

SIR EDWARD HEATH CHARITABLE FOUNDATION
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

Registered Charity No: 1112773

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FLETCHER & PARTNERS
CHARTERED ACCOUNTANTS
SALISBURY

SIR EDWARD HEATH CHARITABLE FOUNDATION
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees:

Mr L Seligman
Mr J Elder
Mr E Bickham
Mr P Batey CMG OBE (Chairman)
Colonel G MacDougall
Mr A Teasdale
Mr M McManus
The Lady Susan of Mar
Lord MacGregor of Pulham Market OBE
Mr L Austin
Mr N Carmichael

Officers

Manager Mr I Smith MRICS

Address:

Arundells
59 The Close
Salisbury
SP1 2EN

Advisers

Auditors: Fletcher & Partners, Crown Chambers, Bridge Street, Salisbury SP1 2LZ

Bankers: NatWest, 48 Blue Boar Row, Salisbury, SP1 1DF

Solicitors: Wilsons Solicitors LLP, Alexandra House, St Johns Street, Salisbury, SP1 2SB

Registered Number

Charity No: 1112773

SIR EDWARD HEATH CHARITABLE FOUNDATION
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Introduction by Peter Batey CMG OBE, Chairman

In common with other charities that open houses to the public, 2020 was a difficult year for Arundells and the Sir Edward Heath Charitable Foundation due to Covid-19. Our 2020 visitor season was almost completely wiped out, as were our two other principal income streams, own own programme of events (including exhibitions, lectures, seminars, concerts and dramatic performances) and events held by other organisations and groups at Arundells and in its beautiful gardens (including dinners, receptions, seminars etc). We are most grateful for the government support which we received in the hard times.

Nevertheless the bounce-back in 2021 has been most encouraging despite Covid restrictions and the need for continued caution even after most restrictions were lifted in July. The outlook for 2022 is promising, provided that Covid can be contained.

During 2020 and 2021, the trustees have focussed on developing the Foundation's educational activities, in line with our charitable remit. In 2021 we plan to launch a new Edward Heath University Lectures series to mark the 50th anniversary of the Heath government. This will be a five-year programme of political history lectures on the problems faced by the 1970-74 government and their resonance today - so many of the same issues remain alive and relevant in the 2020s.

The first lecture is scheduled to take place on 3rd November 2021 at the University of Nottingham. Michael Heseltine will address the issue of Europe, with Kenneth Clarke in the chair. Britain's relationship with Europe remains as contentious today as it was in the 1970s.

On 4th May 2022 Chris Patten will give the second lecture at Newcastle University on Britain's relationship with China. Later in 2022 at Edinburgh University, Malcolm Rifkind will discuss Devolution and Federalism, issues that are as alive today as they were half a century ago.

Subsequent lectures are planned for Liverpool, London and Oxford universities to address questions with which the Heath government wrestled that continue to confront Britain today. These will include local government finance and taxation, Northern Ireland, energy supply and industrial productivity.

The trustees plan to work additionally with universities in Wales and Northern Ireland, so that the University Lecture series embraces the whole of the United Kingdom.

In the mean time the trustees and management committee continue to work to improve accessibility to minority and disadvantaged groups at Arundells. As part of this effort we are planning to complete the renovation of the old stables during our winter closed season in the early months of 2022, enabling us to extend and enhance our exhibition and seminar facilities.

Governing Document

The Foundation was established under the will of the Right Honourable Sir Edward Heath KG MBE proved in the High Court of Justice on 18th January 2006, as amended by a Deed of Amendment dated 1st February 2007.

Appointment, Training and Induction of Trustees

The Trustees have the power to appoint new Trustees and when making any appointments the Trustees have regard to the requirement for special skills and the needs of the foundation. New Trustees are made aware of their legal obligations under charity law and the aims and objectives of the charity.

Organisation

The Trustees administer the charity and have regular meetings, which cover matters relating to the administration and managing of the trust.

Risk Management

The charity has appraised its risks. The key headings under which risks fall have been identified, and work continues to be done to ensure that adequate controls exist to mitigate the effect of those identified risks.

