THE TITSEY FOUNDATION CIO

England & Wales · Charity number 1159986

Details

Status	Registered
Legal form	CIO
Registered	2015-01-16
Register	View on the Charity Commission register

Contact

Address	Knight Frank The Gatehouse Field Place Estate Byfleets Lane Broadbridge Heath Horsham West Sussex RH12 3PB
Phone	01403339183
Email	florence.wolfe-jones@knightfrank.com
Website	www.titsey.org

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Activities

Objects: THE OBJECTS OF THE CIO ARE THE ADVANCEMENT OF EDUCATION, THE RELIEF OF POVERTY, THE ADVANCEMENT OF RELIGION AND THE PROMOTION OF AID AND SUCH OTHER PURPOSES AS ARE RECOGNISED BY ENGLISH LAW TO BE EXCLUSIVELY CHARITABLE AND IN PARTICULAR BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING: (1) THE PRESERVATION FOR THE PUBLIC BENEFIT OF THE WHOLE OR SUCH PART OR PARTS OF THE BUILDINGS AND THEIR GROUNDS AND SURROUNDINGS KNOWN AS TITSEY PLACE IN THE COUNTY OF SURREY (?TITSEY PLACE?) AS SHALL OR MAY HEREAFTER BE VESTED IN THE CHARITY TRUSTEES; (2) THE PROTECTION AND IMPROVEMENT OF THE AMENITIES OF TITSEY PLACE FOR THE PUBLIC BENEFIT; (3) THE PRESERVATION FOR THE PUBLIC BENEFIT OF FURNITURE AND PICTURES AND CHATTELS OF ANY ORDINARILY KEPT AT TITSEY PLACE; (4) THE FACILITATION AND ENCOURAGEMENT OF ACCESS TO THE STUDY AND APPRECIATION OF TITSEY PLACE AND SUCH FURNITURE, PICTURES AND CHATTELS AFORESAID BY THE GENERAL PUBLIC; (5) THE PROVISION AT TITSEY PLACE OR SUCH PART OF IT AS SHALL BE APPROPRIATE IN THE INTERESTS OF SOCIAL WELFARE AND FOR THE PURPOSE OF IMPROVING THE CONDITIONS OF LIFE FOR THE PERSONS WHOM THE SAME ARE INTENDED OF FACILITIES FOR PHYSICAL RECREATION WHICH SHALL BE AVAILABLE TO MEMBERS OF THE PUBLIC AT LARGE; AND (6) THE FACILITATION AND ENCOURAGEMENT OF THE USE AND OCCUPATION OF THE WHOLE OR PART OF TITSEY PLACE AND THE USE OF SUCH CHATTELS AS AFORESAID FOR CHARITABLE PURPOSES.

Activities: The charity preserves and protects Titsey Place, its contents and grounds, and provides educational and recreational facilities for the public.To 30 September 2015, these activities were previously undertaken by the charitable trust known as the Titsey Foundation (registered number 277943).

Classification

- **How:** Provides Buildings/facilities/open Space, Other Charitable Activities
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- Surrey

Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£1,707,730	£1,566,585	£43,989,767	11
2023-09-30	£1,407,002	£1,361,696	£42,638,961	12
2022-09-30	£1,215,102	£1,104,303	£42,405,967	12
2021-09-30	£1,160,325	£1,084,094	£40,301,585	10
2020-09-30	£3,928,205	£1,087,970	£30,845,292	10

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Trustees

Name	Role	Appointed
EARL OF WOOLTON	Chair	2015-01-16
MR E G CAMERON TA DL		2015-01-16
MR J ST JOHN		2015-01-16
Simon Vandeleur		2019-03-13

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THE TITSEY FOUNDATION CIO

England & Wales - Charity number 1159986

Accounts

Registered number: CE002651
Charity number: 1159986

The Titsey Foundation CIO

Trustees' report and financial statements
for the year ended 30 September 2024

The Titsey Foundation CIO

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The Titsey Foundation CIO

Reference and administrative details of the charity, its trustees and advisers

Trustees	The Earl of Woolton, Chairman Mr Ewen Cameron Mr John St John Mr Simon Vandeleur
Company number	CE002651
Charity number	1159986
Registered office	c/o Strutt & Parker 201 High Street Lewes BN7 2NR
Principal operating office	Titsey Place Titsey Oxted Surrey RH8 0SD
Managing agents	Strutt & Parker 201 High Street Lewes BN7 2NR
Governor	G A Innes
Independent auditors	Chavereys Audit Limited The Goods Shed Jubilee Way Faversham Kent ME13 8GD
Accountants	Chavereys Limited The Goods Shed Jubilee Way Faversham Kent ME13 8GD
Bankers	C. Hoare & Co 37 Fleet Street London EC4P 4DQ
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
Investment advisers	Schroder & Co Limited 100 Wood Street London EC2V 7ER

Trustees' report
for the year ended 30 September 2024

The Trustees are pleased to present their report, together with the financial statements of The Titsey Foundation CIO (the "Foundation") for the year ended 30 September 2024.

Trustees

The Trustees who served during the financial year and since the year end were:
The Earl of Woolton (Chairman)
Mr Ewen Cameron
Mr John St John
Mr Simon Vandeleur

Mr Ewen Cameron and Mr John St John were re-elected to serve a further term of 5 years as Trustees of the Foundation, with effect from 1 January 2024. Mr Simon Vandeleur was re-elected to serve a further term of 5 years as a Trustee of the Foundation with effect from 13 March 2024.

Structure, Governance and Management

The Foundation was incorporated on 16 January 2015 as the successor of the charitable activities and assets of the former unincorporated charitable trust, The Titsey Foundation (previously registered under number 277943) which had been established by a trust deed on 26 April 1979.

The Foundation operates under its Constitution.

The management of the Foundation is the responsibility of the Trustees. In turn, the Trustees have appointed Mr G A Innes as the Governor, effectively the unpaid chief executive of the Foundation, to manage the day to day running of the Foundation. The Trustees wish to record their on-going thanks to Mr Innes for his dedicated work on behalf of the Foundation.

The Trustees are regularly briefed by Chavereys Limited, Stone King and Strutt & Parker on accountancy, legal and property management issues respectively, and are confident that they are receiving appropriate specialised advice to enable them to effectively fulfil their duties as trustees.

There are three subcommittees of the Trustees with delegated powers and a requirement to report back to the Trustees on their deliberations:

- Investment (comprising The Earl of Woolton & Mr John Innes (co-opted))
- Titsey Place Management (comprising The Earl of Woolton & Mr Cameron)
- Grant Making (comprising Mr St John and Mr Vandeleur)

The Trustees continue to administer the Foundation, meeting three times a year to discuss matters relating to the Foundation, though some of their work is delegated to the subcommittees of the Trustees and the day to day management of the Foundation is carried out by the Governor with the support of the Managing Agents.

The Trustees do not consider it necessary to appoint any further trustees at present, but continue to keep the position under review.

Objects & Objectives of the Foundation

The Foundation's objects are the advancement of education, the relief of poverty, the advancement of religion and the promotion and aid of such other purposes as are recognised by English law to be exclusively charitable and in particular and without prejudice to the foregoing:

- the preservation for the public benefit of the whole of such part or parts of the buildings and their grounds and surroundings known as Titsey Place in the County of Surrey ("Titsey Place") as shall or may hereafter be vested in the charity trustees;

- the protection and improvement of the amenities of Titsey Place for the public benefit;
- the preservation for the public benefit of furniture and pictures and chattels of any description ordinarily kept at Titsey Place;
- the facilitation and encouragement of the study and appreciation of Titsey Place and such furniture, pictures and chattels aforesaid by the general public;
- the provision at Titsey Place or such part of it as shall be appropriate in the interest of social welfare and for the purpose of improving the conditions of life for the persons whom the same are intended of facilities for physical recreation which shall be available to members of the public at large; and
- the facilitation and encouragement of the use and occupation of the whole or part of Titsey Place and the use of such chattels as aforesaid for charitable purposes.

The Trustees' main strategic objectives are;

- to continue to improve and maintain Titsey Place and the other land and buildings used by the Foundation to the highest standards for the public benefit
- to encourage and promote members of the public to visit Titsey Place and its grounds; and
- to provide the highest standard of education and advice to visitors.

Charitable Activities

Public Benefit

The Trustees confirm that they have complied with their duty in section 17(5) of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit in exercising their powers. In terms of reporting on public benefit, the statement of activities set out below is in their view sufficient evidence of compliance.

The Foundation undertakes a range of activities in furtherance of its charitable objects and for the benefit of the public.

The Foundation's activities during the year can be summarised as follows:

Preservation of Titsey Place, The Buildings, Grounds and Surroundings

The Foundation continues to preserve and protect Titsey Place and its associated buildings to the highest possible standards so that visitors may enjoy the house and grounds in their intended state, as a lived-in family home and working estate. During the year, further to the most recent Quinquennial Review, work was carried out to replace the dormer windows in the Attic at Titsey Place, this work revealed the need to carry out further repairs to some of the lead and timber of the roof, which is currently being carried out. In addition, works were carried out to improve the insulation at Titsey Place.

The Trustees' have a 20 year Woodland Management Plan for improving public access, conservation and to maximise short term income from the sale of timber (as approved by the Forestry Commission). The Trustees consider the maintenance of these woodlands, for the protection of the environment and for the enjoyment of the public, is a key way in which the Foundation provides a benefit to a wide section of the public. During the year work has been done to clear various unsafe trees, in particular Ash trees, from the plantation.

The Trustees approved plans for the installation of a ground source heat pump to provide heating to Titsey Place, in place of one of the oil fired boilers, and work commenced on the installation, which remains on-going.

The Trustees were engaged in Phase 2 of the works needed to upgrade the private water supply arrangements for the Foundation. Steps were taken to replace the existing reservoir system which was leaking, which was constructed shortly after the end of World War II, with a new reservoir.

The works to restore the Dovecote, using the legacy monies received from Mr David Innes, were completed.

Trustees' report
for the year ended 30 September 2024

Visitors to Titsey Place and Gardens

The 2024 Public Opening Season was the 31st year of the house and gardens being fully open to the public. Titsey Place, the Gardens and the tea rooms were opened to the public in mid-May 2024 and remained open until the end of September 2024.

During the season from May through to September, the Foundation had approximately just under 5,000 visitors to the house and gardens, which was again an increase on the previous year, and saw the Foundation returning to visitor levels similar to those seem prior to the Covid-19 pandemic. The Foundation continued to operate within the maximum level imposed by the Planning Authority of 5,000 annual visitors to Titsey Place itself.

A review on Trip Advisor from August 2024 commented:

"*Stunning. Unbelievably beautiful gardens in particular and the café was lovely – such a find so near to town. All volunteers and staff were kind, helpful and professional … you made our day!*"

The Foundation continued to open its gardens one day per month in aid of the National Garden Scheme. Opening the gardens for the National Garden Scheme days raised £4,741.50 for the charity.

The Foundation also hosted an awards ceremony at Titsey Place for the Order of St. John and the NHS to give awards to families of people who have died and donated their organs for transplant. The awards ceremony took place in the presence of a representative of the Lord Lieutenant of Kent and approximately 20 families were present.

Online resources

The Titsey website (www.titsey.org) provides a detailed history of the house and grounds as well as practical information for visitors. The website continues to act as a valuable resource for those who wish to learn more about Titsey and the Gresham and Leveson Gower families.

Future Plans

At each meeting of the Trustees, plans for the management of the Titsey Estate and its grounds are produced by the Managing Trustees and debated by the Trustees.

Grant Funding

The Foundation continues to expand its grant making to support local charities and voluntary organisations. During the year the Trustees were pleased to make grants of:

- £25,000 to Masters Park towards the costs of constructing the Community Hub Cricket Pavillion and Events Room.
- £15,000 to a local primary school towards the costs of constructing a swimming pool which will also be made available to other members of the local community .
- £13,000 to Tandridge Voluntary Action as the final grant of a three year grant programme to run their befriending scheme.

Financial Review

The net income for the year was £1,350,806 *(2023 - £232,994)*. Total income for the year was £1,707,730 *(2023 - £1,407,002)*. Income from charitable activities was £499,490 *(2023 - £281,969)*. This was primarily from Public Benefit activities.

Trustees' report
for the year ended 30 September 2024

Charitable expenditure relates to expenditure associated with managing Titsey Place, the gardens and the associated properties, together with the costs of facilitating public access to Titsey Place and its gardens. In addition, a small number of donations were made to the local community.

For accounting purposes, the charitable expenditure is analysed between:
- Costs directly associated with Titsey Place and the gardens, and the woodlands
- The cost of managing and maintaining the other properties associated with the historic house, including St James's Church

Titsey Place and gardens

The expenditure comprises day to day running costs, the costs associated with facilitating public access and the cost of repairs and preservation works.

The expenditure in the year on Titsey Place and gardens was £574,055 *(2023 - £458,962).*

Estate costs

This expenditure comprises the direct costs relating to the wider Estate, including St James's Church, and its management and was £442,077 *(2023 - £396,900)* in the year. Input VAT is also incurred on the charity's expenditure, the majority of which cannot be recovered. During the year the irrecoverable VAT was £106,384 *(2023 - £80,349).*

Gains on investments totalled £1,209,661 *(2023 - £187,688).*

Investment powers and policy

The Foundation has the power to invest funds in accordance with the provisions of its Constitution.

The Foundation was established to maintain and preserve Titsey in perpetuity. The Constitution places no restriction on the Trustees' power to invest the monies of the Foundation. The Trustees have agreed that the investment portfolio of the Foundation should continue to be run on a discretionary basis by Schroder & Co. Limited, with the objective of growing the capital over the long term. The objective is to be achieved by investment in a portfolio invested primarily in equities with a smaller allocation in hedge funds, private equity, fixed interest and cash.

At the start of the year the investment portfolio was valued at £7,580,510 and by the end of the year it was valued at £8,428,737, comprising listed investments of £8,428,737 *(2023 - £7,580,510).*

The portfolio made a cumulative return of 9.23% over the 12-month period; the comparative cumulative return benchmark used by the Trustees to monitor investment performance was 9.76%.

Risk management

The Trustees have reviewed the significant risks to which the charity is exposed and have ensured that there are sufficient controls to manage those risks. During the year the Trustees have continued to review and update the Foundation's risk policy.

The Trustees have a risk management strategy which comprises a regular review of the risks the Foundation may face, the establishment of systems and procedures to mitigate those risks identified, and the implementation of procedures designed to minimise any potential impact on the Foundation should those risks materialise. The Trustees confirm that they have examined the major risks to which the Foundation is exposed and that there are appropriate systems and procedures to manage those risks.

The main risks identified are:
- the departure for whatever reason of the Governor – as the current Governor was appointed in 2013, the risk of his departure is considered low;

• the reduction in income required to cover core expenditure. Trustees meet on a regular basis with their investment advisors to ensure that the assets of the Foundation are managed appropriately;
• damage to or theft of the Foundation's property with a continued focus on managing Titsey Place and the security arrangements that are in place;
• health and safety issues which are managed in conjunction with the Managing Agents as many of these relate to the operation of the Estate. The Trustees pay particular attention to ensuring that the properties are well maintained and properly secured, and all associated risks minimised. All of the properties owned by the Foundation are included in a maintenance programme to ensure that they are put into a good state of repair and condition and kept in that state.

Reserves

The Foundation has total unrestricted funds of £43,989,767 *(2023 - £42,638,961)* and a balance, after taking account of the amount of reserves invested in the Foundation's property assets, of free reserves of £9,328,393 *(2023 - £8,412,739)* which are invested to provide an income to pay for the running costs of Titsey Place and its grounds. The public have access to the parkland and woodland walks free of charge, though they are expensive to maintain and the Trustees continue to keep under review the admission prices charged to visitors (currently £10 per adult to visit both the House and the Gardens and £7.50 to visit the gardens only).

The Trustees have designated funds totalling £10,326,226 as follows:

• £7,151,874 designated to represent the book value of heritage assets in the financial statements which are carried to fulfil the charitable objects of the Foundation and are not therefore considered readily realisable.
• £2,250,000 designated to fund emergency or unplanned repairs as well as on-going maintenance of a significant nature to Titsey Place.
• £250,000 is designated to enable income to be maintained in the event of let investment properties becoming totally or partially void or lettable at reduced rates, to cover significant bad or doubtful debts and major repairs and improvements to these properties.
• £500,000 designated to fund the replacement of soft furnishings, mainly carpets and curtains.
• £174,352 designated to fund an on going project to improve the water supply to the estate. The trustees have set aside as a designated fund the total estimated cost of the project. In the current period phase 1 of the project was completed.

Fundraising

In accordance with Section 162A Charities Act 2011, the Trustees of the Foundation confirm that:

(a) The foundation does not actively fun-raise from members of the public and relies upon its investment income and revenue from ticket prices and sales in the tea rooms to fund its charitable activity
(b) The Foundation does not make use of any professional fund-raisers and has not entered into any agreements with any commercial participators.
(c) Neither the Foundation nor any person acting on its behalf was subject to an undertaking to be bound by any voluntary scheme for regulating fund-raising, or any voluntary standard of fund-raising, in respect of the Foundation's activities.
(d) The Foundation has not received any complaints during the year in relation to fund-raising.
(e) As the Foundation does not carry out any fund-raising activity it does not consider it necessary, at present, to have any arrangements in place to monitor fund-raising activity and has not needed to take any steps to ensure that any fund-raising activity is carried out in a way that protects vulnerable people and members of the public from the behaviour as set out in Section 162A(2) Charities Act 2011. If the Trustees decide to undertake fundraising activity appropriate arrangements would be put in place.

Trustees' report
for the year ended 30 September 2024

Statement of trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the Charity's auditors in connection with preparing their report and to establish that the Charity's auditors are aware of that information

This report was approved by the Trustees and signed on their behalf by

The Earl of Woolton
24 June 2025

Independent auditor's report to the trustees of the Titsey Foundation CIO

Opinion

We have audited the financial statements of The Titsey Foundation CIO (the 'Charity') for the year ended 30 September 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 September 2024 and of its result 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 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 Auditor's 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 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 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 other information comprises the information included in the Trustees' Report and Financial Statements, other than the financial statements and our auditor's report thereon. The trustees' are responsible for the other information contained within the Trustees' Report and Financial Statements. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditors' report to the trustees of the Titsey Foundation CIO (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:
- sufficient accounting records have not been kept; or
- the information given in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, 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 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 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 obtained a general understanding of the charity's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations and the entity's policies and procedures regarding compliance.

We understand that the charity complies with the framework through:
- Outsourcing property management, accounts preparation and tax compliance to external experts
- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the charity's ability to conduct its business, and where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the charity's activities:
- the Charities Act 2011
- FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities

Independent auditors' report to the trustees of the Titsey Foundation CIO (continued)

SORP (FRS 102)

Based on our understanding we performed the following specific procedures to gain evidence about compliance ith the significant laws and regulations identified above:
• making enquiries of management and those charged with governance to understand their awareness of any on-compliance of laws and regulations
• inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers of the charity

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:
• Manipulation of the financial statements via fraudulent journal entries

These areas were communicated to the other members of the engagement team not present at the discussion. The procedures we carried out to gain evidence in the above areas included:
• Testing journal entries in the underlying accounting records which are deemed to present specific risks

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

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.
.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Iain Morris (senior statutory auditor)
for and on behalf of
Chavereys Audit Limited
Chartered Accountants
and Statutory Auditors
Faversham
Date: 24 June 2025

The Titsey Foundation CIO

Statement of financial activities for the year end 30 September 2024

	Note	Unrestricted Funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Income from				
Donations and legacies	4	**-**	**-**	*-*
Charitable activities	5	**499,490**	**499,490**	*281,969*
Investments	6	**1,208,227**	**1,208,227**	*1,121,473*
Other income		**13**	**13**	*3,560*
Total income		**1,707,730**	**1,707,730**	*1,407,002*
Expenditure on:				
Raising funds	7	**550,453**	**550,453**	*505,834*
Charitable activities	9	**1,016,132**	**1,016,132**	*855,862*
Total expenditure		**1,566,585**	**1,566,585**	*1,361,696*
Net income before net gains on investments		**141,145**	**141,145**	*45,306*
Net gains on investments		**1,209,661**	**1,209,661**	*187,688*
Net movement in funds		**1,350,806**	**1,350,806**	*232,994*
Reconciliation of funds:				
Total funds brought forward		**42,638,961**	**42,638,961**	*42,405,967*
Net movement in funds		**1,350,806**	**1,350,806**	*232,994*
Total funds carried forward		**43,989,767**	**43,989,767**	*42,638,961*

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 14 to 29 form part of these financial statements.

