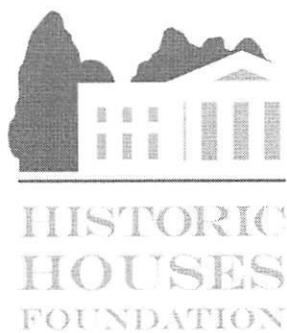


Charity Registration No. 1111049

Company Registration No. 05433717

HISTORIC HOUSES FOUNDATION
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2021



HISTORIC HOUSES FOUNDATION

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HISTORIC HOUSES FOUNDATION
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Norman Hudson OBE (Chairman) Nicholas Barber CBE Richard Compton Sir Andrew Jardine Bt. Mary King Jeremy Musson Sir John Parsons KCVO Oliver Pearcey Matthew Rice (appointed 3 March 2022)
Secretary	David Price
Charity number	1111049
Company number	05433717
Principal address	Sheephouse Farm Uley Road Dursley Gloucestershire GL11 5AD
Registered office	Sheephouse Farm Uley Road Dursley Gloucestershire GL11 5AD
Auditors	Randall and Payne LLP (incorporating Little and Company) Chargrove House Shurdington Road Cheltenham Gloucestershire GL51 4GA
Bankers	Barclays Bank plc 99 Hatton Garden London EC1N 8DN
Solicitors	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 3LH
Investment Managers	Cazenove Capital 1 London Wall Place London EC2Y 5AU

HISTORIC HOUSES FOUNDATION TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2021

The Trustees, who are also directors of the Charity for the purposes of the Companies Act, present their report and accounts for the year ended 30 June 2021.

The accounts have been prepared in accordance with the accounting policies set out in the accounts and comply with the Charity's Memorandum and Articles of Association, the Charities Act 2011, the Companies Act 2006 and 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 (FRS102) (effective 1 January 2015).

The objects of Historic Houses Foundation are:

- a) to advance the preservation, for the public benefit, of buildings of sufficient historic or architectural significance or importance to merit preservation together with their gardens and grounds; and
- b) to protect and augment the amenities and furnishings of any such buildings, gardens and grounds.

Structure, governance and management

Historic Houses Foundation is a registered Charity (registration number 1111049) and is constituted as a company limited by guarantee (registration number 05433717). Its governing document is its Memorandum and Articles of Association incorporated 22 April 2005 (as amended by Special Resolutions dated 21 August 2005 and 20 February 2019) as amended on 23 April 2019, and its objects and powers are set out therein. Members of the company are admitted at the discretion of the Trustees and may be required to contribute not more than £10 in the event of the charitable company being wound up.

During the accounting period, the Charity employed one member of staff.

The Trustees, who are also the directors for the purpose of company law and who served during the year were:

Norman Hudson OBE (Chairman)
Nicholas Barber CBE
Richard Compton
Sir Andrew Jardine Bt.
Mary King
Jeremy Musson
Sir John Parsons KCVO
Oliver Pearcey

Trustees can be nominated to the Board as set out in the Articles of Association. The number of Trustees shall not be less than five, but (unless otherwise determined by Ordinary Resolution) shall not be subject to any maximum. The Board of Trustees seeks to ensure that representation on the Board is wide-ranging. The Trustees bring a mix of skills to the Board, providing heritage, conservation, financial and corporate experience. Training and induction of new Trustees is undertaken on an informal and continual basis through discussions with existing Trustees, attendance at board meetings and site visits. The Trustees meet quarterly for board meetings and at least two of the Trustees carry out site visits prior to a grant being made and following completion of a project.

The Trustees receive no remuneration but may be paid all reasonable travelling, hotel and other expenses properly incurred by them in connection with the discharge of their duties.

Risk management

The potential risks facing the Charity have been assessed by the board of Trustees. Two of particular importance have been identified. The first, the loss of the sole administrator at short notice, has been mitigated by the creation of a detailed procedures manual and other documentation. These procedures include the monitoring of IT security. The second is the risk that investments do not generate the expected returns. In this event the Trustees would reduce the amount of grants in subsequent years and/or draw on capital. In addition, a cash reserve is held by the investment managers in order to avoid the need to sell investments in the portfolio at short notice.

**HISTORIC HOUSES FOUNDATION
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2021**

Risk management (continued)

Following the outbreak of the Covid-19 pandemic Trustees reviewed operational procedures in line with Government guidance and prepared a paper specifically addressing the risk to Trustees and applicants, which was approved at the May 2020 meeting. Despite the pandemic, applications continued to be received and subject to careful assessment, a limited number of site visits were undertaken. Quarterly board meetings were for this period all held using a digital platform rather than, as in previous years, meeting in person.