SIR EDWARD HEATH CHARITABLE FOUNDATION
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020
(CONTINUED)

OBJECTIVES AND ACTIVITIES

Objects and activities of the Charity

The principal activities of the Charity are:

- The preservation for the public benefit of Arundells and its associated amenities as a building of both
- The preservation of the furniture, pictures, and memorabilia ordinarily kept at Arundells and the
- The advancement of education through access to Arundells and study and research of his papers.
- The advancement of education to the public in the artistic appreciation of music.

Such other purposes which are exclusively charitable according to the law of England and Wales.

In setting our objectives and planning our activities the Trustees have given careful consideration to the

Review of activities in 2020

The Covid pandemic inevitably resulted in an extremely difficult and frustrating year, with the enforced closure of Arundells to all visitors and the cancellation or postponement of an extensive and diverse programme of events, functions, and private hospitality bookings. This was particularly hard given the drive to build upon the wide range of talks, concerts, seminars, theatrical productions, and corporate initiatives that had shown such promise in 2019.

One of the events postponed was the annual Sir Edward Heath Lecture; a key date in the Foundation's calendar and which, in 2020, would have celebrated the 50th anniversary of Sir Edward's victory in the 1970 General Election. Lord Clarke of Nottingham CH QC PC (Ken Clarke) had kindly agreed to be the principal speaker on this occasion. We sincerely hope that it will be possible to reschedule this lecture to an appropriate date in the future, although Covid restrictions may dictate this being in 2022 rather than in 2021.

The Morning Cloud Sailing talks also became a victim of the enforced closure, as well as evening or lunchtime lectures by such high profile speakers as Lord Deben PC (John Gummer) and Dominic Grieve QC PC, the former Attorney General.

It proved possible to open the house and garden to visitors at weekends during September, with extensive Covid related precautions in place to minimise the risk to visitors, staff, and volunteer stewards. These measures included the enforcement of social distancing requirements, the wearing of face coverings, a limitation upon numbers within the house at any one time and the introduction of a one way system. Numbers were very encouraging, with many people enjoying long weekend breaks in and around Salisbury following the easing of the first period of lockdown restrictions and the reopening of overnight accommodation, tourist, and leisure attractions.

A production of The Three Musketeers by the 'This is My Theatre Company' was staged on the one evening in September within the garden at Arundells. This was popular – and well supported – despite the Covid social distancing restrictions imposing a limit upon the number of people who were able to attend.

The major exhibition for 2020 – featuring works by the well-known sculptor Martin Jennings – was also sadly postponed. It is again hoped to hold this in 2021.

The disappointment of not being able to stage the exhibition and planned events programme, to not be able to welcome more visitors, or develop a greater range of opportunities for companies and individuals wishing to host private functions at Arundells, was felt deeply by all involved – trustees, staff, and volunteers alike.

The trustees of the Foundation hugely appreciate the ongoing support and help so tirelessly given by the many volunteers who make the opening of Arundells possible. From stewarding the rooms for visitors, to helping at numerous events and providing practical support over the winter months with cleaning and conservation tasks.

On a positive note, 2020 saw the redecoration of the exterior of Arundells and the ancillary buildings. This included necessary repair work to the sash windows (including the complete replacement of three) and the stonework. Work was completed to a high standard and Arundells has benefited accordingly.

Plans for Future Periods

It may well not be possible to reopen Arundells to visitors as early in 2021 as we would like. Covid restrictions permitting, 2021 and 2022 will see the resurgence of an enhanced events programme – with garden theatre, piano concerts, a summer evening of jazz music and a wide ranging series of talks by keynote speakers. This will include the relaunch of the popular Morning Cloud series of sailing talks and the rearranged annual Edward Heath lecture.

Private and corporate hospitality opportunities will continue to be developed and there will, when possible, be a continuing drive to establish productive links with the local community, a range of schools, and disadvantaged social groups. Enrichment activities – making as much use as possible of the garden as well as the house – will be central to this objective.