The Titsey Foundation CIO
Registered number: CE002651

Balance sheet
as at 30 September 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	12		**284,349**		*133,242*
Heritage assets	14		**7,151,874**		*6,968,722*
Investments	15		**8,482,737**		*7,580,510*
Investment property	13		**27,509,500**		*27,257,500*
			43,428,460		*41,939,974*
Current assets					
Debtors: amounts falling due within one year	16	**408,294**		*345,046*	
Cash at bank and in hand		**560,980**		*798,728*	
		969,274		*1,143,774*	
Creditors: amounts falling due within one year	17	**(407,967)**		*(444,787)*	
Net current assets			**561,307**		*698,987*
Total net assets			**43,989,767**		*42,638,961*
Charity funds					
Designated funds	18	**10,326,226**		*10,315,467*	
General funds	18	**33,663,541**		*32,323,494*	
			43,989,767		*42,638,961*
			43,989,767		*42,638,961*

The financial statements were approved and authorised for issue by the Trustees and were signed on its behalf by:

The Earl of Woolton
Trustee

Date: 24 June 2025

The notes on pages 14 to 29 form part of these financial statements.

The Titsey Foundation CIO

Statement of cash flows
for the year ended 30 September 2024

	Note	2024	2023
		£	£
Cash flows from operating activities			
Net cash expended on operating activities	20	**(567,236)**	*(553,257)*
Cash flows from investing activities			
Proceeds from sale of investments		**94,160**	*1,095,824*
Proceeds from sales of tangible fixed assets		**33,701**	-
Disposals of investment properties		**-**	*3,600,000*
Additions to investments		**(48,373)**	*(1,565,503)*
(Additions) to heritage assets		**(198,465)**	*(3,600,000)*
Additions to tangible fixed assets		**(209,309)**	*(88,568)*
Surplus from investing activities		**657,774**	*586,742*
Net cash provided by investing activities		**329,488**	*28,495*
Change in cash and cash equivalents in the year		**(237,748)**	*(524,762)*
Cash and cash equivalents at the beginning of the year		**798,728**	*1,323,490*
Cash and cash equivalents at the end of the year		**560,980**	*798,728*

The notes on pages 14 to 29 form part of these financial statements.

Notes to the financial statements for the year ended 30 September 2024

1. General information

Titsey Foundation CIO is a charitable incorporated organisation, having restricted funds and incorporated in England and Wales (charity number: 1159986). The principal office is Titsey Place, Titsey, Oxted, Surrey, RH8 0SD.

The Charity's functional and presentational currency is GBP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

CIO Status

The Titsey Foundation CIO meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

There are no material uncertainties about the CIO's ability to continue as a going concern. The CIO has unrestricted reserves of £43.9m and free reserves of £9.3m which is considered sufficient to enable it to continue as a going concern for the foreseeable future.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivables can be measured reliably.

Interest on funds held on deposit is included when receivables and the amount can be measured reliably. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is usually upon notification from investment managers.

Rental income is recognised net of VAT on an accruals basis in accordance with the relevant rental agreements.

Gifted assets are recognised at fair value when they meet the criteria for recognition as income.

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on raising funds consists of the costs of running the Charity's investment property portfolio and management fees payable to the investment managers.

Cost of charitable activities includes costs in relation to the preservation of Titsey Place and making the estate available to the public, as well as governance costs which are in relation to the Charity's public accountability and compliance with regulation.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying amount value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold land and buildings	- Nil
Plant and machinery	- 20-25%
Office equipment	- 25%
Improvements	- 5%

2.7 Heritage assets

The Foundation's heritage assets comprise Titsey Place and its contents, Titsey Park, the Woodlands, St James Church in Titsey village and some of the surrounding farmland.

The heritage assets were acquired by way of gifts from the two founders and by subsequent purchase of a leasehold interest in the Woodlands. The Trustees' policy is to retain, manage and preserve these heritage assets for the benefit of the public and future generations. The Trustees do not envisage acquiring any further heritage assets, but capital improvements directly associated with these assets are also considered to be heritage in nature and are capitalised along with the underlying assets.

Expenditure incurred to maintain the assets is expensed as incurred.

2. Accounting policies (continued)

2.7 Heritage assets (continued)

Land and buildings encompasses Titsey Place, Titsey Park, St James' Church, the Woodlands and surrounding farmland.

The deemed cost of the land and buildings was derived from valuations undertaken just prior to the original donations from the Foundation's founders in 1979. St James' Church on Titsey Estate was subsequently transferred to the Foundation for £1 consideration. Additionally, the Foundation, as freeholder, bought out a leasehold interest in 157 acres of Woodland adjacent to the Estate 1997. As the Foundation's heritage land and buildings are considered to be both inalienable and have an almost indefinite useful life, they are not depreciated, but rather held at their original transfer value in the account subject to an impairment review.

Impairment reviews for all property are undertaken whenever there is evidence that the value of the underlying assets may be less than their carrying amounts in the accounts; no impairment has been required since the original transfer.

Heritage contents include furniture, pictures, porcelain and a library of books held within Titsey Place. As with the Land & Buildings, they were professionally valued in 1979 upon the transfer to the Foundation.

These are also considered to have an indefinite useful life and have therefore been capitalised at their original valuation when transferred to the Foundation, and are not depreciated.

Improvements consist of construction and other fixed assets additions directly attributable to the aforementioned heritage land & buildings which have been capitalised since the original transfer of the assets. Only those improvements which directly enhance the underlying heritage asset's value to the public have been classified as heritage assets.

Depreciation is provided on the following bases:

Freehold land and buildings	- Nil
Contents	- Nil
Improvements	- 5%

2.8 Investment property

Investment property is carried at fair value. Revaluation surpluses are recognised in the Statement of Financial Activities.

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Net gains/(losses) on investments' in the Statement of Financial Activities.

2. Accounting policies (continued)

2.10 Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Charity becomes a party to the contractual provisions of the instrument.

Investments in listed shares are classified as basic financial instruments. They are initially measured at transaction price and subsequently measured at fair value, with changes in fair value being recognised in profit or loss. Fair value is determined using the quoted bid price at the balance sheet date.

Trade and other debtors and creditors are classified as basic financial instruments and measured on initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Charity will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Charity's cash management.

3. Critical accounting estimates and areas of judgement

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Investment properties valuation

Land and buildings are stated at fair value based on the valuation performed by an independent professional valuer, Strutt & Parker, with recent experience in the location and category of property valued. The valuer used observable market prices adjusted as necessary for any difference in the future, location or condition of the specific asset.

4. Income from donations and legacies

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Donations	-	-	-
Legacies	-	-	-
	-	-	-
TOTAL 2023	-	-	

5. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
House admissions and tearoom income	**84,711**	**84,711**	*92,936*
Rental income from heritage assets	**143,231**	**143,231**	*154,167*
Woodland income	**271,548**	**271,548**	*34,866*
	499,490	**499,490**	*281,969*
TOTAL 2023	*281,969*	281,969	

6. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Rental income	**1,032,732**	**1,032,732**	*932,985*
Investment income	**175,495**	**175,495**	*188,488*
	1,208,227	**1,208,227**	*1,121,473*
TOTAL 2023	1,121,473	1,121,473	

Notes to the financial statements for the year ended 30 September 2024

7. Cost of raising funds

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Investment advice	**62,757**	**62,757**	*61,108*
Property costs	**487,696**	**487,696**	*444,726*
	550,453	**550,453**	*505,834*
TOTAL 2023	505,834	505,834	

8. Donations

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Master Park Pavilion Charity	**25,000**	**25,000**	-
St Mary's C of E Primary Schol	**15,000**	**15,000**	-
Tandridge Voluntary Action	**13,000**	**13,000**	-
St Peter's Parish Church	**750**	**750**	*750*
National Gardens Scheme	**-**	**-**	*3,831*
Kent Surrey Sussex Air Ambulance	**-**	**-**	*300*
Limpsfield in Bloom	**-**	**-**	*100*
	53,750	**53,750**	*4,981*
TOTAL 2023	4,981	4,981	

In December 2024 the Foundation made a donation of £4,741.50 to the National Gardens Scheme.

9. Analysis of expenditure on charitable activities

	Activities Undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	*Total funds 2023 £*
Estate costs	**432,077**	**10,000**	**442,077**	*396,900*
Titsey Place and Garden	**564,055**	**10,000**	**574,055**	*458,962*
	996,132	**20,000**	**1,016,132**	*855,862*
TOTAL 2023	834,862	21,000	855,862	

9. Analysis of expenditure on charitable activities (continued)

Analysis of direct costs

	Estate costs 2024 £	Titsey Place and Garden 2024 £	Total funds 2024 £	*Total funds 2023 £*
Staff costs including tearoom	-	241,890	**241,890**	*248,513*
Depreciation	48,784	4,293	**53,077**	*52,189*
Professional fees	65,405	5,491	**70,896**	*86,609*
Property account expenditure	47,690	141,566	**189,256**	*88,302*
Titsey Place and garden expenditure	-	44,083	**44,083**	*36,891*
Utilities	2,714	23,793	**26,507**	*25,610*
Insurance	57,921	46,728	**104,649**	*59,207*
Titsey Church expenses	11,695	-	**11,695**	*3,834*
Tree surgery	35,708	-	**35,708**	*72,734*
Irrecoverable VAT	106,384	-	**106,384**	*80,349*
Donations (note 8)	53,750	-	**53,750**	*4,981*
Sundry expenses	11,923	16,486	**28,409**	*26,398*
Advertising	-	19,622	**19,622**	*21,670*
Tearoom expenses	-	17,632	**17,632**	*19,939*
Rates	3,366	2,471	**5,837**	*7,636*
Profit on sale of fixed assets	(13,263)	-	**(13,263)**	-
	432,077	564,055	**996,132**	*834,862*
TOTAL 2023	386,400	448,462	834,862	

Analysis of support costs

	Estate costs 2024 £	Titsey Place and Garden 2024 £	Total funds 2024 £	*Total funds 2023 £*
Governance costs	10,000	10,000	**20,000**	*21,000*
	10,000	10,000	**20,000**	*21,000*
TOTAL 2023	10,500	10,500	21,000	

10. Auditor's remuneration

	2024 £	2023 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**12,000**	12,000
Fees payable to the Charity's auditor in respect of:		
All taxation advisory services not included above	**-**	1,000
All non-audit services not included above	**8,000**	8,000

11. Staff costs

	2024 £	2023 £
Wages and salaries	**214,502**	222,113
Social security costs	**22,457**	21,553
Contribution to defined contribution pension schemes	**4,931**	4,847
	241,890	248,513

The average number of persons employed by the Charity during the year was as follows:

	2024 No.	2023 No.
Estate staff	**11**	12

No employee received remuneration amounting to more than £60,000 in either year.

Trustees' remuneration and expenses

During the year, no Trustees received remuneration or other benefits (2023 - £nil).

During the year ended 30 September 2024, no Trustee expenses have been charged (although they have been incurred) (2023 – *Nil)*.

Notes to the financial statements for the year ended 30 September 2024

12. Tangible fixed assets

	Improvements £	Plant, machinery and vehicles £	Office equipment	Total £
Cost				
At 1 October 2023	**2,308,270**	**116,980**	**3,872**	**2,429,122**
Additions	**183,813**	**23,965**	**1,531**	**209,309**
Disposals	**-**	**(25,626)**	**-**	**(25,626)**
Revaluations	**-**	**-**	**-**	**-**
At 30 September 2024	**2,492,083**	**115,319**	**5,403**	**2,612,805**
Depreciation				
At 1 October 2023	**2,188,049**	**103,959**	**3,872**	**2,295,880**
Charge for the period on owned assets	**33,248**	**4,293**	**223**	**37,764**
Disposals	**-**	**(5,188)**	**-**	**(5,188)**
At 30 September 2024	**2,221,297**	**103,064**	**4,095**	**2,328,456**
Net book value				
At 30 September 2024	**270,786**	**12,255**	**1,308**	**284,349**
At 1 October 2023	120,221	13,021	**-**	133,242

Notes to the financial statements for the year ended 30 September 2024

13. Investment property

	Freehold investment property £
Valuation	
At 1 October 2023	**27,257,500**
Additions	**-**
Gain on revaluation	**252,000**
At 30 September 2024	**27,509,500**

The 2024 valuations were made by Strutt & Parker, on an open market basis.

14. Heritage assets

Assets recognised at cost

	Improvements	Land and buildings	Contents	Total
	£	£	£	£
Carrying value at 1 October 2023	2,038,202	4,050,557	879,963	6,968,722
Additions	198,465	-	-	198,465
Depreciation	(15,313)	-	-	(15,313)
Carrying value at 30 September 2024	**2,221,354**	**4,050,557**	**879,963**	**7,151,874**

	2024 £	2023 £	2022 £	2021 £	2020 £
Additions	198,465	3,600,000	393,948	380,299	365,809

The Foundation's heritage assets comprise Titsey Place and its contents, Titsey Park, the Woodlands, St James Church in Titsey village and some of the surrounding farmland.

15. Fixed asset investments

	Listed investments £
Valuation	
At 1 October 2023	**7,580,510**
Additions	**48,373**
Disposals	**(95,620)**
Revaluations	**949,474**
At 30 September 2024	**8,482,737**

Analysis of investments

	2024 £	2023 £
Equities	**7,223,433**	6,264,143
Bonds	**386,811**	413,554
Alternatives	**872,493**	902,813
	8,482,737	7,580,510

16. Debtors

Due within one year	2024 £	2023 £
Trade debtors	**232,133**	182,583
Other debtors	**147,293**	116,116
Prepayments and accrued income	**28,868**	46,347
	408,294	345,046

Notes to the financial statements for the year ended 30 September 2024

17. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	**139,508**	221,823
Other taxation and social security	**56,925**	27,957
Other creditors	**9,682**	10,942
Accruals and deferred income	**201,852**	184,065
	407,967	444,787

18. Statement of funds

Statement of funds – current year

	Balance at 1 October 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains /(losses) £	Balance at 30 September 2024 £
Unrestricted funds						
Designated funds						
Heritage assets	6,968,722	-	-	183,152	-	7,151,874
Lease replacement reserves	250,000	-	-	-	-	250,000
Repairs and improvements reserves	2,250,000	-	-	-	-	2,250,000
Soft furnishings renewal reserves	500,000	-	-	-	-	500,000
Water supply project	346,745	-	(172,393)	-	-	174,352
	10,315,467	-	(172,393)	183,152	-	10,326,226
General funds						
Reserves	32,323,494	1,707,730	(1,394,192)	(183,152)	1,209,661	33,663,541
Total unrestricted funds	**42,638,961**	**1,707,730**	**(1,566,585)**	**-**	**1,209,661**	**43,989,767**

18. Statement of funds (continued)

Statement of funds – prior year

	Balance at 1 October 2022 £	Income £	Expenditure £	Transfers in/(out) £	Gains /(losses) £	Balance at 30 September 2023 £
Unrestricted Funds						
Designated funds						
Heritage assets	-	-	-	6,968,722	-	6,968,722
Lease replacement reserves	1,500,000	-	-	(1,250,000)	-	250,000
Repairs and improvements reserves	1,000,000	-	-	1,250,000	-	2,250,000
Soft furnishings renewal reserves	500,000	-	-	-	-	500,000
Water supply project	-	-	(53,255)	400,000	-	346,745
	3,000,000	-	(53,255)	7,368,722	-	10,315,467
General funds						
Reserves	39,405,967	1,407,002	(1,308,441)	(7,368,722)	187,688	32,323,494
Total unrestricted funds	**42,405,967**	**1,407,002**	**(1,361,696)**	**-**	**187,688**	**42,638,961**

The heritage asset fund represents the book value of heritage assets in the financial statements which are carried to fulfil the charitable objects of the Foundation and are not therefore considered readily realisable.

The lease replacement reserve is designated to enable income to be maintained in the event of let investment properties becoming totally or partially void or lettable at reduced rates, to cover significant bad or doubtful debts and major repairs and improvements to these properties.

The repairs and improvements reserve is designated to fund emergency or unplanned repairs as well as on-going maintenance of a significant nature to Titsey Place.

The soft furnishings renewal reserve is designated to fund the replacement of soft furnishing, mainly carpets and curtains, at Titsey Place.

18. Statement of funds (continued)

The water supply project is an on going project to improve the water supply to the estate. The trustees have set aside as a designated fund the total estimated cost of the project. In the current period phase 1 of the project was completed.

19. Summary of funds

Summary of funds – current year

	Balance at 1 October 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains /(losses) £	Balance at 30 September 2024 £
Designated funds	10,315,467	-	(172,393)	183,152	-	10,326,226
General funds	32,323,494	1,707,730	(1,394,192)	(183,152)	1,209,661	33,663,541
Total unrestricted funds	**42,638,961**	**1,707,730**	**(1,566,585)**	**-**	**1,209,661**	**43,989,767**

Summary of funds – prior year

	Balance at 1 October 2022 £	Income £	Expenditure £	Transfers in/(out) £	Gains /(losses) £	Balance at 30 September 2023 £
Designated funds	3,000,000	-	(53,255)	7,368,722	-	10,315,467
General funds	39,405,967	1,407,002	(1,308,441)	(7,368,722)	187,688	32,323,494
Total unrestricted funds	**42,405,967**	**1,407,002**	**(1,361,696)**	**-**	**187,688**	**42,638,961**

Notes to the financial statements for the year ended 30 September 2024

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

	2024	*2023*
	£	£
Net income for the year as per Statement of Financial Activities	**1,350,806**	*232,994*
Adjustments for:		
Depreciation charges	**53,077**	*52,189*
Surplus on investing activities	**(657,774)**	*(586,742)*
(Increase) in debtors	**(63,248)**	*(145,447)*
(Decrease)/increase in creditors	**(36,820)**	*81,437*
Profit on sale of fixed assets	**(13,263)**	-
Net gains on investments	**(1,200,014)**	*(187,688)*
Net cash expended on operating activities	**(567,236)**	*(553,257)*

21. Analysis of cash and cash equivalents

	2024	*2023*
	£	£
Cash and cash equivalents	**560,980**	*798,728*

22. Analysis of changes in net debt

	At 1 October 2023	Cash flows	At 30 September 2024
	£	£	£
Cash at bank and in hand	798,728	(237,748)	**560,980**

Notes to the financial statements for the year ended 30 September 2024

23. Related party transactions

During the year, the CIO received rental income of £35,000 *(2023 - £35,000)* from the governor G A Innes and recharged expenses totalling £55,546 *(2023 - £57,026)* to G A Innes. At the year end G A Innes owed the CIO £nil *(2023 - £12,771)*. The CIO also received rental income from Pitchfont Farm Partnership, an entity in which G A Innes is a partner, of £37,000 *(2023 - £37,000)*. At the year end the CIO owed Pitchfont Farm Partnership, an entity in which G A Innes is a partner, £2,175 *(2023 - £nil)*.

24. Controlling party

There is considered to be no ultimate controlling party.

