

Trigonos

a not-for-profit social business

REPORT FOR THE YEAR TO 31ST MARCH 2008

Introduction

Trigonos is a not-for-profit venue for educational events & land management projects. We host universities, colleges, schools, professional & personal development events, art & craft courses, retreats and the occasional holiday group. Land management covers 18 acres, of which 1.5 acres is given to horticulture based upon biodynamic principles.

Sustainability & ethical practice underpin all our work. This includes the installation and commissioning, in December 2007, of a wood chip boiler to replace oil and gas; minimizing electricity usage; recycling all that we can including composting kitchen waste; environmentally friendly maintenance and refurbishment using natural paints, sheep's wool insulation etc; buying local /fairtrade produce where possible. We also grow our own fruit and vegetables to use in the Trigonos kitchen and for sale to local people.

Trigonos is set in the beautiful and inspiring landscape of the Nantlle valley in Snowdonia. This valley was home to some of the great slate quarries of north Wales that roofed the industrial revolution. When the quarries closed in the 1960s the area was economically devastated, leading to all the attendant difficulties brought about by the loss of employment, related businesses, social connections and hope. Trigonos works alongside local voluntary and statutory organisations in the continuing projects for social and economic regeneration.

All our work is pursued in the context of running an economically viable social business employing local people. We raise loans and grants for certain capital projects but otherwise all our work is funded through earned income and is therefore self-sustaining.

Our purposes and work are multi-faceted, recognizing the natural interdependence that exists between the many elements that make up our lives; elements that are often forced into unconnected compartments with the consequent loss of understanding of how action in one sphere has an effect elsewhere.

“Trigonos” means a three-sided figure - a triangle. A series of overlaid triangles illustrates the interdependence between our overall objectives and our engagement with the key elements of sustainability and people that are inherent in pursuing these objectives.



The equilateral triangle represent an objective in itself, that of maintaining a balance between the different interests that make up a particular element. The reality tends to be very different with each triangle distorted and in constant movement, indicating the awareness and effort required in deciding where to direct our actions and resources to minimise those distortions.

A Venue for Education and Events

We continue to make progress in drawing in more groups and individuals to stay at Trigonos. Overall the occupancy increased from 32.5% in 2006/07 to 41.45% in 07/08, a 27.5% rise, compared with 8% the year before. This is a significant achievement, enabling Trigonos to build its capacity in meeting the needs and expectations of visitors.

Visitors' views of Trigonos and all it provides have always been an important means of building on what we do well, identifying weaknesses and highlighting where improvements would be most appreciated. This year we produced a formal questionnaire that was given to 11 group leaders to complete. Ten were returned. In some cases the leader completed the form themselves and in others they discussed it with their group members. The great majority of comments were very approving of what people had received but we also specifically asked people to identify improvements that would make their stay more enjoyable. All the suggestions were recorded and then featured in the decisions made on where to invest the resources available.

Some suggestions were quickly acted upon whilst others have to be fitted into capital expenditure programmes. A recurrent comment was the inadequacies of the hot water system, a problem fully resolved by the new boiler system (see "Sustainability" below). A few issues are beyond our direct control and one that came up in conversations as well as the questionnaire was the unreliability and paucity of public transport, combined with the high cost of taxis. Mainline trains have been particularly bad at weekends, local buses are less frequent to Nantlle and taxis from Bangor often seem eccentrically priced. For an area so reliant upon tourism in its various forms these failings have a very negative effect.

Marketing

The marketing review, part funded by the Welsh Assembly Government, that was due to be completed in September 2007 was terminated at the half way stage. We felt that the work to date had not addressed several of the main issues we had identified. We then considered transferring the work to another consultant but after discussion concluded that Trigonos's particular situation did not easily fit with the approach recommended to us. The effort and investment was not wasted. The work undertaken by Trigonos itself for the review proved very valuable and enabled us to identify a pattern for developing marketing that is appropriate to our business.

Through the Ethical and Environmental Marketing Group that draws together a number of "green" organisations in joint marketing exercises, we placed adverts in the *Guardian* and *Observer* newspapers. This was our first national advertising and produced no identifiable benefits. That outcome was added to the experience gained through working on the review and led to the conclusion that marketing should focus on:

- supporting personal recommendation
- the Trigonos website
- web portals and networks focussing on sustainable and ethical trading.

This will be the pattern of development in the coming year.

Land & Horticulture

The general development of the land and horticultural work has been delayed while resources have been directed into growing our core economic business as a venue for education and events. Despite the limited resources the year was a good one for horticultural production, based on organic and biodynamic¹ principles. We continued to supply the Trigonos kitchen and increased our sales to local people through initiating a local market at the Talysarn community centre. This replaced the box scheme of the previous year that was limited in its appeal because of the lack of choice inherent in such a service.

The labour contributed by WWOOFers², students from abroad, pupils on work experience from local schools, retired people not ready for idleness and young people “at risk” or on reparations work were all crucial to the work on the land, and an essential supplement to the two people employed on land work.

Towards the end of the year we began planning a major development for the land work that will take account of the growing demand for locally produced food, reinforced by the rapid increase in world food prices, and the now well-established concern for loss of bio-diversity. In outline the aims are to:

- increase the area under horticultural cultivation from 1.5 to 4.5 acres
- erect a horticultural barn and acquire the machinery necessary to work the enlarged acreage efficiently
- demonstrate that there is a demand for local produce and work with other agencies (such as Organic Centre Wales) in encouraging the wider development of horticulture in an area where little exists at present
- create a biodiversity meadow with access given to the public, especially local schools
- extend the participation of students, work experience people, WWOOFers and other volunteers including people seen to be “at risk”.

