



**Cumberland
Lodge**

Empowering conversations

CUMBERLAND LODGE

(A Registered Charity and Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

Company No. 05383055
Charity No. 1108677

CUMBERLAND LODGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

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CUMBERLAND LODGE

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 AUGUST 2024

Status	The organisation is a charitable company limited by guarantee, incorporated in England and Wales on 4 March 2005.
Governing Document	The company was established under Memorandum and Articles which established the objects and powers of the charitable company.
Company Number	05383055
Charity Number	1108677
Registered & Operating Office	Cumberland Lodge, The Great Park, Windsor, Berkshire, SL4 2HP
Trustees	<p>Baroness Prashar of Runnymede, CBE PC (resigned 31 October 2024, Chairman, F) Charles Anson CVO DL (resigned 25 January 2024, B) Professor Tom Crick MBE (appointed 11 July 2024, F) Jane Furniss CBE (B) Abby Guthkelch (appointed 11 July 2024, F) Stephen Harvey (B) Eugene Huang (appointed 11 July 2024, B) David Isaac CBE (F) Dr Patrina Law (appointed 11 July 2024, B) John Lotherington (appointed as Chairman, 1 November 2024, F, B) Amanda Mackenzie OBE (resigned 21 March 2024, B) David Matthews (Honorary Treasurer, F) Jayaprakasa Rangaswami (B) Ingrid Tennessee (F)</p> <p><u>Subcommittees</u> F: Denotes Member of the Finance and General Purposes Committee B: Denotes Member of the Business Development Committee</p>

Chief Executive	Fergus Drake OBE
Bankers	HSBC Bank Plc, 105 Mount Pleasant, Tunbridge Wells, Kent, TN1 1QP
Solicitors	Farrer & Co LLP, 66 Lincoln's Inn Fields, London, WC2A 3LH
Investment Managers	CCLA, Senator House, 85 Queen Victoria Street London EC4V 4ET
Auditors	Haysmac LLP, 10 Queen Street Place, London, EC4R 1AG

CUMBERLAND LODGE

CHAIRMAN'S REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

As we reflect on events of the past year, it is clear that our mission at Cumberland Lodge has never been more urgent. At the heart of our work is a focus on growing the next generation of youth leaders who are empowered to lead the conversation around social division. Key to this is a commitment to restoring faith in, and engagement with, democracy, particularly among young people. Conversations that colleagues are having with youth groups around the country show that, far from being apathetic, young people are ready to make their voices heard. This is why the work our founder Amy Buller began almost 80 years ago remains so important today.

Under a new Programme team, we've shifted our approach away from traditional conferences towards more participatory activities, providing space for the exchange of ideas and for participants to question, challenge, and understand perspectives that differ from their own. We aim to ensure that young leaders are not simply empowered to discuss complex social issues but develop the skills and confidence to put their ideas into practice, in pursuit of a more just and inclusive world.

All of this is made possible thanks to our day-to-day operations as a social enterprise, and we continue to play host to a wide range of organisations that come through our doors each year, many of whom share in our ethos. We're very proud of the warm welcome and excellent hospitality they receive during their time with us.

We were delighted to be joined this year by four new Trustees – Professor Tom Crick MBE, Abby Guthkelch, Eugene Huang, and Dr Patrina Law – whose expertise in digital technology, communications, online learning, and government policy will prove invaluable. In the summer we said farewell to our outgoing Chief Executive, Ed Newell, who stewarded our work for 11 years and oversaw the development of our new strategy. We were grateful to Mike Durham, our Deputy Chief Executive and COO, for stepping in as Interim CEO and ensuring a smooth transition. Then in the autumn we welcomed Fergus Drake OBE as our new Chief Executive, who brings the vision and leadership to take us forward to the next stage on our journey.

As we look to the future, we are incredibly grateful to those who helped lay the strong foundations for our new strategic direction. I would like to take this opportunity to pay tribute to The Rt Hon. The Baroness (Usha) Prashar CBE, who stepped down as Chair in October 2024, for her outstanding service to Cumberland Lodge over many years. We know that she will continue to be a long-term advocate for our work.

Finally, I extend my warmest thanks to all of our colleagues – their creativity and commitment are the driving forces behind everything we do, and I am confident that, together, we will continue to make a meaningful difference in the years to come.

John Lotherington

CUMBERLAND LODGE

CHIEF EXECUTIVE'S REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

The year 2023-24 was one of transformation for the Cumberland Lodge Programme, led by a new team with backgrounds and expertise in education, research, and youth work. A dynamic calendar of both new and returning events included the launch of our flagship three-year Youth & Democracy project, bringing together young people from across the country to develop their skills in political debate, media literacy, and ethical leadership.

Additional themes for our work included the rule of law and the right to protest, and thanks to a grant from The National Lottery Heritage Fund we held our first Youth Arts Takeover, bringing young people from Slough and East London to the Lodge and using textile art, photography, and spoken-word poetry to explore what heritage means to them.

Our International Student Christmas Conference and Life Beyond the PhD ran once again, welcoming 56 students from 29 countries and 22 universities, and 37 doctoral students from 18 universities respectively. Alumni from every event are encouraged to join our growing online community, to keep up to date with our work and access digital resources.