THE TITSEY FOUNDATION CIO

England & Wales - Charity number 1159986

Accounts

Registered number: CE002651
Charity number: 1159986

The Titsey Foundation CIO

Trustees' report and financial statements
for the year ended 30 September 2023

The Titsey Foundation CIO

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The Titsey Foundation CIO

Reference and administrative details of the charity, its trustees and advisers

Trustees	The Earl of Woolton, Chairman Mr Ewen Cameron Mr John St John Mr Simon Vandeleur
Company number	CE002651
Charity number	1159986
Registered office	c/o Strutt & Parker 201 High Street Lewes BN7 2NR
Principal operating office	Titsey Place Titsey Oxted Surrey RH8 0SD
Managing agents	Strutt & Parker 201 High Street Lewes BN7 2NR
Governor	G A Innes
Independent auditors	Chavereys Audit Limited The Goods Shed Jubilee Way Faversham Kent ME13 8GD
Accountants	Chavereys Limited The Goods Shed Jubilee Way Faversham Kent ME13 8GD
Bankers	C. Hoare & Co 37 Fleet Street London EC4P 4DQ
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
Investment advisers	Schroder & Co Limited 100 Wood Street London EC2V 7ER

Trustees' report
for the year ended 30 September 2023

The Trustees are pleased to present their report, together with the financial statements of The Titsey Foundation CIO (the "Foundation") for the year ended 30 September 2023.

Trustees

The Trustees who served during the financial year and since the year end were:
The Earl of Woolton (Chairman)
Mr Ewen Cameron
Mr John St John
Mr Simon Vandeleur

The Earl of Woolton was re-elected to serve a further term of 5 years as a Trustee of the Foundation, with effect from 1 January 2023.

Structure, Governance and Management

The Foundation was incorporated on 16 January 2015 as the successor of the charitable activities and assets of the former unincorporated charitable trust, The Titsey Foundation (previously registered under number 277943) which had been established by a trust deed on 26 April 1979.

The Foundation operates under its Constitution.

The management of the Foundation is the responsibility of the Trustees. In turn, the Trustees have appointed Mr G A Innes as the Governor, effectively the unpaid chief executive of the Foundation, to manage the day to day running of the Foundation. The Trustees wish to record their on-going thanks to Mr Innes for his dedicated work on behalf of the Foundation.

The Trustees are regularly briefed by Chavereys Limited, Stone King and Strutt & Parker on accountancy, legal and property management issues respectively, and are confident that they are receiving appropriate specialised advice to enable them to effectively fulfil their duties as trustees.

There are two subcommittees of the Trustees with delegated powers and a requirement to report back to the Trustees on their deliberations:

- Investment (comprising The Earl of Woolton & Mr John Innes (co-opted))
- Titsey Place Management (comprising The Earl of Woolton & Mr Cameron)

The Trustees continue to administer the Foundation, meeting three times a year to discuss matters relating to the Foundation, though some of their work is delegated to the subcommittees of the Trustees and the day to day management of the Foundation is carried out by the Governor with the support of the Managing Agents.

The Trustees do not consider it necessary to appoint any further trustees at present, but continue to keep the position under review.

Objects & Objectives of the Foundation

The Foundation's objects are the advancement of education, the relief of poverty, the advancement of religion and the promotion and aid of such other purposes as are recognised by English law to be exclusively charitable and in particular and without prejudice to the foregoing:

- the preservation for the public benefit of the whole of such part or parts of the buildings and their grounds and surroundings known as Titsey Place in the County of Surrey ("Titsey Place") as shall or may hereafter be vested in the charity trustees;
- the protection and improvement of the amenities of Titsey Place for the public benefit;

• the preservation for the public benefit of furniture and pictures and chattels of any description ordinarily kept at Titsey Place;
• the facilitation and encouragement of the study and appreciation of Titsey Place and such furniture, pictures and chattels aforesaid by the general public;
• the provision at Titsey Place or such part of it as shall be appropriate in the interest of social welfare and for the purpose of improving the conditions of life for the persons whom the same are intended of facilities for physical recreation which shall be available to members of the public at large; and
• the facilitation and encouragement of the use and occupation of the whole or part of Titsey Place and the use of such chattels as aforesaid for charitable purposes."
The Trustees' main strategic objectives are;
• to continue to improve and maintain Titsey Place and the other land and buildings used by the Foundation to the highest standards for the public benefit
• to encourage and promote members of the public to visit Titsey Place and its grounds; and
• to provide the highest standard of education and advice to visitors.

Charitable Activities

Public Benefit

The Trustees confirm that they have complied with their duty in section 17(5) of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit in exercising their powers. In terms of reporting on public benefit, the statement of activities set out below is in their view sufficient evidence of compliance.

The Foundation undertakes a range of activities in furtherance of its charitable objects and for the benefit of the public.

The Foundation's activities during the year can be summarised as follows:

Preservation of Titsey Place, The Buildings, Grounds and Surroundings

The Foundation continues to preserve and protect Titsey Place and its associated buildings to the highest possible standards so that visitors may enjoy the house and grounds in their intended state, as a lived-in family home and working estate.

The Trustees' have a 20 year Woodland Management Plan for improving public access, conservation and to maximise short term income from the sale of timber (as approved by the Forestry Commission). The Trustees consider the maintenance of these woodlands, for the protection of the environment and for the enjoyment of the public, is a key way in which the Foundation provides a benefit to a wide section of the public.

During the year the Trustees considered the outcome of the latest Quinquennial Review, for the period 2022 – 2027, with the Managing Agents to identify what planned improvements needed to be considered. The Trustees were pleased to note that the Review did not identify any items of material concern, other than the on-going need to continue to carry out appropriate maintenance of Titsey Place.

The Trustees are also moving forward with the long term plans for the replacement of the oil fired boiler at Titsey Place. Currently the boiler requires 3 large oil tanks, and the boiler itself is of an advanced age, likely to need to be replaced in the near future. The Trustees are keen to ensure that future heating arrangements are both sustainable and, as far as possible, environmentally suitable. The Trustees have considered various options. It was noted that the use of solar panels on the roof at Titsey Place would not be possible, due to the direction that the roofs face, and the number of chimneys on the roofs. The Trustees also discounted the potential for using a wood chop boiler, or an air source heat pump, as neither would be sufficient for Titsey Place's purposes. The Trustees are therefore considering the potential for a ground source heat pump solution, and are investigating potential costs.

In addition, the Trustees have been engaged in upgrading the private water supply arrangements for the Foundation. This work has been carried out in three phases. The first phase was to connect the existing reservoir to a new borehole dug by the Titsey Estate Company at Clark's Lane Farm.

Trustees' report
for the year ended 30 September 2023

Phase 2 of the works involves the creation of a new reservoir system following the identification of a leak in the old reservoir. The initial works involved installing two temporary water tanks to bypass the leaking reservoir, whilst the new reservoir is constructed. Phase 3 will see the replacement of the water pipes running along Pilgrims Lane which supply the Foundation's residential properties and Pilgrims Farm.

The Foundation has also submitted Listed Building Consent and Planning Applications for the work required to be carried out to restore the Dovecote, and it is hoped that this work can then commence next year.

Visitors to Titsey Place and Gardens

The 2023 Public Opening Season was the 30th year of the house and gardens being fully open to the public. Titsey Place, the Gardens and the tea rooms were opened to the public in mid-May 2023 and remained open until the end of September 2023.

During the season from May through to September, the Foundation had approximately 4,575 visitors to the house and gardens, which was an increase on the previous year. The Foundation continued to operate within the maximum level imposed by the Planning Authority of 5,000 annual visitors to Titsey Place itself.

A review on Trip Advisor from June 2023 commented:

"This hidden gem of a privately owned historic house and gardens in only open on Wednesday and Saturdays in the summer months. The guided tour was exceptional and full of interesting historical facts. They also have four Canaletto paintings which are magnificent. Take the time to visit and you will not be disappointed."

The Trustees were pleased that the National Garden Scheme requested to use the Tea Rooms to host their Surrey Gardener Owners Lunch, during which there was an opportunity to tour the gardens. The Foundation was pleased to welcome NGS back to Titsey Place. Opening the gardens for the NGS days also raised £3,831 for the charity.

The Foundation also hosted an awards ceremony at Titsey Place for the Order of St. John and the NHS to give awards to families of people who have died and donated their organs for transplant. The awards ceremony took place in the presence of a representative of the Lord Lieutenant of Kent and approximately 20 families were present.

Online resources

The Titsey website (www.titsey.org) provides a detailed history of the house and grounds as well as practical information for visitors. The website continues to act as a valuable resource for those who wish to learn more about Titsey and the Gresham and Leveson Gower families.

During the year the Foundation updated its website, and the new website includes an impressive welcome video that shows Visitors what to expect if they decide to visit Titsey Place, with some stunning drone footage.

Future Plans

At each meeting of the Trustees, plans for the management of the Titsey Estate and its grounds are produced by the Managing Trustees and debated by the Trustees.

Grant Funding

The Foundation makes grants on an occasional basis to support local charities and voluntary organisations. During the year the Trustees made grants to Limpsfield in Bloom £100, Kent Surrey Sussex Air Ambulance £300 and St Peter's Parish Church £750. Grants of £13,000 were made to Tandridge Voluntary Action in both the calendar years 2022 and 2023 and a further grant is expected to be made in the current year.

Trustees' report
for the year ended 30 September 2023

Financial Review

The net income for the year was £232,994 *(2022 - £2,104,382),* the substantive decrease was due to the fact that the previous year's figure includes a revaluation of the Redlands Moorhouse Site. Total income for the year was £1,407,002 *(2022 - £1,215,102).* Income from charitable activities was £281,969 *(2022 - £242,857).* This was primarily from Public Benefit activities.

Charitable expenditure relates to expenditure associated with managing Titsey Place, the gardens and the associated properties, together with the costs of facilitating public access to Titsey Place and its gardens. In addition, a small number of donations were made to the local community.

For accounting purposes, the charitable expenditure is analysed between:
- Costs directly associated with Titsey Place and the gardens, and the woodlands
- The cost of managing and maintaining the other properties associated with the historic house, including St James's Church

Titsey Place and gardens

The expenditure comprises day to day running costs, the costs associated with facilitating public access and the cost of repairs and preservation works.
The expenditure in the year on Titsey Place and gardens was £458,962 *(2022 - £494,900).*

Estate costs

This expenditure comprises the direct costs relating to the wider Estate, including St James's Church, and its management and was £396,900 *(2022 - £367,103)* in the year. Input VAT is also incurred on the charity's expenditure, the majority of which cannot be recovered. During the year the irrecoverable VAT was £80,349 *(2022 - £104,627).*

Gains on investments totalled £187,688 *(2022 - £1,993,583).*

Investment powers and policy

The Foundation has the power to invest funds in accordance with the provisions of its Constitution.

The Foundation was established to maintain and preserve Titsey in perpetuity. The Constitution places no restriction on the Trustees' power to invest the monies of the Foundation. The Trustees have agreed that the investment portfolio of the Foundation should continue to be run on a discretionary basis by Schroder & Co. Limited, with the objective of growing the capital over the long term. The objective is to be achieved by investment in a portfolio invested primarily in equities with a smaller allocation in hedge funds, private equity, fixed interest and cash.

At the start of the year the investment portfolio was valued at £6,875,643 and by the end of the year it was valued at £7,580,510, comprising listed investments of £7,580,510 *(2022 - £6,875,643).*

The portfolio made a cumulative return of 4.7% over the 12-month period; the comparative cumulative return benchmark used by the Trustees to monitor investment performance was 10.3%.

Risk management

The Trustees have reviewed the significant risks to which the charity is exposed and have ensured that there are sufficient controls to manage those risks. During the year the Trustees have continued to review and update the Foundation's risk policy.

The Trustees have a risk management strategy which comprises a regular review of the risks the Foundation may face, the establishment of systems and procedures to mitigate those risks identified, and the implementation of procedures

designed to minimise any potential impact on the Foundation should those risks materialise. The Trustees confirm that they have examined the major risks to which the Foundation is exposed and that there are appropriate systems and procedures to manage those risks.

The main risks identified are:
• the departure for whatever reason of the Governor – as the current Governor was appointed in 2013, the risk of his departure is considered low;
• the reduction in income required to cover core expenditure. Trustees meet on a regular basis with their investment advisors to ensure that the assets of the Foundation are managed appropriately;
• damage to or theft of the Foundation's property with a continued focus on managing Titsey Place and the security arrangements that are in place;
• health and safety issues which are managed in conjunction with the Managing Agents as many of these relate to the operation of the Estate. The Trustees pay particular attention to ensuring that the properties are well maintained and properly secured, and all associated risks minimised. All of the properties owned by the Foundation are included in a maintenance programme to ensure that they are put into a good state of repair and condition and kept in that state.

Reserves

The Foundation has total unrestricted funds of £42,638,961 *(2022 - £42,405,967)* and a balance, after taking account of the amount of reserves invested in the Foundation's property assets, of free reserves of £8,412,739 *(2022 - £8,117,759)* which are invested to provide an income to pay for the running costs of Titsey Place and its grounds. The public have access to the parkland and woodland walks free of charge, though they are expensive to maintain and the Trustees continue to keep under review the admission prices charged to visitors (currently £10 per adult to visit both the House and the Gardens and £7.50 to visit the gardens only).

The Trustees have designated funds totalling £10,315,467 as follows:

• £6,968,722 designated to represent the book value of heritage assets in the financial statements which are carried to fulfil the charitable objects of the Foundation and are not therefore considered readily realisable.
• £2,250,000 designated to fund emergency or unplanned repairs as well as on-going maintenance of a significant nature to Titsey Place.
• £250,000 is designated to enable income to be maintained in the event of let investment properties becoming totally or partially void or lettable at reduced rates, to cover significant bad or doubtful debts and major repairs and improvements to these properties.
• £500,000 designated to fund the replacement of soft furnishings, mainly carpets and curtains.
• £346,745 designated to fund an on going project to improve the water supply to the estate. The trustees have set aside as a designated fund the total estimated cost of the project. In the current period phase 1 of the project was completed.

Fundraising

In accordance with Section 162A Charities Act 2011, the Trustees of the Foundation confirm that:

(a) The foundation does not actively fun-raise from members of the public and relies upon its investment income and revenue from ticket prices and sales in the tea rooms to fund its charitable activity
(b) The Foundation does not make use of any professional fund-raisers and has not entered into any agreements with any commercial participators.
(c) Neither the Foundation nor any person acting on its behalf was subject to an undertaking to be bound by any voluntary scheme for regulating fund-raising, or any voluntary standard of fund-raising, in respect of the Foundation's activities.
(d) The Foundation has not received any complaints during the year in relation to fund-raising.
(e) As the Foundation does not carry out any fund-raising activity it does not consider it necessary, at present, to have any arrangements in place to monitor fund-raising activity and has not needed to take any steps to ensure that any fund-raising activity is carried out in a way that protects vulnerable people and members of the public

from the behaviour as set out in Section 162A(2) Charities Act 2011. If the Trustees decide to undertake fundraising activity appropriate arrangements would be put in place.

Statement of trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material 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 business.

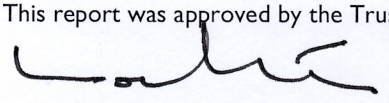
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the Charity's auditors in connection with preparing their report and to establish that the Charity's auditors are aware of that information

This report was approved by the Trustees and signed on their behalf by



The Earl of Woolton
28 June 2024

Independent auditor's report to the trustees of the Titsey Foundation CIO

Opinion

We have audited the financial statements of The Titsey Foundation CIO (the 'Charity') for the year ended 30 September 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 September 2023 and of its result 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 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 Auditor's 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 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 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 other information comprises the information included in the Trustees' Report and Financial Statements, other than the financial statements and our auditor's report thereon. The trustees' are responsible for the other information contained within the Trustees' Report and Financial Statements. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditors' report to the trustees of the Titsey Foundation CIO (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:
- sufficient accounting records have not been kept; or
- the information given in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, 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 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 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 obtained a general understanding of the charity's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations and the entity's policies and procedures regarding compliance.

We understand that the charity complies with the framework through:
- Outsourcing property management, accounts preparation and tax compliance to external experts
- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the charity's ability to conduct its business, and where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the charity's activities:
- the Charities Act 2011
- FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities

Independent auditors' report to the trustees of the Titsey Foundation CIO (continued)

SORP (FRS 102)

Based on our understanding we performed the following specific procedures to gain evidence about compliance ith the significant laws and regulations identified above:
- making enquiries of management and those charged with governance to understand their awareness of any on-compliance of laws and regulations
- inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers of the charity

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:
- Manipulation of the financial statements via fraudulent journal entries

These areas were communicated to the other members of the engagement team not present at the discussion. The procedures we carried out to gain evidence in the above areas included:
- Testing journal entries in the underlying accounting records which are deemed to present specific risks

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

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.
.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Chavereys

Iain Morris (senior statutory auditor)
for and on behalf of
Chavereys Audit Limited
Chartered Accountants
and Statutory Auditors
Faversham
Date: 28 June 2024

The Titsey Foundation CIO

Statement of financial activities for the year end 30 September 2023

	Note	Unrestricted Funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Income from				
Donations and legacies	4	**-**	**-**	*13*
Charitable activities	5	**281,969**	**281,969**	*242,857*
Investments	6	**1,121,473**	**1,121,473**	*971,707*
Other income		**3,560**	**3,560**	*525*
Total income		**1,407,002**	**1,407,002**	*1,215,102*
Expenditure on:				
Raising funds	7	**505,834**	**505,834**	*242,300*
Charitable activities	8	**855,862**	**855,862**	*862,003*
Total expenditure		**1,361,696**	**1,361,696**	*1,104,303*
Net income before net gains on investments		**45,306**	**45,306**	*110,799*
Net gains on investments		**187,688**	**187,688**	*1,993,583*
Net movement in funds		**232,994**	**232,994**	*2,104,382*
Reconciliation of funds:				
Total funds brought forward		**42,405,967**	**42,405,967**	*40,301,585*
Net movement in funds		**232,994**	**232,994**	*2,104,382*
Total funds carried forward		**42,638,961**	**42,638,961**	*42,405,967*

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 14 to 29 form part of these financial statements.

The Titsey Foundation CIO
Registered number: CE002651

Balance sheet
as at 30 September 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	12		**133,242**		*82,377*
Heritage assets	14		**6,968,722**		*3,383,208*
Investments	15		**7,580,510**		*6,875,643*
Investment property	13		**27,257,500**		*30,905,000*
			41,939,974		*41,246,228*
Current assets					
Debtors: amounts falling due within one year	16	**345,046**		*199,599*	
Cash at bank and in hand		**798,728**		*1,323,490*	
		1,143,774		*1,523,089*	
Creditors: amounts falling due within one year	17	**(444,787)**		*(363,350)*	
Net current assets			**698,987**		*1,159,739*
Total net assets			**42,638,961**		*42,405,967*
Charity funds					
Designated funds	18	**10,315,467**		*3,000,000*	
General funds	18	**32,323,494**		*39,405,967*	
			42,638,961		*42,405,967*
			42,638,961		*42,405,967*

The financial statements were approved and authorised for issue by the Trustees and were signed on its behalf by:

The Earl of Woolton
Trustee

Date: 28 June 2024

The notes on pages 14 to 29 form part of these financial statements.

The Titsey Foundation CIO

Statement of cash flows
for the year ended 30 September 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash expended on operating activities	20	**(553,257)**	*(472,249)*
Cash flows from investing activities			
Proceeds from sale of investments		**1,095,824**	*1,884,045*
Disposals/(additions) to investment properties		**3,600,000**	*(10,415)*
Additions to investments		**(1,565,503)**	*(1,158,931)*
(Additions) to heritage assets		**(3,600,000)**	*(393,948)*
Additions to tangible fixed assets		**(88,568)**	-
Surplus from investing activities		**586,742**	*729,407*
Net cash provided by investing activities		**28,495**	*1,050,158*
Change in cash and cash equivalents in the year		**(524,762)**	*577,909*
Cash and cash equivalents at the beginning of the year		**1,323,490**	*745,581*
Cash and cash equivalents at the end of the year		**798,728**	*1,323,490*

The notes on pages 14 to 29 form part of these financial statements.

Notes to the financial statements for the year ended 30 September 2023

1. General information

Titsey Foundation CIO is a charitable incorporated organisation, having restricted funds and incorporated in England and Wales (charity number: 1159986). The principal office is Titsey Place, Titsey, Oxted, Surrey, RH8 0SD.

