

SIR EDWARD HEATH CHARITABLE FOUNDATION
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

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 2022

Trustees:

Mr L Seligman
Mr J Elder
Colonel G MacDougall
Mr E Bickham
Mr P Batey CMG OBE (Chairman)
Mr A Teasdale
Mr M McManus
The Lady Susan of Mar (Retired 27th January 2023)
Lord MacGregor of Pulham Market OBE (Retired 20th October 2022)
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 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Introduction by Peter Batey CMG OBE, Chairman

With Novichok and Covid now thankfully behind us, the Foundation has made good progress in 2022 and looks forward with optimism.

We were delighted to secure funding from the National Heritage Lottery Fund for our 'Arundells - Fit for the Future' project and the trustees are most grateful for this support in our drive to secure the future of the Foundation and the house and garden for the long term.

The trustees will continue to work to make the Foundation 'fit for the future' in the coming years.

The Foundation has three principal sources of income; from entry charges, from the surpluses generated by talks, lectures, recitals, concerts, and theatricals organised by the Foundation in the house, garden, or other venues in Salisbury and from charges to individuals and organisations who wish to hold their own events at Arundells. Two of these income streams made substantial progress in 2022.

The increase in visitor numbers in 2022 was encouraging and this improvement has continued in 2023. My fellow trustees and I are pleased not only by increased attendance at Foundation events, but also at the increasing number of such events and their consistently high quality. Income from third party events at Arundells in 2022 remained depressed, probably a hangover from Covid, but 2023 has brought encouraging progress.

We were delighted that the sixth annual Edward Heath lecture at Salisbury Cathedral was able to take place, having been twice postponed due to Covid, in June 2022. It was originally scheduled for June 2020. The trustees wish to thank our lecturer, The Lord Clarke of Nottingham, CH, KC, who as Ken Clarke, QC, MP was a member of the 1970-74 Heath government. He spoke to the title 'Back to the Future: What the politics of the 1970s has to teach us today' and was ably supported by Lord Butler the former Cabinet Secretary and Professor Vernon Bogdanor, with the subsequent discussion admirably facilitated by Gyles Brandreth. We are grateful to them all. It was a touching and poignant occasion, as well as an excellent talk, with Ken declaring in his opening remarks that it would be his last major public lecture. There was a large attendance, around five hundred, and the lecture was followed by a reception in the Cathedral cloister and a successful fundraising dinner in the garden at Arundells.

The Edward Heath University Lectures continued to be rolled out across the country with Chris Patten giving an address at Newcastle University on Britain's relationship with Europe in May and Malcolm Rifkind talking about the future of the Union at Edinburgh University in September.

In the coming years we will continue to strive to improve our ability to advance the charitable objectives laid down in Ted Heath's Will. We will increasingly focus on fund-raising to enable us to maintain the house and garden, enhance our efforts in conserving the remarkable collection at Arundells and in making it accessible to an ever-wider range of people. We will continue to address the stipulations of the Will in respect of music and education.

In addressing these challenges, my fellow trustees and I pay tribute to the enormous contribution of our excellent and dedicated staff at Arundells and to our splendid volunteers on whom we rely so heavily. We are most grateful to them all.

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 2022

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 special architectural and historical interest being the home of Sir Edward Heath.

The preservation of the furniture, pictures, and memorabilia ordinarily kept at Arundells and the administration, maintenance and preservation of his papers relating to his life and career.

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 Charity Commission's general guidance on public benefit.

Review of activities in 2022

2022 saw the welcome and unrestricted opening of Arundells following the Covid pandemic. The opportunity to 'relaunch' the house as a key heritage attraction within Salisbury was a key objective.

Visitor numbers rose significantly from 2019 and this provided a great deal of positive encouragement to trustees, staff and volunteers after the frustration and disappointment of enforced closure, the cancellation of many events (including the annual Edward Heath Lecture) in both 2020 and 2021, and the postponement of two exhibitions.