Alongside our mission-focused programme, a range of cultural events gives us opportunities to open our doors for the public to enjoy the excellent hospitality for which we are renowned. Highlights this year included a conversation with iconic fashion designer Dame Zandra Rhodes. The proceeds from events like this help to support our educational work.

We fulfil our charitable objectives by hosting other organisations for study retreats and for legal and medical training here in the magnificent setting of Windsor Great Park. In 2023-24 we welcomed over 9,000 guests, including more than 3,000 university students for study retreats, six weekend events for the Inns of Court involving 500 people, and more than 1,800 attendees across 50 medical groups.

Underpinning everything we do is our commitment to growing the next generation of ethical young leaders. At a time of growing populism and polarisation, empowering them with the skills, networks, perspective, and confidence to question, challenge, and understand the most complex social issues feels more critical than ever.

I would like to extend my thanks to Canon Dr Edmund Newell for his role as firstly Principal, then Chief Executive, over the last 11 years before he moved on to new pastures in August, and to Mike Durham, our Chief Operating Officer, who took over as interim CEO before my arrival in November, and is leaving us in January 2025. Both have given a huge amount to the Lodge in terms of their skills and experience and we are very thankful for their time with us.

Finally, I would like to personally thank all our supporters, partners, and staff for their dedication and hard work. Together, we are building a more just and inclusive society, one conversation at a time.

Fergus Drake OBE

CUMBERLAND LODGE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

Trustees' Report (incorporating the Strategic Report and Directors' Report)

The Trustees, who are the Directors of the charitable company, present their report, which includes the strategic report, and the audited financial statements for the year ended 31 August 2024.

The Charity's significant activities are outlined in detail in the Chairman's and Chief Executive's Reports, which should be read in conjunction with the Trustees' Report (together "the Reports").

Objectives and activities

Originally set up in 1947, Cumberland Lodge has as its objects:

To advance education of the public, in particular British, Commonwealth and overseas students in accordance with the principles of the Christian faith with particular reference to: the nature of human life in society; the relationship between Christian theology and philosophy and alternative religious and secular beliefs; the inter-relationship of various academic disciplines and their practical relevance.

Review of significant activities and achievements including public benefit

The Trustees have had regard to the Charity Commission's guidance on public benefit and have considered how the objects have been fulfilled, through the activities undertaken, for the public benefit.

Firstly, we provide conference facilities for universities and other institutions of higher education, the National Health Service, Inns of Court, and many other organisations to run their own educational programmes in an atmosphere that lends itself to study and reflection and that lies outside of participants' usual work and study routines. As is evident from the Reports, the Charity has focused in particular on providing access to student groups and young people.

The Trustees have set two further programmatic objectives for the Charity:

- to nurture young people to be ethically minded thought leaders; and
- to build a movement for social progress.

We have achieved these additional objectives by running our own programme of educational events throughout the year, initiating debate and learning on ethical and societal issues of national and international significance. We are independent and so able to promote frank exchanges of views and cross-sector co-operation, and we encourage the expression of all reasonable views, whether they be religious, moral or social. Details of these events are set out in the Chief Executive's report.

It is important to the Charity that access to the educational experience it provides is open to all who are interested. The principal beneficiaries are students and young people in training, and we subsidise their visits by a programme of bursary support and reduced charges.

Fundraising statement

Cumberland Lodge is registered with the Fundraising Regulator. In the past year Cumberland Lodge has received no complaints in respect of its fundraising (2023: none).

CUMBERLAND LODGE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

Financial Review

The year to August 2024 was mixed from a financial perspective. Whilst income grew by 7% to £3,230,000 (2022/23: £3,017,000), we did not achieve the anticipated growth in accommodation bookings in what is a challenging group stay hospitality market. Expenditure grew by 18% to £3,415,000 (2023: £2,883,000), as we invested in a new in house education team and accelerated our programme of major property repairs. Staff cost inflation remained a significant factor although rises on other inputs were less severe than the previous year. We reported an overall operating deficit for the year of £186,000 (2022/23: surplus of £134,000)

More positively, we were pleased to see better financial returns on our pooled investment funds, recording a gain of £240,000 (2022/23: loss of £66,000). Overall, we reported an increase in funds of £55,000 (2022/23: £68,000), leaving total funds at the year-end of £5,046,000 (2022/23: £4,991,000).

Funds and Reserves policy

Cumberland Lodge holds funds and reserves in respect of the risks and obligations it faces both as a charity and as custodian of a heritage building of historical importance. These are organised as follows:

Restricted funds: where donors require gifts to be used to further a specific charitable purpose, rather than to be spent or applied at the discretion of trustees to further any of the charity's purposes. Details are set out in Note 14.

Designated funds: unrestricted funds earmarked by trustees i) for future expenditure on defined strategic projects; ii) to meet long term commitments to keep the Lodge premises in a satisfactory state of repair and fit for purpose as a residential conference venue; iii) to exclude from general reserves an amount equivalent to the net book value of tangible fixed assets (which are not considered freely available to be spent on the charity's purposes). Trustees regularly review designations to ensure they remain aligned with organisational objectives and commitments. Details are set out in Note 15.