Public benefit

The Trustees have applied the guidance from The Charity Commission relating to public benefit when assessing grant applications. Public benefit is inherent in the objects of the Charity as set out above and, when considering a project's eligibility for support, Trustees require that public access arrangements would be closely aligned to those specified for recipients of an Historic England grant.

Achievements and performance

Since the Charity started making grants in February 2006, the number of applications for funding has steadily increased. At the end of the financial year the Charity has supported 289 projects with grant offers totaling £14.27million. A bid to Historic England for the Grants for Programmes of Major Works strand of the Heritage Stimulus Fund, part of the Government's Cultural Recovery Fund was successful and in September it was confirmed that Historic Houses Foundation would receive a grant of £3 million to distribute to 18 projects.

	No. of projects approved in year	Total granted £	Average grant £	Paid at 30/6/21 £	Balance Due £
General Fund Grants					
2006-07	4	605,000	151,250	605,000	-
2007-08	11	814,990	74,090	814,990	-
2008-09	12	841,263	70,105	841,263	-
2009-10	18	654,509	36,362	633,509	21,000
2010-11	17	1,008,003	59,294	938,003	70,000
2011-12	13	565,376	43,490	565,376	-
2012-13	21	983,515	46,834	978,640	4,875
2013-14	25	1,422,597	56,904	1,337,868	84,729
2014-15	17	804,445	47,320	657,745	146,700
2015-16	19	788,628	41,507	775,189	13,439
2016-17	21	524,399	24,971	504,399	20,000
2017-18	18	568,497	31,583	388,497	180,000
2018-19	26	797,701	30,681	508,101	289,600
2019-20	16	513,540	32,096	309,240	204,300
2020-21	20	470,076	23,504	140,500	329,576
Total	258	11,362,539		9,998,320	1,364,219
Restricted Fund Grants					
Heritage Conservation Trust					
2019-20	9	43,073	4,786	19,437	23,636
2020-21	4	21,368	5,342	13,368	8,000
	13	64,441		32,805	31,636
Heritage Stimulus Fund					
2020-21	18	2,818,500	156,583	2,818,500	-
Total grants	289	14,245,480		12,849,625	1,395,855

**HISTORIC HOUSES FOUNDATION
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2021**

Grants awarded during the year

During the year Trustees considered 84 requests for support (55 in 2019/20) and offered grants totaling £3.324 million to 42 applicants (£559,176 to 25 applicants in 2019/20) supporting the following projects:

Repair of the wall and trellis to the front of **Westow Hall**.
Restoration of the southern external stone steps leading down into the gardens of **Kirtlington Park**.
Restoration of the **Ditchley Park Rotunda**.
Repair of the tower roofs at **Kimberley Hall**.
Restoration of the stable block and clocktower at **Wolterton Park**.
Emergency repairs at **Gwrych Castle**.
Window and stone repairs to **Godwick Great Barn**.
Restoration of plaster ceiling in the long drawing room of **Treowen House**.
Roof repairs and asbestos removal at **Springhead Mill**.
Restoration of the **Marquess of Anglesey's Column**.
Restoration of the paths and steps within the **Whalton Manor** gardens.
A conservation assessment of the Forecourt Gates at **Sandon Hall**.
Re-roofing of the stables at **Rokeby Park**.
Structural repairs to **Kenward House**.
Repairs to the North West Tower within the Service Yard at **Combermere Abbey**.
Repairs to the Screen Wall and gate piers at **Somerleyton Hall**.
Roof repairs to Nursery Wing of **Capesthorpe Hall**.
Repairs to tower rood at **Kimberley Hall**.
Library repairs at **Pitchford Hall**.
Repairs to the Temple of Victory at **Allerton Castle**.
Repair of the western elevation of **Lawkland Hall**.

Restricted Art Fund

The restoration of paintings at **Iscoyd Park, Fulham Palace, Hutton in the Forest and Kentchurch**.

Heritage Stimulus Fund

Repair of **Woodchester Mansion** North Range roof.
Repair of the North West Turret at **Knebworth House**.
Repair of the chancel windows of the Chapel of St Nicholas, and repair of the chimneys above the Tudor kitchens at **Haddon Hall**.
Re-roofing of Chapel of St Mary the Virgin and St Everilda at **Everingham Hall**.