SIR EDWARD HEATH CHARITABLE FOUNDATION
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020
(CONTINUED)

Financial Review

There was a fall in visitor income to £4,860 (2019: £42,339). The charity received donations of £90,854 (2019: £165,434), £1,894 of which were for restricted purposes (2019: £10,169). The charity also generated income of £1,838 (2019: £31,052) from running other events. The charity made use of all available government grants which totalled £59,531 in 2020. A successful insurance claim was made against the fall in income associated with the pandemic, £58,206 of this claim is shown as income for 2020.

Expenditure decreased to £164,043 from £237,387 in 2019.

Overall there was net income of £58,924 compared with £11,672 in 2019.

The charity held no restricted funds at the year end. Unrestricted funds increased to £4,156,425. The fixed assets total £4,147,244 of which the vast majority amounting to £4,115,294 consist of Arundells and its contents. This therefore leaves £82,087 of unrestricted funds for the charity's activities, including the maintenance of Arundells.

Investment Powers and Policy

The charity has the power to invest in any way the Trustees see fit. The charity's investments are, however, minimal.

Reserves Policy

The Trustees' policy is that the charity's free reserves (that is, excluding Arundells and its contents) should not be allowed to fall to a level which would imperil an orderly closure of the charity's operations.

TRUSTEES RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The law applicable to charities requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing the financial statements giving a true and fair view, the Trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently.
- 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 departures disclosed and explained in the financial statements: and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which will enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Report) Regulations and the provisions of the trust deed. The Trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf

Peter Batey CMG OBE- Chairman

Date 23 October 2021

INDEPENDENT AUDITORS' REPORT TO
THE TRUSTEES OF THE SIR EDWARD HEATH CHARITABLE FOUNDATION

Opinion

We have audited the financial statements of The Sir Edward Heath Charitable Foundation for the year ended 31 December 2020, which comprise of the Statement of Financial Activities, the Balance Sheet and the related notes. 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 charity's affairs as at 31 December 2020, and of the incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with the Charities Act 2011.

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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRCs 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 directors' 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 Charity'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 information included in the annual report, other than the financial statements and our auditor's report thereon. 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 misstatements of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO
THE TRUSTEES OF THE SIR EDWARD HEATH CHARITABLE FOUNDATION**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees annual report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibility Statement, the trustees 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 controls as the trustees determine is necessary to enable the preparation of the 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors 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 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:

We ensured the engagement team collectively had appropriate competence and capabilities to recognise non-compliance with applicable laws and regulations. We identified the key laws applicable to the charity as those established in the Charity's constitution and wider Charity law, employment law and Health and Safety regulations. We assessed the susceptibility of the charity's accounts to material mis-statement by making enquiries of management and reviewing internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the FRC website (www.frc.org.uk/auditorsresponsibilities) This description forms part of our auditors report.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Fletcher & Partners
Chartered Accountants and Statutory Auditors.

Crown Chambers, Bridge Street,
Salisbury, SP1 2LZ
29 October 2021

Fletcher & Partners is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

SIR EDWARD HEATH CHARITABLE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020	Total Funds 2019
INCOME FROM:					
Donations		88,960	1,894	90,854	165,434
Investments	3	48	-	48	160
Charitable activities					
Visitor income		4,860	-	4,860	42,339
Visitor merchandise income		40	-	40	975
Events		1,838	-	1,838	31,052
Sundry income		6,416	-	6,416	21
Other trading activities					
Private lettings		1,800	-	1,800	9,553
Other Income					
Government grants		59,531	-	59,531	-
Insurance claims		58,206	-	58,206	-
TOTAL INCOME		<u>£ 221,699</u>	<u>£ 1,894</u>	<u>£ 223,593</u>	<u>£ 249,534</u>
EXPENDITURE ON:					
Raising funds	4a	7,362	-	7,362	37,536
Charitable activities	4b	141,652	15,029	156,681	199,851
TOTAL EXPENDITURE		<u>£ 149,014</u>	<u>£ 15,029</u>	<u>£ 164,043</u>	<u>£ 237,387</u>
Net losses on investments		(626)	-	(626)	(475)
Net income/(expenditure)		72,059	(13,135)	58,924	11,672
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		72,059	(13,135)	58,924	11,672
Total funds brought forward		<u>£ 4,084,366</u>	<u>£ 13,135</u>	<u>£ 4,097,501</u>	<u>£ 4,085,829</u>
Total funds carried forward		<u>£ 4,156,425</u>	<u>£ -</u>	<u>£ 4,156,425</u>	<u>£ 4,097,501</u>