General reserves: unrestricted funds held as a buffer against unanticipated reductions in income and investment values, or to absorb unexpected increases in expenditure. Mindful of their duty to manage the Charity's financial risks and resources responsibly, trustees aim to carry around six months of operating expenditure as well as 15% of the value of its investment portfolio as general reserves. The current target range for general reserves is £2.1m +/- 10%. At 31 August 2024 the level of general reserves was £2,309,000, (2023: £2,189,000) representing 110% (2023: 104%) of the middle of the target range.

Investments

Cumberland Lodge invests its surplus cash in ethical investment funds, seeking to produce the best financial return within an acceptable level of risk. The investment objective for the long term is to generate a return in excess of inflation whilst generating an income to support the ongoing activities of Cumberland Lodge. The investment objective for the short term is to preserve the capital value with a moderate level of risk. Assets should be readily available to meet unanticipated cash requirements. Investment performance is reported to the Board and is monitored by the Trustee group as a whole.

CUMBERLAND LODGE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

Principal risks and uncertainties

Cumberland Lodge has a formal risk management process through which the major risks to which the organisation may be exposed are identified, and has ranked these by likelihood and impact, culminating in a risk control document which is updated on a regular basis. All significant risks, together with current mitigation actions, are reviewed by the Trustees at their meetings. The Trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

The principal risks and uncertainties identified by the Charity are as follows:

Risk identified	Action taken to mitigate the risk
Cost Inflation and Volatility	Cumberland Lodge regularly reviews and updates its customer pricing in line with overall inflationary pressures. Fixed price agreements will be negotiated with suppliers where feasible to minimise cost base volatility.
Force majeure closure	The forced closure of the Lodge due to adverse weather, epidemics or similar force majeure events is an ever-present risk. Insurance provides some mitigation depending on the precise circumstances, and our event contracts limit any customer liability that might arise. The residual risk is mitigated by our reserves policy
Withdrawal of Royal Warrant	The Charity occupies Cumberland Lodge by Royal Warrant, which is subject to the grant of the Monarch. Both the conditions of the Royal Warrant and the Charity's Objects are fundamental to the Charity's activities and compliance is carefully monitored by the Trustees.
Guest health and safety	The Charity offers hospitality to thousands of residential guests each year and takes their welfare whilst at the Lodge very seriously. A comprehensive regime is in place to identify and manage food hygiene, fire, legionella and other health and safety risks that are an integral part of operating residential conferencing facilities in a heritage building which is several hundred years old. The key mitigations include regular risk assessments, staff training, follow up and learning from incidents and near misses, and a clear system of roles and responsibilities.

Structure, governance and management

Structure

Cumberland Lodge was incorporated on 4 March 2005, and the assets and activities of the King George VI and Queen Elizabeth Foundation of St Catharine's Charity were transferred to it with effect from 1 June 2005 when the new charity and its trading subsidiary commenced operations.

The King George VI and Queen Elizabeth Foundation of St Catharine's continues as a dormant charity, holding the Royal Warrant for the occupation of Cumberland Lodge. A uniting direction was issued by the Charity Commission (8 March 2006), which removed the need to account separately for the old charity.

Cumberland Lodge has a wholly-owned non-charitable trading subsidiary, Cumberland Lodge Enterprises Limited, which provides conference facilities for professional bodies, charities and other organisations. The consolidated results of Cumberland Lodge and its subsidiary are shown on page 13 of the financial statements. The original charity, King George VI and Queen Elizabeth Foundation of St Catharine's, is held in trust by Cumberland Lodge as corporate trustee.

CUMBERLAND LODGE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

Governance

The Company is governed by its Memorandum and Articles of Association. The Trustees are Directors of the company and those who served during the year and since are set out on page 2.

During the year two committees of the Board (Finance and General Purposes, and Business Development) met to implement policy and exercise control.

New Trustees are proposed by existing Trustees to the whole Board via a nomination process. The Board considers their suitability considering current vacancies and the balance of skills and diversity of existing Trustees. Nominations are subject to election.

There is a maximum limit to the number of years a Trustee may serve, although this may be extended in exceptional circumstances, and the Board regularly reviews the range of skills it needs. New Trustees are encouraged to undertake the induction course for new Trustees. Trustees are conscious of the need to keep up to date with current legislation and issues and are kept informed about relevant training courses.

During the financial year day-to-day management of the Charity was delegated to the Chief Executive, supported by other senior staff.

Remuneration of key management

The Trustees consider that the Board of Trustees and the senior management team comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Trustees give of their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in notes 4 and 17 to the accounts.

The pay of the key management personnel is reviewed annually. In view of the nature of the Charity, the Trustees periodically benchmark against pay levels in other charities. The remuneration benchmark is the mid-point of the range paid for similar roles in similar charities and sizes.