**HISTORIC HOUSES FOUNDATION
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2021**

Restoration of **Wick Court**.

Repair of the roofs of the four main towers at **Powderham Castle**.

Underpinning and rebuild of the courtyard archway at **Muncaster Castle**.

Stonework repairs to **Newby Hall**.

Restoration of the painted ceilings in the Long Library and Dining Room, and the restoration of a 19th-century cast-iron bridge at **Eastnor Castle**.

Re-roofing and re-pointing the North Tower at **Levens Hall**.

Re-roofing of the Brewhouse at **Sulgrave Manor**.

Restoration of Messenger glasshouse and North Store within **Holkham Hall's** walled garden.

Repair of the roof at **Claverton Manor**.

Repair of stone entrance porch and balustrade at **Boston Manor House**.

Repair of Orangery at **Broadlands**.

Roof and timber repairs to barn forming the eastern side of the Retainer's Courtyard at **Layer Marney Tower**.

Restoration of the windows and main door to the Norman Keep, and repair and replacement of windows in the Queen Anne house at **Hedingham Castle**.

Repair of **Alnwick Castle's** Prudhoe Tower.

Projects under consideration

A number of short-listed pre-applications were still under consideration at the end of the year. The Trustees had visited the properties and met the applicants, but final decisions concerning funding had still to be made pending the consideration of full applications at the August or November meetings. These included support of:

The repair of the Eagle Folly House at **Painswick Rococo Gardens**.

Restoration and repair of the North Façade of **Moggerhanger House**.

Repairs to the north and east facades of **Heydon Hall**.

Repairs to north elevation of **Hanford House School**.

Repairs to the Riding School at **Deene Park**.

The repair of **Bryntall Cottage**.

**HISTORIC HOUSES FOUNDATION
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2021**

Financial review

The Articles of Association enable grants to be paid from capital as well as income and it is the current policy of the Trustees to pay grants and running costs of the Charity from the total return achieved on the Charity's investments over time. The Trustees have adopted an investment strategy which aims to achieve a balance between income and capital growth, taking account of potential risks and the level of investment manager's fees. The Trustees meet their investment managers regularly to review the investment policy, agree risk and return objectives, and decide asset allocation ranges.

The result for the year was a net increase in funds of £3,336,474 (2020: decrease of £562,476). In 2020/21 the Charity's investments showed an increase of £3,347,980 after additions and drawdowns (2020: decrease of £330,549) and at the year end the investments were valued at £14,719,831.

Investment summary:

	2021	2020
	£	£
Market value of investments at 1 July 2020 (1 July 2019)	11,371,851	11,702,400
Income	149,743	279,390
Shares transferred in as donation	1,996,952	-
Drawdowns	(500,000)	(500,000)
Change in market value	<u>1,701,285</u>	<u>(109,939)</u>
Market value of investments at 30 June 2021 (30 June 2020)	<u><u>14,719,831</u></u>	<u><u>11,371,851</u></u>

At 31 December 2021 the market value of the investments was £15,151,297.

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to not less than six months' grants. This reserve is generally maintained at £500,000 as a cash fund held by the investment managers. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in asset values, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be realised. This level of reserves has been maintained throughout the period and the Trustees' investment strategy has taken account of the potential risks.

**HISTORIC HOUSES FOUNDATION
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2021**

Future plans and outlook

The Trustees are continuing to develop their fundraising strategy for the Charity to encourage legacies and donations with the intention of increasing the endowment fund to ensure that over the long-term support can continue to be provided to the growing number of applications received. In addition, the Trustees look to work in partnership with other funders in order to maximize the benefits of grants awarded and also to work closely with Historic Houses to raise the profile of the Charity.

The Trustees wish to acknowledge the generous donations and legacies from our supporters, including two donations of £1 million each from Richard Broyd OBE. These gifts make a valuable and durable contribution to the work of the Charity and the conservation of our built heritage.


In 2021 Trustees launched the Historic House's Foundation's first major fundraising campaign, Match 22. An anonymous donor has offered to match all donations up to a total of £5 million until the end of 2022 providing the HHF with a potential target of £10 million in 12 months.

Trustees will continue to welcome applications for support of suitable projects in line with the charitable objectives of the Charity.

Auditors

Little and Company merged with Randall and Payne LLP in May 2021. A resolution proposing that Randall and Payne LLP (incorporating Little and Company) be reappointed as auditors of the Charity will be put to the members.