The notes on pages 9 to 12 form part of these accounts

SIR EDWARD HEATH CHARITABLE FOUNDATION
BALANCE SHEET
AS AT 31 DECEMBER 2020

	<u>Note</u>	<u>2020</u>	<u>2019</u>
FIXED ASSETS:			
Tangible Assets	7	30,575	35,050
Heritage Assets	8	4,115,294	4,036,942
Investments	9	1,375	2,001
		<u>4,147,244</u>	<u>4,073,993</u>
CURRENT ASSETS:			
Debtors	10	77,226	18,398
Cash at bank and in hand		<u>14,549</u>	<u>15,256</u>
		91,775	33,654
LIABILITIES:			
CREDITORS: Amounts falling due within one year	11	<u>9,688</u>	<u>10,146</u>
NET CURRENT ASSETS		<u>82,087</u>	<u>23,508</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,229,331	4,097,501
NON-CURRENT LIABILITIES			
Loan	14	<u>72,906</u>	<u>-</u>
TOTAL NET ASSETS		<u>£4,156,425</u>	<u>£4,097,501</u>
THE FUNDS OF THE CHARITY:			
Unrestricted funds - General Fund		4,156,425	4,084,366
Restricted funds		<u>-</u>	<u>13,135</u>
TOTAL CHARITY FUNDS		<u>£4,156,425</u>	<u>£4,097,501</u>

Signed on behalf of the Board of Trustees

Peter Batey CMG OBE- Chairman

Approved by the Trustees:

23 October 2021

The notes on pages 9 to 12 form part of these accounts

SIR EDWARD HEATH CHARITABLE FOUNDATION
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2020

1. PRINCIPAL ACCOUNTING POLICIES

a. Basis of Accounting

The financial statements of the Charity are prepared in accordance with the 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) published on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. No adjustments were required as a result of the transition to these standards. 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 notes to these accounts.

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

There are no material uncertainties about the charity's ability to continue as a going concern, see note 15 for further information.

b. Fund Structure

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objects.

Restricted funds are funds which can only be used for particular purposes within the objects of the Trust. Restrictions arise either when they are specified by the donor or when funds are raised for a specific purpose.

c. Income

Voluntary income including donations, gifts and legacies and grants that provide core funding or on general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Visitor income is recognised at the date the visit takes place. Deposits received in advance are treated as deferred income in the accounts.

Investment income is recognised on a receivable basis.

d. Expenditure

Expenditure is accounted for on an accruals basis.

Charitable activities include all expenditure associated with the maintenance of Arundells, and includes governance costs.

Governance costs comprise the costs of audit, legal advice and compliance with constitutional and statutory requirements.

e. Tangible Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Individual assets costing £500 or more are capitalised and depreciation is calculated to write off the costs over their expected useful economic lives as follows:

Fixtures and Fittings	10% straight line basis
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f. Heritage Assets

No depreciation is provided on the assets acquired through the original gift from the Estate of Sir Edward Heath. It is the policy of the Foundation to carry out annually a full repair and maintenance programme such that the residual values of these assets, based on prices prevailing at the date of acquisition or the 2005 probate value, as applicable, are at least equal to their carrying value. Significant repairs that will reoccur on a cyclical basis will be capitalised and depreciated over their expected lifetime. Carrying values are reviewed annually and provision made, if necessary, for any impairment in value. The Trustees have no intention to acquire or dispose of any heritage assets in the near future.

g. Investments

Fixed asset investments are held to generate income. Investments are stated at market value (mid market price) as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Other recognised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between the sale proceeds and opening market value (or purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

i. Debtors

Debtors are measured at the amounts the charity anticipates it will receive from a debt or the amount it has paid in advance for goods or services.

j. Cash at bank and in hand

Cash at bank and in hand includes cash and cash on deposit.