Statement of the Board of Trustees' responsibilities for the financial statements

The Trustees, who are also Directors of Cumberland Lodge for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year and not approve the financial statements unless they are satisfied that the financial statements give a true and fair view of the state of the affairs of the Charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

In preparing those financial statements which give a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue on that basis.

CUMBERLAND LODGE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Each of the Directors, who held office at the date of approval of this Trustees' Report, has confirmed that there is no information of which they are aware which is relevant to the audit but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are made aware of such information.

Approved by the Trustees on 23 January 2025 and signed on their behalf by:

John C. Lotherington

.....
John Lotherington

David Matthews

.....
David Matthews

CUMBERLAND LODGE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CUMBERLAND LODGE

FOR THE YEAR ENDED 31 AUGUST 2024

Independent auditor's report to the members of Cumberland Lodge

Opinion

We have audited the financial statements of Cumberland Lodge for the year ended 31 August 2024 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement 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 Accounting Standards, 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 of the parent charitable company's affairs as at 31 August 2024 and of the group's and parent charitable company's net movement in funds, including the 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 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.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Chairman's Report, the Chief Executive's Report and the Trustees' Report. 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.

CUMBERLAND LODGE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CUMBERLAND LODGE

FOR THE YEAR ENDED 31 AUGUST 2024

Opinions 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 strategic report and 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 strategic report 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the Directors' 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
- the parent charitable 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.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 10, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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's and the 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 group's and 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 it 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:

Based on our understanding of the group's and the parent and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Health and Safety Acts and GDPR and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as include the Companies Act 2006 and the Charities Act 2011, and consider other factors such as payroll tax and VAT.

CUMBERLAND LODGE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CUMBERLAND LODGE

FOR THE YEAR ENDED 31 AUGUST 2024

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- inspecting correspondence with regulators and tax authorities;
- discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- evaluating management's controls designed to prevent and detect irregularities;
- identifying and testing journals, in particular journal entries posted with unusual account combinations or with unusual descriptions; and
- challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Kathryn Burton (Senior Statutory Auditor)
For and on behalf of Haysmac LLP, Statutory Auditors

Date: 31st January 2025

10 Queen Street Place, London EC4R 1AG

CUMBERLAND LODGE

Company No. 05383055

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(including consolidated income and expenditure account)

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
INCOME:					
Donations, legacies and grants	2	12,105	9,002	21,107	19,557
Charitable activities					
Cumberland Lodge conferences		59,233	-	59,233	33,214
Student and training conferences		1,885,203	-	1,885,203	1,490,922
Other trading activities					
Accommodation income		1,039,493	-	1,039,493	1,302,605
Rents and lettings		48,300	-	48,300	34,925
Investments		134,331	-	134,331	113,556
Other income	2	41,850	-	41,850	22,551
Total income		3,220,515	9,002	3,229,517	3,017,330
EXPENDITURE:					
Costs of raising funds					
Trading costs		730,291	3,852	734,143	907,153
Expenditure on charitable activities					
Cumberland Lodge programme		244,554	9,002	253,556	284,264
Student and training conferences		2,427,373	-	2,427,373	1,691,553
Total expenditure	3	3,402,218	12,854	3,415,072	2,882,970
(Deficit)/Surplus before Gains/(Losses) on investments		(181,703)	(3,852)	(185,555)	134,360
Gains/(Losses) on investments, net of charges		240,354	-	240,354	(66,306)
Net movement in funds		58,651	(3,852)	54,799	68,054
Funds brought forward		4,963,168	27,564	4,990,732	4,922,678
Funds carried forward		5,021,819	23,712	5,045,531	4,990,732

The notes on pages 16 - 28 form part of these financial statements.

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

All amounts derive from continuing activities.

Full comparative figures for the year ended 31 August 2023 are shown in note 19.

CUMBERLAND LODGE

Company No. 05383055

CONSOLIDATED AND CHARITY BALANCE SHEETS

AT 31 AUGUST 2024

	Notes	2024 Group £	Charity £	2023 Group £	Charity £
FIXED ASSETS					
Tangible assets	7	912,914	912,914	974,455	974,455
Investments	8	4,202,633	4,202,633	4,163,700	4,163,700
		<u>5,115,547</u>	<u>5,115,547</u>	<u>5,138,155</u>	<u>5,138,155</u>
CURRENT ASSETS					
Stock		20,659	14,140	21,172	14,637
Debtors	9	421,052	324,802	359,673	234,724
Short term deposits and cash in hand		245,351	108,988	277,147	188,233
		<u>687,062</u>	<u>447,930</u>	<u>657,992</u>	<u>437,594</u>
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	10	(757,078)	(818,155)	(805,415)	(758,539)
		<u>(70,016)</u>	<u>(370,225)</u>	<u>(147,423)</u>	<u>(320,945)</u>
NET CURRENT LIABILITIES					
		<u>(70,016)</u>	<u>(370,225)</u>	<u>(147,423)</u>	<u>(320,945)</u>
NET ASSETS		<u>5,045,531</u>	<u>4,745,322</u>	<u>4,990,732</u>	<u>4,817,210</u>
FUNDS					
Unrestricted general funds	12/13	2,308,905	2,008,696	2,188,713	2,015,191
Unrestricted designated funds	15	2,712,914	2,712,914	2,774,455	2,774,455
Restricted funds	12/14	23,712	23,712	27,564	27,564
		<u>5,045,531</u>	<u>4,745,322</u>	<u>4,990,732</u>	<u>4,817,210</u>
TOTAL FUNDS		<u>5,045,531</u>	<u>4,745,322</u>	<u>4,990,732</u>	<u>4,817,210</u>

The deficit of the parent charity was £71,888. This comprises a deficit of £248,447 (2023: £105,470) plus donated profits from Cumberland Lodge Enterprises Ltd of £176,559 (2023: £267,920).

