

Hestercombe Gardens Trust
(A Charitable Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 31 December 2023

Company Number: 03287766
Charity Registered in England and Wales Number: 1060000

Hestercombe Gardens Trust

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Hestercombe Gardens Trust

Reference and Administrative Details

For the Year Ended 31 December 2023

Trustee Directors

John Abbott MSc
Dr Marion Harney, FHEA
Roger Lambert MA
Catherine O'Sullivan, MSc
Catherine Pease, MA (Cantab), AADip, RIBA
Josephine Waley-Cohen
Christopher Ormrod
John Williams
Charles Hind

Secretary

Nicholas Francombe LLB

Chief Operating Officer

Richard Mira

Charity Number

1060000

Company Number

03287766

Principal Address and Registered Office

Hestercombe Gardens
Cheddon Fitzpaine
Taunton
Somerset
TA2 8LQ

Auditors

Albert Goodman LLP
Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Bankers

Triodos Bank NV
Deanery Road
Bristol
BS1 5AS

HSBC Bank Plc
17 North Street
Taunton
Somerset
TA1 1NA

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Solicitors

Clarke Willmott LLP
Blackbrook Gate
Taunton
Somerset
TA1 2PG

Hestercombe Gardens Trust
Trustee Directors' Report
For the Year Ended 31 December 2023

The Trustees, who are also directors for the purposes of the Companies Act, present their report and the financial statements of the charity for the year ended 31 December 2023, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

References and Administrative Details

Administrative information is given in a separate section at the front of these accounts.

Directors and Trustees

The directors of the Company are the Charity's trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year end are as follows:

John Abbot MSc (Chair)	
Roger Lambert MA	
Catherine O'Sullivan, MSc	
Catherine Pease, MA (Cantab), AADip, RIBA	
Josephine Waley-Cohen	
Christopher Ormrod	(Appointed 1 December 2023)
Charles Hind	(Appointed 14 July 2023)
Linda Phillips (Chair Designate)	(Resigned 29 June 2023)
Godfrey Davis, FCA	(Resigned 21 April 2023)
Cllr Marcia Hill	(Resigned 27 January 2023)
Jo Matthews, MSc	(Resigned 21 April 2023)
Rupert Taylor, BSc Hons, FCCA	(Resigned 29 June 2023)
Dr Marion Harney FHEA	(Resigned 12 May 2024)
John Williams	(Resigned 1 July 2024)

None of the Trustees have any beneficial interest in the Company. All of the Trustees are members of the Company and guarantee to contribute £10 in the event of a winding up.

Structure Governance and Management

The articles of association currently provide that there must be between seven and ten trustees. The appointment of replacement trustees is at the discretion of the Company in general meeting.

It is the policy of the Trust to seek to appoint as trustees leaders in their field with a keen interest in the objectives of the Trust and to obtain a balance of skills. All appointments are made in line with Charity Commission guidelines. All newly appointed trustees follow an induction process and there is a programme of ongoing trustee training.

The Trustees have responsibility for setting the policy for achieving the objectives of the Trust; this is then carried out by the Chief Executive and the executive management team. The commercial activities, including the running of events, functions and weddings, catering and retail activities are carried out through a wholly owned subsidiary, Hestercombe Gardens Limited.

Hestercombe Gardens Trust

Structure Governance and Management (cont'd)

Philip White MBE retired as Chief Executive in March 2024 and in July 2024, John Williams was appointed as Executive Chair of the Trust on a part-time basis and oversees the executive team. Chief Operating Officer Richard Mira, who is a Director of Hestercombe Gardens Limited, oversees the day-to-day management of operations. The executive team, Warren Leavens, Estates Manager; Michael Matravers, Finance manager; Tim Martin, Creative Director (Resigned July 2024); Matthew Philpott, Head of Marketing (left the company February 2024 replaced by Jemma Gillard) and Claire Greenslade, Head Gardener, assist him. The profits arising from the trading activities are returned to the Trust in furtherance of its objectives.

The Risk Register is regularly reviewed and updated by both the Trustees and the executive management team in accordance with the trust's strategic plans and ambitions.

The Trustees are very conscious of their duty to promote public access to Hestercombe, to manage the heritage assets in a socially inclusive way and to continue to grow Hestercombe into a site of national and international importance and an economic and cultural driver of regional prosperity. Their policy is to remunerate all their staff fairly in accordance with good practice, observing appropriate legislation, e.g. regarding the minimum wage, diversity, etc., while at the same time ensuring the health, safety, and personal advancement of all staff while operating in a financially prudent and sustainable way.

All Trustees of Hestercombe Gardens Trust serve as volunteers and are unpaid; some claim travel expenses when attending meetings. A Governance and Organisational Structure Committee, composed of at least two Trustees, meets five times a year and considers senior executive pay and reports to Trustees at each full meeting of Trustees. Remuneration for the part time Executive Chair is set by the Committee with advice from the Trust's financial advisor and is benchmarked against comparable roles as far as this is possible.

The remuneration of the four full-time (Chief Operating Officer, Finance Manager, Estates Manager, and Head Gardener) and one part-time (Creative Director) senior executive staff was set by the former Chief Executive in accordance with their individual contracts and reported to the Governance and Organisational Structure Committee.

Objectives and Activities

The Charity's objects (the "Objects") are for the education and benefit of the public to:

- (1) reclaim, restore, preserve, enhance and develop the landscape, gardens and buildings of heritage, horticultural or architectural interest associated with Hestercombe; and
- (2) maintain develop enhance and preserve and provide public access to archives databases and collections relating to landscapes, gardens, and buildings of heritage, horticultural or architectural interest; and
- (3) undertake and support educational work and research and provide resources for the public relating to landscapes, gardens, and buildings of heritage, horticultural or architectural interest.

Attracting visitors and members to Hestercombe, giving them a positive and engaging experience and opportunities to explore, learn and relax, is central to our Visitor Experience and to our Engagement strategic objective in addition to financial sustainability.