These developments will require substantial pump-priming funding and applications for support will be made in the coming year.

The Local Community

Our participation in the Dyffryn Nantlle Food Project carried on throughout the year, primarily in planning the application for support to the National Lottery Fund. The application has been submitted and the decision is expected in August 2007.

A Planning for Real[®] (PfR) exercise, open to the whole local community and supported by the Talysarn & Nantlle Partnership, was undertaken during 2007. Trigonos workers were actively involved and we made the studio available over

¹ The biodynamic farmer / gardener sees the world of nature, human beings and the universe as an interrelated and interdependent living whole. He / she takes into account the whole environment; the underlying rock strata, the soil, the atmosphere, the local flora & fauna and the cosmic forces acting upon them.

² WWOOF: World Wide Opportunities on Organic Farms, bringing people from many part of the globe to work voluntarily at Trigonos

several weeks so that a model of the area, based on a large-scale OS map, could be made and then displayed. The aim of PFR was to give all residents the opportunity to help set the agenda for developments in the locality and to do it in such a way that even those who felt unable to speak at public meetings could have their say. The exercise was very successful and an extensive report was submitted to the local Partnership, out of which an action plan for the two villages should evolve.

Sustainability

The major achievement of the year was the installation and commissioning of the woodchip boiler that meets all our needs for central heating and hot water. Oil has been banished from Trigonos and LPG is now used primarily for cooking whilst also providing back-up in the event of failure of the wood chip system. CO₂ emissions will be reduced from about 87 tonnes to around 13 tonnes p.a., taking account of direct emissions and of factors such as the processing and transport of fuels. The woodchip is sourced from within 30 miles of Trigonos.

The project cost £157,500 and would not have been possible without the support of the Wood Energy Business Scheme, run by the Forestry Commission, which made a grant of £66,250. The balance of £91,250 was met by Trigonos, primarily through a loan from Triodos Bank. The expected reduction in running costs will vary according to the price of woodchip compared with oil and gas. The anticipated saving in the first year is around £6,000. Actual costs and savings will be monitored and reported. CO₂ emissions are calculated as reducing from 87 to 13 tons p.a. This takes account of emissions associated with the production and transport of fossil fuel and woodchip.

We also successfully renewed our registration for the Green Dragon environmental standard, level 2.

We continued to implement other elements of our sustainability policy, which is available to view on the website.

Food Policy

The food policy came into operation in March 2007 and the year has seen significant progress in most areas. Produce is increasingly sourced as locally as possible. Priorities have been set in the move to organic produce and by the end of the year a significant proportion of animal products were organic or free range. As with fairtrade produce, the main limiting factors have been cost and availability. We expect the progress made in 2007/08 to be consolidated and further enhanced in the coming year.

Capital Development Programme

The woodchip boiler was a financially demanding project that also took up a lot of worker time, leaving little room for other developments. Work was begun on the major capital proposal for 2008/09, the development of the Land and Horticulture project.

People who Work at Trigonos

The differential between the highest and lowest paid individuals is approximately 28%, excluding students under 18 years engaged on a casual basis. Wage levels were again increased significantly above the level of inflation. At the year end, 7 people were employed on a regular basis and 11 on an hourly basis, of whom 5 were students.

Financial Performance

The year to 31st March 2008 saw a 27% increase in turnover to £223,700. Costs also increased by a similar amount, the major factors being the increase in wages and associated costs by 35%, reflecting both the significant increase in wage rates and the employment of more people in the pursuit of making individual workloads more sustainable. The allowances for depreciation increased to £25,700 reflecting the large capital investment in the wood chip boiler and this pushed the company into a loss on the year of £10,400.

The Welsh Assembly Government made a revenue grant of £300 towards the cost of the marketing review.

The Forestry Commission, through the Wood Energy Business Scheme, made a capital grant of £66,255 towards the cost of the wood chip boiler project.

The Profit & Loss account for the year to 31st March 2008 is given overleaf.

Company Structure and Objectives

Trigonos is a company limited by guarantee & not having a share capital (a not-for-profit company). The company is not owned by anyone, either privately or through shareholders. Any profit has to be retained for the benefit of the company rather than distributed. Should the company cease trading the assets have to be passed to another organisation with similar objectives.

The objectives of the company are:

- to advance the education of the public in the arts, crafts, environmental science, health, social care, community development and land development
- and at the discretion of the directors to engage in other activities that are considered charitable, benevolent or philanthropic.

The Trigonos website has a lot of information about our facilities and projects and is regularly updated.

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TRIGONOS

PROFIT AND LOSS ACCOUNT YEAR ENDED 31 MARCH 2008

	Notes	<u>2008</u> £	<u>2007</u> £
TURNOVER	2	223,737	175,883
COST OF SALES		139,377	103,891
GROSS SURPLUS		84,360	71,992
Administrative expenses		89,288	75,946
OPERATING DEFICIT	3	(4,928)	(3,955)
Revenue grants gifts and donations	4	433	2,518
Capital grants released (see note 12)		3,883	2,093
Investment income		1,123	451
Interest payable		(10,888)	(8,304)
DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(10,376)	(7,196)
Corporation tax	5	-	-
DEFICIT FOR THE YEAR AFTER TAXATION		£ (10,376)	£ (7,196)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES YEAR ENDED 31 MARCH 2008

Deficit for the financial year	£ (10,376)	£ (7,196)
Unrealised surplus on revaluation of land and property	-	484,702
TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR	£ (10,376)	£ 477,506