Approved and authorised for issue on 23 January 2025 by the Trustees and signed on their behalf by:

John C. Lotherington

.....
John Lotherington

David Matthews

.....
David Matthews

The notes on pages 16 - 28 form part of these financial statements.

CUMBERLAND LODGE

Company No. 05383055

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS

AT 31 AUGUST 2024

	2024 £	2023 £
Net cash provided / (used) by operating activities	(316,936)	320,079
Cash flows from investing activities		
Investment income	134,331	113,427
Purchase of tangible fixed assets	(99,191)	(121,916)
Sale of tangible fixed assets	-	-
Purchase of investments		(500,000)
Sale of investments	250,000	-
Cash (used in) / provided by investing activities	285,140	(508,489)
Change in cash and cash equivalents in the year	(31,796)	(188,410)
Cash and cash equivalents at the beginning of the year	277,147	465,557
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	245,351	277,147

RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

Net income for the year	54,799	68,054
Adjustments for:		
Depreciation charge	160,732	176,040
Gains/ (Losses) on investments	(288,933)	66,306
Income from investments	(134,331)	(113,427)
Decrease in stock	513	7,605
(Increase) / Decrease in debtors	(61,379)	1,111
(Decrease)/ Increase in creditors	(48,337)	114,390
Cash used in investing activities	(316,936)	320,079

CUMBERLAND LODGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

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) (Second Edition, 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.

Cumberland Lodge meets the definition of a public benefit entity under FRS 102. The registered office and company number can be found page 2. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

Preparation of accounts on a going concern basis

Trustees are content that sufficient cash and reserves are available to withstand any adverse financial risks or events that might reasonably crystallize for at least 12 months from the date of approving these financial statements for publication. Trustees are satisfied therefore that there are no material uncertainties regarding going concern, and so the going concern basis of preparation is considered appropriate.

Group financial statements

The financial statements consolidate the results of the Charity and its wholly owned subsidiary Cumberland Lodge Enterprises Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Income recognition

All income, including donations and legacies, is recognised once the Charity is entitled to the income, the amount of income receivable can be measured reliably and receipt is probable.

Grants

Grants are recognised in full in the statement of financial activities in the year in which the Charity is entitled to the income, the amount of income receivable can be measured reliably and receipt is probable.

Income from charitable activities

Income from charitable activities is recognised as earned when the related services are provided. Income from other trading activities is recognised as earned when the related services and goods are provided.

Investment income

Investment income is recognised on a receivable basis once the amounts can be measured reliably.

CUMBERLAND LODGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

1. ACCOUNTING POLICIES (continued)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprises the direct and allocated costs of the trading subsidiary, and investment management costs
- Expenditure on charitable activities comprises the direct and allocated costs of Cumberland Lodge conferences and student and training conferences

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of costs

Expenditure is summarised under functional headings on a direct and indirect cost basis. The apportionment of indirect costs is based on estimates of the relative use of Cumberland Lodge's resources.

Operating leases

Rental charges are charged on a straight-line basis over the life of the lease.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Investments

Investments are a form of basic financial instrument and are shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Profits and losses on the realisation of investments are shown net of costs (which are deducted at source) as realised gains and losses in the Statement of Financial Activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Fixed assets

Fixed assets are stated at cost or deemed cost (donated valuation at estimated fair value) less accumulated depreciation and impairment losses. Assets costing more than £1,500 are capitalised.

Depreciation is calculated to write off the costs of the fixed asset by equal instalments as follows:

Motor vehicles	4 years
Furniture, fittings and equipment	3 to 10 years
Leasehold improvements	10 to 20 years

CUMBERLAND LODGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

1. ACCOUNTING POLICIES (continued)

Cash

Cash represents cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

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.

Creditors and provisions

Creditors and provisions 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Stock

Stocks are valued at the lower of cost and net realisable value.

Funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity, which do not fall to be recognised as restricted funds.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are those funds which are to be used in accordance with specific instructions imposed by the donor or trust deed.