SIR EDWARD HEATH CHARITABLE FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 DECEMBER 2020

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

k. Liabilities

Liabilities are measured at the amounts the charity anticipates it will pay to settle a debt or the amount it has received as an advance payment for goods or services it must provide.

l. Financial Instruments

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

m. Pension Costs

The charity operates a defined contribution scheme for its employees. Contributions are charged in the accounts as incurred.

2. INCOME FROM DONATIONS

	Unrestricted 2020	Restricted 2020	Total 2020	Total 2019
Income from donations	88,960	1,894	90,854	165,139
Income from sponsorship	-	-	-	-
Income from grants	-	-	-	-
Membership from Friends	-	-	-	295
	<u>£ 88,960</u>	<u>£ 1,894</u>	<u>£ 90,854</u>	<u>£ 165,434</u>

3. INCOME FROM INVESTMENTS

Income from listed investments	48	-	48	160
	<u>£ 48</u>	<u>£ -</u>	<u>£ 48</u>	<u>£ 160</u>

All investment income is unrestricted.

4. EXPENDITURE ON

a. RAISING FUNDS

Fundraising expenditure	7,362	-	7,362	34,926
Fundraising trading expenditure	-	-	-	2,610
	<u>£ 7,362</u>	<u>£ -</u>	<u>£ 7,362</u>	<u>£ 37,536</u>

b. CHARITABLE ACTIVITIES

Maintenance and running of Arundells	96,240	15,029	111,269	128,325
Expenditure relating to the opening of Arundells to the public	40,336	-	40,336	39,788
Event costs	281	-	281	20,075
Governance costs (Note 5)	4,795	-	4,795	11,663
	<u>£ 141,652</u>	<u>£ 15,029</u>	<u>£ 156,681</u>	<u>£ 199,851</u>

5. GOVERNANCE COSTS

Auditors' remuneration : audit	2,000	-	2,000	2,000
: for other services	2,121	-	2,121	2,331
Legal fees	-	-	-	6,725
Trustees' expenses	674	-	674	607
	<u>£ 4,795</u>	<u>£ -</u>	<u>£ 4,795</u>	<u>£ 11,663</u>

Trustees received no remuneration or benefits (2019 - £nil). No trustees (2019: Nil) were reimbursed any (2019: £Nil) travelling expenses or any other expenses incurred on the charity's behalf. Trustee indemnity insurance of £674 (2019: £607) was paid during the year.

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements and some tax compliance.

SIR EDWARD HEATH CHARITABLE FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 DECEMBER 2020

6. STAFF COSTS

	2020	2019
Salaries and wages	86,556	92,097
Social security costs	2,256	3,234
Pension costs	3,417	3,122
	<u>£92,229</u>	<u>£98,453</u>

The staff costs are wholly chargeable to charitable expenditure. No employee had emoluments in excess of £60,000 (2019 - nil).

The total remuneration paid to key management personnel in the year was £45,451. (2020: £43,910)

The average headcount of employees, including part time, analysed by function, were:

	2020	2019
Administration, curating and maintenance	4	3
Guides and reception staff	5	6
	<u>9</u>	<u>9</u>

7. TANGIBLE FIXED ASSETS

	Fixtures & Fittings	Total
COST		
At 1 January 2020	44,752	44,752
Additions	-	-
Disposals	-	-
Transfer	-	-
	<u>£ 44,752</u>	<u>£ 44,752</u>
At 31 December 2020	£ 44,752	£ 44,752
DEPRECIATION		
At 1 January 2020	9,702	9,702
Charge for the year	4,475	4,475
Disposals	-	-
	<u>£ 14,177</u>	<u>£ 14,177</u>
At 31 December 2020	£ 14,177	£ 14,177
NET BOOK VALUE		
At 31 December 2020	<u>£ 30,575</u>	<u>£ 30,575</u>
At 31 December 2019	<u>£ 35,050</u>	<u>£ 35,050</u>