Discounted entry was introduced for members of the Historic Houses Association, this providing a new marketing platform within the HHA handbook, Discounts for Arts Fund members, Gardeners World Magazine 2 for 1 vouchers, and both Defence Scheme and Blue Light emergency services, were also offered. All proved significant in achieving the increase in visitor numbers.

This encouraging rise in visitors was supplemented by a wide ranging and popular events programme. Piano concerts by Clara Rodriguez, Dominic Seligman and Ronan McGill, an evening of Jazz music within the garden, and theatrical performances that included A Comedy of Errors, The Importance of Being Earnest, The Railway Children, and Chinese Boxing. Talks by Minette Batters (National President of the NFU) and John Gummer (Lord Deben) as well as Lord Ricketts and Sir Peter Riddell. The popular Morning Cloud series of sailing talks also made a welcome return in 2022.

Group panel discussions, craft workshops, a Jubilee dinner with wine pairings (delivered on a collaborative basis with two locally based food and drink providers) also took place, along with the ongoing development of opportunities for both corporate and private hospitality at Arundells.

It was a pleasure to welcome Her Excellency Saida Muna Tasneem, the High Commissioner of Bangladesh, to Arundells in January to launch the annual 'Bangabandhu – Edward Heath Friendship Award.' This will be awarded to those who have made a significant contribution to Bangladesh / UK friendship and reflects the contribution made by Edward Heath to the recognition of Bangladesh by the UK.

The beginning of 2022 saw the seamless incorporation of the remain one third of the former stable block at Arundells (until recently used as an electricity substation) into the adjoining exhibition room. This additional space has enhanced the ability to deliver larger scale exhibitions, talks, seminars, and workshops throughout the year and is a significant improvement.

The National Lottery Heritage Fund (NLHF) Project 'Arundells – Fit for the Future'

Sincere thanks are due to the NLHF for their financial support of the Foundation's 'Arundells – Fit for the Future' Project. This project centres upon the following core activities, undertaken with help from a variety of different consultants, the practical involvement of trustees, staff and volunteers, and a range of local stakeholders. Work commenced in June 2022 and will continue over a twelve month period. Many thanks to all who have worked with us during the year.

Organisational Review – Looking at the current structure of the Charity, reviewing existing skills (amongst trustees and staff) and identifying areas where the introduction of wider ranging expertise amongst trustees would be desirable. The identification of training needs and a review of strategic objectives.

SIR EDWARD HEATH CHARITABLE FOUNDATION
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022
(CONTINUED)

Review of activities in 2022 - Cont.

Community Engagement – Exploring the development of productive links amongst the local community and with a particular focus upon the less advantaged and those with additional needs. Too many elements of the local community perhaps perceive Arundells as being exclusive, out of reach, expensive, or simply 'not for us.' The project will break down barriers, confirm accessibility for all, and see the development of a range of activities with local schools. These will include piano lessons upon Sir Edward's Steinway piano, and wildlife and nature enrichment activities within the garden for a range of age groups.

A concert for parents was staged by the orchestra, big band, and jazz quartet from Bishop Wordsworth's School during the summer and Arundells provided the venue for a summer afternoon 'Musical Review' performance of songs and dance for Senior Citizens arranged by 'Celebrating Age Wiltshire' and with afternoon tea provided following the performance.

The Community Garden – As part of the above, the Foundation worked with local charity Alabare, the Boots on the Ground team of military veterans, and the Swindon and Wiltshire Sports Partnership to create a therapeutic gardening initiative. An existing glass house was brought back into use and the surrounding area cultivated for flowering plants, fruit and vegetables. A small garden shed, with adjoining shelter, was built during the year and the whole area made accessible for wheelchair users by the provision of a new, all weather surface and consolidated pathway. The community garden has, in many different ways, been the flagship element of the NLHF project and the benefits that it has brought as a result of social interaction, emotional support and the development of new skills, are tangible.