The Charity's functional and presentational currency is GBP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

CIO Status

The Titsey Foundation CIO meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

There are no material uncertainties about the CIO's ability to continue as a going concern. The CIO has unrestricted reserves of £42m and free reserves of £8m which is considered sufficient to enable it to continue as a going concern for the foreseeable future.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivables can be measured reliably.

Interest on funds held on deposit is included when receivables and the amount can be measured reliably. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is usually upon notification from investment managers.

Rental income is recognised net of VAT on an accruals basis in accordance with the relevant rental agreements.

Gifted assets are recognised at fair value when they meet the criteria for recognition as income.

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on raising funds consists of the costs of running the Charity's investment property portfolio and management fees payable to the investment managers.

Cost of charitable activities includes costs in relation to the preservation of Titsey Place and making the estate available to the public, as well as governance costs which are in relation to the Charity's public accountability and compliance with regulation.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying amount value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold land and buildings	- Nil
Plant and machinery	- 20-25%
Office equipment	- 25%
Improvements	- 5%

2.7 Heritage assets

The Foundation's heritage assets comprise Titsey Place and its contents, Titsey Park, the Woodlands, St James Church in Titsey village and some of the surrounding farmland.

The heritage assets were acquired by way of gifts from the two founders and by subsequent purchase of a leasehold interest in the Woodlands. The Trustees' policy is to retain, manage and preserve these heritage assets for the benefit of the public and future generations. The Trustees do not envisage acquiring any further heritage assets, but capital improvements directly associated with these assets are also considered to be heritage in nature and are capitalised along with the underlying assets.

Expenditure incurred to maintain the assets is expensed as incurred.

2. Accounting policies (continued)

2.7 Heritage assets (continued)

Land and buildings encompasses Titsey Place, Titsey Park, St James' Church, the Woodlands and surrounding farmland.

The deemed cost of the land and buildings was derived from valuations undertaken just prior to the original donations from the Foundation's founders in 1979. St James' Church on Titsey Estate was subsequently transferred to the Foundation for £1 consideration. Additionally, the Foundation, as freeholder, bought out a leasehold interest in 157 acres of Woodland adjacent to the Estate 1997. As the Foundation's heritage land and buildings are considered to be both inalienable and have an almost indefinite useful life, they are not depreciated, but rather held at their original transfer value in the account subject to an impairment review.

Impairment reviews for all property are undertaken whenever there is evidence that the value of the underlying assets may be less than their carrying amounts in the accounts; no impairment has been required since the original transfer.

Heritage contents include furniture, pictures, porcelain and a library of books held within Titsey Place. As with the Land & Buildings, they were professionally valued in 1979 upon the transfer to the Foundation.

These are also considered to have an indefinite useful life and have therefore been capitalised at their original valuation when transferred to the Foundation, and are not depreciated.

Improvements consist of construction and other fixed assets additions directly attributable to the aforementioned heritage land & buildings which have been capitalised since the original transfer of the assets. Only those improvements which directly enhance the underlying heritage asset's value to the public have been classified as heritage assets.

Depreciation is provided on the following bases:

Freehold land and buildings	- Nil
Contents	- Nil
Improvements	- 5%

2.8 Investment property

Investment property is carried at fair value. Revaluation surpluses are recognised in the Statement of Financial Activities.

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Net gains/(losses) on investments' in the Statement of Financial Activities.

2. Accounting policies (continued)

2.10 Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Charity becomes a party to the contractual provisions of the instrument.

Investments in listed shares are classified as basic financial instruments. They are initially measured at transaction price and subsequently measured at fair value, with changes in fair value being recognised in profit or loss. Fair value is determined using the quoted bid price at the balance sheet date.

Trade and other debtors and creditors are classified as basic financial instruments and measured on initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Charity will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Charity's cash management.

3. Critical accounting estimates and areas of judgement

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Investment properties valuation

Land and buildings are stated at fair value based on the valuation performed by an independent professional valuer, Strutt & Parker, with recent experience in the location and category of property valued. The valuer used observable market prices adjusted as necessary for any difference in the future, location or condition of the specific asset.

Notes to the financial statements for the year ended 30 September 2023

4. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Donations	-	-	*13*
Legacies	-	-	*-*
	-	-	*13*
TOTAL 2022	13	13	

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
House admissions and tearoom income	**92,936**	**92,936**	*67,080*
Rental income from heritage assets	**154,167**	**154,167**	*153,450*
Woodland income	**34,866**	**34,866**	*22,327*
	281,969	**281,969**	*242,857*
TOTAL 2022	*242,857*	242,857	

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Rental income	**932,985**	**932,985**	*831,934*
Investment income	**188,488**	**188,488**	*139,773*
	1,121,473	**1,121,473**	*971,707*
TOTAL 2022	971,707	971,707	

Notes to the financial statements for the year ended 30 September 2023

7. Cost of raising funds

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Investment advice	**61,108**	**61,108**	*53,645*
Property costs	**444,726**	**444,726**	*188,655*
	505,834	**505,834**	*242,300*
TOTAL 2022	242,300	242,300	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Estate costs	**396,900**	**396,900**	*367,103*
Titsey Place and Garden	**458,962**	**458,962**	*494,900*
	855,862	**855,862**	*862,003*
TOTAL 2022	862,003	862,003	

9. Analysis of expenditure on charitable activities

	Activities Undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	*Total funds 2022 £*
Estate costs	**386,400**	**10,500**	**396,900**	*367,103*
Titsey Place and Garden	**448,462**	**10,500**	**458,962**	*494,900*
	834,862	**21,000**	**855,862**	*862,003*
TOTAL 2022	835,528	26,475	862,003	

9. Analysis of expenditure on charitable activities (continued)

Analysis of direct costs

	Estate costs 2023 £	Titsey Place and Garden 2023 £	Total funds 2023 £	*Total funds 2022 £*
Staff costs including tearoom	-	248,513	**248,513**	*216,036*
Depreciation	48,610	3,579	**52,189**	*55,342*
Professional fees	78,892	7,717	**86,609**	*56,552*
Property account expenditure	42,769	45,533	**88,302**	*66,918*
Titsey Place and garden expenditure	-	36,891	**36,891**	*13,661*
Utilities	5,750	19,860	**25,610**	*49,476*
Insurance	32,312	26,895	**59,207**	*52,569*
Titsey Church expenses	3,834	-	**3,834**	*10,693*
Tree surgery	72,734	-	**72,734**	*73,006*
Irrecoverable VAT	80,349	-	**80,349**	*104,627*
Sundry expenses	18,633	12,746	**31,379**	*83,166*
Advertising	-	21,670	**21,670**	*22,276*
Tearoom expenses	-	19,939	**19,939**	*22,863*
Rates	2,517	5,119	**7,636**	*8,216*
Bad debts	-	-	**-**	*127*
	386,400	448,462	**834,862**	*835,528*
TOTAL 2022	353,866	481,662	835,528	

Analysis of support costs

	Estate costs 2023 £	Titsey Place and Garden 2023 £	Total funds 2023 £	*Total funds 2022 £*
Governance costs	10,500	10,500	**21,000**	*26,475*
	10,500	10,500	**21,000**	*26,475*
TOTAL 2022	13,237	13,238	26,475	

Notes to the financial statements for the year ended 30 September 2023

10. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**12,000**	24,775
Fees payable to the Charity's auditor in respect of:		
All taxation advisory services not included above	**1,000**	900
All non-audit services not included above	**8,000**	1,800

11. Staff costs

	2023 £	2022 £
Wages and salaries	**222,113**	193,913
Social security costs	**21,553**	17,994
Contribution to defined contribution pension schemes	**4,847**	4,129
	248,513	216,036

The average number of persons employed by the Charity during the year was as follows:

	2023 No.	2022 No.
Estate staff	**12**	12

No employee received remuneration amounting to more than £60,000 in either year.

Trustees' remuneration and expenses

During the year, no Trustees received remuneration or other benefits (2022 - £nil).

During the year ended 30 September 2023, no Trustee expenses have been charged (although they have been incurred) (2022 – *Nil)*.

Notes to the financial statements for the year ended 30 September 2023

12. Tangible fixed assets

	Improvements £	Plant, machinery and vehicles £	Office equipment	Total £
Cost				
At 1 October 2022	**2,235,327**	**101,355**	**3,872**	**2,340,554**
Additions	**72,943**	**15,625**	**-**	**88,568**
Disposals	**-**	**-**	**-**	**-**
Revaluations	**-**	**-**	**-**	**-**
At 30 September 2023	**2,308,270**	**116,980**	**3,872**	**2,429,122**
Depreciation				
At 1 October 2022	**2,153,925**	**100,380**	**3,872**	**2,258,177**
Charge for the period on owned assets	**34,124**	**3,579**	**-**	**37,703**
Disposals	**-**	**-**	**-**	**-**
At 30 September 2023	**2,188,049**	**103,959**	**3,872**	**2,295,880**
Net book value				
At 30 September 2023	**120,221**	**13,021**	**-**	**133,242**
At 1 October 2022	81,402	975	**-**	82,377

Notes to the financial statements for the year ended 30 September 2023

13. Investment property

	Freehold investment property £
Valuation	
At 1 October 2022	**30,905,000**
Additions	**-**
Reclassified as heritage assets	**(3,600,000)**
Loss on revaluation	**(47,500)**
At 30 September 2023	**27,257,500**

The 2023 valuations were made by Strutt & Parker, on an open market basis.

14. Heritage assets

Assets recognised at cost

	Improvements	Land and buildings	Contents	Total
	£	£	£	£
Carrying value at 1 October 2022	2,052,688	450,557	879,963	3,383,208
Reclassified from investment property	-	3,600,000	-	3,600,000
Depreciation	(14,486)	-	-	(14,486)
Carrying value at 30 September 2023	**2,038,202**	**4,050,557**	**879,963**	**6,968,722**

	2023 £	2022 £	2021 £	2020 £	2019 £
Additions	3,600,000	393,948	380,299	365,809	12,522

The Foundation's heritage assets comprise Titsey Place and its contents, Titsey Park, the Woodlands, St James Church in Titsey village and some of the surrounding farmland. During the year woodlands previously accounted for as investment property were reclassified as heritage assets, since in the opinion of the trustees these are not primarily held to realise investment income or gains.

Notes to the financial statements for the year ended 30 September 2023

15. Fixed asset investments

	Listed investments £
Valuation	
At 1 October 2022	**6,875,643**
Additions	**1,565,503**
Disposals	**(1,007,291)**
Revaluations	**146,655**
At 30 September 2023	**7,580,510**

Analysis of investments

	2023 £	2022 £
Equities	**6,264,143**	6,017,143
Bonds	**413,554**	91,640
Alternatives	**902,813**	766,860
	7,580,510	6,875,643

16. Debtors

Due within one year	**2023 £**	2022 £
Trade debtors	**182,583**	126,510
Other debtors	**116,116**	22,269
Prepayments and accrued income	**46,347**	50,820
	345,046	199,599

Notes to the financial statements for the year ended 30 September 2023

17. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	**221,823**	66,926
Other taxation and social security	**27,957**	30,571
Other creditors	**10,942**	63,518
Accruals and deferred income	**184,065**	202,335
	444,787	363,350

18. Statement of funds

Statement of funds – current year

	Balance at 1 October 2022 £	Income £	Expenditure £	Transfers in/(out) £	Gains /(losses) £	Balance at 30 September 2023 £
Unrestricted funds						
Designated funds						
Heritage assets	-	-	-	6,968,722	-	6,968,722
Lease replacement reserves	1,500,000	-	-	(1,250,000)	-	250,000
Repairs and improvements reserves	1,000,000	-	-	1,250,000	-	2,250,000
Soft furnishings renewal reserves	500,000	-	-	-	-	500,000
Water supply project	-	-	(53,255)	400,000	-	346,745
	3,000,000	-	(53,255)	7,368,722	-	10,315,467
General funds						
Reserves	39,405,967	1,407,002	(1,308,441)	(7,368,722)	187,688	32,323,494
Total unrestricted funds	**42,405,967**	**1,407,002**	**(1,361,696)**	**-**	**187,688**	**42,638,961**

18. Statement of funds (continued)

The heritage asset fund represents the book value of heritage assets in the financial statements which are carried to fulfil the charitable objects of the Foundation and are not therefore considered readily realisable.

The lease replacement reserve is designated to enable income to be maintained in the event of let investment properties becoming totally or partially void or lettable at reduced rates, to cover significant bad or doubtful debts and major repairs and improvements to these properties.

The repairs and improvements reserve is designated to fund emergency or unplanned repairs as well as on-going maintenance of a significant nature to Titsey Place.

The soft furnishings renewal reserve is designated to fund the replacement of soft furnishing, mainly carpets and curtains, at Titsey Place.

The water supply project is an on going project to improve the water supply to the estate. The trustees have set aside as a designated fund the total estimated cost of the project. In the current period phase 1 of the project was completed.

Statement of funds – prior year

	Balance at 1 October 2021 £	Income **£**	Expenditure **£**	Transfers in/(out) **£**	Gains /(losses) **£**	**Balance at 30 September 2022 £**
Unrestricted Funds						
Designated funds						
Lease replacement reserves	1,500,000	-	-	-	-	1,500,000
Repairs and improvements reserves	1,000,000	-	-	-	-	1,000,000
Soft furnishings renewal reserves	500,000	-	-	-	-	500,000
	3,000,000	-	-	-	-	3,000,000
General funds						
Reserves	37,301,585	1,215,102	(1,104,303)	-	1,993,583	39,405,967
Total unrestricted funds	**40,301,585**	**1,215,102**	**(1,104,303)**	**-**	**1,993,583**	**42,405,967**

19. Summary of funds

Summary of funds – current year

	Balance at 1 October 2022 £	Income £	Expenditure £	Transfers in/(out) £	Gains /(losses) £	Balance at 30 September 2023 £
Designated funds	3,000,000	-	(53,255)	7,368,722	-	10,315,467
General funds	39,405,967	1,407,002	(1,308,441)	(7,368,722)	187,688	32,323,494
Total unrestricted funds	**42,405,967**	**1,407,002**	**(1,361,696)**	**-**	**187,688**	**42,638,961**

Summary of funds – prior year

	Balance at 1 October 2021 £	Income £	Expenditure £	Transfers in/(out) £	Gains /(losses) £	Balance at 31 March 2022 £
Designated funds	3,000,000	-	-	-	-	3,000,000
General funds	37,301,585	1,215,102	(1,104,303)	-	1,993,583	39,405,967
Total unrestricted funds	**40,301,585**	**1,215,102**	**(1,104,303)**	**-**	**1,993,583**	**42,405,967**

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

	2023	*2022*
	£	£
Net income for the year as per Statement of Financial Activities	**232,994**	*2,104,382*
Adjustments for:		
Depreciation charges	**52,189**	*56,023*
Surplus on investing activities	**(586,742)**	*(729,407)*
(Increase)/decrease in debtors	**(145,447)**	*(16,364)*
(Decrease)/increase in creditors	**81,437**	*106,700*
Profit on sale of fixed assets	**-**	-
Net gains on investments	**(187,688)**	*(1,993,583)*
Net cash expended on operating activities	**(553,257)**	*(472,249)*

21. Analysis of cash and cash equivalents

	2023	*2022*
	£	£
Cash and cash equivalents	**798,728**	*1,323,490*

22. Analysis of changes in net debt

	At 1 October 2022	Cash flows	At 30 September 2023
	£	£	£
Cash at bank and in hand	1,323,490	(524,762)	**798,728**

Notes to the financial statements for the year ended 30 September 2023

23. Related party transactions

During the year, the CIO received rental income of £35,000 *(2022 - £35,000)* from the governor G A Innes and recharged expenses totalling £57,026 *(2022 - £47,151)* to G A Innes. At the year end G A Innes owed the CIO £12,771 *(2022 - £10,942)*. The CIO also received rental income from Pitchfont Farm Partnership, an entity in which G A Innes is a partner, of £37,000 *(2022 - £37,000)*. At the year end the CIO owed Pitchfont Farm Partnership, an entity in which G A Innes is a partner, £nil *(2022 - £146)*.

24. Controlling party

There is considered to be no ultimate controlling party.

THE TITSEY FOUNDATION CIO

England & Wales - Charity number 1159986

Accounts

Registered number: CE002651
Charity number: 1159986

THE TITSEY FOUNDATION CIO

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

THE TITSEY FOUNDATION CIO

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 SEPTEMBER 2022

Trustees

The Earl of Woolton, Chairman
Mr Ewen Cameron
Mr John St John
Mr Simon Vandeleur

Company registered number

CE002651

Charity registered number

1159986

Registered office

Titsey Place, Titsey, Oxted, Surrey, RH8 0SD

Managing Agents

Strutt & Parker, 201 High Street, Lewes, East Sussex, BN7 2NR

Governor

G A Innes

Independent auditor

CLA Evelyn Partners Limited, Onslow House, Onslow Street, Guildford, GU1 4TL

Bankers

C. Hoare & Co, 37 Fleet Street, London, EC4P 4DQ

Solicitors

Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

Investment Advisers

Schroder & Co. Limited, 100 Wood Street, London, EC2V 7ER

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2022

The Trustees are pleased to present their report, together with the financial statements of The Titsey Foundation CIO (the "Foundation") for the year ended 30 September 2022.

Trustees

The Trustees who served during the financial year and since the year end were:
The Earl of Woolton (Chairman)
Mr Ewen Cameron
Mr John St John
Mr Simon Vandeleur

Structure, Governance and Management

The Foundation was incorporated on 16 January 2015 as the successor of the charitable activities and assets of the former unincorporated charitable trust, The Titsey Foundation (previously registered under number 277943) which had been established by a trust deed on 26 April 1979.

The Foundation operates under its Constitution.

The management of the Foundation is the responsibility of the Trustees. In turn, the Trustees have appointed Mr G A Innes as the Governor, effectively the unpaid chief executive of the Foundation, to manage the day to day running of the Foundation. The Trustees wish to record their on-going thanks to Mr Innes for his dedicated work on behalf of the Foundation.

The Trustees are regularly briefed by CLA Evelyn Partners Limited, Stone King and Strutt & Parker on accountancy, legal and property management issues respectively, and are confident that they are receiving appropriate specialised advice to enable them to effectively fulfil their duties as trustees.

There are two subcommittees of the Trustees with delegated powers and a requirement to report back to the Trustees on their deliberations:

- Investment (comprising The Earl of Woolton & Mr John Innes (co-opted))
- Titsey Place Management (comprising The Earl of Woolton & Mr Cameron)

The Trustees continue to administer the Foundation, meeting three times a year to discuss matters relating to the Foundation, though some of their work is delegated to the subcommittees of the Trustees and the day to day management of the Foundation is carried out by the Governor with the support of the Managing Agents.

During the year the Trustees were pleased to resume in person trustee meetings.

The Trustees do not consider it necessary to appoint any further trustees at present, but continue to keep the position under review.

Objects & Objectives of the Foundation

The Foundation's objects are "the advancement of education, the relief of poverty, the advancement of religion and the promotion and aid of such other purposes as are recognised by English law to be exclusively charitable and in particular and without prejudice to the foregoing:

- the preservation for the public benefit of the whole of such part or parts of the buildings and their grounds and surroundings known as Titsey Place in the County of Surrey ("Titsey Place") as shall or may hereafter be vested in the charity trustees;
- the protection and improvement of the amenities of Titsey Place for the public benefit;
- the preservation for the public benefit of furniture and pictures and chattels of any description ordinarily kept at Titsey Place;
- the facilitation and encouragement of the study and appreciation of Titsey Place and such furniture, pictures and chattels aforesaid by the general public;
- the provision at Titsey Place or such part of it as shall be appropriate in the interest of social welfare and for the purpose of improving the conditions of life for the persons whom the same are intended of facilities for physical recreation which shall be available to members of the public at large; and
- the facilitation and encouragement of the use and occupation of the whole or part of Titsey Place and the use of such chattels as aforesaid for charitable purposes."