Objectives and Activities (cont'd)

Visitor numbers and membership targets are the driver for all of our trading activities, which, unfortunately did not meet expectation for 2023 (67,500 garden visitors vs target of 75,000; and 3,800 memberships vs target of 4,600). The lowest since we acquired the House in 2014.

Since the pandemic all businesses within our sector have struggled (as documented in the wider media) which has only worsened since the beginning of the war in Ukraine, which led to what was widely described as a 'cost of living' crisis, accompanied with the energy price hike which contributed to reduced visitor numbers and members. This fall was compounded by reduced visitor spend as visitors continued to economise.

Planning permission for the restoration and development of Hestercombe House was finally granted in September 2023 with a number of conditions including the requirement to obtain a bat mitigation licence from Natural England. The restoration of the Holm Oak avenue within the formal garden and the Sweet Chestnut avenue within the landscape garden will be completed in early 2024 thanks to a successful sponsorship campaign. An agreement was finally reached with the Crown Estate to acquire 28 acres at Gotton, the only remaining part of the grade1 historic landscape not under the beneficial management of the trust, with funding from the National Heritage Memorial Fund and the generous support of private benefactors.

Achievements and Performance

2023 saw a number of refurbishment and redecoration projects completed around the estate including the plant sales area, and external redecoration of the Chauffeur's Cottage and the Bampfylde Hall.

We also took the opportunity to complete some much needed maintenance work during the quieter visitor months. Roof, gutter and drain clearance work around Hestercombe House were completed and ongoing roof leaks were resolved. The rotten floors in the visitor toilets by the restaurant were replaced and repair work to the Orangery doors completed following storm damage. Repairs were also undertaken to the Chinese Seat and the Mausoleum.

We were delighted to install a fully accredited Changing Places Toilet within Hestercombe House, one of only three within Taunton, which enables more visitors with a disability and their carers to visit Hestercombe. This was fully funded by Somerset Community Fund and Reflect one of our tenants which support adults with Profound and Multiple Learning Difficulties.

In March the West of England Centre for Inclusive Living (WECIL) completed an access audit for Hestercombe House and Gardens. As an organisation wishing to be wholly committed to the principle and aims of the Equality Act this was a vital piece of work for us to undertake and has resulted in some very helpful recommendations in order to make Hestercombe truly inclusive. A full copy of the report is available upon request.

Following the success of the light show, Illuminate, in November/December for two consecutive years, an increased investment was made for 2023 to create an even more spectacular event which was extremely successful and saw ticketing revenue grow to £201k (from £135k in 2022) and £73.8 catering revenue driven by a new pre dining offer and increased footfall.

The trust appointed Croner Group to provide HR, employment law and health and safety services to the Trust. The contract replaced health and safety support from SSG Training and Consultancy which not only delivered a cost saving, but integrated these key services on one easily accessible platform for staff.

Hestercombe Gardens Trust

Trustee Directors' Report

For the Year Ended 31 December 2023

Public Benefit and Engagement

As part of working towards becoming an accredited museum, after evaluating several collection management systems, the preferred option, Collection Space was commissioned and implemented.

On 11th February sculptor Sir Richard Long gave a talk about his work, together with photographer Jem Southam, curator Nicholas Alfrey and art historian and curator Joy Sleeman; the event was sold out with over 60 attendees. All talks were recorded and were broadcast through social media and on Vimeo.

Our contemporary art programme began in March with the 'Design for Life: Art and Architecture' exhibition, with lots of tours and schools' engagement continuing.

Susan Derges' exhibition 'Many Moons' opened in July, following a successful private view. It proved to be a very popular show with many visitors visiting Hestercombe specifically for the exhibition. Alongside this exhibition we published 3 new poetry books relating to the artist's work, and held an event featuring the artist, poets and photography expert Mark Howard-Booth OBE.

The winter exhibition 'Landscapes of Progress?', which opened in November, featured work by Rebecca Chesney, Simon Hitchens, Marie-Louise Jones, Hugo Lami, Madinah Farhannah Thompson and Mirte van Duppen. Various exhibition tours were carried out for staff and visitors.

Two new 'Ingram Collections' artists in residence for this year, Eleanor Sanghara and Camilla Bliss, visited Hestercombe during the summer and we also welcomed Hannah Fletcher, from the Sustainable Darkroom, Madinah Farhannah Thompson and Rebecca Chesney on residences.

Hestercombe offers free admission to all state schools in Somerset and during 2023 we were pleased to welcome 559 children during fifteen school visits.

Our discussions with Gloucestershire University about joint creative projects looking at climate change and arts and heritage continued throughout the year, as did school sessions through SPAEDA and the Quantock Learning Partnership Scheme. Several visits from Priorswood Community Centre took place throughout the year as we continue to develop relationships with local groups.

Head Gardener, Claire Greenslade, attended a two day conference at Chatsworth for the Garden Masterclass event entitled 'Growth and change - managing a dynamic landscape into the future'. Claire and two other female head gardeners (Katy Merrington from the Hepworth and Lizzie Balmforth from the Mount St John estates in Thirsk) led a round table discussion about what the role of the head gardener is, how it might adapt, and if being female impacts the role.

Financial review

The Trust reported a net expenditure for the year of £396.8k (2022: net income of £6.75k). Total income fell from £2.65m in 2022 to £2.26m in 2023 reflecting the poor weather during the Summer of 2023.

Income from trading activities continued its recovery showing relative consistency in 2023. In 2021 trading income amounted to only £1.17m. It grew to £1.52m in 2022 and in the current year fell slightly to £1.49m. Hestercombe Gardens Limited paid rent to the Trust of £17.75k (2022: £46.25k) and in difficult trading conditions made a surplus of £16.7k (2022: £8.6k)

The Trust is greatly indebted to the givers of grants and donations which amounted to £149.7k in 2023 (2022: £489.5k); details of major donors can be found in the notes to the accounts.

Financial review (cont'd)

As a result of the grants, donations trading activities and other Trust income the Trust was able to expend £1.529m on charitable activities during the year (2022: £1.484m). The deficit incurred decreased the Trust's total assets to £10.885m (2022: £11.097m).

