

**Charity Registration No. 1111049**

**Company Registration No. 05433717**

**HISTORIC HOUSES FOUNDATION**  
**TRUSTEES' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**



# **HISTORIC HOUSES FOUNDATION**

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**HISTORIC HOUSES FOUNDATION**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

<b>Trustees</b>	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
<b>Secretary</b>	David Price
<b>Charity number</b>	1111049
<b>Company number</b>	05433717
<b>Principal address</b>	Sheephouse Farm Uley Road Dursley Gloucestershire GL11 5AD
<b>Registered office</b>	Sheephouse Farm Uley Road Dursley Gloucestershire GL11 5AD
<b>Independent Auditors</b>	Randall and Payne LLP (incorporating Little and Company) Chargrove House Shurdington Road Cheltenham Gloucestershire GL51 4GA
<b>Bankers</b>	Barclays Bank plc 99 Hatton Garden London EC1N 8DN
<b>Solicitors</b>	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 3LH
<b>Investment Managers</b>	Cazenove Capital 1 London Wall Place London EC2Y 5AU

# **HISTORIC HOUSES FOUNDATION TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2022**

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 2022.

The accounts have been prepared in accordance with the accounting policies set out 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  
Matthew Rice

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.

# HISTORIC HOUSES FOUNDATION

## TRUSTEES' REPORT (continued)

### FOR THE YEAR ENDED 30 JUNE 2022

#### Risk management (continued)

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.

#### 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 313 projects with grant offers totaling £16.88million. A bid to Historic England for the Grants for Programmes of Major Works strand of the Heritage Stimulus Fund (phase2), part of the Government's Cultural Recovery Fund was successful and in September it was confirmed that Historic Houses Foundation would receive a further grant of £2.2 million to distribute to 13 projects.

	No. of projects approved in year	Total granted £	Average grant £	Paid at 30/6/22 £	Balance Due £
<b>General Fund Grants</b>					
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	697,745	106,700
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	398,497	170,000
2018-19	26	797,701	30,681	562,901	234,800
2019-20	16	513,540	32,096	348,240	165,300
2020-21	20	470,146	23,507	344,146	126,000
2021-22	9	396,000	44,000	82,500	313,500
	267	11,758,609		10,428,266	1,330,343
<b>Restricted Fund Grants</b>					
<b>Heritage Conservation Trust</b>					
2019-20	9	43,073	4,786	25,437	17,636
2020-21	4	21,368	5,342	21,368	-
2021/22	2	8,896	4,448	1,750	7,146
	15	73,337		48,555	24,782
<b>Heritage Stimulus Fund</b>					
2020-21	18	2,818,500	156,583	2,818,500	-
2021-22	13	2,230,992	171,615	2,230,992	-
	31	5,049,492		5,049,492	-
Total grants	313	16,881,438		15,526,313	1,355,125

# **HISTORIC HOUSES FOUNDATION**

## **TRUSTEES' REPORT (continued)**

### **FOR THE YEAR ENDED 30 JUNE 2022**

#### **Grants awarded during the year**

During the year Trustees considered 59 requests for support (84 in 2020/21) and offered grants totaling £2.635 million to 24 applicants (£3.324 million to 42 applicants in 2020/21) supporting the following projects:

Repairs to the riding school at **Deene Park**.

The restoration of the medieval hall, solar, and parlour at **Calverley Old Hall**.

Clock restoration at **Bamburgh Castle**, supported by a donation in memory of Colin McAllister through the University Hospitals Birmingham Charity.

Sponsorship of the Heritage Alliance's **Heritage Update** for four years.

Funding bursaries for two students on the **City and Guilds** Historic Carving and Conservation courses for three years.

High level repairs to **Keppel's Column**.

The restoration of the camellia house at **Wentworth Woodhouse**.

External repairs to **Heydon Hall**.

Restoration of the southern external stone steps of **Kirtlington Park**.

#### **Restricted Art Fund**

Restoration of the hatchment of the 1st Lord Armstrong in **St Aidan's Church**, Bamburgh.

The restoration of work by George Jamesone at **Hopetoun House**.

#### **Heritage Stimulus Fund**

Repair of the South Range at **Woodchester Mansion**.

Internal and external repairs at **Muncaster Castle**.