The Trustees' main strategic objectives are;

- to continue to improve and maintain Titsey Place and the other land and buildings used by the Foundation to the highest standards for the public benefit
- to encourage and promote members of the public to visit Titsey Place and its grounds; and
- to provide the highest standard of education and advice to visitors.

Charitable Activities

Public Benefit

The Trustees confirm that they have complied with their duty in section 17(5) of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit in exercising their powers. In terms of reporting on public benefit, the statement of activities set out below is in their view sufficient evidence of compliance.

The Foundation undertakes a range of activities in furtherance of its charitable objects and for the benefit of the public. The Foundation's activities during the year can be summarised as follows:

Preservation of Titsey Place, The Buildings, Grounds and Surroundings

The Foundation continues to preserve and protect Titsey Place and its associated buildings to the highest possible standards so that visitors may enjoy the house and grounds in their intended state, as a lived-in family home and working estate. During the year the work to renew, extend and modernise the kitchen at Titsey Place was finally completed.

The Trustees' have a 20 years Woodland Management Plan for improving public access, conservation and to maximise short term income from the sale of timber (as approved by the Forestry Commission). The Trustees consider the maintenance of these woodlands, for the protection of the environment and for the enjoyment of the public, is a key way in which the Foundation provides a benefit to a wide section of the public.

The Foundation carried out works in the Church of St. James the Greater to repair the floor where it had been made unsafe by woodworm.

The Trustees were delighted to congratulate Angela Tester, who works at Titsey Place as a gardener, on completing 40 years of service as an employee in June 2022. The Trustees are very grateful to Angela for her dedicated service and contribution to the life of Titsey Place over this period.

The Trustees permitted the Surrey Archaeological Society access to Titsey Place to carry out surveys to learn more about the Roman ruins at the site. During the 1870s excavations were carried out at Titsey Place by G W G Leveson Gower which revealed something which was thought be in the nature of a Roman watch tower. During later excavations in 1935, Colonel R H Cunnington and James Graham identified a Romano-Celtic temple and Roman road at Titsey Place. During 2022 members of the Surrey Archaeological Society carried out magnetometry, resistivity and metal detecting surveys at Titsey Place with a view to understanding more about the history of the estate. In particular, the Society wanted to locate the temple site and identify possible archaeological features in nearby features that could be contemporary with the temple and the Roman road. The metal detection recovered 22 finds, which support the interpretation that there is a Roman site that began in the early 2nd century and then became derelict sometime in the 3rd century. The hot summer of 2022 was also helpful as the parch marks showing the outline of the temple were particularly detailed. These confirmed the size and layout of the perimeter wall and central structure, as well as revealing previously unrecorded details of what appear to be party walls. These newly discovered markings suggest possible earth-filled oblong features, that could be part of a cella or even represent three tombs. There remain a number of unexplained anomalies about the site and the Society are considering further activity. The Society's findings are reported in more detail in the October 2022 issue of their journal, "Surrey's Past". The Trustees look forward to learning more about the site and its history from future surveys.

Visitors to Titsey Place and Gardens

The 2022 Public Opening Season was to the 29th year of the house and gardens being fully open to the public.

Titsey Place, the Gardens and the tea rooms were opened to the public in mid-May 2022 and remained open until 28 September 2022.

During the season from May through to September, the Foundation had approximately 4,600 visitors to the house and gardens, which was an increase on the previous year and a return to the level that was usual prior to the COVID-19 Pandemic. The Foundation continued to operate within the maximum level imposed by the Planning Authority of 5,000 annual visitors to Titsey Place itself.

A review on Trip Advisor from August 2022 commented:
"Not only a very well stocked walled garden with amazing vegetables and greenhouses but an amazing house full of treasures-and I am not including the guides, who were not 'stuffy', very personal and great delivery of information."

The Trustees were pleased that the National Garden Scheme requested to use the Tea Rooms to host their Surrey Gardener Owners Lunch, during which there was an opportunity to tour the gardens. The Foundation was pleased to welcome NGS back to Titsey Place after an absence of 2 years due to the pandemic. Opening the gardens for the NGS days also raised £1,707 for the charity.

The Foundation also hosted an awards ceremony at Titsey Place for the Order of St. John and the NHS to give awards to families of people who have died and donated their organs for transplant. This was a regular annual occurrence prior to the pandemic and has not been able to take place for two years, so it was pleasing that this was able to resume. The awards ceremony took place in the presence of a representative of the Lord Lieutenant of Kent and approximately 20 families were present.

Educational programmes

No educational programmes were carried out during the year, as the effects of the pandemic were still an issue, but it is hoped that these will be able to resume during 2023.

Online resources

The Titsey website (www.titsey.org) provides a detailed history of the house and grounds as well as practical information for visitors. There were 38,991 unique visits to the website in the financial year to which this report relates. The website continues to act as a valuable resource for those who wish to learn more about Titsey and the Gresham and Leveson Gower families.

Future Plans

At each meeting of the Trustees, plans for the management of the Titsey Estate and its grounds are produced by the Managing Trustees and debated by the Trustees.

The Trustees received the results of the Quinquennial survey for the period 2022 to 2027 which, apart from routine maintenance and refurbishment, did not identify any major issues of concern for the Foundation. Following the outcome of the survey the Trustees have begun exploring, as part of a long term strategy, reviewing potential options for the future heating of Titsey Place and the ability to consider green alternatives to traditional methods of heating.

Grant Funding

The Foundation makes grants on an occasional basis to support local charities and voluntary organisations. During the year the Foundation made a three year grant to Tandridge Voluntary Action to assist with the costs of employing a co-ordinator to run the Tandridge Befriending Scheme. The Scheme aims to provide friendship to those in the area who are feeling lonely or socially isolated. It also made a one off grant of £5,000 to support Oxted Infant School, and a payment of £585 towards installing a new kissing gate to benefit local walkers.

Throughout the year, the Foundation donated prizes in the form of vouchers for a tour of Titsey Place with a cream tea. 13 prizes were given this year to various charities and good causes including Cambridge Fundraising Choir, North West Surrey Integrated Care Services and Children's Hospital Pyjamas.

Other

The Trustees were pleased to learn that one of the Foundation's tenants has been able to provide support and accommodation in their cottage to a family of Ukrainian Refugees.

Financial Review

The net income for the year was £2,104,382 *(2021 - £9,456,293),* the substantive decrease was due to the fact that the previous year's figure include a revaluation of the Redlands Moorhouse Site. Total income for the year was £1,215,102 *(2021 - £1,160,325).* Income from charitable activities was £242,857 *(2021 - £212,978).* This was primarily from Public Benefit activities.

Charitable expenditure relates to expenditure associated with managing Titsey Place, the gardens and the associated properties, together with the costs of facilitating public access to Titsey Place and its gardens. In addition, a small number of donations were made to the local community.

For accounting purposes, the charitable expenditure is analysed between:
- Costs directly associated with Titsey Place and the gardens, and the woodlands
- The cost of managing and maintaining the other properties associated with the historic house, including St James's Church

Titsey Place and gardens

The expenditure comprises day to day running costs, the costs associated with facilitating public access and the cost of repairs and preservation works.
The expenditure in the year on Titsey Place and gardens was £494,900 *(2021 - £404,311).*

Estate costs

This expenditure comprises the direct costs relating to the wider Estate, including St James's Church, and its management and was £367,745 *(2021 - £316,972)* in the year. Input VAT is also incurred on the charity's expenditure, the majority of which cannot be recovered. During the year the irrecoverable VAT was £104,627 *(2021 - £107,260).*

Gains on investments totalled £1,993,583 *(2021 - £9,380,062 – again the significant difference being due to the revaluation of the Redlands Moorhouse Site).*

Investment powers and policy

The Foundation has the power to invest funds in accordance with the provisions of its Constitution.

The Foundation was established to maintain and preserve Titsey in perpetuity. The Constitution places no restriction on the Trustees' power to invest the monies of the Foundation. The Trustees have agreed that the investment portfolio of the Foundation should continue to be run on a discretionary basis by Schroder & Co. Limited, with the objective of growing the capital over the long term. The objective is to be achieved by investment in a portfolio invested primarily in equities with a smaller allocation in hedge funds, private equity, fixed interest and cash.

At the start of the year the investment portfolio was valued at £8,517,004 and by the end of the year it was valued at £6,875,643, comprising listed investments of £6,875,643 *(2021 - £8,517,004),* due to the prevailing economic circumstances. However, the Foundation also increased the cash held with its investment manager from £419,898 at the start of the year, to £939,208 at the end of the year which reflects part of the change in the value of the investment portfolio.

The portfolio made a total return of -9.9% over the 12-month period; the comparative benchmark used by the Trustees to monitor investment performance was -7.0%.

Risk management

The Trustees have reviewed the significant risks to which the charity is exposed and have ensured that there are sufficient controls to manage those risks. During the year the Trustees have continued to review and update the Foundation's risk policy.

The Trustees have a risk management strategy which comprises a regular review of the risks the Foundation may face, the establishment of systems and procedures to mitigate those risks identified, and the implementation of procedures designed to minimise any potential impact on the Foundation should those risks materialise. The Trustees confirm that they have examined the major risks to which the Foundation is exposed and that there are appropriate systems and procedures to manage those risks.

The main risks identified are:

- the departure for whatever reason of the Governor – as the current Governor was appointed in 2013, the risk of his departure is considered low;
- the reduction in income required to cover core expenditure. Trustees meet on a regular basis with their investment advisors to ensure that the assets of the Foundation are managed appropriately;
- damage to or theft of the Foundation's property with a continued focus on managing Titsey Place and the security arrangements that are in place;
- health and safety issues which are managed in conjunction with the Managing Agents as many of these relate to the operation of the Estate. The Trustees pay particular attention to ensuring that the properties are well maintained and properly secured, and all associated risks minimised. All of the properties owned by the Foundation are included in a maintenance programme to ensure that they are put into a good state of repair and condition and kept in that state.

Reserves

The Foundation has total reserves of £42,405,967 *(2021 - £40,301,585)* and a balance, after taking account of the amount of reserves invested in the Foundation's property assets, of free reserves of £33,750,234 *(2021 - £31,863,018)* which are invested to provide an income to pay for the running costs of Titsey Place and its grounds. The public have access to the parkland and woodland walks free of charge, though they are expensive to maintain and the Trustees continue to keep under review the admission prices charged to visitors (currently £8 per adult to visit both the House and the Gardens).

The Trustees have designated three funds totalling £3 million as reserves and the Foundation continued to maintain the three designated reserve funds which helped to ensure that the Foundation was able to meet the future costs of maintaining the properties and the contents:

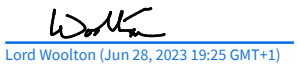
- £1,000,000 designated to fund emergency or unplanned repairs to Titsey Place. By its nature there is no specific time frame for the use of this fund and it is to be used as and when needed.
- £1,500,000 designated to provide a fund which will generate income in the future to offset the loss of income now that the Tile Works lease has expired.
- £500,000 designated to fund the replacement of soft furnishings, mainly carpets and curtains.

Fundraising

In accordance with Section 162A Charities Act 2011, the Trustees of the Foundation confirm that:

(a) The Foundation does not actively fund-raise from members of the public and relies upon its investment income and revenue from ticket prices and sales in the tea rooms to fund its charitable activity.
(b) The Foundation does not make use of any professional fund-raisers and has not entered into any agreements with any commercial participators.
(c) Neither the Foundation nor any person acting on its behalf was subject to an undertaking to be bound by any voluntary scheme for regulating fund-raising, or any voluntary standard of fund-raising, in respect of the Foundation's activities.
(d) The Foundation has not received any complaints during the year in relation to fund-raising.
(e) As the Foundation does not carry out any fund-raising activity it does not consider it necessary, at present, to have any arrangements in place to monitor fund-raising activity and has not needed to take any steps to ensure that any fund-raising activity is carried out in a way that protects vulnerable people and members of the public from the behaviour as set out in Section 162A(2) Charities Act 2011. If the Trustees decide to undertake fundraising activity appropriate arrangements would be put in place.

This report was approved by the Trustees and signed on their behalf by:


Lord Woolton (Jun 28, 2023 19:25 GMT+1)

The Earl of Woolton

Date: 28/06/2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 30 SEPTEMBER 2022

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE TITSEY FOUNDATION CIO

Opinion

We have audited the financial statements of The Titsey Foundation CIO (the 'Charity') for the year ended 30 September 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 September 2022 and of its result 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 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 Auditor's 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 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 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 other information comprises the information included in the Trustees' Report and Financial Statements, other than the financial statements and our auditor's report thereon. The trustees' are responsible for the other information contained within the Trustees' Report and Financial Statements. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- sufficient accounting records have not been kept; or
- the information given in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, 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 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 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 obtained a general understanding of the charity's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations and the entity's policies and procedures regarding compliance.

We understand that the charity complies with the framework through:
- Outsourcing property management, accounts preparation and tax compliance to external experts
- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the charity's ability to conduct its business, and where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the charity's activities:
- the Charities Act 2011
- FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities SORP (FRS 102)

Based on our understanding we performed the following specific procedures to gain evidence about compliance ith the significant laws and regulations identified above:
- making enquiries of management and those charged with governance to understand their awareness of any on-compliance of laws and regulations
- inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers of the charity

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:
- Manipulation of the financial statements via fraudulent journal entries

These areas were communicated to the other members of the engagement team not present at the discussion. The procedures we carried out to gain evidence in the above areas included:
- Testing journal entries in the underlying accounting records which are deemed to present specific risks

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

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.

CLA Evelyn Partners Limited
CLA Evelyn Partners Limited (Jun 29, 2023 11:16 GMT+1)

CLA Evelyn Partners Limited

Chartered Accountants
Statutory Auditor

Onslow House
Onslow Street
Guildford
GU1 4TL
Date: 29/06/2023

CLA Evelyn Partners Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:				
Donations and legacies	4	**13**	**13**	*66,917*
Charitable activities	5	**242,857**	**242,857**	*212,978*
Investments	6	**971,707**	**971,707**	*876,099*
Other income		**525**	**525**	*4,331*
Total income		**1,215,102**	**1,215,102**	*1,160,325*
Expenditure on:				
Raising funds	7	**242,300**	**242,300**	*362,841*
Charitable activities	8	**862,003**	**862,003**	*721,253*
Total expenditure		**1,104,303**	**1,104,303**	*1,084,094*
Net gains on investments		**1,993,583**	**1,993,583**	*9,380,062*
Net income		**2,104,382**	**2,104,382**	*9,456,293*
Reconciliation of funds:				
Total funds brought forward		**40,301,585**	**40,301,585**	*30,845,292*
Net movement in funds		**2,104,382**	**2,104,382**	*9,456,293*
Total funds carried forward		**42,405,967**	**42,405,967**	*40,301,585*

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 38 form part of these financial statements.

THE TITSEY FOUNDATION CIO
REGISTERED NUMBER: CE002651

BALANCE SHEET
AS AT 30 SEPTEMBER 2022

	Note		2022 £		*2021* *£*
Fixed assets					
Tangible assets	12		**82,377**		*121,544*
Heritage assets	14		**3,383,208**		*3,006,116*
Investments	15		**6,875,643**		*8,517,004*
Investment property	13		**30,905,000**		*27,984,754*
			41,246,228		*39,629,418*
Current assets					
Debtors	16	**199,599**		*183,235*	
Cash at bank and in hand		**1,323,490**		*745,581*	
		1,523,089		*928,816*	
Creditors: amounts falling due within one year	17	**(363,350)**		*(256,649)*	
Net current assets			**1,159,739**		*672,167*
Total net assets			**42,405,967**		*40,301,585*
Charity funds					
Designated funds	18	**3,000,000**		*3,000,000*	
General funds	18	**39,405,967**		*37,301,585*	
Total unrestricted funds	18		**42,405,967**		*40,301,585*
Total funds			**42,405,967**		*40,301,585*

BALANCE SHEET (CONTINUED)
AS AT 30 SEPTEMBER 2022

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Lord Woolton (Jun 28, 2023 19:25 GMT+1)

The Earl of Woolton

Date: 28/06/2023

The notes on pages 18 to 38 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	2022 £	*2021* *£*
Cash flows from operating activities		
Net cash used in operating activities (Note 20)	**(472,249)**	*(344,770)*
Cash flows from investing activities		
Proceeds from sale of investments	**1,884,045**	*2,237,003*
Additions to investments properties	**(10,415)**	*-*
Additions to investments	**(1,158,931)**	*(2,113,260)*
Additions to heritage assets	**(393,948)**	*(441,949)*
Surplus from investing activities	**729,407**	*524,265*
Net cash provided by investing activities	**1,050,158**	**206,059**
Change in cash and cash equivalents in the year	**577,909**	**(138,711)**
Cash and cash equivalents at the beginning of the year	**745,581**	*884,292*
Cash and cash equivalents at the end of the year	**1,323,490**	*745,581*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

1. General information

Titsey Foundation CIO is a charitable incorporated organisation, having restricted funds and incorporated in England and Wales (charity number: 1159986). The principal office is Titsey Place, Titsey, Oxted, Surrey, RH8 0SD.

The Charity's functional and presentational currency is GBP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

CIO Status

The Titsey Foundation CIO meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

There are no material uncertainites about the CIO's ability to continue as a going concern. The CIO has unrestricted reserves of £42m and free reserves of £36m which is considered sufficient to enable it to continue as a going concern for the forseeable future.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivables can be measured reliably.

Interest on funds held on deposit is included when receivables and the amount can be measured reliably. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is usually upon notification from investment managers.

Rental income is recognised net of VAT on an accruals basis in accordance with the relevant rental agreements.

Gifted assets are recognised at fair value when they meet the criteria for recognition as income.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on raising funds consists of the costs of running the Charity's investment property portfolio and management fees payable to the investment managers.

Cost of charitable activities includes costs in relation to the preservation of Titsey Place and making the estate available to the public, as well as governance costs which are in relation to the Charity's public accountability and compliance with regulation.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying amount value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold land and buildings	- Nil
Plant, machinery and vehicles	- 20-25%
Office equipment	- 25%
Improvements	- 5%

2. Accounting policies (continued)

2.7 Heritage assets

The Foundation's heritage assets comprise Titsey Place and its contents, Titsey Park, the Woodlands, St James Church in Titsey village and some of the surrounding farmland.

The heritage assets were acquired by way of gifts from the two founders and by subsequent purchase of a leasehold interest in the Woodlands. The Trustees' policy is to retain, manage and preserve these heritage assets for the benefit of the public and future generations. The Trustees do not envisage acquiring any further heritage assets, but capital improvements directly associated with these assets are also considered to be heritage in nature and are capitalised along with the underlying assets.

Expenditure incurred to maintain the assets is expensed as incurred.

Land and buildings encompasses Titsey Place, Titsey Park, St James' Church, the Woodlands and surrounding farmland.

The deemed cost of the land and buildings was derived from valuations undertaken just prior to the orignal donations from the Foundation's founders in 1979. St James' Church on Titsey Estate was subsequently transferred to the Foundation for £1 consideration. Additionally, the Foundation, as freeholder, bought out a leasehold interest in 157 acres of Woodland adjacent to the Estate 1997. As the Foundation's heritage land and buildings are considered to be both inalienable and have an almost indefinite useful life, they are not depreciated, but rather held at their orignal transfer value in the account subject to an impairment review.

Impairment reviews for all property are undertaken whenever there is evidence that the value of the underlying assets may be less than their carrying amounts in the accounts; no impairment has been required since the original transfer.

Heritage contents include furniture, pictures, porcelain and a library of books held within Titsey Place. As with the Land & Buildings, they were professionally valued in 1979 upon the transfer to the Foundation.

These are also considered to have an indefinite useful life and have therefore been capitalised at their original valuation when transferred to the Foundation, and are not depreciated.

Improvements consist of construction and other fixed assets additions directly attributable to the aforementioned heritage land & buildings which have been capitalised since the orignal transfer of the assets. Only those improvements which directly enhance the underlying heritage asset's value to the public have been classifed as heritage assets.

Depreciation is provided on the following bases:

Freehold land and buildings	- Nil
Contents	- Nil
Improvements	- 5%

2.8 Investment property

Investment property is carried out at fair value. Revaluation surpluses are recognised in the Statement of Financial Activites.