Reserves policy

The current reserves policy reflects the long term nature of the charity and the investment that has needed to be made to protect it. Long term aspirations and potential income generation has been put before the building up of unrestricted reserves in the short term. The result of this is that there is a deficit in freely available reserves (unrestricted reserves less fixed assets net of long term debt) of £229k (2021: £15k) at the year end.

Auditors

The auditors, Albert Goodman LLP, are deemed to be re-appointed under Section 487(2) of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Statement of trustees' responsibilities

The Trustees (who are directors of the Hestercombe Gardens Trust Limited for the purposes of company law) are responsible for preparing the Trustee Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland (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 the group and of the incoming resources and application of resources, including the income and expenditure of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standard have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report of which the group's auditor is unaware; and
- The trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all the steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of the information.

By order of the Trustees.

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John Abbott MSc
Trustee
Hestercombe Gardens Trust
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Hestercombe Gardens Trust

Independent Auditors' Report to the Trustees and Members
For the Year Ended 31 December 2023

Opinion

We have audited the financial statements of Hestercombe Gardens Trust (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2023, which comprise the consolidated Statement of Financial Activities, the consolidated and parent charitable company Balance Sheets, the consolidated and parent charitable company Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year 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;

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1.1 in the financial statements, which indicates that the group incurred a net loss of £211,792 during the year ended 31 December 2023 and, as of that date, the group's current liabilities exceeded its current assets by £618,919. As stated in Note 1.1, these events or conditions, along with other matters as set forth in Note 1.1, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of the report.

Key audit matters

Except for as described in the Material uncertainty related to going concern section, we have determined that there are no other key audit matters to be communicated in our report.

Hestercombe Gardens Trust

Independent Auditors' Report to the Trustees and Members

For the Year Ended 31 December 2023

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Hestercombe Gardens Trust

Independent Auditors' Report to the Trustees and Members
For the Year Ended 31 December 2023

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities (set out on page 8), the trustees (who are also the directors of the parent 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, Charities Act 2011, employment, environmental, food hygiene legislation and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Hestercombe Gardens Trust

Independent Auditors' Report to the Trustees and Members

For the Year Ended 31 December 2023

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report

This report is made solely to the group and parent 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 group and parent charitable company's members and trustees those matters we are required to state to them in an auditor's 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 group and parent charitable company and the group and parent charitable company's members as a body and the parent charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Robert Oram BFP FCA (Senior Statutory Auditor)
for and on behalf of Albert Goodman LLP, Statutory Auditor

Goodwood House
Blackbrook Park Avenue
Taunton
TA1 2PX

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Hestercombe Gardens Trust

Consolidated Statement of Financial Activities (including an Income & Expenditure account)

For the Year Ended 31 December 2023

		2023			2022		
		Unres- tricted	Res- tricted	Total	Unres- tricted	Res- tricted	Total
	Notes	£	£	£	£	£	£
Income from:							
Grants, donations and legacies	2	13,580	136,077	149,657	365,012	124,527	489,539
Charitable activities	3	620,892	-	620,892	636,435	-	636,435
Other trading activities	4	1,486,817	-	1,486,817	1,520,734	-	1,520,734
Investments	5	4	-	4	72	-	72
Total income		2,121,293	136,077	2,257,370	2,522,253	124,527	2,646,780
Expenditure on:							
Trading costs	6	1,125,632	-	1,125,632	1,155,984	-	1,155,984
Charitable activities	6	1,459,560	68,970	1,528,530	1,424,457	59,591	1,484,048
Total expenditure		2,585,192	68,970	2,654,162	2,580,441	59,591	2,640,032
Net income/(expenditure) for the year		(463,899)	67,107	(396,792)	(58,188)	64,936	6,748
Gain on revaluation of investment property	13	185,000	-	185,000		-	
Transfer between funds	19	40,921	(40,921)	-	87,611	(87,611)	-
Net movement in funds for the year		(237,978)	26,186	(211,792)	29,423	(22,675)	6,748
Reconciliation of funds							
Total funds brought forward		11,091,545	5,025	11,096,570	11,062,122	27,700	11,089,822
Total funds carried forward		10,853,567	31,211	10,884,778	11,091,545	5,025	11,096,570

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

		2023		2022	
		£	£	£	£
	Notes	Group	Charity	Group	Charity
Fixed assets					
Tangible fixed assets	11	527,387	527,387	569,917	569,917
Heritage assets	12	10,792,172	10,792,172	10,791,626	10,791,626
Investment property	13	1,235,000	1,235,000	1,050,000	1,050,000
Investments	14	-	1	-	1
		<u>12,554,559</u>	<u>12,554,560</u>	<u>12,411,543</u>	<u>12,411,544</u>
Current assets					
Stock	15	30,974	-	30,702	-
Debtors	16	78,328	71,117	121,169	123,341
Cash at bank and in hand		85,947	33,699	88,027	68,298
		<u>195,249</u>	<u>104,816</u>	<u>239,898</u>	<u>191,639</u>
Liabilities:					
Creditors: amounts falling due within one year	17	(814,168)	(722,921)	(464,144)	(398,356)
		<u>(618,919)</u>	<u>(618,105)</u>	<u>(224,246)</u>	<u>(206,717)</u>
Net current liabilities					
		<u>(618,919)</u>	<u>(618,105)</u>	<u>(224,246)</u>	<u>(206,717)</u>
Amounts falling due after more than one year	18	(1,050,862)	(1,050,862)	(1,090,727)	(1,090,727)
		<u>(1,050,862)</u>	<u>(1,050,862)</u>	<u>(1,090,727)</u>	<u>(1,090,727)</u>
Total net assets		<u>10,884,778</u>	<u>10,885,593</u>	<u>11,096,570</u>	<u>11,114,100</u>
The funds of the charity:					
Unrestricted funds:					
General funds	19	10,853,567	10,854,382	11,091,545	11,109,075
Restricted funds	19	31,211	31,211	5,025	5,025
		<u>10,884,778</u>	<u>10,885,593</u>	<u>11,096,570</u>	<u>11,114,100</u>
Total charity funds		<u>10,884,778</u>	<u>10,885,593</u>	<u>11,096,570</u>	<u>11,114,100</u>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared and delivered in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 17 – 37 form part of these accounts.