On behalf of the board of Trustees



Handwritten signature of Norman Hudson, consisting of stylized initials 'Na' followed by 'Hudson' and a horizontal line.

Norman Hudson OBE

Chairman
3 March 2022

HISTORIC HOUSES FOUNDATION STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also the directors of Historic Houses Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and Accounts in accordance with applicable company law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare accounts for each financial year which will give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources including the income and expenditure of the charitable company for that year.

In preparing those accounts, 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 estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for:

- keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company;
- ensuring that the financial statements comply with the Companies Act 2006;
- safeguarding the assets of the charitable company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HISTORIC HOUSES FOUNDATION

Opinion

We have audited the financial statements of the Historic Houses Foundation (the 'charitable company') for the year ended 30 June 2021, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and the related notes 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 charitable company's affairs as at 30 June 2021 and of its 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 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.

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 charitable company'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 other information comprises the information included in the Trustees Annual Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual 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.

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees Report has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS (continued) TO THE MEMBERS OF HISTORIC HOUSES FOUNDATION

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Report.

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

- the charitable company has not kept proper and adequate accounting records or returns or returns adequate for our audit have not been received from branches not visited by us; or
- 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

As explained more fully in the Statement of Trustees' Responsibilities on page 8 the Trustees' (who are also the directors of the Historic Houses Foundation 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 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 charitable company or 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.

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 that 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 that we have formed.


Ryan Moore CA

Senior Statutory Auditor
Randall and Payne LLP
Chargrove House
Shurdington Road
Shurdington
Cheltenham
GL51 4GA

24 March 2022

HISTORIC HOUSES FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
(including Summary Income and Expenditure Account)
FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income						
Grants, donations and legacies	3	2,123,497	-	2,837,851	4,961,348	45,916
Investment income	4	<u>149,858</u>	<u>-</u>	<u>-</u>	<u>149,858</u>	<u>279,944</u>
Total incoming resources		<u>2,273,355</u>	<u>-</u>	<u>2,837,851</u>	<u>5,111,206</u>	<u>325,860</u>
Expenditure						
Cost of raising funds						
Investment managers' fees		<u>43,864</u>	<u>-</u>	<u>-</u>	<u>43,864</u>	<u>39,673</u>
Expenditure on charitable activities						
Grants payable	6	-	572,728	2,837,758	3,410,486	696,798
Grant support and governance costs	7	<u>62,730</u>	<u>-</u>	<u>-</u>	<u>62,730</u>	<u>66,951</u>
Cost of grant making		<u>62,730</u>	<u>572,728</u>	<u>2,837,758</u>	<u>3,473,216</u>	<u>763,749</u>
Total expenditure		<u>106,594</u>	<u>572,728</u>	<u>2,837,758</u>	<u>3,517,080</u>	<u>803,422</u>
Net income/(expenditure) for the year		2,166,761	(572,728)	93	1,594,126	(477,562)
Transfer of funds from Heritage Conservation Trust	14	-	-	-	-	(13,932)
Gain/(loss) on investment assets	10	<u>1,742,348</u>	<u>-</u>	<u>-</u>	<u>1,742,348</u>	<u>(71,252)</u>
Net increase/(decrease) in funds for the year		3,909,109	(572,728)	93	3,336,474	(562,746)
Gross transfers between funds		<u>(459,683)</u>	<u>459,683</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movements in funds for the year		<u>3,449,426</u>	<u>(113,045)</u>	<u>93</u>	<u>3,336,474</u>	<u>(562,746)</u>
Reconciliation of funds						
Total funds brought forward at 1 July 2020		<u>9,716,787</u>	<u>1,477,264</u>	<u>229,121</u>	<u>11,423,172</u>	<u>11,985,918</u>
Total funds carried forward at 30 June 2021		<u>13,166,213</u>	<u>1,364,219</u>	<u>229,214</u>	<u>14,759,646</u>	<u>11,423,172</u>


All the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in notes 13 and 14 of the financial statements. An analysis of the 2020 figures is shown on page 20.