2. Accounting policies (continued)

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Net gains/(losses) on investments' in the Statement of Financial Activities.

2.10 Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Charity becomes a party to the contractual provisions of the instrument.

Investments in listed shares are classified as basic financial instruments. They are initially measured at transaction price and subsequently measured at fair value, with changes in fair value being recognised in profit or loss. Fair value is determined using the quoted bid price at the balance sheet date.

Trade and other debtors and creditors are classified as basic financial instruments and measured on initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Charity will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Charity's cash management.

3. Critical accounting estimates and areas of judgement

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Investment properties valuation

Land and buildings are stated at fair value based on the valuation performed by an independent professional valuer, Strutt & Parker, with recent experience in the location and category of property valued. The valuer used observable market prices adjusted as necessary for any difference in the future, location or condition of the specific asset.

4. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £
Donations	13	**13**

	Unrestricted funds 2021 £	*Total funds 2021 £*
Legacies	*66,917*	*66,917*

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
House admissions and tearoom income	67,080	**67,080**
Public benefit	153,450	**153,450**
Woodland income	22,327	**22,327**
	242,857	**242,857**

	Unrestricted funds 2021 £	*Total funds 2021 £*
House admissions and tearoom income	*71,133*	*71,133*
Public benefit	*133,269*	*133,269*
Woodland income	*8,576*	*8,576*
	212,978	*212,978*

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Rental income	831,934	**831,934**
Investment income	139,773	**139,773**
	971,707	**971,707**

	Unrestricted funds 2021 £	*Total funds 2021 £*
Rental income	*768,162*	*768,162*
Investment income	*107,937*	*107,937*
	876,099	*876,099*

7. Cost of raising funds

	Unrestricted funds 2022 £	Total funds 2022 £
Investment advice	53,645	**53,645**
Property costs	188,655	**188,655**
	242,300	**242,300**

7. Cost of raising funds (continued)

	Unrestricted funds 2021 £	*Total funds 2021 £*
Investment advice	*58,700*	*58,700*
Property costs	*304,141*	*304,141*
	362,841	*362,841*

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total funds 2022 £
Estate costs	367,103	**367,103**
Titsey Place and Garden	494,900	**494,900**
	862,003	**862,003**

	Unrestricted funds 2021 £	*Total funds 2021 £*
Estate costs	*316,942*	*316,942*
Titsey Place and Garden	*404,311*	*404,311*
	721,253	*721,253*

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Estate costs	353,866	13,237	**367,103**
Titsey Place and Garden	481,662	13,238	**494,900**
	835,528	26,475	**862,003**

	Activities undertaken directly 2021 £	*Support costs 2021 £*	*Total funds 2021 £*
Estate costs	*305,492*	*11,450*	*316,942*
Titsey Place and Garden	*392,861*	*11,450*	*404,311*
	698,353	*22,900*	*721,253*

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Estate costs 2022 £	Titsey Place and Garden 2022 £	Total funds 2022 £
Staff costs including tea room	-	216,036	**216,036**
Depreciation	44,342	11,000	**55,342**
Professional fees	37,340	19,212	**56,552**
Property account expenditure	38,684	28,234	**66,918**
Titsey Place and garden expenditure	-	13,661	**13,661**
Utilities	6,459	43,017	**49,476**
Insurance	23,390	29,179	**52,569**
Titsey Church expenses	10,693	-	**10,693**
Tree surgery	73,006	-	**73,006**
Irrecoverable VAT	104,627	-	**104,627**
Sundry expenses	11,664	71,502	**83,166**
Advertising	-	22,276	**22,276**
Tea room expenses	-	22,863	**22,863**
Rates	3,534	4,682	**8,216**
Bad debts	127	-	**127**
	353,866	481,662	**835,528**

9. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Estate costs 2021 £	*Titsey Place and Garden 2021* £	*Total funds 2021* £
Staff costs including tea room	-	*195,795*	*195,795*
Depreciation	*41,747*	*4,975*	*46,722*
Professional fees	*36,190*	*20,472*	*56,662*
Property account expenditure	*22,604*	*48,980*	*71,584*
Titsey Place and garden expenditure	-	*8,990*	*8,990*
Utilities	*11,661*	*22,050*	*33,711*
Insurance	*28,098*	*28,383*	*56,481*
Titsey Church expenses	*1,071*	-	*1,071*
Tree surgery	*11,732*	-	*11,732*
Irrecoverable VAT	*107,260*	-	*107,260*
Sundry expenses	*48,873*	*28,753*	*77,626*
Advertising	-	*13,925*	*13,925*
Tea room expenses	-	*14,752*	*14,752*
Rates	-	*4,515*	*4,515*
Bad debts	*(3,744)*	-	*(3,744)*
Loss on disposal of fixed assets	-	*1,271*	*1,271*
	305,492	*392,861*	*698,353*

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Estate costs 2022 £	Titsey Place and Garden 2022 £	Total funds 2022 £
Governance costs	13,237	13,238	**26,475**

	Estate costs 2021 £	*Titsey Place and Garden 2021 £*	*Total funds 2021 £*
Governance costs	*11,450*	*11,450*	*22,900*

10. Auditor's remuneration

	2022 £	*2021 £*
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**24,175**	*21,775*
Fees payable to the Charity's auditor in respect of:		
All taxation advisory services not included above	**900**	-
All non-audit services not included above	**1,800**	*1,800*

11. Staff costs

	2022 £	*2021* *£*
Wages and salaries	193,913	*175,188*
Social security costs	17,994	*16,704*
Contribution to defined contribution pension schemes	4,129	*3,903*
	216,036	*195,795*

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	*2021* *No.*
Estate staff	12	*10*

No employee received remuneration amounting to more than £60,000 in either year.

During the year, no Trustees received any remuneration or other benefits *(2021 - Nil).*

During the year ended 30 September 2022, no Trustee expenses have been incurred *(2021 - Nil).*

12. Tangible fixed assets

	Improvements £	Plant & machinery and vehicles £	Office equipment £	Total £
Cost				
At 1 October 2021	2,235,327	193,252	3,872	2,432,451
Disposals	-	(91,897)	-	(91,897)
At 30 September 2022	2,235,327	101,355	3,872	2,340,554
Depreciation				
At 1 October 2021	2,125,758	181,277	3,872	2,310,907
Charge for the year	28,167	11,000	-	39,167
On disposals	-	(91,897)	-	(91,897)
At 30 September 2022	2,153,925	100,380	3,872	2,258,177
Net book value				
At 30 September 2022	81,402	975	-	82,377
At 30 September 2021	*109,569*	*11,975*	*-*	*121,544*

13. Investment property

	Freehold investment property £
Valuation	
At 1 October 2021	**27,984,754**
Additions	**10,415**
Surplus on revaluation	**2,909,831**
At 30 September 2022	**30,905,000**

The 2022 valuations were made by Strutt & Parker, on an open market basis. The historical cost of investment properties held at fair value is £4,569,908 *(2021 - £4,559,493).*

14. Heritage assets

Assets recognised at cost

	Improvements 2022 £	Land and buildings 2022 £	Contents 2022 £	Total 2022 £
Carrying value at 1 October 2021	1,675,596	450,557	879,963	**3,006,116**
Additions	393,948	-	-	**393,948**
Depreciation	(16,856)	-	-	**(16,856)**
At 30 September 2022	2,052,688	450,557	879,963	**3,383,208**

Analysis of heritage asset transactions

	2022 £	*2021 £*	*2020 £*	*2019 £*	*2018 £*
Additions	393,948	*380,299*	*365,809*	*12,522*	*28,772*

15. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 October 2021	8,517,004
Additions	1,158,931
Disposals	(2,115,238)
Revaluations	(685,054)
At 30 September 2022	6,875,643
Net book value	
At 30 September 2022	6,875,643
At 30 September 2021	*8,517,004*

	2022 £	*2021 £*
Analysis of investments		
Equities	6,017,143	*7,665,562*
Bonds	91,640	*128,120*
Alternatives	766,860	*723,322*
Total	6,875,643	*8,517,004*

16. Debtors

	2022 £	*2021* *£*
Due within one year		
Trade debtors	**126,510**	*106,582*
Other debtors	**22,269**	*18,747*
Prepayments and accrued income	**50,820**	*57,906*
	199,599	*183,235*

17. Creditors: Amounts falling due within one year

	2022 £	*2021* *£*
Trade creditors	**66,926**	*60,651*
Other taxation and social security	**30,571**	*24,552*
Other creditors	**63,518**	*13,798*
Accruals and deferred income	**202,335**	*157,648*
	363,350	*256,649*

18. Statement of funds

Statement of funds - current year

	Balance at 1 October 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 September 2022 £
Unrestricted funds					
Designated funds					
Lease replacement reserves	1,500,000	-	-	-	1,500,000
Repairs and improvement reserves	1,000,000	-	-	-	1,000,000
Soft furnishings renewal reserve	500,000	-	-	-	500,000
	3,000,000	-	-	-	3,000,000
General funds					
Reserves	37,301,585	1,215,102	(1,104,303)	1,993,583	39,405,967
Total Unrestricted funds	40,301,585	1,215,102	(1,104,303)	1,993,583	42,405,967

The lease replacement reserve is designated to enable income to be maintained in the event of let investment properties becoming totally or partially void or lettable at reduced rates.

The repairs and improvements reserve is designated to fund emergency or unplanned repairs to Titsey Place.

The soft furnishings renewal reserve is designated to fund the replacement of soft furnishing, mainly carpets and curtains, at Titsey Place.

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 October 2020 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 30 September 2021* £
Unrestricted funds						
Designated funds						
Lease replacement reserves	*1,483,667*	-	-	*16,333*	-	*1,500,000*
Repairs and improvement reserves	*650,000*	-	-	*350,000*	-	*1,000,000*
Soft furnishings renewal reserve	*300,000*	-	-	*200,000*	-	*500,000*
	2,433,667	-	-	*566,333*	-	*3,000,000*
General funds						
Reserves	*28,411,625*	*1,160,325*	*(1,084,094)*	*(566,333)*	*9,380,062*	*37,301,585*
Total Unrestricted funds	*30,845,292*	*1,160,325*	*(1,084,094)*	-	*9,380,062*	*40,301,585*

19. Summary of funds

Summary of funds - current year

	Balance at 1 October 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 September 2022 £
Designated funds	3,000,000	-	-	-	3,000,000
General funds	37,301,585	1,215,102	(1,104,303)	1,993,583	39,405,967
	40,301,585	1,215,102	(1,104,303)	1,993,583	42,405,967

Summary of funds - prior year

	Balance at 1 October 2020 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 30 September 2021 £*
Designated funds	*2,433,667*	*-*	*-*	*566,333*	*-*	*3,000,000*
General funds	*28,411,625*	*1,160,325*	*(1,084,094)*	*(566,333)*	*9,380,062*	*37,301,585*
	30,845,292	*1,160,325*	*(1,084,094)*	*-*	*9,380,062*	*40,301,585*

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

	2022 £	*2021* *£*
Net income for the year (as per Statement of Financial Activities)	2,104,382	*9,470,641*
Adjustments for:		
Depreciation charges	56,023	*46,722*
Surplus on investing activities	(729,407)	*(524,265)*
(Increase)/decrease in debtors	(16,364)	*56,487*
(Increase)/decrease in creditors	106,700	*(15,564)*
Profit on sale on fixed assets	-	*1,271*
Net gains on investments	(1,993,583)	*(9,380,062)*
Net cash used in operating activities	(472,249)	*(344,770)*

21. Analysis of cash and cash equivalents

	2022 £	*2021* *£*
Cash and cash equivalents	1,323,490	*745,581*

22. Analysis of changes in net debt

	At 1 October 2021 £	Cash flows £	At 30 September 2022 £
Cash at bank and in hand	745,581	577,909	1,323,490

23. Related party transactions

During the year, the CIO received rental income of £35,000 *(2021 - £35,000)* from the governor G A Innes and recharged expenses totalling £47,151 *(2021 - £42,979)* to G A Innes. At the year-end G A Innes owed the CIO £10,942 *(2021 - £10,769)*. The CIO also received rental income from Pitchfont Farm Partnership, an entity in which G A Innes is a partner, of £37,000 *(2021 - £37,000)*. At the year-end the CIO owed Pitchfont Farm Partnership, an entity in which G A Innes is a partner, £146 *(2021 - £Nil)*.

24. Controlling party

There is considered to be no ultimate controlling party.

THE TITSEY FOUNDATION CIO

England & Wales - Charity number 1159986

Accounts

Charity number: 1159986

THE TITSEY FOUNDATION CIO

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

THE TITSEY FOUNDATION CIO

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 SEPTEMBER 2021

Trustees

The Earl of Woolton, Chairman
Mr Ewen Cameron
Mr John St John
Mr Simon Vandeleur

Company registered number

CE002651

Charity registered number

1159986

Registered office

Titsey Place, Titsey, Oxted, Surrey, RH8 0SD

Managing Agents

Strutt & Parker, 201 High Street, Lewes, East Sussex, BN7 2NR

Governor

G A Innes

Independent auditor

Nexia Smith & Williamson, Onslow House, Onslow Street, Guildford, GU1 4TL

Bankers

C. Hoare & Co, 37 Fleet Street, London, EC4P 4DQ

Solicitors

Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

Investment Advisers

Schroder & Co. Limited, 100 Wood Street, London, EC2V 7ER

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Trustees are pleased to present their report, together with the financial statements of The Titsey Foundation CIO (the "Foundation") for the year ended 30 September 2021.

Trustees

The Trustees who served during the financial year and since the year end were:
The Earl of Woolton (Chairman)
Mr Ewen Cameron
Mr John St John
Mr Simon Vandeleur

Structure, Governance and Management

The Foundation was incorporated on 16 January 2015 as the successor of the charitable activities and assets of the former unincorporated charitable trust, The Titsey Foundation (previously registered under number 277943) which had been established by a trust deed on 26 April 1979.

The Foundation operates under its Constitution.

The management of the Foundation is the responsibility of the Trustees. In turn, the Trustees have appointed Mr G A Innes as the Governor, effectively the unpaid chief executive of the Foundation, to manage the day to day running of the Foundation. The Trustees wish to record their on-going thanks to Mr Innes for his dedicated work on behalf of the Foundation.

The Trustees are regularly briefed by Nexia Smith & Williamson, Stone King and Strutt & Parker on accountancy, legal and property management issues respectively, and are confident that they are receiving appropriate specialised advice to enable them to effectively fulfil their duties as trustees.

There are two subcommittees of the Trustees with delegated powers and a requirement to report back to the Trustees on their deliberations:

- Investment (comprising The Earl of Woolton & Mr John Innes (co-opted))
- Titsey Place Management (comprising The Earl of Woolton & Mr Cameron)

The Trustees continue to administer the Foundation, meeting three times a year to discuss matters relating to the Foundation, though some of their work is delegated to the subcommittees of the Trustees and the day to day management of the Foundation is carried out by the Governor with the support of the Managing Agents.

During the year, due to the COVID-19 Pandemic, the Trustees continued to meet by Zoom, but were delighted in June 2021 to be able to have their first in-person meeting since their meeting in March 2020 and took the opportunity to meet at Titsey Place. This enabled the Trustees to meet with staff, review the on-going kitchen work as well as the other developments carried out during the COVID-19 Pandemic.

The Trustees do not consider it necessary to appoint any further trustees at present, but continue to keep the position under review.

Objects & Objectives of the Foundation

The Foundation's objects are "the advancement of education, the relief of poverty, the advancement of religion and the promotion and aid of such other purposes as are recognised by English law to be exclusively charitable and in particular and without prejudice to the foregoing:

- the preservation for the public benefit of the whole of such part or parts of the buildings and their grounds and surroundings known as Titsey Place in the County of Surrey ("Titsey Place") as shall or may hereafter be vested in the charity trustees;
- the protection and improvement of the amenities of Titsey Place for the public benefit;
- the preservation for the public benefit of furniture and pictures and chattels of any description ordinarily kept at Titsey Place;
- the facilitation and encouragement of the study and appreciation of Titsey Place and such furniture, pictures and chattels aforesaid by the general public;
- the provision at Titsey Place or such part of it as shall be appropriate in the interest of social welfare and for the purpose of improving the conditions of life for the persons whom the same are intended of facilities for physical recreation which shall be available to members of the public at large; and
- the facilitation and encouragement of the use and occupation of the whole or part of Titsey Place and the use of such chattels as aforesaid for charitable purposes."

The Trustees' main strategic objectives are;

- to continue to improve and maintain Titsey Place and the other land and buildings used by the Foundation to the highest standards for the public benefit
- to encourage and promote members of the public to visit Titsey Place and its grounds; and
- to provide the highest standard of education and advice to visitors.

Charitable Activities

Public Benefit

The Trustees confirm that they have complied with their duty in section 17(5) of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit in exercising their powers. In terms of reporting on public benefit, the statement of activities set out below is in their view sufficient evidence of compliance.

The Foundation undertakes a range of activities in furtherance of its charitable objects and for the benefit of the public. The Foundation's activities during the year can be summarised as follows:

Preservation of Titsey Place, The Buildings, Grounds and Surroundings

The Foundation continues to preserve and protect Titsey Place and its associated buildings to the highest possible standards so that visitors may enjoy the house and grounds in their intended state, as a lived-in family home and working estate.

During the year the main activity has been the continuation of the project to renew, extend and modernise the kitchen at Titsey Place to ensure it remains appropriate for a lived-in family home. The works have been disrupted by the effects of the COVID-19 Pandemic on supply chains but are nearing completion. Additional work has had to be carried out due to the discovery of a hidden well under the kitchen and confirmation of the need to reinforce the floor in parts of the kitchen due to the existing floorboards being found to be rotten. The project will be completed during 2022.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Trustees' have a 20 years Woodland Management Plan for improving public access, conservation and to maximising short term income from the sale of timber (as approved by the Forestry Commission). The Trustees consider the maintenance of these woodlands, for the protection of the environment and for the enjoyment of the public, is a key way in which the Foundation provides a benefit to a wide section of the public. As noted below, during the COVID-19 Pandemic, the woodland walks have provided vital recreational facilities for the members of the public.

Visitors to Titsey Place and Gardens
The 2021 Public Opening Season was to the 28th year of the house and gardens being fully open to the public. The Gardens and the tea rooms were opened to the public in mid May 2021, with the local apple juice being served in the tea rooms continuing to get recognition on Tripadvisor. The opening of Titsey Place to the public was more difficult due to the on-going impact of the COVID-19 Pandemic. The house is normally open for guided tours of up to 20, in a group with 2 guides. Due to the practicalities of opening the house it would have been logistically difficult to enable the groups to socially distance during the tours. The reopening of the house to the public did not therefore take place until 21 July 2021, at which point it was possible to reopen in accordance with the Government's guidance. As part of the opening, the Trustees introduced a new online booking system for the house that enables people to book and pay via the Foundation's website.

During the season from May through to September, the Foundation had 4,094 visitors to the house and gardens, which was a substantive increase on the previous year and starting towards the end of the season to be back to similar levels to the period prior to the COVID-19 Pandemic. The Foundation continued to operate within the maximum level imposed by the Planning Authority of 5,000 annual visitors to Titsey Place.

During the year it was again the case that the National Garden Scheme Days did not take place and there were no special visits.

Educational programmes
Due to the COVID-19 Pandemic it was not possible for any of the Educational programmes to be carried out during the year and it is hoped that these will be able to resume during 2022.

Online resources
The Titsey website (www.titsey.org) provides a detailed history of the house and grounds as well as practical information for visitors. There were 32,690 individual visits to the website in the financial year to which this report relates. The website continues to act as a valuable resource for those who wish to learn more about Titsey and the Gresham and Leveson Gower families.

Future Plans
At each meeting of the Trustees, plans for the management of the Titsey Estate and its grounds are produced by the Managing Trustees and debated by the Trustees.