Masonry, timber and glazing repairs to the Long Gallery at **Haddon Hall**.

Repair of **Hedingham Castle's** Tudor Bridge and the Keep.

Re-roofing and repairs of chimneys and dormer windows at **Jane Austen's House**.

Repairs to rendering, chimney and leadwork at **Moggerhanger Park**.

The restoration of the **Everingham Hall** Chapel ceiling.

Repairs to the Kitchen Wing Courtyard western elevation of **Levens Hall**.

The repairs and re-roofing of **Raby Castle's** Keep tower.

The repair of **Browsholme Hall's** roof slate and chimneys.

The restoration of the Sunken Pit House in **Holkham Hall's** walled garden.

Masonry repairs to the garden walls of **Scampston Hall**.

Repair of **Longleat House's** East Terrace.

# HISTORIC HOUSES FOUNDATION

## TRUSTEES' REPORT (continued)

### FOR THE YEAR ENDED 30 JUNE 2022

#### 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:

A third phase of repair to the **Faringdon Folly Tower**.

Repairs to the north-west tower of the **Archbishop's Palace, Otford**.

Roof repairs to **Rydal Mount**.

Repair of the Guildhall roof at **Alton Castle**.

High level repairs to **Beckford's Tower**.

Repair of the Great Hall and West Wing roofs of **Middleton Hall**.

The restoration of hatchments within **Halston Hall chapel**.

#### 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 decrease in funds of £536,680 (2021: increase of £3,336,474). In 2021/22 the Charity's investments showed a decrease of £653,230 after additions and drawdowns (2021: increase of £3,347,980) and at the year end the investments were valued at £14,066,601.

Investment summary:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Market value of investments at 1 July 2021 (1 July 2020)	14,719,831	11,371,851
Income	325,651	149,743
Shares transferred in as donation	940,826	1,996,952
Drawdowns	(500,000)	(500,000)
Change in market value	<u>(1,419,707)</u>	<u>1,701,285</u>
Market value of investments at 30 June 2022 (30 June 2021)	<u><u>14,066,601</u></u>	<u><u>14,719,831</u></u>

At 31 December 2022 the market value of the investments was £14,174,725.

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 2022**

**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 a further donation of £1million 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. An anonymous donor has offered to match all donations up to a total of £5 million, 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**

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

**Norman Hudson OBE**

Chairman  
17 May 2023

## **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 their 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 2022, 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 (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 2022 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 mis-stated. If we identify such material inconsistencies or apparent material mis-statements, we are required to determine whether there is a material mis-statement in the financial statements or a material mis-statement of the other information. If, based on the work we have performed, we conclude that there is a material mis-statement 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 mis-statements 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 7, 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 mis-statement, 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. Mis-statements 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](http://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  
**May 2023**

**HISTORIC HOUSES FOUNDATION**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(including Summary Income and Expenditure Account)**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2022 £	Total 2021 £
<b>Income</b>						
Grants, donations and legacies	3	1,105,223	-	2,230,992	3,336,215	4,961,348
Investment income	4	<u>325,744</u>	<u>-</u>	<u>-</u>	<u>325,744</u>	<u>149,858</u>
Total incoming resources		<u>1,430,967</u>	<u>-</u>	<u>2,230,992</u>	<u>3,661,959</u>	<u>5,111,206</u>
<b>Expenditure</b>						
Cost of raising funds						
Investment managers' fees		<u>51,802</u>	<u>-</u>	<u>-</u>	<u>51,802</u>	<u>43,864</u>
Expenditure on charitable activities						
Grants payable	6	-	429,946	2,246,742	2,676,688	3,410,486
Grant support and governance costs	7	<u>109,213</u>	<u>-</u>	<u>-</u>	<u>109,213</u>	<u>62,730</u>
Cost of grant making		<u>109,213</u>	<u>429,946</u>	<u>2,246,742</u>	<u>2,785,901</u>	<u>3,473,216</u>
<b>Total expenditure</b>		<u>161,015</u>	<u>429,946</u>	<u>2,246,742</u>	<u>2,837,703</u>	<u>3,517,080</u>
<b>Net income/(expenditure) for the year</b>		1,269,952	(429,946)	(15,750)	824,256	1,594,126
(Loss)/gain on investment assets	10	<u>(1,368,458)</u>	<u>-</u>	<u>-</u>	<u>(1,368,458)</u>	<u>1,742,348</u>
<b>Net (decrease)/increase in funds for the year</b>		(98,506)	(429,946)	(15,750)	(544,202)	3,336,474
Gross transfers between funds		<u>(396,070)</u>	<u>396,070</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movements in funds for the year</b>		<u>(494,576)</u>	<u>(33,876)</u>	<u>(15,750)</u>	<u>(544,202)</u>	<u>3,336,474</u>
<b>Reconciliation of funds</b>						
<b>Total funds brought forward at 1 July 2021</b>		<u>13,166,213</u>	<u>1,364,219</u>	<u>229,214</u>	<u>14,759,646</u>	<u>11,423,172</u>
<b>Total funds carried forward at 30 June 2022</b>		<u>12,671,637</u>	<u>1,330,343</u>	<u>213,464</u>	<u>14,215,444</u>	<u>14,759,646</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 2021 figures is shown on page 19.