**HISTORIC HOUSES FOUNDATION
BALANCE SHEET
AT 30 JUNE 2021**

		2021		2020	
	Note	£	£	£	£
Fixed assets					
Investments	10		14,719,831		11,371,851
Current assets					
Debtors	11	1,595		8,670	
Cash at bank		<u>716,650</u>		<u>187,006</u>	
		718,245		195,676	
Creditors: amounts falling due within one year	12	<u>(678,430)</u>		<u>(144,355)</u>	
Net current assets			<u>39,815</u>		<u>51,321</u>
Net assets			<u>14,759,646</u>		<u>11,423,172</u>
RESERVES AND FUNDS					
Unrestricted funds			13,166,213		9,716,787
Designated funds	13		1,364,219		1,477,264
Restricted funds	14		<u>229,214</u>		<u>229,121</u>
			<u>14,759,646</u>		<u>11,423,172</u>

The accounts have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 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 financial statements on pages 11 to 24 were approved by the board on 3 March 2022 and signed on its behalf by


Norman Hudson OBE
Chairman


Sir John Parsons KCVO
Trustee

**HISTORIC HOUSES FOUNDATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

	2021 £	2020 £
Net cash used in operating activities (see note below)	<u>1,985,418</u>	<u>(468,403)</u>
Cash flows from investing activities:		
Dividends and interest	149,858	279,944
Disposal proceeds on sale of investments	6,087,740	5,394,715
Purchase of investments	(7,773,561)	(5,418,737)
Decrease in uninvested cash held by investment managers	<u>80,189</u>	<u>283,319</u>
Net cash provided by investing activities	<u>(1,455,774)</u>	<u>539,241</u>
Change in cash and cash equivalents in the year	529,644	70,838
Cash and cash equivalents brought forward	<u>187,006</u>	<u>116,168</u>
Cash and cash equivalents carried forward	<u><u>716,650</u></u>	<u><u>187,006</u></u>

NOTE TO THE CASH FLOW STATEMENT

Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds for the year	3,336,474	(562,746)
Deduct: Investment income shown in investing activities	(149,858)	(279,944)
(Gain)/loss on investments	(1,742,348)	71,252
Decrease in debtors	7,075	253,610
Increase in creditors	<u>534,075</u>	<u>49,425</u>
Net cash used in operating activities	<u><u>1,985,418</u></u>	<u><u>(468,403)</u></u>

**HISTORIC HOUSES FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2021**

1 Accounting policies

1.1 Statutory information

Historic Houses Foundation is an incorporated charity registered with Companies House and with Charity Commission for England and Wales.

The registered office is Sheephouse Farm, Uley Road, Dursley, Gloucestershire, GL11 5AD.

1.2 Basis of preparation and going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (the Charities SORP (FRS102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS 102.

The Trustees have considered the likely impact of Coronavirus 19 on the Charity and its cash flows and consider that the Charity should have access to adequate working capital and funding to enable it to continue to trade for at least one year from the approval of these accounts. The accounts have therefore been prepared on the going concern basis.

1.3 Funds structure

Unrestricted funds are funds which are available for use at the discretion of the Trustees.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of designated funds are set out in the note 13 to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for a specific purpose. The aim and use of each restricted fund is set out in the note 14 to the financial statements.

1.4 Income recognition and debtors

All income is included in the Statement of Financial Activities when the Charity is legally entitled to the income, it is probable that it will be received, and the amount can be quantified with reasonable accuracy.

1.5 Resources expended and creditors

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the Charity in the deliverance of its activities and services for its beneficiaries. Grants awarded are accrued in the accounts when they have been approved for payment by the Trustees and have met the Charity's preconditions. Grants awarded where the recipients have yet to fulfil any preconditions are set aside as designated funds.

Grant support and governance costs represent the cost of administering the grant-giving process and examining grant requests. As a grant-making charity all support costs are considered to relate to the sole activity of grant-making. Governance costs include those costs associated with the governance of the Charity and are primarily associated with constitutional and statutory requirements.

**HISTORIC HOUSES FOUNDATION
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 30 JUNE 2021**

1 Accounting policies (continued)

1.6 Pension scheme

The Charity operates a defined contribution pension scheme for one employee. Contributions are charged to the Statement of Financial Activities as they fall due.

1.7 Investments

The investment portfolio is managed by the investment manager. Short term cash deposits held by the managers are included within fixed assets investments. Investments held in foreign currencies are converted at the year-end exchange rate.

Investments are a form of financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposal in the year.

1.8 Financial instruments

The Charity has only basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.9 Taxation

As a registered charity, the Charity is generally exempt from corporation tax in connection with its direct charitable purpose, but not from value added tax. The cost of irrecoverable value added tax is included within the expense item to which it relates.

2 Related party transactions and trustee expenses and remuneration

The Trustees are considered to be the key management personnel and they received no remuneration for their services to the Charity for the year under review.