The Trustees were very grateful to receive a legacy donation of £66,000 from the estate of Mr D A Innes, the previous Governor of the Foundation. Given Mr Innes' long service with the Foundation and his family's integral part in the life of the Foundation, the Trustees decided that it would be appropriate to use the legacy in a way that would both mark Mr Innes' contribution over the years whilst enhancing Titsey Place. The Trustees decided that it would be appropriate to investigate using the legacy to restore the ruined Dovecote in the area adjacent to the Walled Kitchen Garden. The Trustees have arranged for research to be carried out as to the original design of the Dovecote and are obtaining quotes for the restoration work. It was felt that restoring the Dovecote would contribute greatly to the heritage of Titsey Place, but also be a reminder of Mr Innes' contribution to the Foundation.

Financial Review

The net income for the year was £9,456,293 *(2020 - £3,410,887),* the substantive increase was due to a revaluation of the Redlands Moorhouse site based on the fact that the majority of the site is now rented and producing an income stream. Total income for the year was £1,160,325 *(2020 - £3,928,205).* Income from charitable activities was £212,978 *(2020 - £204,014).* This was primarily from Public Benefit activities.

Charitable expenditure relates to expenditure associated with managing Titsey Place, the gardens and the associated properties, together with the costs of facilitating public access to Titsey Place and its gardens. In addition, a small number of donations were made to the local community.
For accounting purposes, the charitable expenditure is analysed between:

- Costs directly associated with Titsey Place and the gardens, and the woodlands
- The cost of managing and maintaining the other properties associated with the historic house, including St James's Church

Titsey Place and gardens
The expenditure comprises day to day running costs, the costs associated with facilitating public access and the cost of repairs and preservation works.

The expenditure in the year on Titsey Place and gardens was £404,311 *(2020 - £464,672).*

Estate costs
This expenditure comprises the direct costs relating to the wider Estate, including St James's Church, and its management and was £316,942 *(2020 - £402,404)* in the year. Input VAT is also incurred on the charity's expenditure, the majority of which cannot be recovered. During the year the irrecoverable VAT was £107,260 *(2020 - £105,643).*

Gains on investments totalled £9,380,062 *(2020 - £570,652),* including a gain of £6,020,000 on the Redlands Moorhouse site.

Investment powers and policy

The Foundation has the power to invest funds in accordance with the provisions of its Constitution.

The Foundation was established to maintain and preserve Titsey in perpetuity. The Constitution places no restriction on the Trustees' power to invest the monies of the Foundation. The Trustees have agreed that the investment portfolio of the Foundation should continue to be run on a discretionary basis by Schroder & Co. Limited, with the objective of growing the capital over the long term. The objective is to be achieved by investment in a portfolio invested primarily in equities with a smaller allocation in hedge funds, private equity, fixed interest and cash.

At the start of the year the investment portfolio was valued at £7,223,339 and by the end of the year it was valued at £8,517,004, comprising listed investments of £8,517,004 *(2020 - £7,223,339).*

The portfolio made a total return of 20.3% over the 12-month period; the comparative benchmark used by the Trustees to monitor investment performance was 18.8%.

Risk management

The Trustees have reviewed the significant risks to which the charity is exposed and have ensured that there are sufficient controls to manage those risks. During the year the Trustees have continued to review and update the Foundation's risk policy.

The Trustees have a risk management strategy which comprises a regular review of the risks the Foundation may face, the establishment of systems and procedures to mitigate those risks identified, and the implementation of procedures designed to minimise any potential impact on the Foundation should those risks materialise. The Trustees confirm that they have examined the major risks to which the Foundation is exposed and that there are appropriate systems and procedures to manage those risks.

The main risks identified are:

- the effect of the COVID-19 Pandemic, managing the associated risks from opening to the public, and considering future pandemics. The Managing Agents have worked with the Governor and specialist Health & Safety consultants to ensure that appropriate risk mitigation procedures have been in place;
- the departure for whatever reason of the Governor – the current Governor was appointed in 2013 and the risk of his departure is considered low;
- the reduction in income required to cover core expenditure. Trustees meet on a regular basis with their investment advisors to ensure that the assets of the Foundation are managed appropriately;
- damage to or theft of the Foundation's property with a continued focus on managing Titsey Place and the security arrangements that are in place;
- health and safety issues which are managed in conjunction with the Managing Agents as many of these relate to the operation of the Estate. The Trustees pay particular attention to ensuring that the properties are well maintained and properly secured, and all associated risks minimised. All of the properties owned by the Foundation are included in a maintenance programme to ensure that they are put into a good state of repair and condition and kept in that state.

COVID-19

The coronavirus pandemic has continued to have an effect on the Foundation leading to reduced visitor numbers. The impact on the Foundation's finances has been manageable.

The Trustees are grateful to the Governor, the Employees, the Volunteers and the Managing Agents for all they have done during the year to keep the Foundation operating, to provide as much access to the public as has been possible in a COVID-19 secure manner.

Reserves

The charity has total reserves of £40,301,585 *(2020 - £30,845,292)* and a balance, after taking account of the amount of reserves invested in the Foundation's property assets, of free reserves of £9.2m *(2020 - £7.9m)* which is invested to provide an income to pay for the running costs of Titsey Place and its grounds. The public have access to the parkland and woodland walks free of charge, though they are expensive to maintain and the Trustees continue to keep under review the admission prices charged to visitors (currently £8 per adult to visit both the House and the Gardens).

During the year the Trustees reviewed and updated the reserves policy to reflect the potential increases in costs should there be a need to draw on the reserves. The Foundation continued to maintain three designated reserve funds which helped to ensure that the Foundation was able to meet the future costs of maintaining the properties and the contents:

- £1,000,000 *(previously £650,000)* was designated to fund emergency or unplanned repairs to Titsey Place. By its nature there is no specific time frame for the use of this fund and it is to be used as and when needed.
- £1,500,000 *(previously £1,483,667)* was designated to provide a fund to carry out repairs and refurbishment of the Foundation's investment properties when needed to offset any loss of income due to rental voids or bad debts.
- £500,000 *(previously £300,000)* was designated to fund the replacement of soft furnishings, mainly carpets and curtains.

Fundraising

In accordance with Section 162A Charities Act 2011, the Trustees of the Foundation confirm that:

(a) The Foundation does not actively fund-raise from members of the public and relies upon its investment income and revenue from ticket prices and sales in the tea rooms to fund its charitable activity.

(b) The Foundation does not make use of any professional fund-raisers and has not entered into any agreements with any commercial participators.

(c) Neither the Foundation nor any person acting on its behalf was subject to an undertaking to be bound by any voluntary scheme for regulating fund-raising, or any voluntary standard of fund-raising, in respect of the Foundation's activities.

(d) The Foundation has not received any complaints during the year in relation to fund-raising.

(e) As the Foundation does not carry out any fund-raising activity it does not consider it necessary, at present, to have any arrangements in place to monitor fund-raising activity and has not needed to take any steps to ensure that any fund-raising activity is carried out in a way that protects vulnerable people and members of the public from the behaviour as set out in Section 162A(2) Charities Act 2011. If the Trustees decide to undertake fundraising activity appropriate arrangements would be put in place.

This report was approved by the Trustees and signed on their behalf by:

The Earl of Woolton

Date: 30.6.22

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE TITSEY FOUNDATION CIO

Opinion

We have audited the financial statements of The Titsey Foundation CIO (the 'Charity') for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 September 2021 and of its result 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 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 Auditor's 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 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 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 other information comprises the information included in the Trustees Report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- sufficient accounting records have not been kept; or
- the information given in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, 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 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE TITSEY FOUNDATION CIO (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 obtained a general understanding of the charity's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations and the entity's policies and procedures regarding compliance.

We understand that the charity complies with the framework through:

- Outsourcing property management, accounts preparation and tax compliance to external experts
- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the charity's ability to conduct its business, and where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the charity's activities:

- the Charities Act 2011
- FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities SORP (FRS 102)

Based on our understanding we performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- making enquiries of management and those charged with governance to understand their awareness of any non-compliance of laws and regulations
- inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers of the charity

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements via fraudulent journal entries

These areas were communicated to the other members of the engagement team not present at the discussion. The procedures we carried out to gain evidence in the above areas included:

- Testing journal entries in the underlying accounting records which are deemed to present specific risks

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE TITSEY FOUNDATION CIO (CONTINUED)

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.

Nexia Smith & Williamson

Nexia Smith & Williamson

Chartered Accountants
Statutory Auditor

Onslow House
Onslow Street
Guildford
GU1 4TL
Date: 25 July 2022

Nexia Smith & Williamson is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Note	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income from:				
Donations and legacies	4	66,917	66,917	*3,015,291*
Charitable activities	5	212,978	212,978	*204,014*
Investments	6	876,099	876,099	*700,370*
Other income		4,331	4,331	*8,530*
Total income		1,160,325	1,160,325	*3,928,205*
Expenditure on:				
Raising funds	7	362,841	362,841	*220,894*
Charitable activities	8	721,253	721,253	*867,076*
Total expenditure		1,084,094	1,084,094	*1,087,970*
Net gains on investments		9,380,062	9,380,062	*570,652*
Net income		9,456,293	9,456,293	*3,410,887*
Reconciliation of funds:				
Total funds brought forward		30,845,292	30,845,292	*27,434,405*
Net movement in funds		9,456,293	9,456,293	*3,410,887*
Total funds carried forward		40,301,585	40,301,585	*30,845,292*

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 33 form part of these financial statements.

BALANCE SHEET
AS AT 30 SEPTEMBER 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	12		**121,544**		*152,884*
Heritage assets	14		**3,006,116**		*2,642,470*
Investments	15		**8,517,004**		*7,223,339*
Investment property	13		**27,984,754**		*20,022,100*
			39,629,418		*30,040,793*
Current assets					
Debtors	16	**183,235**		*239,722*	
Cash at bank and in hand		**745,581**		*884,292*	
		928,816		*1,124,014*	
Creditors: amounts falling due within one year	17	**(256,649)**		*(319,515)*	
Net current assets			**672,167**		*804,499*
Total net assets			**40,301,585**		*30,845,292*
Charity funds					
Unrestricted funds					
Designated funds	18	**3,000,000**		*2,433,667*	
General funds	18	**37,301,585**		*28,411,625*	
Total unrestricted funds	18		**40,301,585**		*30,845,292*
Total funds			**40,301,585**		*30,845,292*

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

The Earl of Woolton
Date: 30.6.22

The notes on pages 16 to 33 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	2021 £	*2020* *£*
Cash flows from operating activities		
Net cash used in operating activities (Note 20)	**(344,770)**	*(494,346)*
Cash flows from investing activities		
Proceeds from sale of investments	**2,237,003**	*868,426*
Additions to tangible fixed assets	**-**	*(1,317)*
Additions to heritage assets	**(441,949)**	*(304,249)*
Additions to investments	**(2,113,260)**	*(666,797)*
Surplus from investing activities	**524,265**	*479,476*
Net cash from investing activities	**206,059**	**375,539**
Change in cash and cash equivalents in the year	**(138,711)**	**(118,807)**
Cash and cash equivalents at the beginning of the year	**884,292**	*1,003,099*
Cash and cash equivalents at the end of the year	**745,581**	*884,292*

The notes on pages 16 to 33 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. General information

Titsey Estate Foundation CIO is a charitable incorporated organisation, having restricted funds and incorporated in England and Wales (charity number: 1159986). The principal office is Titsey Place, Titsey, Oxted, Surrey, RH8 0SD.

The Charity's functional and presentational currency is GBP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

CIO Status

The Titsey Foundation CIO meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

There are no material uncertainties about the CIO's ability to continue as a going concern. The CIO has unrestricted reserves of £40m and free reserves of £34m which is considered sufficient to enable it to continue as a going concern for the foreseeable future.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is the usually upon notification from investment managers.

Rental income is recognised net of VAT on an accruals basis in accordance with the relevant rental agreements.

Gifted assets are recognised at fair value when they meet the criteria for recognition as income.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on raising funds consists of the costs of running the Charity's investment property portfolio and management fees payable to the investment managers.

Cost of charitable activities includes costs in relation to the preservation of Titsey Place and making the estate available to the public, as well as governance costs which are in relation to the Charity's public accountability and compliance with regulation.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating income and expenditure account.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold land and buildings	- Nil
Plant, machinery and vehicles	- 20-25%
Office equipment	- 25%
Improvements	- 5%

2. Accounting policies (continued)

2.7 Heritage assets

The Foundation's heritage assets comprise Titsey Place and contents, Titsey Park, the Woodlands, St James's Church in Titsey village and some of the surrounding farmland.

The heritage assets were acquired by way of gifts from the two founders and by subsequent purchase of a leasehold interest in the Woodlands. The Trustees' policy is to retain, manage and preserve these heritage assets for the benefit of the public and future generations. The Trustees do not envisage acquiring any further heritage assets, but capital improvements directly associated with these assets are also considered to be heritage in nature and are capitalised along with the underlying assets.

Expenditure incurred to maintain the assets is expensed as incurred.

Land and buildings encompasses Titsey Place, Titsey Park, St James' Church, The Woodlands and surrounding farmland.

The deemed cost of the land and buildings was derived from valuations undertaken just prior to the original donation from the Foundation's founders in 1979. St James' Church on Titsey Estate was subsequently transferred to the Foundation for £1 consideration. Additionally, the Foundation, as freeholder, bought out a leasehold interest in 157 acres of Woodland adjacent to the Estate in 1997. As the Foundation's heritage land and buildings are considered to be both inalienable and have an almost indefinite useful life, they are not depreciated, but rather held at their original transfer value in the accounts subject to an impairment review.

Impairment reviews for all property are undertaken whenever there is evidence that the value of the underlying assets may be less than their carrying amount in the accounts; no impairment has been required since the original transfer.

Heritage contents include furniture, pictures, porcelain and a library of books held within Titsey Place. As with the Land & Buildings, they were professionally valued in 1979 upon the transfer to the Foundation.

These are also considered to have an indefinite useful life and have therefore been capitalised at their original valuation when transferred to the Foundation, and are not depreciated.

Improvements consist of construction and other fixed asset additions directly attributable to the aforementioned heritage land & buildings which have been capitalised since the original transfer of the assets. Only those improvements which directly enhance the underlying heritage asset's value to the public have been classified as heritage assets.

Depreciation is provided on the following bases:

Freehold land and buildings	- Nil
Contents	- Nil
Improvements	- 5%

2.8 Investment property

Investment property is carried at fair value. Revaluation surpluses are recognised in the Statement of Financial Activities.

2. Accounting policies (continued)

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

2.10 Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Charity becomes a party to the contractual provisions of the instrument.

Investments in listed shares are classified as basic financial instruments. They are initially measured at transaction price and subsequently measured at fair value, with changes in fair value being recognised in profit or loss. Fair value is determined using the quoted bid price at the balance sheet date.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Charity will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Charity's cash management.

3. Critical accounting estimates and areas of judgement

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Investment properties valuation

Land and buildings are stated at fair value based on the valuation performed by an independent professional valuer, Strutt & Parker, with recent experience in the location and category of property valued. The valuer used observable market prices adjusted as necessary for any difference in the future, location or condition of the specific asset.

4. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £
Legacies	66,917	**66,917**

	Unrestricted funds 2020 £	*Total funds 2020 £*
Donations	*3,015,291*	*3,015,291*

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
House admissions and tearoom income	71,133	**71,133**
Public benefit	133,269	**133,269**
Woodland income	8,576	**8,576**
	212,978	**212,978**

	Unrestricted funds 2020 £	*Total funds 2020 £*
House admissions and tearoom income	*38,231*	*38,231*
Public benefit	*150,696*	*150,696*
Woodland income	*15,087*	*15,087*
	204,014	*204,014*

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Rental income	768,162	768,162
Investment income	107,937	107,937
	876,099	876,099

	Unrestricted funds 2020 £	*Total funds 2020 £*
Rental income	*526,182*	*526,182*
Investment income	*174,188*	*174,188*
	700,370	*700,370*

7. Cost of raising funds

	Unrestricted funds 2021 £	Total funds 2021 £
Investment advice	58,700	58,700
Property costs	304,141	304,141
	362,841	362,841

7. Cost of raising funds (continued)

	Unrestricted funds 2020 £	*Total funds 2020 £*
Investment advice	*24,460*	*24,460*
Property costs	*196,434*	*196,434*
	220,894	*220,894*

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	**Total funds 2021 £**
Estate costs	316,942	**316,942**
Titsey Place and Garden	404,311	**404,311**
	721,253	**721,253**

	Unrestricted funds 2020 £	*Total funds 2020 £*
Estate costs	*402,404*	*402,404*
Titsey Place and Garden	*464,672*	*464,672*
	867,076	*867,076*

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Estate costs	305,492	11,450	**316,942**
Titsey Place and Garden	392,861	11,450	**404,311**
	698,353	22,900	**721,253**

	Activities undertaken directly 2020 £	*Support costs 2020 £*	*Total funds 2020 £*
Estate costs	*390,744*	*11,660*	*402,404*
Titsey Place and Garden	*453,011*	*11,661*	*464,672*
	843,755	*23,321*	*867,076*

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Estate costs 2021 £	Titsey Place and Garden 2021 £	Total funds 2021 £
Staff costs including tea room	-	195,795	**195,795**
Depreciation	41,747	4,975	**46,722**
Professional fees	36,190	20,472	**56,662**
Property account expenditure	22,604	48,980	**71,584**
Titsey Place and garden expenditure	-	8,990	**8,990**
Utilities	11,661	22,050	**33,711**
Insurance	28,098	28,383	**56,481**
Titsey Church expenses	1,071	-	**1,071**
Tree surgery	11,732	-	**11,732**
Irrecoverable VAT	107,260	-	**107,260**
Sundry expenses	48,873	28,753	**77,626**
Advertising	-	13,925	**13,925**
Tea room expenses	-	14,752	**14,752**
Rates	-	4,515	**4,515**
Bad debts	(3,744)	-	**(3,744)**
Loss / (profit) on disposal of assets	-	1,271	**1,271**
	305,492	392,861	**698,353**

9. **Analysis of expenditure by activities (continued)**

Analysis of direct costs (continued)

	Estate costs 2020 £	*Titsey Place and Garden 2020 £*	*Total funds 2020 £*
Staff costs including tea room	-	*212,422*	*212,422*
Depreciation	*42,686*	*7,622*	*50,308*
Professional fees	*35,447*	*30,693*	*66,140*
Property account expenditure	*64,376*	*59,940*	*124,316*
Titsey Place and garden expenditure	-	*8,589*	*8,589*
Utilities	*1,214*	*18,100*	*19,314*
Insurance	*28,956*	*22,351*	*51,307*
Titsey Church expenses	*10,082*	-	*10,082*
Tree surgery	*76,719*	-	*76,719*
Irrecoverable VAT	*105,643*	-	*105,643*
Sundry expenses	*12,769*	*57,192*	*69,961*
Advertising	-	*14,549*	*14,549*
Tea room expenses	-	*17,184*	*17,184*
Rates	*5,172*	*4,369*	*9,541*
Bad debts	*7,680*	-	*7,680*
	390,744	*453,011*	*843,755*

Analysis of support costs

	Estate costs 2021 £	**Titsey Place and Garden 2021 £**	**Total funds 2021 £**
Governance costs	11,450	11,450	**22,900**

	Estate costs 2020 £	*Titsey Place and Garden 2020 £*	*Total funds 2020 £*
Governance costs	*11,660*	*11,661*	*23,321*

10. Net incoming resources/(resources expended)

	2021 £	*2020* *£*
This is stated after charging:		
Depreciation of tangible fixed assets - owned by the Charity	**30,069**	*39,434*
Depreciation of heritage assets - owned by the Charity	**16,653**	*10,875*
Auditor's remuneration - accounting services	**1,800**	*1,800*
Auditor's remuneration - audit	**21,775**	*19,825*

11. Staff costs

	2021 £	*2020* *£*
Wages and salaries	**175,188**	*188,915*
Social security costs	**16,704**	*19,455*
Contribution to defined contribution pension schemes	**3,903**	*4,052*
	195,795	*212,422*

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	*2020* *No.*
Estate staff	**10**	*10*

No employee received remuneration amounting to more than £60,000 in either year.