Marketing and Interpretation – How to market Arundells to a much wider range of people with differing interests, and how to best provide core 'on site' information about the house and the collection in as an attractive, accessible, and interesting a way as possible was explored. A number of new ideas will be taken forward in 2023.

Evaluation – A review and evaluation of current visitors (including geographical and physical demographics) lies at the heart of the project's audience development criteria. Visitor preferences, their likes and dislikes, will be central in determining how the items within the collection can be best presented.

The Annual Edward Heath Lecture

Having been postponed in both 2020 and 2021, this principal event in the Foundation's calendar was held in Salisbury Cathedral in June 2022 and delivered by the Rt Hon Lord (Ken) Clarke of Nottingham CH KC. His lecture was titled 'Back to the Future: What the politics of the 1970s has to teach Britain today' with Lord (Robin) Butler and Vernon Bogdanor acting as discussants, and with proceedings chaired by Gyles Brandreth. Sincere thanks to them all for helping to make it such a well-attended, noteworthy occasion. Thanks also to Wilsons, solicitors, for kindly sponsoring the event.

The University Lecture Programme

The Foundation is working in partnership with a number of leading universities within the UK to deliver – over a five year period – a series of political history lectures by key note speakers.

The second lecture in the series was given by Lord (Chris) Patten at Newcastle University in May 2022 and focussed upon Britain's relationship with China. The third lecture was given in September at Edinburgh University by Sir Malcolm Rifkind and titled A Union for all Seasons: The Future of the United Kingdom. Issues that are as relevant now as they were fifty years ago.

The Ugandan Asian Crisis

2022 marked the 50th anniversary of Idi Amin's expulsion of Asians from Uganda and Edward Heath agreeing that those who held British Passports would be welcome within the United Kingdom. The Exhibition, researched and written by Edward Bickham, trustee, was kindly supported by individual members of the Ugandan Asian community, both financially and by the donation of artefacts and memorabilia. It provided a great deal of information about life within Uganda, the changes enforced by Amin, the traumas of expulsion, and subsequent settlement within Britain. Key note speakers took part in an illuminating and well supported panel discussion about the Ugandan Asian crisis at an event held at Arundells in September. Thanks to Volcanoes Safaris for kindly sponsoring the evening.

SIR EDWARD HEATH CHARITABLE FOUNDATION
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022
(CONTINUED)

Review of activities in 2022 - Cont.

Thank You

The trustees of the Foundation hugely appreciate the ongoing support and help given by the many volunteers who make it possible to not only open Arundells to visitors, but to stage a full and varied events programme and to achieve numerous collection care and associated conservation tasks throughout the year. Their enthusiasm is tireless.

Particular thanks to the small nucleus of volunteers who help within the garden at Arundells on a regular weekly basis. They have grown in number over the last two years and provide invaluable assistance with a wide range of tasks.

Plans for 2023

2023 will see the continuation of the Arundells – Fit for the Future project, and the ongoing development of sound practical working partnerships with less advantaged local community groups, with local schools across differing age groups, piano lessons, and the use of the house and garden for a range of musical events by young people. Above all, to achieve a clear understanding that Arundells is 'accessible for all'.

The year will also see the expansion of the events programme, an ongoing drive to develop and increase income from corporate and private hospitality business, and the introduction of discounted entry to Arundells for English Heritage members.

The University Lecture Programme will continue, with Ken Clarke and Michael Heseltine speaking at Kings College London, and replicating the excellent co participant event they so successfully delivered at Nottingham University in 2021. Further talks in this series are being planned for the autumn of 2023.

The Annual Edward Heath Lecture 2023

David Dimbleby – the well-known BBC broadcaster and journalist – has kindly agreed to deliver the annual lecture at Salisbury Cathedral in the summer of 2023. This will focus upon how political interviewing has changed over the sixty or so years that he has been involved in the profession. Lord (Michael) Dobbs and Carolyn Quinn have kindly agreed to be co-discussants and the event will, once again, be compered by Gyles Brandreth. Thanks to them all.