8. HERITAGE ASSETS

	Freehold House	House Contents	Depreciable Maintenance	Total
COST				
At 1 January 2020	3,053,452	983,490	-	4,036,942
Additions	800	-	80,226	81,026
Disposals	-	-	-	-
Transfer	-	-	-	-
	<u>£ 3,054,252</u>	<u>£ 983,490</u>	<u>£ 80,226</u>	<u>£ 4,117,968</u>
At 31 December 2020	£ 3,054,252	£ 983,490	£ 80,226	£ 4,117,968
DEPRECIATION				
At 1 January 2020	-	-	-	-
Charge for the year	-	-	2,674	2,674
Disposals	-	-	-	-
	<u>-</u>	<u>-</u>	<u>2,674</u>	<u>2,674</u>
At 31 December 2020	-	-	2,674	2,674
NET BOOK VALUE				
At 31 December 2020	<u>£ 3,054,252</u>	<u>£ 983,490</u>	<u>£ 77,552</u>	<u>£ 4,115,294</u>
At 31 December 2019	<u>£ 3,053,452</u>	<u>£ 983,490</u>	<u>£ -</u>	<u>£ 4,036,942</u>

No capital expenditure has been contracted for at 31 December 2020.

SIR EDWARD HEATH CHARITABLE FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 DECEMBER 2020

8. HERITAGE ASSETS (CONTINUED)

These assets comprise Arundells and its contents which the trustees consider constitute heritage assets within the definition of FRS 102 section 34. Arundells, which is located in Salisbury Cathedral Close, was acquired by and lived in by Sir Edward Heath during the latter part of his life; and the contents consist of the furniture, works of art and other articles acquired by Sir Edward over his lifetime.

9. FIXED ASSET INVESTMENTS

Listed investments

Market value at 1 January 2020	2,001
Net loss on revaluation	(626)
Market value at 31 December 2020	<u>£1,375</u>

10. DEBTORS

	<u>2020</u>	<u>2019</u>
Other debtors	66,956	7,969
Prepayments and accrued income	10,270	10,429
	<u>£77,226</u>	<u>£18,398</u>

11. CREDITORS: Amounts falling due within one year

	<u>2020</u>	<u>2019</u>
Accruals	8,149	8,167
Other creditors	1,539	1,979
	<u>£9,688</u>	<u>£10,146</u>

NON-CURRENT LIABILITIES:

	<u>2020</u>	<u>2019</u>
Loans	72,906	-
	<u>£72,906</u>	<u>-</u>

13. Analysis of net assets between funds

	<u>Unrestricted Fund</u>	<u>Restricted Fund</u>	<u>Total Funds</u>
Fixed assets	4,147,244	-	4,147,244
Cash at bank and in hand	14,549	-	14,549
Other current assets	77,226	-	77,226
Creditors amounts falling due within one year	(9,688)	-	(9,688)
Creditors amounts falling due beyond one year	(£72,906)	-	(72,906)
	<u>£4,156,425</u>	<u>-</u>	<u>£4,156,425</u>

14. RELATED PARTY TRANSACTIONS

Donations of £72,232 (excluding gift aid) were received from trustees during the year.

As at 31 December 2020 the charity owed P. Batey £72,906, being a loan supplied to fund required repairs and redecorations to the exterior of Arundells.

15. COVID-19 PANDEMIC

The COVID-19 pandemic was declared early in 2020 and these accounts reflect the consequences for the charity of the actions taken by the UK Government in its attempts to mitigate the effects. These included the closing of Arundells to the public and a substantial reduction in income from other fundraising events. It is expected that the effects of COVID -19 will continue to be felt throughout 2021 and beyond.

From a financial viewpoint the charity has attempted to manage the situation by curtailing its activities, reducing costs where possible (including agree that staff should be put on furloughing or short-time working where appropriate), and taking advantage of Government assistance including the Coronavirus Job Retention Scheme and the provisions for the deferral of tax payments.

While the effect on the charity's activities and its finances has been substantial, at the end of 2020 the financial position was markedly stronger than at the start, with net current assets of £82,087. As a consequence the Trustees consider that the charity will continue to operate for the foreseeable future and that it is therefore correct to prepare the accounts on the going concern basis.