**HISTORIC HOUSES FOUNDATION**  
**BALANCE SHEET**  
**AT 30 JUNE 2022**

		2022	2021
	Note	£	£
<b>Fixed assets</b>			
Investments	10	14,066,601	14,719,831
<b>Current assets</b>			
Debtors	11	1,040	1,595
Cash at bank		<u>801,570</u>	<u>716,650</u>
		802,610	718,245
<b>Creditors:</b> amounts falling due within one year	12	<u>(653,767)</u>	<u>(678,430)</u>
<b>Net current assets</b>		<u>148,843</u>	<u>39,815</u>
<b>Net assets</b>		<u><u>14,215,444</u></u>	<u><u>14,759,646</u></u>
<b>RESERVES AND FUNDS</b>			
Unrestricted funds		12,671,637	13,166,213
Designated funds	13	1,330,343	1,364,219
Restricted funds	14	<u>213,464</u>	<u>229,214</u>
		<u><u>14,215,444</u></u>	<u><u>14,759,646</u></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 10 to 23 were approved by the board on 17 May 2023 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 2022**

	<b>2022</b> £	<b>2021</b> £
<b>Net cash generated from operating activities (see note below)</b>	<u>474,404</u>	<u>1,985,418</u>
<b>Cash flows from investing activities:</b>		
Dividends and interest	325,744	149,858
Disposal proceeds on sale of investments	15,780,444	6,087,740
Purchase of investments	(16,288,052)	(7,773,561)
(Increase)/decrease in uninvested cash held by investment managers	<u>(207,620)</u>	<u>80,189</u>
<b>Net cash provided by investing activities</b>	<u>(389,484)</u>	<u>(1,455,774)</u>
Change in cash and cash equivalents in the year	84,920	529,644
Cash and cash equivalents brought forward	<u>716,650</u>	<u>187,006</u>
Cash and cash equivalents carried forward	<u><u>801,570</u></u>	<u><u>716,650</u></u>

**NOTE TO THE CASH FLOW STATEMENT**

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

	<b>2022</b> £	<b>2021</b> £
Net movement in funds for the year	(544,202)	3,336,474
Deduct: Investment income shown in investing activities	(325,744)	(149,858)
Loss/(gain) on investments	1,368,458	(1,742,348)
Decrease in debtors	555	7,075
(Decrease)/increase in creditors	<u>(24,663)</u>	<u>534,075</u>
<b>Net cash generated from operating activities</b>	<u><u>474,404</u></u>	<u><u>1,985,418</u></u>

# **HISTORIC HOUSES FOUNDATION**

## **NOTES TO THE ACCOUNTS**

### **FOR THE YEAR ENDED 30 JUNE 2022**

#### **1 Accounting policies**

##### **1.1 Statutory information**

Historic Houses Foundation is an incorporated charity registered with Companies House and with the 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 (FRS 102) (the Charities SORP (FRS102)), the Financial Reporting Standard applicable in the United Kingdom (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 on the Charity and its cash flows of the current economic uncertainty, impact of inflation and the downturn in global markets 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 2022**

**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 other than Mary King who received a consultancy fee of £10,027 via Historic England to assist with work on the Heritage Stimulus Fund.

Travel expenses totalling £3,074 (2021 - £1,319) were reimbursed during the year to 4 (2021 – 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.