Approved by the Board on and signed on their behalf by:

.....
John Abbott MSc
Trustee

Hestercombe Gardens Trust**Statement of Cash Flows and Consolidated Statement of Cash Flows**

For the Year Ended 31 December 2023

		2023		2022	
		£	£	£	£
	Notes	Group	Charity	Group	Charity
Cash flows from operating activities					
Net income/(expenditure) for the year		(211,792)	(228,507)	6,748	(1,836)
Adjustments to cash flows from non-cash items:					
Depreciation and amortisation	11	113,342	113,342	118,414	118,414
Finance Income	5	(4)	(4)	(72)	(72)
Finance expense		74,564	74,564	36,738	36,738
Loan forgiven		(94,817)	(94,817)	(325,276)	(325,276)
Revaluation of investment property		(185,000)	(185,000)	-	-
		(303,707)	(320,422)	(163,448)	(172,032)
Working capital adjustments					
Decrease/(increase) in stocks	13	(271)	-	3,376	-
(Increase)/decrease in debtors	14	42,841	52,224	174,179	262,393
Increase in creditors	15	80,979	55,521	(242,213)	(29,421)
Net cash flow from operations		(180,158)	(212,677)	(228,106)	60,940
Cash flows from investing activities					
Purchase of tangible fixed assets	11	(70,811)	(70,811)	(273,937)	(273,937)
Purchase of heritage assets	12	(546)	(546)	(18,200)	(18,200)
Purchase of investment property	13	-	-	-	-
Interest received	5	4	4	72	72
		(71,353)	(71,353)	(292,065)	(292,065)
Cash flows from financing activities					
Interest paid	7	(74,564)	(74,564)	(36,738)	(36,738)
Receipt from drawdown of loan	18	-	-	200,000	200,000
Repayment of loans and hire purchase	18	74,613	74,613	(49,338)	(49,338)
		49	49	113,924	113,924
Net decrease in cash and cash equivalents		(251,462)	(283,981)	(406,247)	(117,201)
Cash and cash equivalents at the beginning of the reporting period		88,027	68,298	494,274	185,499
Cash and cash equivalents at the end of the reporting period		(163,435)	(215,683)	88,027	68,298
Cash & Cash equivalents reconciliation:					
Cash at bank		(163,435)	(215,683)	88,027	68,298
Total cash & cash equivalents at the end of the reporting period		(163,435)	(215,683)	88,027	68,298
Analysis of cash and cash Equivalents					
Cash in hand		85,947	33,699	88,027	68,298
Overdraft facility repayable on demand		(249,382)	(249,382)	-	-
Total cash & cash equivalents at the end of the reporting period		(163,435)	(215,683)	88,027	68,298

1 Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are as follows:

1.1 Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Hestercombe Gardens Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) and all amounts are presented in £ sterling.

These financial statements consolidate the results of the Charity and its wholly owned subsidiary, Hestercombe Gardens Limited, on a line by line basis. The "Group" heading within the balance sheet refers to the consolidated accounts of the Hestercombe Gardens Trust Limited and Hestercombe Gardens Limited.

In the parent company financial statements the investment in the trading subsidiary is accounted for at cost less impairment.

A separate Statement of Financial Activities or income and expenditure account, for the Charity itself has not been presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006.

Going Concern

The group incurred a net loss of £211,792 during the year ended 31 December 2023 and, as of that date, the group's current liabilities exceeded its current assets by £618,919.

In 2018 the Charity obtained and provided significant amounts of funding to purchase the freehold of the estate with a view to protect its future. Once the freehold has been purchased it was planned to start building reserves. Unfortunately since then there have been a number of challenges with the outbreak of Covid-19, cost of living crises and poor weather at critical points of the year. This has had a significant impact upon reserves with additional facilities being required to boost liquid resources. Management have also been monitoring costs closely and reducing them wherever possible during this time, however, current cashflow projections show that the facilities currently in place would not be sufficient to cover expected cash requirements over the next twelve months and therefore if additional actions are not taken the Charity would not be able to pay debts as they fall due.

Management are planning to sell a property and reorganise facilities in place so that liquid resources will be sufficient to cover future cash requirements. Current negotiations with the bank have been positive and they are willing to support the Charity until the property is sold. They will look at current facilities with the Charity after this point and will continue their support for the foreseeable future as long as forecasts are met. The Charity has prepared detailed forecasts that show it will have sufficient funds to meet its liabilities as they fall due for twelve months based on current plans. Post year end trading has been slightly below expectations, but up on last year, with cashflows tracking with forecasts which gives management confidence over the future outlook.

On the basis of the above and offers already being received for the property the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements are prepared on going concern basis.

1.2 Legal status of the Trust

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The company is incorporated in England and Wales and the company registered office is detailed on page 1, reference and administration details.

1.3 Income

Income from grants and donations is recognised in the year in which they are receivable when there is evidence of entitlement, receipt is probable and the amount can be reliably measured. Where income has not been received for gift aid claims relating to donations received in the year, income is accrued.

Income from grants and government grants, where 'capital' or 'revenue', is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Where no conditions are attached to grant income they are recognised within grants, donations and legacies and where conditions relating to performance of services are attached, grant income is recognised income from charitable activities within the Statement of Financial Activities.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from charitable activities includes membership and admissions income. Membership income is accounted for in full in the year that the membership commences. Admission income is recognised on a cash basis, in the year the income is physically received.

Income from other trading activities is included in the period in which the group is entitled to receipt, it is probable that economic benefits will flow to the entity and the amount can be reliably measured.

1.4 Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1.5 Expenditure

Resources expended are recognised on the accruals basis to match the period in which the expenditure was incurred.