Employee benefits

- **Short term benefits**

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

- **Employee termination benefits**

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

- **Pension scheme**

Cumberland Lodge operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of Cumberland Lodge in an independently administered fund. The pension costs charged in the financial statements represent the contributions payable during the year.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Directors are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

CUMBERLAND LODGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

2. INCOME	2024	2023
Voluntary income	£	£
Donations, legacies and grants	21,107	19,557
Other income		
Other income	41,850	22,551

3. ANALYSIS OF EXPENDITURE	2024 Direct costs £	2024 Support costs £	2024 Total £	2023 Total £
Fundraising	-	-	-	-
Charitable activities	1,353,413	1,327,516	2,680,929	1,975,816
Trading	337,931	396,212	734,143	907,154
Group total	1,691,344	1,723,728	3,415,072	2,882,970

	Trading £	Charitable activities £	2024 Total £	2023 Total £
Direct costs				
Staff costs	231,773	993,488	1,225,261	1,110,432
Hospitality costs	80,157	268,570	348,727	321,344
Trading costs	9,685	32,525	42,210	48,351
Cumberland Lodge conference costs	-	28,331	28,331	12,583
Buildings costs	4,864	16,295	21,159	690
Professional fees	9,499	229	9,728	15,408
Repairs and maintenance	948	3,175	4,123	13,257
Scholarship scheme	-	3,854	3,854	14,871
Administration	291	2,122	2,413	15,786
Communications	489	1,708	2,197	12,959
Other	225	3,116	3,341	978
Group total	337,931	1,353,413	1,691,344	1,566,659

CUMBERLAND LODGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

	Trading	Charitable activities	2024 Total	2023 Total
	£	£	£	£
Support costs				
Staff costs	173,533	581,427	754,960	442,968
Buildings costs	55,902	187,304	243,206	342,766
Repairs and maintenance	52,816	176,959	229,775	182,955
Depreciation	36,946	123,786	160,732	176,040
Professional fees	20,450	68,518	88,968	52,212
Administration	17,272	57,872	75,144	25,835
IT equipment and support	15,376	51,520	66,896	56,611
Communications	10,448	35,004	45,452	9,275
Office supplies	8,292	27,782	36,074	19,182
Cumberland Lodge conference costs	2,452	8,216	10,668	31
Bank and finance costs	1,138	3,813	4,951	5,924
Other	1,587	5,315	6,902	2,512
Group total	396,212	1,327,516	1,723,728	1,316,311

Included within professional fees above were Governance costs of £34,907 (2022: £22,339) relating to Auditor's remuneration and related services.

4. NET INCOME FOR THE YEAR

	2024 £	2023 £
This is stated after charging		
Auditor's remuneration (including irrecoverable VAT):		
Audit	24,208	20,464
Other Services	10,699	1,875
	<u>34,907</u>	<u>22,339</u>
Expenses reimbursed and paid on behalf of Trustees	<u>-</u>	<u>-</u>

No Trustee received remuneration in the current or prior year.

CUMBERLAND LODGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

5. SUBSIDIARIES

The wholly-owned subsidiary Cumberland Lodge Enterprises Limited is incorporated in the UK (company number: 05389873, registered office: Cumberland Lodge, The Great Park, Windsor, SL4 2HP) and provides conference facilities for professional bodies, charities and other organisations. The subsidiary pays all its profits to Cumberland Lodge under the Gift Aid scheme. The summary financial performance of the subsidiary alone is:

	2024 £	2023 £
Turnover	1,033,622	1,080,675
Cost of sales and administration costs	(730,291)	(907,154)
Net profit	303,331	173,521
Brought forward – retained in subsidiary	173,521	267,920
Gift-aided to the Charity in year	(173,521)	(267,920)
Retained in subsidiary	303,331	173,521
The current assets and liabilities of the subsidiary were:		
Current assets	397,666	299,400
Current liabilities	(94,335)	(125,879)
Total net assets	303,331	173,521
Aggregate share capital and reserves	303,331	173,521

6. STAFF COSTS AND NUMBERS

	2024 £	2023 £
Staff costs were as follows:		
Salaries and wages	1,510,823	1,266,903
Social security costs	146,301	123,979
Pension contributions	137,630	80,549
	1,794,754	1,471,431
The number of employees whose emoluments for the year fell within the following bands were:		
	Number	Number
£60,001 - £70,000	1	-
£70,001 - £80,000	2	1
£80,001 - £90,000	1	-
£90,000 - £100,000	-	1
£100,001 - £110,000	1	-

These employees are accruing pension contributions totalling £17,948 (2023: £11,957). The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel of the Group and Charity were £384,154 (2023: £292,630).

CUMBERLAND LODGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

	2024 Number	2023 Number
The average number of permanent employees during the year was as follows:		
Programme	4	5
Hospitality	36	32
Buildings & maintenance	6	6
Administration	10	5
	<u>56</u>	<u>48</u>

The full-time equivalent number of permanent staff in 2024 was 43 (2023: 37).
An average of 21 (2023: 23) casual hospitality employees were also employed.