There were no 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 2022**

**3 Grants, donations and legacies**

	2022	2021
	£	£
Heritage Stimulus Fund Grant	2,272,992	2,862,751
Donations and legacies receivable	<u>1,063,223</u>	<u>2,098,597</u>
	<u><u>3,336,215</u></u>	<u><u>4,961,348</u></u>

**4 Investment income**

	2022	2021
	£	£
Income from investments	325,651	149,743
Bank interest receivable	<u>93</u>	<u>115</u>
	<u><u>325,744</u></u>	<u><u>149,858</u></u>

**5 Expenditure**

		Staff costs	Other costs	Grant funding	Total 2022	Total 2021
	Note	£	£	£	£	£
Grant funding	6	-	-	2,676,688	2,676,688	3,410,486
Grant support and governance costs	7	<u>56,160</u>	<u>53,053</u>	<u>-</u>	<u>109,213</u>	<u>62,730</u>
		<u><u>56,160</u></u>	<u><u>53,053</u></u>	<u><u>2,676,688</u></u>	<u><u>2,785,901</u></u>	<u><u>3,473,216</u></u>

**HISTORIC HOUSES FOUNDATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**6 Grants payable**

	2022	2021
	£	£
<b>Grants relating to direct charitable expenditure comprise:</b>		
Abercamlais Bridge	-	35,000
Allerton Castle	30,000	-
Belsay Hall	9,000	-
Bodryhddan Hall	-	5,000
Calverley Old Hall	40,000	-
Cannon Hall	-	27,170
City and Guilds	-	11,000
Combermere Abbey	13,500	27,000
Creeksea Place	-	35,000
Ditchley Park Rotunda	6,000	-
Everingham Hall Chapel	-	47,437
Glyn Cywarch	-	42,000
Gwydir Castle	-	50,000
Hay Castle	40,000	-
Heritage Funding Directory	2,800	2,800
Heritage Update II	12,500	4,000
Kelmscott Manor	20,000	15,000
Kenward House	19,000	-
Keppel's Column	30,000	-
Kilve Chantry	6,000	6,000
Kimberley Hall	20,000	-
Kirtlington Park	36,000	-
Langton Hall	-	21,000
Lawkland Hall	21,000	10,500
Letton Hall	-	7,500
Middleton Hall	-	10,000
Norton Conyers	24,000	18,000
Pitchford Hall	-	13,500
Plumpton Rocks	-	13,321
Powderham Castle	-	50,000
Prince's Foundation BCA	-	15,000
Rokeby Park	-	30,000
Sandon Hall	1,376	-
Sharpham House	-	10,500
Somerleyton Hall	16,770	-
Springfield House	-	8,000
Springhead Mill	-	10,000
Stonor Park	-	16,000
Sudbury Gasworks	12,000	-
Sulgrave Manor	-	14,000
	<u>359,946</u>	<u>554,728</u>

**HISTORIC HOUSES FOUNDATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**6 Grants payable (continued)**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<i>Brought forward</i>	359,946	554,728
Tickenham Court	20,000	-
Treowen House	-	8,000
Turvey House	10,000	-
Westonbirt House	-	10,000
Wolterton Park	40,000	-
	<u>429,946</u>	<u>572,728</u>
<b>Restricted grants from Heritage Conservation Trust Fund</b>		
Bamburgh Church	1,750	-
Capesthorne Hall	-	3,300
Fulham Palace	3,000	-
Hedingham Castle	6,000	-
Hutton in the Forest	1,000	1,000
Iscoyd Park	-	8,368
Kentchurch	4,000	4,000
Leighton Hall	-	1,090
Royal Museum Greenwich	-	1,500
	<u>15,750</u>	<u>19,258</u>
<b>Restricted grants from Heritage Stimulus Fund</b>		
Alnwick Castle	-	204,153
Boston Manor House	-	96,000
Broadlands	-	50,000
Browsholme Hall	215,558	-
Claverton Manor	-	258,356
Eastnor Castle	-	87,489
Everingham Hall	145,030	158,125
Haddon Hall	350,291	173,000
Hedingham Castle	107,476	137,185
Holkham Hall	286,217	200,143
Jane Austen's House	84,337	-
Knebworth House	-	182,501
Layer Marney Tower	-	82,352
Levens Hall	176,260	165,676
Longleat	210,014	-
Moggerhanger Park	77,089	-
Muncaster Castle	242,986	15,210
Newby Hall	-	47,830
Powderham Castle	-	249,885
Raby Castle	57,566	-
Scampston Hall	102,905	-
Sulgrave Manor	-	56,112
Wick Court	-	279,340
Woodchester Mansion	175,263	375,143
	<u>2,230,992</u>	<u>2,818,500</u>
Total grants payable	<u>2,676,688</u>	<u>3,410,486</u>