Financial Review

Visitor income increased to a total of £57,522 (2021: £40,642). The charity received donations of £115,593 (2021: £38,087), £49,951 of which were for restricted purposes (2021: £1,686). The charity also generated income of £63,272 (2021: £19,607) from running other events. The charity made use of all available government grants, which totalled £3,167 (2021: £33,371). A successful insurance claim was made against the fall in income associated with the pandemic, £24,875 of this claim is shown as income for 2022 (2021: £87,236).

Expenditure increased to £325,770, of which £49,951 related to funded project costs.
Total expenditure in 2021 was £197,110.

Overall there was a net loss in funds of (£49,042) compared with an increase of £28,457 in 2021.

The charity has £736 in restricted funds at the year end, which relate to grants provided with a defined purpose. Unrestricted funds increased to £4,135,104. The fixed assets total £4,167,773 of which the vast majority amounting to £4,142,511 consist of Arundells and its contents. This therefore leaves £40,973 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.

SIR EDWARD HEATH CHARITABLE FOUNDATION
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022
(CONTINUED)

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.

P. G. Batey

Approved by the Trustees and signed on their behalf

Peter Batey CMG OBE- Chairman

Date:

26 : X : 2023

**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 2022, 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 2022, 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.

We exercise professional judgement and maintain professional scepticism throughout the audit.

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

27 October 2023

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 2022

	<u>Note</u>	<u>Unrestricted Funds 2022</u>	<u>Restricted Funds 2022</u>	<u>Total Funds 2022</u>	<u>Total Funds 2021</u>
INCOME FROM:					
Donations					
National Lottery Heritage Fund Grant	2	-	49,951	49,951	-
Other Donations	2	65,642	-	65,642	38,087
Investments					
	3	80	-	80	-
Charitable activities					
Visitor income		57,522	-	57,522	40,642
Visitor merchandise income		3,163	-	3,163	3,960
Events		63,272	-	63,272	19,607
Sundry income		2,928	-	2,928	76
Other trading activities					
Private lettings		6,726	-	6,726	2,200
Other Income					
Government grants		3,167	-	3,167	33,371
Insurance claims		24,875	-	24,875	87,236
TOTAL INCOME		<u>£ 227,375</u>	<u>£ 49,951</u>	<u>£ 277,326</u>	<u>£ 225,179</u>
EXPENDITURE ON:					
Charitable activities	4	275,819	49,951	325,770	197,110
TOTAL EXPENDITURE		<u>£ 275,819</u>	<u>£ 49,951</u>	<u>£ 325,770</u>	<u>£ 197,110</u>
Net gain / (losses) on investments		(598)	-	(598)	388
Net income/(expenditure)		(49,042)	-	(49,042)	28,457
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		(49,042)	-	(49,042)	28,457
Total funds brought forward		<u>£ 4,184,146</u>	<u>£ 736</u>	<u>£ 4,184,882</u>	<u>£ 4,156,425</u>
Total funds carried forward		<u>£ 4,135,104</u>	<u>£ 736</u>	<u>£ 4,135,840</u>	<u>£ 4,184,882</u>

The notes on pages 11 to 17 form part of these accounts

SIR EDWARD HEATH CHARITABLE FOUNDATION
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2022