Raising funds is expenditure incurred in generating the trading subsidiary funds and from trading activities carried out by the trust relating to Hestercombe House activities.

Charitable activity expenditure comprises 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 costs of an indirect nature necessary to support them. Support costs include finance, administration, governance and CEO costs and are allocated to the trust charitable services equally.

1.6 Operating leases

The Trust classifies the lease of property as operating leases as title remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

1.7 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Trust.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Trust's work or for specific artistic projects being undertaken by the Trust.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Tangible fixed assets are normally capitalised where the value of an asset or group of related assets exceeds £500. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life as follows:

Plant and equipment	3, 5, 10, 20 or 25 years straight line
---------------------	--

1.9 Heritage assets

Heritage assets are held in pursuit of overall objectives in relation to the enjoyment and preservation of heritage. Land, buildings and artwork are recognised at cost or, where donated, at the prevailing current market value at the time of donation. In the opinion of the Trustees the heritage assets have a residual value in excess of cost and therefore no depreciation is charged in the accounts, however they are reviewed annually for impairment with any such impairment passing through the SOFA. Expenditure that is required to preserve or prevent further deterioration of heritage assets is recognised in the SOFA as it is incurred.

1.10 Investment properties

Investment properties are initially measured at cost and subsequently at fair value at the reporting date, with all gains and losses passing through the SOFA.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Stock

Stock consists of shop stock for resale, ingredients for the tea room and publication stocks. Stock is valued at the lower of cost and net realisable value, after making allowances for obsolete and slow moving stock.

1.13 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.14 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

1.15 Defined contribution pension

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as staff pension expense through the profit and loss when they are due.

1.16 Taxation

As a registered charity, the company is not liable to corporation tax or capital gains tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is recoverable by the company, and is therefore excluded within the relevant costs in the Statement of Financial Activities. The charity subsidiary is also able to recover Value Added Tax and is therefore excluded within the relevant costs in the Statement of Financial Activities

1.17 Financial instruments

The charity only holds basic financial instruments as defined by FRS 102. The financial assets and financial liabilities of the charitable company are as follows;

Financial assets – trade and other debtors, accrued income, amounts owed by group undertakings and other debtors are basic financial instruments, and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, amounts owed to group undertakings, bank loans, accrued expenses and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

1.18 Concessionary loan

The Trust obtained a concessionary loan in a previous year to further its charitable aims free of interest. The loan was initially recognised at transactions value and subsequently measured to reflect the repayments and if necessary, any impairments. The loan has been formally forgiven in the current year and has therefore been recognised in the statement of financial activities within donations and legacies.

1.19 Finance lease

The Trust classifies the lease of equipment as a finance lease as substantially all the risks and rewards are retained by the Trust. The equipment is recognised as an asset and the finance loan recognised as a liability in the balance sheet. Payments made under finance leases are charged to the liability in the balance sheet.

Hestercombe Gardens Trust
Notes to the Financial Statements
For the Year Ended 31 December 2023

2 Grants, donations and legacies

	Unres- tricted funds £	Res- tricted funds £	2023 Total £	Unres- tricted funds £	Res- tricted funds £	2022 Total £
Grants						
National Lottery	-	279	279	169	-	169
Heritage Fund						
Arts Council	-	43,544	43,544	-	29,430	29,430
Countryside Stewardship	-		-	-	72,701	72,701
Other grants	-	32,000	32,000	4,361	14,785	19,146
	-	75,823	75,823	4,530	116,916	121,446
Donations and legacies	13,580	60,254	73,834	360,482	7,611	368,093
	13,580	136,077	149,657	365,012	124,527	489,539

3 Charitable activities

	Unres- tricted funds £	Res- tricted funds £	2023 Total £	Unres- tricted funds £	Res- tricted funds £	2022 Total £
Members of Hestercombe						
subscriptions	294,806	-	294,806	307,767	-	307,767
Admissions	326,086	-	326,086	328,668	-	328,668
	620,892	-	620,892	636,435	-	636,435

4 Other trading activities

	Unres- tricted funds £	Res- tricted funds £	2023 Total £	Unres- tricted funds £	Res- tricted funds £	2022 Total £
Shop sales	101,522	-	101,522	89,387	-	89,387
Café sales	501,750	-	501,750	522,023	-	522,023
Column room sales	-	-	-	-	-	-
Function and events						
income	646,622	-	646,622	669,319	-	669,319
Property income	42,000	-	42,000	41,071	-	41,071
Education income	37,250	-	37,250	36,289	-	36,289
Other income	51,374	-	51,374	60,115	-	60,115
Rental income	13,500	-	13,500	12,625	-	12,625
Hestercombe House						
income	92,799	-	92,799	89,905	-	89,905
	1,486,817	-	1,486,817	1,520,734	-	1,520,734

5 Investment income

	Unres- tricted funds £	Res- tricted funds £	2023 Total £	Unres- tricted funds £	Res- tricted funds £	2022 Total £
Bank interest	4	-	4	72	-	72

6 Expenditure

Expenditure on raising funds

	Staff costs £	Other direct costs £	2023 Total £	Staff costs £	Other direct costs £	2022 Total £
Trading costs	582,742	542,890	1,125,632	660,725	495,259	1,155,984
	582,742	542,890	1,125,632	660,725	495,259	1,155,984

Charitable activities

	Staff costs £	Other direct costs £	2023 Total £	Staff costs £	Other direct costs £	2022 Total £
Visitor centre management & marketing	145,528	278,556	424,084	108,945	297,706	406,651
Restoration / maintenance of Gardens	259,984	152,394	412,378	261,610	193,326	454,936
Support costs	292,965	231,625	524,590	243,170	210,548	453,718
Hestercombe House expenses	45,578	121,900	167,478	43,446	125,297	168,743
	744,055	784,475	1,528,530	657,171	826,877	1,484,048

7 Net income/(expenditure) for the year

This is stated after charging:

	Charity		Subsidiary		Total	
	2023	2022	2023	2022	2023	2022
	£	£	£	£	£	£
Depreciation of owned assets						
- Plant and equipment	113,342	116,948			113,342	116,948
Interest payable	74,564	36,738			74,564	36,738
Auditors' remuneration for:						
Audit services	4,000	5,500	2,800	2,000	6,800	7,500
Accounting services	3,963	4,113	513	513	4,476	4,626
	<u>121,269</u>	<u>136,699</u>	<u>3,313</u>	<u>2,513</u>	<u>124,582</u>	<u>143,837</u>

8 Trustee directors

The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2022: £nil). There were no reimbursed expenses paid (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2023	2022
Management	2	2
Finance and admin	11	13
Gardens	11	9
Shop and ticket office	11	11
Catering	30	30
	<u>65</u>	<u>65</u>

Employment costs	2023	2022
	£	£
Wages and salaries	1,177,945	1,190,186
Social security costs	97,285	96,482
Other pension costs	29,149	31,228
	<u>1,304,379</u>	<u>1,317,896</u>

During the year, there were no costs paid in respect of employee redundancies (2022: £nil).

The number of employees whose annual emoluments were £60,000 or more were:

	2023	2022
	number	number
£60,000 - £70,000	1	1
£90,000 - £100,000	1	1

The key management personnel of the group comprise those of the Trust and the key management personnel of its wholly owned subsidiary Hestercombe Gardens Limited. The key management personnel of the group comprise the directors and the Chief Executive Officer. The total employee benefits, including employer NI and employer pension contribution, of the key management personnel of the Trust were £162,081 (2022: £170,932).

10 Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £19,458 (2022 - £14,071).

Contributions totalling £1,286 (2022 - £2,581) were payable to the scheme at the end of the year and are included in other creditors.

11 Tangible fixed assets

Group	Plant & Equipment £	Total £
Cost		
At 1 January 2022	1,319,254	1,319,254
Additions	70,811	70,811
Disposals	-	-
Transfers	-	-
	<hr/>	<hr/>
At 31 December 2023	1,390,065	1,390,065
	<hr/>	<hr/>
Depreciation		
At 1 January 2022	749,337	749,337
Charge for the year	113,342	113,342
Disposals	-	-
Transfer	-	-
	<hr/>	<hr/>
At 31 December 2023	862,679	862,679
	<hr/>	<hr/>
Net book value		
At 31 December 2023	527,387	527,387
	<hr/> <hr/>	<hr/> <hr/>
At 1 January 2022	569,917	569,917
	<hr/> <hr/>	<hr/> <hr/>

The above assets are all held by the charity.

12 Heritage assets

	Artwork	Freehold Land and Buildings	Total
	£	£	£
Cost			
At 1 January 2023	94,130	10,697,496	10,791,626
Additions	546	-	546
	<hr/>	<hr/>	<hr/>
At 31 December 2023	94,676	10,697,496	10,792,172
	<hr/>	<hr/>	<hr/>
Summary of heritage asset transactions	2023	2022	2021
Purchases and transfers			
Artwork	546	18,200	9,387
Freehold land and buildings	-	-	105,516
	<hr/>	<hr/>	<hr/>
Total additions	546	18,200	114,903
	<hr/>	<hr/>	<hr/>
Transfers out			
Artwork	-	-	-
Freehold land and buildings	-	-	-
	<hr/>	<hr/>	<hr/>

Land and buildings relate to the Hestercombe estate which consists of the formal gardens and properties as well as a farm. The properties and gardens are managed and maintained by the estate manager with a team of gardeners and maintenance staff and volunteers. Under the guidance of the management team, they perform work that ensures the gardens are true to the original vision.

Artwork consists of paintings that are linked to the estate and are held for public display. The paintings are assessed when purchased and any required restoration work performed at that time.

13 Investment property

	Investment property
As at 1 January 2023	1,050,000
Revaluation	185,000
	<hr/>
At 31 December 2023	1,235,000
	<hr/> <hr/>

The Trustees consider the value in the accounts represents the open market value of the properties at the year end. The investment properties were purchased and are held for their historical importance as they are considered an integral part of the estate.

14 Investments

	Charity	
	Total 2023	Total 2022
	£	£
Hestercombe Gardens Limited		
Ordinary shares of £1 each	1	1
	<hr/> <hr/>	<hr/> <hr/>

Hestercombe Gardens Limited (company no 04732755) was incorporated on 13 April 2003 as a wholly owned trading subsidiary of Hestercombe Gardens Trust. The parent charity holds 100% of the issued share capital and 100% of the voting rights of the subsidiary trading company.

The principal activities of the company are the operation of a retail outlet and a café at Hestercombe Gardens and the hosting of events, private functions and conferences.

The registered office is the same as that of the Trust, detailed on page 1.

The subsidiary donates any taxable profits to Hestercombe Gardens Trust, and files audited accounts with the Registrar of Companies.

A summary of the trading results is shown below:

	2023	2022
	£	£
Turnover	1,263,394	1,298,354
Cost of sales	(1,008,431)	(1,054,355)
Gross profit	254,963	243,999
Administrative expenses	(238,248)	(235,415)
Other operating income	-	-
Operating profit and profit before tax	16,715	8,584
Retained in subsidiary	16,715	8,584
The assets and liabilities were:		
Current assets	288,576	227,282
Current liabilities	(289,390)	(244,811)
Total net assets	(814)	(17,529)
Called up share capital	1	1
Profit and loss account	(815)	(17,530)
	(814)	(17,529)

15 Stocks

		2023		2022
	Group	Charity	Group	Charity
	£	£	£	£
Goods for resale	30,974	-	30,702	-

16 Debtors

	2023		2022	
	Group	Charity	Group	Charity
	£	£	£	£
Trade debtors	3,475	3,095	6,822	1,650
Amounts owed from group undertakings	-	-	-	-
Prepayments and accrued income	74,853	68,022	114,347	108,108
VAT	-	-	-	13,583
	<hr/>	<hr/>	<hr/>	<hr/>
	78,328	71,117	121,169	123,341