Travel expenses totalling £1,319 (2020 - £2,681) were reimbursed during the year to 2 Trustees.

When donations are made to other organisations where HHF Trustees or close family members are also Trustees, those individuals are required to declare an interest and do not vote on the grant-giving decision.

During the year a grant was made to Newby Hall – a charity in which there is a common trustee. The grant was made at arm's length.

There were no other grants of this nature or any other related party transactions during the current or prior year.

HISTORIC HOUSES FOUNDATION
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 30 JUNE 2021

3 Grants, donations and legacies

	2021 £	2020 £
Heritage Stimulus Fund Grant	2,862,751	-
Donations and legacies receivable	<u>2,098,597</u>	<u>45,916</u>
	<u>4,961,348</u>	<u>45,916</u>

4 Investment income

	2021 £	2020 £
Income from investments	149,743	279,390
Bank interest receivable	<u>115</u>	<u>554</u>
	<u>149,858</u>	<u>279,944</u>

5 Expenditure

	Note	Staff costs £	Other costs £	Grant funding £	Total 2021 £	Total 2020 £
Grant funding	6	-	-	3,410,486	3,410,486	696,798
Grant support and governance costs	7	<u>36,160</u>	<u>26,570</u>	<u>-</u>	<u>62,730</u>	<u>66,951</u>
		<u>36,160</u>	<u>26,570</u>	<u>3,410,486</u>	<u>3,473,216</u>	<u>763,749</u>

HISTORIC HOUSES FOUNDATION
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 30 JUNE 2021

6 Grants payable

	2021	2020
	£	£
Grants relating to direct charitable expenditure comprise:		
Abercamlais Bridge	35,000	35,000
Bodryhddan Hall	5,000	-
Cannon Hall	27,170	15,000
City and Guilds	11,000	11,000
Cobham Dairy	-	50,000
Combermere Abbey	27,000	-
Coventry Charterhouse	-	15,000
Cragend Farm Silo	-	8,000
Creeksea Place	35,000	15,000
Everingham Hall Chapel	47,437	-
Glyn Cywarch	42,000	18,000
Gwydir Castle	50,000	8,400
Hall Place	-	10,000
Heritage Funding Directory	2,800	2,800
Heritage Update II	4,000	4,000
Highcliffe Castle	-	70,000
Hole Park	-	2,500
Holkham Hall	-	40,000
Kelly House	-	12,401
Kelmscott Manor	15,000	15,000
Kilve Chantry	6,000	6,000
Langton Hall	21,000	9,000
Lawkland Hall	10,500	-
Letton Hall	7,500	15,000
Markenfield Hall	-	35,000
Middleton Hall	10,000	10,000
Nether Winchendon House	-	35,000
Noke Court	-	19,603
Norton Conyers	18,000	18,000
Owlpen Manor	-	4,547
Pitchford Hall	13,500	25,500
Plumpton Rocks	13,321	-
Powderham Castle	50,000	-
Prince's Foundation BCA	15,000	15,000
Rokeby Park	30,000	-
Seaton Delaval	-	24,000
Sharpham House	10,500	4,500
Springfield House	8,000	12,000
Springhead Mill	10,000	-
Stonor Park	16,000	24,000
Stowe House (North Hall)	-	16,000
Sulgrave Manor	14,000	6,000
	<u>554,728</u>	<u>611,251</u>

HISTORIC HOUSES FOUNDATION
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 30 JUNE 2021

6 Grants payable (continued)

	2021	2020
	£	£
<i>Brought forward</i>	554,728	611,251
Tickenham Court	-	15,000
Treowen House	8,000	-
Westonbirt House	10,000	-
Wick Court	-	50,000
Winterbourne Barn	-	7,000
	<u>572,728</u>	<u>683,251</u>
Restricted grants from Heritage Conservation Trust Fund		
Capesthorne Hall	3,300	-
Hedingham Castle	-	6,000
Hutton in the Forest	1,000	-
Iscoyd Park	8,368	-
Kentchurch	4,000	-
Leighton Hall	1,090	910
Royal Museum Greenwich	1,500	-
Weston Park	-	6,637
	<u>19,258</u>	<u>13,547</u>
Restricted grants from Heritage Stimulus Fund		
Alnwick Castle	204,153	-
Boston Manor House	96,000	-
Broadlands	50,000	-
Claverton Manor	258,356	-
Eastnor Castle	87,489	-
Everingham Hall	158,125	-
Haddon Hall	173,000	-
Hedingham Castle	137,185	-
Holkham Hall	200,143	-
Knebworth House	182,501	-
Laver Marney Tower	82,352	-
Levens Hall	165,676	-
Muncaster Castle	15,210	-
Newby Hall	47,830	-
Powderham Castle	249,885	-
Sulgrave Manor	56,112	-
Wick Court	279,340	-
Woodchester Mansion	375,143	-
	<u>2,818,500</u>	<u>-</u>
Total grants payable	<u><u>3,410,486</u></u>	<u><u>696,798</u></u>