	<u>Note</u>	<u>2022</u>	<u>2021</u>
FIXED ASSETS:			
Tangible Assets	7	24,097	27,180
Heritage Assets	8	4,142,511	4,111,718
Investments	9	1,165	1,763
		<u>4,167,773</u>	<u>4,140,661</u>
CURRENT ASSETS:			
Debtors	10	24,512	96,451
Cash at bank and in hand		<u>32,796</u>	<u>33,335</u>
		57,308	129,786
LIABILITIES:			
CREDITORS: Amounts falling due within one year	11	<u>16,335</u>	<u>12,659</u>
NET CURRENT ASSETS		<u>40,973</u>	<u>117,127</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,208,746	4,257,788
NON-CURRENT LIABILITIES			
Loan	12	<u>72,906</u>	72,906
TOTAL NET ASSETS		<u>£4,135,840</u>	<u>£4,184,882</u>
THE FUNDS OF THE CHARITY:			
Unrestricted funds - General Fund		4,135,104	4,184,146
Restricted funds		<u>736</u>	<u>736</u>
TOTAL CHARITY FUNDS		<u>£4,135,840</u>	<u>£4,184,882</u>

Signed on behalf of the Board of Trustees

Peter Batey CMG OBE- Chairman

Approved by the Trustees:

26: X: 2023 P. G. B.

The notes on pages 11 to 17 form part of these accounts

SIR EDWARD HEATH CHARITABLE FOUNDATION
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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 years straight line basis
Depreciable Maintenance	15 years straight line basis

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).

SIR EDWARD HEATH CHARITABLE FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

h. 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.

i. Cash at bank and in hand

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

j. 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.

k. 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.

l. 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 2022	Restricted 2022	Total 2022	Total 2021
Income from general donations	54,167	-	54,167	37,351
Income from sponsorship	4,775	-	4,775	-
National Lottery Heritage Fund Grant	-	49,951	49,951	-
Income from other grants	6,700	-	6,700	736
	<u>£ 65,642</u>	<u>£ 49,951</u>	<u>£ 115,593</u>	<u>£ 38,087</u>
	<u>2021</u>	<u>2021</u>	<u>2021</u>	<u>2020</u>
Income from donations	36,401	950	37,351	90,854
Income from sponsorship	-	-	-	-
Income from grants	-	736	736	-
	<u>£ 36,401</u>	<u>£ 1,686</u>	<u>£ 38,087</u>	<u>£ 90,854</u>

3. INCOME FROM INVESTMENTS

	Unrestricted 2022	Restricted 2022	Total 2022	Total 2021
Income from listed investments	80	-	80	-
	<u>£ 80</u>	<u>£ -</u>	<u>£ 80</u>	<u>£ -</u>

All investment income is unrestricted.

SIR EDWARD HEATH CHARITABLE FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Total	Total
	2022	2022	2022	2021
Maintenance and running of Arundells	133,678	-	133,678	126,525
Event costs	56,945	-	56,945	13,224
Exhibition Costs	10,544	-	10,544	1,029
Governance costs (Note 5)	9,863	49,951	59,814	5,618
Expenditure relating to the opening of Arundells to the public	64,789	-	64,789	50,714
	<u>£ 275,819</u>	<u>£ 49,951</u>	<u>£ 325,770</u>	<u>£ 197,110</u>
	<u>2021</u>	<u>2021</u>	<u>2021</u>	<u>2020</u>
Maintenance and running of Arundells	125,575	950	126,525	111,269
Event costs	14,253	-	14,253	281
Governance costs	5,618	-	5,618	4,795
Expenditure relating to the opening of Arundells to the public	50,714	-	50,714	40,336
	<u>£ 196,160</u>	<u>£ 950</u>	<u>£ 197,110</u>	<u>£ 156,681</u>

5. GOVERNANCE COSTS

	Unrestricted	Restricted	Total	Total
	2022	2022	2022	2021
Auditors' remuneration : audit	2,000	-	2,000	2,000
: for other services	2,326	-	2,326	2,151
Legal fees	-	-	-	754
Trustees' expenses	830	-	830	713
'Fit for Future' Project	4,707	49,951	54,658	-
	<u>£ 9,863</u>	<u>£ 49,951</u>	<u>£ 59,814</u>	<u>£ 5,618</u>

Trustees received no remuneration or benefits (2021: £Nil). No trustees (2021: Nil) were reimbursed any (2021: £Nil) travelling expenses or any other expenses incurred on the charity's behalf. Trustee indemnity insurance of £830 (2021: £713) 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.