17 Creditors: Amounts falling due within one year

	2023		2022	
	Group	Charity	Group	Charity
	£	£	£	£
Trade creditors	167,924	81,551	142,338	77,492
Other creditors and deferred income	117,373	42,977	113,394	43,855
Accruals	118,815	79,209	93,066	62,520
Bank loans	28,123	28,123	24,136	24,136
Bank overdrafts	249,382	249,382	-	-
Taxation and social security	105,177	16,162	79,507	13,213
Amounts owed to group undertakings	-	198,143	-	165,440
Other loans	25,311	25,311	10,099	10,099
Hire Purchase	2,063	2,063	1,601	1,601
	<u>814,168</u>	<u>722,921</u>	<u>464,141</u>	<u>398,356</u>

Deferred Income

	2023		2022	
	Group	Charity	Group	Charity
	£	£	£	£
Deferred income at 1 January 2023	104,011	34,786	199,145	45,902
Released from previous years	(90,668)	(34,786)	(175,802)	(35,902)
Resources deferred in the year	<u>92,035</u>	<u>22,010</u>	<u>80,668</u>	<u>24,786</u>
Deferred Income at 31 December 2023	<u>105,378</u>	<u>22,010</u>	<u>104,011</u>	<u>34,786</u>

At the balance sheet date the trust was holding funds received in advance from venue hire and rental and memberships received in advance.

18 Creditors: Amounts falling due in more than one year

	2023		2022	
	Group	Charity	Group	Charity
	£	£	£	£
Bank loans	116,175	116,175	119,658	119,658
Other loans	81,871	81,871	43,288	43,288
Accruals			94,442	94,442
Hire purchase	8,971	8,971	-	-
Bank loans > 5 years	797,403	797,403	814,593	814,593
Other loans > 5 years	46,442	46,442	18,746	18,746
	<hr/>	<hr/>	<hr/>	<hr/>
	1,050,862	1,050,862	1,090,727	1,090,727
	<hr/>	<hr/>	<hr/>	<hr/>

There are three bank loans due in more than 5 years. One is repayable over a 25 year term ending in July 2043, another loan is repayable over a 20 year term ending in September 2039, and the final loan is repayable over a 22 year term ending in September 2044. Interest on these loans are variable at the Bank of England base rate + 3.0%.

The Trust has created a fixed legal charge over the freehold properties of Hestercombe Gardens Trust and a debenture has been created in favour of the bank to secure bank borrowings of £941,693 at the year end (2022 - £958,387).

The other loan due in more than 5 years is a loan, taken out in 2018, to repaid over 10 years with a fixed rate of interest of 2.75%.

Included in other loans is an unsecured an interest free loan to be repaid over 8 years.

19 Summary of movement in funds

2023

	Opening balance £	Incoming resources £	Resources expended £	Transfers & revaluations £	Closing balance £
Unrestricted funds - Group					
General	11,091,545	2,121,293	(2,585,192)	225,921	10,853,567
	11,091,545	2,121,293	(2,585,192)	225,921	10,853,567

	Opening balance £	Incoming resources £	Resources expended £	Transfers £	Closing balance £
Restricted funds - Group					
Commemorative Trees	-	16,145	(9,633)	(6,512)	-
Bird Box	-	100	(100)	-	-
Buy a Brick	-	700	(700)	-	-
The Pilgrim Trust	-	2,300	(2,300)	-	-
The Clark Foundation	-	1,000	(1,000)	-	-
The Leche Trust	-	2,600	(2,600)	-	-
Leahy - West Path stone seat donation	-	10,909	-	(10,909)	-
Fundraising Strategy	2,600	-	-	-	2,600
Michael Farrington propagating house	-	-	-	-	-
	2,425	-	-	-	2,425
Stanley Smith Horticultural Tru	-	3,000	-	(3,000)	-
Harriet Hopkins - bench donati	-	3,500	-	(3,500)	-
Gallery	-	43,544	(43,544)	-	-
Somerset Community Founda	-	10,000	-	(10,000)	-
Futures Taunton	-	5,000	-	(5,000)	-
The Headley Trust	-	15,000	(3,117)	-	11,883
Futures Taunton	-	1,000	-	(1,000)	-
Baily Thomas Charitable Trust	-	1,000	-	(1,000)	-
Other grants	-	279	-	-	279
The Ripple Trust	-	20,000	(5,976)	-	14,024
	5,025	136,077	(68,970)	(40,921)	31,211

19 Summary of movement in funds (cont'd)

	Opening balance £	Incoming resources £	Resources expended £	Transfers & revaluations £	Closing balance £
Unrestricted funds - Charity					
General	11,109,075	875,649	(1,356,263)	225,921	10,854,382
	11,109,075	875,649	(1,356,263)	225,921	10,854,382

	Opening balance £	Incoming resources £	Resources expended £	Transfers £	Closing balance £
Restricted funds - Charity					
Commemorative Trees	-	16,145	(9,633)	(6,512)	-
Bird Box	-	100	(100)	-	-
Buy a Brick	-	700	(700)	-	-
The Pilgrim Trust	-	2,300	(2,300)	-	-
The Clark Foundation	-	1,000	(1,000)	-	-
The Leche Trust	-	2,600	(2,600)	-	-
Leahy - West Path stone seat donation	-	-	-	-	-
	-	10,909	-	(10,909)	-
Fundraising Strategy	2,600	-	-	-	2,600
Michael Farrington propagating house	2,425	-	-	-	2,425
Stanley Smith Horticultural Tru	-	3,000	-	(3,000)	-
Harriet Hopkins - bench donati Gallery	-	3,500	-	(3,500)	-
	-	43,544	(43,544)	-	-
Somerset Community Founda	-	10,000	-	(10,000)	-
Futures Taunton	-	5,000	-	(5,000)	-
The Headley Trust	-	15,000	(3,117)	-	11,883
Futures Taunton	-	1,000	-	(1,000)	-
Baily Thomas Charitable Trust	-	1,000	-	(1,000)	-
Other grants	-	279	-	-	279
The Ripple Trust	-	20,000	(5,976)	-	14,024
					-
	5,025	136,077	(68,970)	(40,921)	31,211