7. FIXED ASSETS (GROUP AND CHARITY)

	Improvements to property	Furniture, fittings & equipment	Motor Vehicles	Total
	£	£	£	£
Cost				
At 1 September 2023	3,408,290	1,778,709	37,880	5,224,879
Additions	36,848	62,343	-	99,191
Disposals	-	(154,152)	-	(154,152)
Balance at 31 August 2024	<u>3,445,138</u>	<u>1,686,900</u>	<u>37,880</u>	<u>5,169,918</u>
Accumulated depreciation				
At 1 September 2023	2,640,113	1,572,431	37,880	4,250,424
Charge for the year	103,817	56,915	-	160,732
Disposals	-	(154,152)	-	(154,152)
Balance at 31 August 2024	<u>2,743,930</u>	<u>1,475,194</u>	<u>37,880</u>	<u>4,257,004</u>
Net Book Value				
C/f at 31 August 2024	<u>701,208</u>	<u>211,706</u>	<u>-</u>	<u>912,914</u>
B/f at 1 September 2023	<u>768,177</u>	<u>206,278</u>	<u>-</u>	<u>974,455</u>

CUMBERLAND LODGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

8. INVESTMENTS (GROUP AND CHARITY)	2024		2023	
	£		£	
Listed investments:				
Market value at 1 September	4,163,700		3,730,006	
Additions	-		500,000	
Disposals	(250,000)		-	
Net gains /(losses)	288,933		(66,306)	
Market value at 31 August	4,202,633		4,163,700	
Historical cost as at 31 August	3,078,492		3,328,492	
9. DEBTORS: amounts falling due within one year	2024		2023	
	Group	Charity	Group	Charity
	£	£	£	£
Accommodation debtors	298,044	201,794	257,627	132,678
Other debtors and prepayments	123,008	123,008	102,046	102,046
Amounts due from subsidiary	-	-	-	-
	421,052	324,802	359,673	234,724
10. CREDITORS: amounts falling due within one year	2024		2023	
	Group	Charity	Group	Charity
	£	£	£	£
Trade creditors	147,458	147,458	93,898	93,898
Other taxation and social security	77,014	76,929	78,585	78,585
Other creditors, accruals and deferred income	532,606	438,272	632,932	507,053
Amounts owed to subsidiary	-	155,496	-	79,003
	757,078	818,155	805,415	758,539
11. ANALYSIS OF DEFERRED INCOME	2024		2023	
	Group	Charity	Group	Charity
	£	£	£	£
Deferred income at 1 September	431,528	313,864	374,682	233,571
Released during the year	(431,528)	(313,864)	(374,682)	(233,571)
Applied during the year	350,800	265,753	431,528	313,864
Deferred income at 31 August	350,800	265,753	431,528	313,864

CUMBERLAND LODGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

12. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted Funds £	Unrestricted Funds £	Total Funds £
2024			
Fixed assets	12,137	900,777	912,914
Investments	-	4,202,633	4,202,633
Current assets	11,575	675,487	687,062
Current liabilities	-	(757,078)	(757,078)
Net assets at 31 August	<u>23,712</u>	<u>5,021,819</u>	<u>5,045,531</u>
2023			
Fixed assets	15,990	958,465	974,455
Investments	-	4,163,700	4,163,700
Current assets	11,574	646,418	657,992
Current liabilities	-	(805,415)	(805,415)
Net assets at 31 August	<u>27,564</u>	<u>4,963,168</u>	<u>4,990,732</u>

13. ANALYSIS OF UNRESTRICTED GENERAL FUNDS

	1 September	Surplus/ (loss)	Gains/ (losses)	Transfers	31 August
Group	£	£	£	£	£
2024					
General funds	<u>2,188,713</u>	<u>(181,702)</u>	<u>240,354</u>	<u>61,540</u>	<u>2,308,905</u>
2023					
General funds	<u>3,416,792</u>	<u>138,212</u>	<u>(66,306)</u>	<u>(1,299,985)</u>	<u>2,188,713</u>
Charity					
2024					
General funds	<u>2,015,191</u>	<u>(308,389)</u>	<u>240,354</u>	<u>61,540</u>	<u>2,008,696</u>
2023					
General funds	<u>3,148,874</u>	<u>(35,312)</u>	<u>(66,306)</u>	<u>(1,032,065)</u>	<u>2,015,191</u>

CUMBERLAND LODGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

14. ANALYSIS OF RESTRICTED FUNDS

	1 September £	Income £	Expenditure £	31 August £
2024				
Mews lighting project*	5,958	-	(500)	5,458
Chapel capital appeal*	2,595	-	(1,907)	688
Dining room furniture*	4,566	-	(945)	3,621
Basement refurbishment*	2,870	-	(500)	2,370
Scholarship scheme	1,830	-	-	1,830
Bursary fund	7,801	-	-	7,801
Project funding	1,944	-	-	1,944
Youth Arts Takeover	-	9,002	(9,002)	-
Group total	27,564	9,002	(12,854)	23,712
2023				
Mews lighting project*	6,458	-	(500)	5,958
Chapel capital appeal*	4,502	-	(1,907)	2,595
Dining room furniture*	5,511	-	(945)	4,566
Basement refurbishment*	3,370	-	(500)	2,870
Scholarship scheme	1,830	-	-	1,830
Bursary fund	7,801	-	-	7,801
Project funding	1,944	-	-	1,944
Group total	31,416	-	(3,852)	27,564

Capital funds

As of 31 August 2024, these funds have been spent in full. However, expenditure is spread over the asset's useful economic life, and so remaining balances will be allocated in future financial years as depreciation, and do not represent unspent funds.