The 'Fit for Future' project relates to consultancy expenditure funded by the Stage 1 of the National Lottery Heritage Funding grant.

6. STAFF COSTS

	2022	2021
Salaries and wages	104,415	103,222
Social security costs	2,874	3,199
Pension costs	3,641	3,542
	<u>£110,930</u>	<u>£109,963</u>

The staff costs are wholly chargeable to charitable expenditure. No employee had emoluments (not including employer's National Insurance Contributions or employer's pension contributions) in excess of £60,000 (2021 - Nil).

The total remuneration paid to key management personnel (including employer's National Insurance Contributions and employer's pension contributions) in the year was £49,412 (2021: £51,330).

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

	2022	2021
Administration, curating and maintenance	4	4
Guides and reception staff	7	5
	<u>11</u>	<u>9</u>

SIR EDWARD HEATH CHARITABLE FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

7. TANGIBLE FIXED ASSETS

	Fixtures & Fittings	Total
COST		
At 1 January 2022	45,952	45,952
Additions	1,680	1,680
Disposals	-	-
Transfer	-	-
	<hr/>	<hr/>
At 31 December 2022	£ 47,632	£ 47,632
	<hr/>	<hr/>
DEPRECIATION		
At 1 January 2022	18,772	18,772
Charge for the year	4,763	4,763
Disposals	-	-
	<hr/>	<hr/>
At 31 December 2022	£ 23,535	£ 23,535
	<hr/>	<hr/>
NET BOOK VALUE		
At 31 December 2022	£ 24,097	£ 24,097
	<hr/>	<hr/>
At 31 December 2021	£ 27,180	£ 27,180
	<hr/>	<hr/>

8. HERITAGE ASSETS

	Freehold House	House Contents	Depreciable Maintenance	Total
COST				
At 1 January 2022	3,054,252	983,490	82,125	4,119,867
Additions	-	-	38,541	38,541
Disposals	-	-	-	-
Transfer	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	£ 3,054,252	£ 983,490	£ 120,666	£ 4,158,408
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 January 2022	-	-	8,149	8,149
Charge for the year	-	-	7,748	7,748
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	-	-	15,897	15,897
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 December 2022	£ 3,054,252	£ 983,490	£ 104,769	£ 4,142,511
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	£ 3,054,252	£ 983,490	£ 73,976	£ 4,111,718
	<hr/>	<hr/>	<hr/>	<hr/>

No capital expenditure has been contracted for at 31 December 2022.

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 2022	1,763
Net loss on revaluation	(598)
	<hr/>
Market value at 31 December 2022	£1,165
	<hr/>

SIR EDWARD HEATH CHARITABLE FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

10. DEBTORS

	<u>2022</u>	<u>2021</u>
Other debtors	5,926	79,922
Prepayments and accrued income	18,586	16,529
	<u>£24,512</u>	<u>£96,451</u>

11. CREDITORS: Amounts falling due within one year

	<u>2022</u>	<u>2021</u>
Accruals	14,246	10,309
Other creditors	2,089	2,350
	<u>£16,335</u>	<u>£12,659</u>

12. NON-CURRENT LIABILITIES:

	<u>2022</u>	<u>2021</u>
Loans	72,906	72,906
	<u>£72,906</u>	<u>72,906</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