In addition to the amount payable (shown above) and accrued, Trustees had authorised at 30 June 2021 grants of £1,364,219 (2020: £1,477,264), which will be payable on the recipients fulfilling certain conditions. This amount has been treated as a designated fund (see note 13). Additionally, the Trustees had authorised £31,636 of grants (2020 - £29,526) from the restricted HCT Fund which remain unpaid at the year end.

HISTORIC HOUSES FOUNDATION
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 30 JUNE 2021

7 Grant support and governance costs

	2021			2020		
	Grant support	Govern- ance	Total	Grant support	Govern- ance	Total
	£	£	£	£	£	£
Staff costs (see note 8)	36,160	-	36,160	36,719	-	36,719
Rent	8,450	-	8,450	8,450	-	8,450
Rates	327	-	327	324	-	324
Light and heat	100	-	100	185	-	185
IT costs	2,719	-	2,719	3,616	-	3,616
Postage, stationery and telephone	388	-	388	499	-	499
Travelling and subsistence expenses	1,000	-	1,000	1,904	-	1,904
Insurance	1,474	-	1,474	1,581	-	1,581
Professional fees	-	408	408	-	443	443
Audit fees	-	4,980	4,980	-	4,992	4,992
Trustees' expenses	-	1,319	1,319	-	2,681	2,681
Fundraising advice	-	5,197	5,197	-	2,136	2,136
Portfolio review	-	-	-	-	3,000	3,000
Sundry expenses	-	208	208	-	421	421
	<u>50,618</u>	<u>12,112</u>	<u>62,730</u>	<u>53,278</u>	<u>13,673</u>	<u>66,951</u>

All support costs incurred by the Charity relate to grant-making activities.

8 Staff costs

	2021	2020
	£	£
Employment costs:		
Wages and salaries	32,873	32,873
Pension costs	3,287	3,288
Social security costs	-	558
	<u>36,160</u>	<u>36,719</u>

The charity has one employee (2020: one) whose annual emoluments did not exceed £60,000.

HISTORIC HOUSES FOUNDATION
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 30 JUNE 2021

9 Statement of Financial Activities (including Summary Income and Expenditure Account) prior period comparatives – re year ended 30 June 2020

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income						
Donations and legacies	3	45,916	-	-	45,916	38,629
Investment income	4	279,944	-	-	279,944	268,664
Total incoming resources		325,860	-	-	325,860	307,293
Expenditure						
Cost of raising funds						
Investment managers' fees		39,673	-	-	39,673	34,067
Expenditure on charitable activities						
Grants payable	6	-	683,251	13,547	696,798	683,354
Grant support and governance costs	7	66,951	-	-	66,951	76,540
Cost of grant making		66,951	683,251	13,547	763,749	759,894
Total expenditure		106,624	683,251	13,547	803,422	793,961
Net income/(expenditure) for the year		219,236	(683,251)	(13,547)	(477,562)	(486,668)
Transfer of funds from Heritage Conservation Trust	14	-	-	(13,932)	(13,932)	256,600
(Loss) on investment assets	10	(71,252)	-	-	(71,252)	(116,274)
Net increase/(decrease) in funds for the year		147,984	(683,251)	(27,479)	(562,746)	(346,342)
Gross transfers between funds		(496,542)	496,542	-	-	-
Net movements in funds for the year		(348,558)	(186,709)	(27,479)	(562,746)	(346,342)
Reconciliation of funds						
Total funds brought forward at 1 July 2019		10,065,345	1,663,973	256,600	11,985,918	12,332,260
Total funds carried forward at 30 June 2020		9,716,787	1,477,264	229,121	11,423,172	11,985,918

HISTORIC HOUSES FOUNDATION
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 30 JUNE 2021