**HISTORIC HOUSES FOUNDATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**6 Grants payable (continued)**

In addition to the amount payable (shown above) and accrued, Trustees had authorised at 30 June 2022 grants of £1,330,343 (2021: £1,364,219), 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 £24,782 of grants (2021 - £31,636) from the restricted HCT Fund which remain unpaid at the year end.

**7 Grant support and governance costs**

	----- 2022 -----			----- 2021 -----		
	Grant support	Govern- ance	Total	Grant support	Govern- ance	Total
	£	£	£	£	£	£
Staff costs (see note 8)	56,160	-	56,160	36,160	-	36,160
Rent	8,450	-	8,450	8,450	-	8,450
Rates	328	-	328	327	-	327
Light and heat	50	-	50	100	-	100
IT costs	2,222	-	2,222	2,719	-	2,719
Postage, stationery and telephone	231	-	231	388	-	388
Travelling and subsistence expenses	1,334	-	1,334	1,000	-	1,000
Insurance	1,425	-	1,425	1,474	-	1,474
Consultancy fees (see note 2)	10,027	-	10,027	-	-	-
Professional fees	-	670	670	-	408	408
Audit fees	-	7,272	7,272	-	4,980	4,980
Trustees' expenses	-	3,074	3,074	-	1,319	1,319
Fundraising and marketing advice	-	17,336	17,336	-	5,197	5,197
Sundry expenses	-	634	634	-	208	208
	<u>80,227</u>	<u>28,986</u>	<u>109,213</u>	<u>50,618</u>	<u>12,112</u>	<u>62,730</u>

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

**8 Staff costs**

	2022	2021
	£	£
<b>Employment costs:</b>		
Wages and salaries	32,873	32,873
Pension costs	23,287	3,287
Social security costs	-	-
	<u>56,160</u>	<u>36,160</u>

The charity has one employee (2021: one) whose annual emoluments did not exceed £60,000.

**HISTORIC HOUSES FOUNDATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**9 Statement of Financial Activities (including Summary Income and Expenditure Account) prior period comparatives – re year ended 30 June 2021**

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2021 £
<b>Income</b>				
Grants, donations and legacies	2,123,497	-	2,837,851	4,961,348
Investment income	149,858	-	-	149,858
Total incoming resources	<u>2,273,355</u>	<u>-</u>	<u>2,837,851</u>	<u>5,111,206</u>
<b>Expenditure</b>				
Cost of raising funds				
Investment managers' fees	<u>43,864</u>	<u>-</u>	<u>-</u>	<u>43,864</u>
Expenditure on charitable activities				
Grants payable	-	572,728	2,837,758	3,410,486
Grant support and governance costs	<u>62,730</u>	<u>-</u>	<u>-</u>	<u>62,730</u>
Cost of grant making	<u>62,730</u>	<u>572,728</u>	<u>2,837,758</u>	<u>3,473,216</u>
<b>Total expenditure</b>	<u>106,594</u>	<u>572,728</u>	<u>2,837,758</u>	<u>3,517,080</u>
<b>Net income/(expenditure) for the year</b>	2,166,761	(572,728)	93	1,594,126
Gain/(loss) on investment assets	<u>1,742,348</u>	<u>-</u>	<u>-</u>	<u>1,742,348</u>
<b>Net increase/(decrease) in funds for the year</b>	<u>3,909,109</u>	<u>(572,728)</u>	<u>93</u>	<u>3,336,474</u>
Gross transfers between funds	<u>(459,683)</u>	<u>459,683</u>	<u>-</u>	<u>-</u>
<b>Net movements in funds for the year</b>	<u>3,449,426</u>	<u>(113,045)</u>	<u>93</u>	<u>3,336,474</u>
<b>Reconciliation of funds</b>				
<b>Total funds brought forward at 1 July 2020</b>	<u>9,716,787</u>	<u>1,477,264</u>	<u>229,121</u>	<u>11,423,172</u>
<b>Total funds carried forward at 30 June 2021</b>	<u>13,166,213</u>	<u>1,364,219</u>	<u>229,214</u>	<u>14,759,646</u>