<u>2022</u>	<u>Unrestricted Fund</u>	<u>Restricted Fund</u>	<u>Total Funds</u>
Fixed assets	4,167,773	-	4,167,773
Cash at bank and in hand	32,060	736	32,796
Other current assets	24,512	-	24,512
Creditors amounts falling due within one year	(16,335)	-	(16,335)
Creditors amounts falling due beyond one year	(72,906)	-	(72,906)
	<u>£4,135,104</u>	<u>736</u>	<u>£4,135,840</u>
 <u>2021</u>			
<i>Fixed assets</i>	4,140,661	-	4,140,661
<i>Cash at bank and in hand</i>	32,599	736	33,335
<i>Other current assets</i>	96,451	-	96,451
<i>Creditors amounts falling due within one year</i>	(12,659)	-	(12,659)
<i>Creditors amounts falling due beyond one year</i>	(72,906)	-	(72,906)
	<u>£4,184,146</u>	<u>736</u>	<u>£4,184,882</u>

14. RELATED PARTY TRANSACTIONS

Donations (excluding gift aid) of £31,813 (2021: £34,314) are owed to the generosity of the trustees.

As at 31 December 2022 the charity owed P. Batey £72,906 (2021: £72,906), being a loan supplied to fund required repairs and redecorations to the exterior of Arundells.

SIR EDWARD HEATH CHARITABLE FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

15. Restricted Funds

2022	1 January 2022	Incoming	Outgoing	Transfers	31 December 2022
National Lottery Heritage Fund	-	49,951	(49,951)	-	-
Ming Bowl	736	-	-	-	736
Total	<u>£736</u>	<u>£49,951</u>	<u>(£49,951)</u>	<u>£0</u>	<u>£736</u>
2021	1 January 2021	Incoming	Outgoing	Transfers	31 December 2021
Reception Refurbishment	-	950	(950)	-	-
Ming Bowl	-	736	-	-	736
Total	<u>£0</u>	<u>£1,686</u>	<u>(£950)</u>	<u>£0</u>	<u>£736</u>

National Lottery Heritage Funding provided a grant to fund the 'Arundells - Fit for Future' project.

The Ming Bowl funding relates to a grant provided by the Association of Independent Museums to fund the repair of a damaged item in the museum's collection.

Reception Refurbishment funds relate to restricted use donations towards the cost of refurbishing the museum's reception and shop area. This fund closed in the year ended 2021.

SIR EDWARD HEATH CHARITABLE FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

16. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	<i>Note</i>	<i>Unrestricted Funds 2021</i>	<i>Restricted Funds 2021</i>	<i>Total Funds 2021</i>	<i>Total Funds 2020</i>
INCOME FROM:					
Donations	2	36,401	1,686	38,087	90,854
Investments	3	-	-	-	48
Charitable activities					
Visitor income		40,642	-	40,642	4,860
Visitor merchandise income		3,960	-	3,960	40
Events		19,607	-	19,607	1,838
Sundry income		76	-	76	6,416
Other trading activities					
Private lettings		2,200	-	2,200	1,800
Other Income					
Government grants		33,371	-	33,371	59,531
Insurance claims		87,236	-	87,236	58,206
TOTAL INCOME		<u>£ 223,493</u>	<u>£ 1,686</u>	<u>£ 225,179</u>	<u>£ 223,593</u>
EXPENDITURE ON:					
Raising funds	4a	-	-	-	7,362
Charitable activities	4b	196,160	950	197,110	156,681
TOTAL EXPENDITURE		<u>£ 196,160</u>	<u>£ 950</u>	<u>£ 197,110</u>	<u>£ 164,043</u>
Net gain / (losses) on investments		388	-	388	(626)
Net income/(expenditure)		<u>27,721</u>	<u>736</u>	<u>28,457</u>	<u>58,924</u>
Transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		<u>27,721</u>	<u>736</u>	<u>28,457</u>	<u>58,924</u>
Total funds brought forward		<u>£ 4,156,425</u>	<u>£ -</u>	<u>£ 4,156,425</u>	<u>£ 4,097,501</u>
Total funds carried forward		<u>£ 4,184,146</u>	<u>£ 736</u>	<u>£ 4,184,882</u>	<u>£ 4,156,425</u>