10 Fixed asset investments

	2021 £	2020 £	
Listed investments at market value	14,468,323	11,040,154	
Cash held by investment managers	<u>251,508</u>	<u>331,697</u>	
	<u>14,719,831</u>	<u>11,371,851</u>	
Shares and securities	2021 £	2020 £	
Market value			
At 1 July 2020	11,040,154	11,087,384	
Acquisitions	7,773,561	5,418,737	
Disposals	(6,087,740)	(5,394,715)	
Gains/(losses) on investment assets	<u>1,742,348</u>	<u>(71,252)</u>	
At 30 June 2021	<u>14,468,323</u>	<u>11,040,154</u>	
Historic cost			
At 30 June 2021	<u>12,845,781</u>	<u>10,490,742</u>	
Unrealised gains to 30 June 2021	<u>1,622,542</u>	<u>549,412</u>	
Investments at fair value comprised:			
	Assets held in UK £	Assets held outside UK £	Total £
Equities	1,820,562	8,464,493	10,285,055
Bonds	769,389	315,134	1,084,523
Multi-asset funds	235,469	-	235,469
Alternatives	1,790,372	568,235	2,358,607
Liquid funds	504,669	-	504,669
Cash	<u>251,508</u>	<u>-</u>	<u>251,508</u>
Total	<u>5,371,969</u>	<u>9,347,862</u>	<u>14,719,831</u>

HISTORIC HOUSES FOUNDATION
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 30 JUNE 2021

11 Debtors

	2021	2020
	£	£
Grants	-	2,000
Prepayments and accrued income	<u>1,595</u>	<u>6,670</u>
	<u>1,595</u>	<u>8,670</u>

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Grants payable	653,847	124,000
Accruals	<u>24,583</u>	<u>20,355</u>
	<u>678,430</u>	<u>144,355</u>

13 Designated funds

	2021		2020	
	£	£	£	£
Grant commitments at 1 July 2020 (1 July 2019)		1,477,264		1,663,973
Grants approved		470,076		516,103
Grants withdrawn/adjusted		<u>(10,393)</u>		<u>(19,561)</u>
		1,936,947		2,160,515
Less Grants payable				
Paid in the year	637,291		628,351	
Less: Grants payable accrual at 1 July 2020	(124,000)		(69,100)	
Add: Grants payable accrual at 30 June 2021	<u>59,437</u>		<u>124,000</u>	
		<u>572,728</u>		<u>683,251</u>
Grant commitments at 30 June 2021 (30 June 2020)		<u>1,364,219</u>		<u>1,477,264</u>

HISTORIC HOUSES FOUNDATION
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 30 JUNE 2021

14 Restricted funds

The Heritage Conservation Trust fund was established to hold the funds receivable on the transfer of the assets of the Heritage Conservation Trust in 2019.

The Heritage Stimulus Fund was established to hold funds received under Grants for Programmes of Major Works of the Government's Cultural Recovery Fund. This was granted to fund 18 specific projects.

Grants payable from these funds are then deducted.

	Heritage Conservation Trust £	Heritage Stimulus Fund £	2021 £	2020 £
Restricted fund balance at 1 July 2020	229,121	-	229,121	256,600
Grants payable	-	2,837,851	2,837,851	-
Adjustment of transfer of funds from Heritage Conservation Trust	-	-	-	(13,932)
Grants payable	(19,258)	(2,818,500)	(2,837,758)	(13,547)
Restricted fund balance at 30 June 2021	<u>209,863</u>	<u>19,351</u>	<u>229,214</u>	<u>229,121</u>

At 30 June 2021 £31,636 (2020 - £29,526) of the Heritage Conservation Trust fund was committed to be spent leaving £178,227 available.

15 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	2021 Total £
Fund balances at 30 June 2021 are represented by:				
Investments	13,355,612	1,364,219	-	14,719,831
Net current assets	(189,399)	-	229,214	39,815
	<u>13,166,213</u>	<u>1,364,219</u>	<u>229,214</u>	<u>14,759,646</u>

15a Analysis of net assets between funds (prior year)

	Unrestricted funds £	Designated funds £	Restricted funds £	2020 Total £
Fund balances at 30 June 2020 are represented by:				
Investments	9,894,587	1,477,264	-	11,371,851
Net current assets	(177,800)	-	229,121	51,321
	<u>9,716,787</u>	<u>1,477,264</u>	<u>229,121</u>	<u>11,423,172</u>

**HISTORIC HOUSES FOUNDATION
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 30 JUNE 2021**

16 Legal status of the charity

The Charity is a company limited by guarantee. The members of the Charity are the Trustees listed on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member. The Charity's controlling party is the board of Directors who are also the Trustees.