Excluding capital funds, the balance of restricted funds not spent is £11,575 (2023: £11,575).

Capital funds* comprise:

Mews lighting — Lighting improvement within the conference rooms in the Mews.

Chapel capital appeal — Chapel refurbishment

Dining room furniture — Individual donations towards the cost of new furniture.

Basement refurbishment — Refurbishing the basement for use as a recreational space for guests.

Non-capital funds comprise:

Scholarship scheme — Support for scholars from the North East of England.

Bursary fund — Towards the costs of students in financial hardship.

Conference grants — Grants for specific Cumberland Lodge conferences.

Project funding — Support for preliminary work on social mobility for young people from disadvantaged backgrounds

CUMBERLAND LODGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

15. DESIGNATED FUNDS

	Balance at 1 September 2023 £	Transfers £	Balance at 31 August 2024 £
Tangible Fixed Assets Fund	974,455	(61,541)	912,914
Major Repairs Fund	500,000	-	500,000
Sustainability Fund	400,000	-	400,000
Major Capital Works Fund	400,000	-	400,000
Building a Movement Fund	500,000	-	500,000
Total – Group and Charity	2,774,455	(61,541)	2,712,914

Tangible Fixed Assets Fund

The fund represents the net book value of tangible fixed assets which have been excluded from general reserves. The trustees consider that the assets are essential for the ongoing provision of charitable activities and in any case cannot be easily converted to liquid funds in the event of a contingency.

Major Repairs Fund

In July 2023 the trustees designated £500,000 from unrestricted general reserves to fund the ongoing programme of repairs needed to comply with the terms under which the charity occupies Cumberland Lodge.

Sustainability Fund

In July 2023 the trustees designated £400,000 from unrestricted general reserves to part fund the investments needed to deliver the charity's carbon reduction strategy.

Major Capital Works Fund

In July 2023 the trustees designated £400,000 from unrestricted general reserves to part fund the re-development of the premises in line with the charity's business plans.

Building a Movement Fund

In July 2023 the trustees designated £500,000 from unrestricted general reserves to fund the creation of a movement of young people committed to social progress in line with the charity's programme strategy.

16. TAXATION

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The Charity is not exempt from VAT, the irrecoverable part of which is included with the expenses to which it relates on the Statement of Financial Activities.

17. RELATED PARTY TRANSACTIONS

During the financial year the following transactions took place between the Charity and its wholly owned subsidiary:

Cumberland Lodge recharged £720,625 (2023: £895,698) to Cumberland Lodge Enterprises Limited during the year, in respect of operating expenses.

CUMBERLAND LODGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

Cumberland Lodge Enterprises Limited gift aids 100% of its taxable profits to the parent company. During the financial year ended 31 August 2024 it paid £173,521 (2023: £267,920) of gift aid relating to profits for the previous financial year.

At 31 August 2024 £155,496 was owed by the Charity to its subsidiary (2023: £79,003 owed by the Charity to its subsidiary).

Canon Dr Edmund Newell is Vice-Patron of Windsor Festival Society, from whom the Charity generated no income during the year (2023: £nil), and Governor of The Royal School from whom the Charity generated no income (2023: nil). No balances in relation to these organisations remained unpaid at the year-end (2023: nil).

There were no other transactions with related parties during the year ended 31 August 2024 (2023: nil).

18. OPERATING LEASES

At the year end, the Group and Charity were committed to the following future minimum lease payments in respect of operating leases:

	Land and buildings		Land and buildings	
	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
In less than one year	10,650	10,650	20,100	20,100
In one to five years	-	-	10,050	10,050
	<u>10,650</u>	<u>10,650</u>	<u>30,150</u>	<u>30,150</u>

CUMBERLAND LODGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

19. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (2023):

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £
INCOME:				
Donations, legacies and grants		19,557	-	19,557
Charitable activities				
Cumberland Lodge conferences		33,214	-	33,214
Student and training conferences		1,490,922	-	1,490,922
Other trading activities				
Accommodation income		1,302,605	-	1,302,605
Rents and lettings		34,925	-	34,925
Investments		113,556	-	113,556
Other		22,551	-	22,551
		<u>3,017,330</u>	<u>-</u>	<u>3,017,330</u>
Total income				
EXPENDITURE:				
Costs of raising funds	3	903,301	3,852	907,153
Trading costs				
Expenditure on charitable activities	3			
Cumberland Lodge conferences		284,264	-	284,264
Student and training conferences		1,691,553	-	1,691,553
Total expenditure	3	<u>2,879,118</u>	<u>3,852</u>	<u>2,882,970</u>
		<u>138,212</u>	<u>(3,852)</u>	<u>134,360</u>
Net gains on investments		(66,306)	-	(66,306)
		<u>71,906</u>	<u>(3,852)</u>	<u>68,054</u>
Net movement in funds				
Funds at 1 September 2022		4,891,262	31,416	4,922,678
Funds at 31 August 2023		<u>4,963,168</u>	<u>27,564</u>	<u>4,990,732</u>