u>38042</u>
Historical cost at 31 December 2010	<u>50000</u>	<u>50000</u>

The investment represents 3548.055 units of the M & G Securities Ltd Charifund.

**8. Debtors**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Sundry Debtors	1031	9451
Prepayments and accrued income	4150	4220
Income tax recoverable	800	810
	<u>5981</u>	<u>14481</u>

**9. Creditors; amounts falling due within one year**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Trade creditors	28220	26909
Other creditors and accruals	21087	14991
	<u>49307</u>	<u>41900</u>

**10. Movement in funds**

	<b>Opening balance</b>	<b>Incoming resources (including gains)</b>	<b>Outgoing resources</b>	<b>Closing balance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Unrestricted Funds	55463	123922	-145081	34304
Restricted Funds				
Building Fund	221638	-	-5595	216043
Special projects fund	7648	12616	-14146	6118
	<u>284749</u>	<u>136538</u>	<u>-164822</u>	<u>256465</u>

The Building Fund represents funds raised for the permanent buildings (gardeners' facilities).

## 11. Analysis of Net Assets between funds

	<b>General Fund £</b>	<b>Building Fund (restricted) £</b>	<b>Special Projects (restricted) £</b>
Tangible Fixed Assets	-	214947	6118
Investments	40829	-	-
Current Assets	31798	1096	10984
Creditors	-38323	-	-10984
	<u>34304</u>	<u>216043</u>	<u>6118</u>

## 12. Commitments

There are no capital commitments at 31 December 2010 (2009 nil)

# *Castle Bromwich Hall and Gardens Trust*

## **DONATIONS**

Donations of over £100 were received from the following for the year ended 31 December 2010

### **General Funds**

The Friends of Castle Bromwich Hall Gardens  
The 7<sup>th</sup> Earl of Bradford's Castle Bromwich Parochial Charity  
The Hugh Kenrick Charitable Trust  
The Lillie C Johnson Charitable Trust  
Mrs M Motteram  
Mrs P Doncaster  
Mr G Lawlor  
Mr A Meehan  
Mr A J Franklin  
Asda Stores Ltd

### **Special Projects**

Dame Mary Bridgeman Charity  
Wilmcote Charitrust  
The Misses Barry Charitable Trust  
Edward Cadbury Charitable Trust  
S and D Lloyd Charity  
Bryant Trust  
The Lillie C Johnson Charitable Trust  
Birmingham International Airport Community Trust Fund  
Mrs J Kemp in memory of Mr D Kemp

This page does not form part of the financial statements.