**HISTORIC HOUSES FOUNDATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**10 Fixed asset investments**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Listed investments at market value	13,607,473	14,468,323
Cash held by investment managers	<u>459,128</u>	<u>251,508</u>
	<u><u>14,066,601</u></u>	<u><u>14,719,831</u></u>

<b>Shares and securities</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Market value</b>		
At 1 July 2021	14,468,323	11,040,154
Acquisitions	16,288,052	7,773,561
Disposals	(15,780,444)	(6,087,740)
(Losses)/gains on investment assets	<u>(1,368,458)</u>	<u>1,742,348</u>
At 30 June 2022	<u><u>13,607,473</u></u>	<u><u>14,468,323</u></u>
<b>Historic cost</b>		
At 30 June 2022	<u><u>16,038,279</u></u>	<u><u>12,845,781</u></u>
Unrealised (losses)/gains to 30 June 2022	<u><u>(2,430,806)</u></u>	<u><u>1,622,542</u></u>

**Investments at fair value comprised:**

	<b>Assets held in UK</b>	<b>Assets held outside UK</b>	<b>2022 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Equities	462,283	8,888,881	9,351,164
Bonds	1,033,793	-	1,033,793
Alternatives	2,296,043	562,780	2,858,823
Liquid funds	361,376	2,317	363,693
Cash	<u>438,010</u>	<u>21,118</u>	<u>459,128</u>
Total	<u><u>4,591,505</u></u>	<u><u>9,475,096</u></u>	<u><u>14,066,601</u></u>

**HISTORIC HOUSES FOUNDATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**11 Debtors**

	2022	2021
	£	£
Prepayments and accrued income	1,040	1,595
	<u>1,040</u>	<u>1,595</u>

**12 Creditors: amounts falling due within one year**

	2022	2021
	£	£
Grants payable	619,705	653,847
Accruals	34,062	24,583
	<u>653,767</u>	<u>678,430</u>

**13 Designated funds**

	2022	2021
	£	£
Grant commitments at 1 July 2021(1 July 2021)	1,364,219	1,477,264
Grants approved	396,000	470,076
Grants adjustments	<u>70</u>	<u>(10,393)</u>
	1,760,289	1,936,947
Less Grants payable		
Paid in the year	426,216	637,291
Less: Grants payable accrual at 1 July 2021	(59,437)	(124,000)
Add: Grants payable accrual at 30 June 2022	<u>63,167</u>	<u>59,437</u>
	429,946	572,728
Grant commitments at 30 June 2022 (30 June 2021)	<u>1,330,343</u>	<u>1,364,219</u>

**HISTORIC HOUSES FOUNDATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**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 in phase 1 and a further 13 specific projects in phase 2.

Grants payable from these funds are then deducted.

	Heritage Conservation Trust £	Heritage Stimulus Fund £	2022 £	2021 £
Restricted fund balance at 1 July 2021	209,863	19,351	229,214	229,121
Grants payable	-	2,230,992	2,230,992	2,837,851
Grants paid	(15,750)	(2,230,992)	(2,246,742)	(2,837,758)
Restricted fund balance at 30 June 2022	<u>194,113</u>	<u>19,351</u>	<u>213,464</u>	<u>229,214</u>

At 30 June 2022 £24,782 (2021 - £31,636) of the Heritage Conservation Trust fund was committed to be spent leaving £169,331 available.

**15 Analysis of net assets between funds**

	Unrestricted funds £	Designated funds £	Restricted funds £	2022 Total £
Fund balances at 30 June 2022 are represented by:				
Investments	12,736,258	1,330,343	-	14,066,601
Net current assets	(64,621)	-	213,464	148,843
	<u>12,671,637</u>	<u>1,330,343</u>	<u>213,464</u>	<u>14,215,444</u>

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

	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>

**HISTORIC HOUSES FOUNDATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**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.