19 Summary of movement in funds (cont'd)

Prior year - 2022

	Opening balance £	Incoming resources £	Resources expended £	Transfers £	Closing balance £
Unrestricted funds - Group					
General	11,062,122	2,522,253	(2,580,441)	87,661	11,091,545
	11,062,122	2,522,253	(2,580,441)	87,661	11,091,545

	Opening balance £	Incoming resources £	Resources expended £	Transfers £	Closing balance £
Restricted funds - Group					
Gallery	-	42,830	(42,830)	-	-
Bird Box	-	460	(460)	-	-
Buy a Brick	-	876	(876)	-	-
Terrace Seat	-	1,000	-	(1,000)	-
Boshier-Hinton Foundation	-	1,410	-	(1,410)	-
Bench Donation	-	2,500	-	(2,500)	-
Water Garden Project	-	72,701	-	(72,701)	-
Fundraising Strategy	5,275	2,500	(5,175)	-	2,600
Michael Farrington propagating house	2,425	-	-	-	2,425
The Medlock Charitable Trust	20,000	-	(10,000)	(10,000)	-
Portrait Restoration	-	250	(250)	-	-
	27,700	124,527	(59,591)	(87,611)	5,025

19 Summary of movement in funds (cont'd)

Prior year – 2022

	Opening balance £	Incoming resources £	Resources expended £	Transfers £	Closing balance £
Unrestricted funds - Charity					
General	11,088,236	1,223,899	(1,290,671)	87,611	11,109,075
	11,088,236	1,223,899	(1,290,671)	87,611	11,109,075

	Opening balance £	Incoming resources £	Resources expended £	Transfers £	Closing balance £
Restricted funds - Charity					
Gallery	-	42,830	(42,830)	-	-
Bird Box	-	460	(460)	-	-
Buy a Brick	-	876	(876)	-	-
Terrace seat	-	1,000	-	(1,000)	-
Boshier-Hinton Foundation	-	1,410	-	(1,410)	-
Bench donation	-	2,500	-	(2,500)	-
Water Garden Project	-	72,701	-	(72,701)	-
Fundraising Strategy	5,275	2,500	(5,175)	-	2,600
Michael Farrington propagating house	2,425	-	-	-	2,425
The Medlock Charitable Trust	20,000	-	(10,000)	(10,000)	-
Portrait Restoration	-	250	(250)	-	-
	27,700	124,527	(59,591)	(87,611)	5,025

General unrestricted funds are available to spend on activities that further the purposes of the charity.

The gallery funding was provided by the Arts Council and Taunton Deane Borough Council to develop the Gallery within Hestercombe House.

The Buy a Brick and Commemorative Trees funds are remembrance funds that were fully spent in the year.

19 Summary of movement in funds (cont'd)

The Michael and Madeleine Farrington donations are towards the propagating house project which did not commence before the year end.

Donations received for Bird Boxes were fully spent during the year.

The Headley Trust donation relates to contribution to costs for a new curator.

The Ripple Trust donation was received from a former trustee and is to be split between the cost of legal work on the Development Strategy and the cost of the ecological survey work.

Donations received towards capital costs such as the Bench (Harriet Hopkins), the West Path Stone Seat (Leahy), Changing places WC project (Somerset Community Foundation and Futures Taunton), Access Audit (Bailey Thomas Charitable Trust and Futures Taunton) were fully spent during the year and transferred to unrestricted reserves.

20 Analysis of assets between funds – Group

	Fixed assets	Cash at bank and in hand	Other net current liabilities	Creditors more than one year	Total
	£	£	£	£	£
Unrestricted funds	12,554,559	54,736	(704,866)	(1,050,861)	10,853,568
Restricted funds	-	31,211	-	-	31,211
As At					
31 December 2023	12,554,559	85,947	(704,866)	(1,050,861)	10,884,779

Analysis of assets between funds – Charity

	Fixed assets	Cash at bank and in hand	Other net current liabilities	Creditors more than one year	Total
	£	£	£	£	£
Unrestricted funds	12,554,560	2,488	(651,804)	(1,050,861)	10,854,383
Restricted funds	-	31,211	-	-	31,211
As At					
31 December 2023	12,554,560	33,699	(651,804)	(1,050,861)	10,885,594

Prior year – 2022 – Group and Charity

	Fixed assets	Cash at bank and in hand	Other net current liabilities	Creditors more than one year	Total
	£	£	£	£	£
Unrestricted funds	12,237,820	466,574	(481,050)	(1,161,222)	11,062,122
Restricted funds	-	27,700	-	-	27,700
As At					
31 December 2022	12,237,820	494,274	(481,050)	(1,161,222)	11,089,822

The analysis for the Trust is identical to the Group in 2022 with the exception of the unrestricted funds, where investments represent £1, cash at bank £68,298 and other net current liabilities £275,015.

21 Income and expenditure account of the Trust

The company has taken advantage of Section 408 of the Companies Act and has not included its own Income and Expenditure Account or separate Statement of Financial Activities.

Prior to gift aid amounts received from the subsidiary, Hestercombe Gardens Trust has net outgoing resources for the year of £313,433 (2022: outgoing £1,836) based on income of £993,972 (2022: £1,348,426).

22 Related party transactions

The charity has taken advantage of the exemption in FRS 102 “Related Party Disclosures” from disclosing transactions with other members of the group.

During the year Hestercombe Gardens purchased an asset from the CEO Philip White for the value of £nil (2022: £18,200).

23 Contingent liabilities

Grants received from the National Heritage Memorial Fund amounting to £5,931,000 as at 31 December 2018 may become subject to partial repayment in the event grant aided assets are sold. The amounts potentially repayable are secured by a legal charge in favour of the National Heritage Memorial Fund.