During the year, no Trustees received any remuneration or other benefits (*2020: £Nil*).

During the year ended 30 September 2021, no Trustee expenses have been incurred (*2020: £Nil*).

12. Tangible fixed assets

	Improvements £	Plant & machinery and vehicles £	Office equipment £	Total £
Cost				
At 1 October 2020	2,236,598	193,252	3,872	2,433,722
Disposals	(1,271)	-	-	(1,271)
At 30 September 2021	2,235,327	193,252	3,872	2,432,451
Depreciation				
At 1 October 2020	2,100,665	176,301	3,872	2,280,838
Charge for the year	25,093	4,976	-	30,069
At 30 September 2021	2,125,758	181,277	3,872	2,310,907
Net book value				
At 30 September 2021	109,569	11,975	-	121,544
At 30 September 2020	*135,933*	*16,951*	-	*152,884*

13. Investment property

	Freehold investment property £
Valuation	
At 1 October 2020	20,022,100
Surplus on revaluation	7,962,654
At 30 September 2021	27,984,754

The 2021 valuations were made by Strutt & Parker, on an open market basis. The historical cost of investment properties held at fair value is £4,559,493 (*2020: £4,559,493*).

14. Heritage assets

Assets recognised at cost

	Improvements 2021 £	Land and buildings 2021 £	Contents 2021 £	Total 2021 £
Carrying value at 1 October 2020	1,311,950	450,557	879,963	**2,642,470**
Additions	380,299	-	-	**380,299**
Depreciation	(16,653)	-	-	**(16,653)**
At 30 September 2021	1,675,596	450,557	879,963	**3,006,116**

Analysis of heritage asset transactions

	2021 £	2020 £	2019 £	2018 £	2017 £
Additions	380,299	365,809	12,522	28,772	275,870

15. Fixed asset investments

	Listed investments £
Market value	
At 1 October 2020	**7,223,339**
Additions	**2,113,260**
Disposals	**(1,982,637)**
Revaluations	**1,163,042**
At 30 September 2021	**8,517,004**
Net book value	
At 30 September 2021	**8,517,004**
At 30 September 2020	*7,223,339*

15. Fixed asset investments (continued)

	2021 £	*2020* *£*
Analysis of investments		
Equities	**7,665,562**	*6,333,281*
Bonds	**128,120**	*188,424*
Alternatives	**723,322**	*701,634*
Total	**8,517,004**	*7,223,339*

Revaluations as above of £1,163,042 plus realised gains of £254,366 are included in net gains on investments of £9,380,062 shown on the Statement of Financial Activities. The historical cost of fixed asset investments held at fair value is £5,504,355 (*2020: £5,234,099*).

16. Debtors

	2021 £	*2020* *£*
Due within one year		
Trade debtors	**106,582**	*152,529*
Other debtors	**18,747**	*15,807*
Prepayments and accrued income	**57,906**	*71,386*
	183,235	*239,722*

17. Creditors: Amounts falling due within one year

	2021 £	*2020* *£*
Trade creditors	**60,651**	*147,750*
Other taxation and social security	**24,552**	*25,638*
Other creditors	**13,798**	*8,588*
Accruals and deferred income	**157,648**	*137,539*
	256,649	*319,515*

18. Statement of funds

Statement of funds - current year

	Balance at 1 October 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 September 2021 £
Unrestricted funds						
Designated funds						
Lease replacement reserve	1,483,667	-	-	16,333	-	1,500,000
Repairs and improvement reserve	650,000	-	-	350,000	-	1,000,000
Soft furnishings renewal reserve	300,000	-	-	200,000	-	500,000
	2,433,667	-	-	566,333	-	3,000,000
General funds						
Reserves	28,411,625	1,160,325	(1,084,094)	(566,333)	9,380,062	37,301,585
Total Unrestricted funds	30,845,292	1,160,325	(1,084,094)	-	9,380,062	40,301,585

The lease replacement reserve is designated to enable income to be maintained in the event of let investment properties becoming totally or partially void or lettable at reduced rates.

The repairs and improvements reserve is designated to fund emergency or unplanned repairs to Titsey Place.

The soft furnishings renewal reserve is designated to fund the replacement of soft furnishing, mainly carpets and curtains, at Titsey Place.

The trustees reviewed the level of designated funds in the year in comparison to anticipated future costs and have increased the funds as shown above.

18. **Statement of funds (continued)**

Statement of funds - prior year

	Balance at 1 October 2019 £	*Income* £	*Expenditure* £	*Gains/ (Losses)* £	*Balance at 30 September 2020* £
Unrestricted funds					
Designated funds					
Lease replacement reserve	*1,483,667*	-	-	-	*1,483,667*
Repairs and improvement reserve	*650,000*	-	-	-	*650,000*
Soft furnishings renewal reserve	*300,000*	-	-	-	*300,000*
	2,433,667	-	-	-	*2,433,667*
General funds					
Reserves	*25,000,738*	*3,928,205*	*(1,087,970)*	*570,652*	*28,411,625*
Total Unrestricted funds	*27,434,405*	*3,928,205*	*(1,087,970)*	*570,652*	*30,845,292*

19. Summary of funds

Summary of funds - current year

	Balance at 1 October 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 September 2021 £
Designated funds	2,433,667	-	-	566,333	-	3,000,000
General funds	28,411,625	1,160,325	(1,084,094)	(566,333)	9,380,062	37,301,585
	30,845,292	1,160,325	(1,084,094)	-	9,380,062	40,301,585

Summary of funds - prior year

	Balance at 1 October 2019 £	*Income £*	*Expenditure £*	*Gains/ (Losses) £*	*Balance at 30 September 2020 £*
Designated funds	*2,433,667*	-	-	-	*2,433,667*
General funds	*25,000,738*	*3,928,205*	*(1,087,970)*	*570,652*	*28,411,625*
	27,434,405	*3,928,205*	*(1,087,970)*	*570,652*	*30,845,292*

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

	2021 £	*2020 £*
Net income for the period (as per Statement of Financial Activities)	9,470,641	*3,410,887*
Add back:		
Depreciation charges	46,722	*50,308*
Surplus on investing activities	(524,265)	*(479,476)*
Decrease/(increase) in debtors	56,487	*(118,921)*
(Decrease)/increase in creditors	(15,564)	*103,508*
Profit on sale on fixed assets	1,271	-
Net gains on investments	(9,380,062)	*(570,652)*
Donation of property	-	*(2,890,000)*
Net cash used in operating activities	(344,770)	*(494,346)*

21. Related party transactions

During the year, the CIO received rental income of £35,000 (*2020: £35,000*) from the governor G A Innes and recharged expenses totalling £42,979 (*2020: £37,651*) to G A Innes. At the year-end G A Innes owed the CIO £10,769 (*2020: £9,071*). The CIO also received rental income from Pitchfont Farm Partnership, an entity in which G A Innes is a partner, of £37,000 (*2020: £37,000*). During the year the CIO paid grants of £Nil (*2020: £295*) to Pitchfont Farm Partnership to fund educational visits from local school children.

During the prior year, the CIO received a gift of property valued at £2,890,000 plus other sundry assets and liabilities from The Titsey Foundation, a related charity with trustees in common. The total amount gifted was £3,015,291. The Titsey Foundation has subsequently been removed from the register as this transfer comprised the entirety of the trust's remaining assets and liabilities.

22. Controlling party

There is considered to be no ultimate controlling party.

THE TITSEY FOUNDATION CIO

England & Wales - Charity number 1159986

Accounts

Registered number: CE002651
Charity number: 1159986

THE TITSEY FOUNDATION CIO

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

THE TITSEY FOUNDATION CIO

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 SEPTEMBER 2020

Trustees

The Earl of Woolton, Chairman
Mr Ewen Cameron
Mr John St John
Mr Simon Vandeleur

Charity registered number

1159986

Principal office

Titsey Place, Titsey, Oxted, Surrey, RH8 0SD

Managing Agents

Strutt & Parker, 201 High Street, Lewes, East Sussex, BN7 2NR

Governor

G A Innes

Independent auditor

Nexia Smith & Williamson, Onslow House, Onslow Street, Guildford, GU1 4TL

Bankers

C. Hoare & Co, 37 Fleet Street, London, EC4P 4DQ

Solicitors

Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

Investment Advisers

Schroder & Co. Limited, 100 Wood Street, London, EC2V 7ER

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2020

The Trustees are pleased to present their annual report, together with the audited financial statements of The Titsey Foundation CIO (the "Foundation") for the year ended 30 September 2020.

Trustees

The trustees who served during the financial year and since the year end were:

The Earl of Woolton (Chairman)
Mr Ewen Cameron
Mr John St John
Mr Simon Vandeleur

Structure, Governance and Management

The Foundation was incorporated on 16 January 2015 in order to take over the charitable activities and assets of the unincorporated charitable trust, The Titsey Foundation (registered number 277943). The majority of such assets and activities were transferred to the Foundation with effect from midnight on 30 September 2015. Following confirmation that the proposed development of the land at the Redland Moorhouse Plant would not be proceeding, the remaining assets of the Titsey Foundation were transferred over to the Foundation during the financial year and the Titsey Foundation was removed from the Charity Commission register.

The Foundation operates under its Constitution.

The management of the Foundation is the responsibility of the Trustees. In turn, the Trustees have appointed Mr G A Innes as the Governor, effectively the unpaid chief executive of the Foundation, to manage the day to day running of the Foundation. During the year, the Trustees officially appointed Mrs Catriona Innes as Vice-Governor to assist with the day to day running of the Foundation. The Trustees were deeply saddened by the premature death of Mrs Innes in December 2020. The Trustees were very grateful to Mrs Innes for the part she played in the Foundation for many years and for the support given by Mrs Innes to the Trustees and to the Governor throughout his tenure. The Trustees' sympathies are with the Governor and his family. Mrs Innes will be sorely missed from Titsey Place.

The Trustees were also saddened by the death during the year of Mr & Mrs David Innes, the former occupants of Titsey Place. Mr David Innes was the original Governor of the Titsey Foundation from its inception, until passing on the reins to Mr Guy Innes. Mr & Mrs David Innes were an integral part of the Titsey Foundation and its development for many years, and the Trustees extend their sympathies to the Innes Family.

The Trustees are regularly briefed by Nexia Smith & Williamson, Stone King and Strutt & Parker on accountancy, legal and property management issues respectively, and are confident that they are receiving appropriate specialised advice to enable them to effectively fulfil their duties as Trustees.

There are two subcommittees of the Trustees with delegated powers and a requirement to report back to the Trustees on their deliberations:
- Investment (comprising The Earl of Woolton & Mr John Innes (co-opted))
- Titsey Place Management (comprising The Earl of Woolton & Mr Cameron)

The Trustees continue to administer the Foundation, meeting three times a year to discuss matters relating to the Foundation, though some of their work is delegated to the subcommittees of the Trustees and the day to day management of the Foundation is carried out by the Governor with the support of the Managing Agents. During the year, due to the COVID-19 Pandemic, the Trustees have adapted to holding their meetings by Zoom and have not been able to meet physically since their meeting in March 2020.

The Trustees do not consider it necessary to appoint any further trustees at present, but continue to keep the position under review.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2020

Objects & Objectives of the Foundation

The Foundation's objects are "the advancement of education, the relief of poverty, the advancement of religion and the promotion and aid of such other purposes as are recognised by English law to be exclusively charitable and in particular and without prejudice to the foregoing:

- the preservation for the public benefit of the whole of such part or parts of the buildings and their grounds and surroundings known as Titsey Place in the County of Surrey ("Titsey Place") as shall or may hereafter be vested in the charity trustees;
- the protection and improvement of the amenities of Titsey Place for the public benefit;
- the preservation for the public benefit of furniture and pictures and chattels of any description ordinarily kept at Titsey Place;
- the facilitation and encouragement of the study and appreciation of Titsey Place and such furniture, pictures and chattels aforesaid by the general public;
- the provision at Titsey Place or such part of it as shall be appropriate in the interest of social welfare and for the purpose of improving the conditions of life for the persons whom the same are intended of facilities for physical recreation which shall be available to members of the public at large; and
- the facilitation and encouragement of the use and occupation of the whole or part of Titsey Place and the use of such chattels as aforesaid for charitable purposes."

The Trustees' main strategic objectives are;

- to continue to improve and maintain Titsey Place and the other land and buildings used by the Foundation to the highest standards for the public benefit
- to encourage and promote members of the public to visit Titsey Place and its grounds; and
- to provide the highest standard of education and advice to visitors.

Charitable Activities

Public benefit

The Trustees confirm that they have complied with their duty in section 17(5) of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit in exercising their powers. In terms of reporting on public benefit, the statement of activities set out below is in their view sufficient evidence of compliance.

The Foundation undertakes a range of activities in furtherance of its charitable objects and for the benefit of the public. The Foundation's activities during the year can be summarised as follows:

Preservation of Titsey Place, the buildings, grounds and surroundings

The Foundation continues to preserve and protect Titsey Place and its associated buildings to the highest possible standards so that visitors may enjoy the house and grounds in their intended state, as a lived-in family home and working estate. During the year, due to the effect of the COVID-19 Pandemic, it has not been possible to carry out as much activity as in previous years.

During the year:

- the Trustees commenced work on the project to renew, extend and modernise the kitchen at Titsey Place to ensure it remains appropriate for a lived-in family home. The project is due to complete before the summer of 2021 as there have been a number of delays with the building work due to the COVID-19 Pandemic;
- the usual works to redecorate and modernise Titsey Place, have continued throughout the year; and
- arrangements have been made for the provision of PPE and hand sanitizer to the Foundation's employees, ensuring that they have been able to operate within a COVID-19 secure environment.

The Trustees' have a 20 year Woodland Management Plan for improving public access, conservation and to maximising short term income from the sale of timber (as approved by the Forestry Commission). There were some further works carried out under this plan during the year and major works are planned over the next few years as a result of the extensive infestation of Ash Dieback (Chalara) disease. The Trustees consider the maintenance of these woodlands, for the protection of the environment and for the enjoyment of the public, is a key way in which the Foundation provides a benefit to a wide section of the public. As noted below, during the COVID-19 Pandemic, the woodland walks have provided vital recreational facilities for the members of the public.

Visitors to Titsey Place and Gardens
The 2020 Public Opening Season was to be the 27th year of the house and gardens being fully open to the public. However, due to the COVID-19 Pandemic, the Trustees (in line with the Government's guidance) took the difficult decision, in consultation with specialist health & safety consultants, that it was not possible to open Titsey Place (i.e. the house) to the public during the season as this could not be done in a COVID-19 secure manner. The Trustees were however able to reopen the park and the plantations in June which provided much needed recreational outdoor space for residents of the local area. At one stage it was necessary to close the plantations as so many members of the public were visiting to make use of the open space that there were concerns over safety. However, they were reopened as soon as it was practical. No accurate counting of numbers was undertaken, but observations would indicate that there has been a considerable increase in the use of the woodland walks in the plantation and Chart by the public. This was followed by a limited reopening of the gardens and tea-rooms in July, August and September. The reopening was operated for strictly limited numbers who were required to pre-book in advance, to ensure that the numbers could be kept within safe limits.

During the reduced season of July through to September, the Foundation had 2,324 visitors to the gardens. This is a significant reduction on numbers in previous years, but the reasons for that are clear. The Foundation continued to operate within the maximum level imposed by the Planning Authority of 5,000 annual visitors to Titsey Place itself.

During the year the National Garden Scheme Days did not take place and there were no special visits.

In order to bring Titsey Place to the public, the Foundation produced a number of video tours that are accessible from the Foundation's website. In particular, Rhod Jones, the Head Gardener at Titsey Place provided a video tour of the gardens and explained some of the features of the Victorian gardens and other attractions such as the banana plant. There was also a fascinating video of aerial footage showing Titsey Place & the Gardens during the winter providing views of Titsey Place & the Gardens that will previously have been seen by very few.

Titsey Place currently has a traveller overview ranking of 4.5 on Trip Advisor with 52% of the reviewers ranking Titsey Place as being "Excellent" and 34% ranking it as being "Very Good". Example reviews from visitors comment on the steps taken to make the visit safe:

"Post coronavirus they have made a terrific effort to provide an enjoyable experience safely. The excellent light and airy café has a one-way system and well-spaced seating both inside and out … sanitising gel is readily available."

"We had a great time in the gardens this afternoon. We loved the walled and vegetable gardens and all the well-arranged flowers and gardens all around the house. The colours and perfume were beautiful everywhere. The café and door keepers were well distancing with friendly helpful staff. Lovely food and reasonable prices. The lake was glorious with a lovely walk around attractive bridges and well grassed borders. Our admiration went out to the helpful knowledgeable head gardener in answering all our questions."

The Tea Rooms were unable to open for much of the season and the Trustees took the difficult decision to place a number of the staff on furlough. However, during the limited reopening the Tea Rooms continued to be a popular element of the Titsey Place visitor attraction.

Educational Programmes
Due to the COVID-19 Pandemic it was not possible for any of the Educational programmes to be carried out during the year and it is hoped that these will be able to resume during the coming months.

Online resources
The Titsey website (www.titsey.org) provides a detailed history of the house and grounds as well as practical information for visitors. There were 25,980 (2019: 32,018) visits to the website in the financial year to which this report relates. The website continues to act as a valuable resource for those who wish to learn more about Titsey and the Gresham and Leveson Gower families.

Future plans
At each meeting of the Trustees, plans for the management of the Titsey Estate and its grounds are produced by the Managing Trustees and debated by the Trustees. The Trustees ability to progress their plans have been limited during the current year, but they have continued to investigate:

- whether it would be appropriate to connect the Foundation's investment properties to the public water main as opposed to relying on the private water supply currently in place; and
- the potential to reduce the carbon footprint of the Titsey Estate and to increase the bio-diversity of the Estate and Gardens.

Financial Review
The net income for the year was £3,410,887 *(2019: £205,697)*, this figure includes the value of the Redlands Moorhouse Site that was transferred, with associated assets and liabilities, into the Foundation from the Titsey Foundation during the year *(£3,015,291)*. Total income for the year was £3,928,205 *(2019: £723,753)*. Income from charitable activities was £204,014 *(2019: £176,625)*. This was primarily from Public Benefit activities.

Charitable expenditure relates to expenditure associated with managing Titsey Place, the gardens and the associated properties, together with the costs of facilitating public access to Titsey Place and its gardens. In addition, a small number of donations were made to the local community.

For accounting purposes, the charitable expenditure is analysed between:

- Costs directly associated with Titsey Place and the gardens, and the woodlands
- The cost of managing and maintaining the other properties associated with the historic house, including St James's Church

Titsey place and gardens
The expenditure comprises day to day running costs, the costs associated with facilitating public access and the cost of repairs and preservation works.

The expenditure in the year on Titsey Place and gardens was £464,672 *(2019: £439,535).*

Estate costs
This expenditure comprises the direct costs relating to the wider Estate, including St James's Church, and its management and was £402,404 *(2019: £401,154)* in the year. Input VAT is also incurred on the charity's expenditure, the majority of which cannot be recovered. During the year the irrecoverable VAT was £105,643 *(2019: £50,248)*.

Gains/(Losses) on investments totalled a loss of £121,448 *(2019: total gains of £122,413).*

Investment powers and policy
The Foundation has the power to invest funds in accordance with the provisions of its Constitution.
The Foundation was established to maintain and preserve Titsey in perpetuity. The Constitution places no restriction on the Trustees' power to invest the monies of the Foundation. The Trustees have agreed that the investment portfolio of the Foundation should continue to be run on a discretionary basis by Schroder & Co. Limited, with the objective of growing the capital over the long term. The objective is to be achieved by investment in a portfolio invested primarily in equities with a smaller allocation in hedge funds, private equity,

fixed interest and cash.

Following the year end the Trustees have updated the Investment Policy to provide that the Trustees will take into account appropriate environmental, social and corporate governance factors when making investment decisions to ensure that all the Foundation's investments provide a qualitative impact for society consistent with the values and aims of the Foundation.

At the start of the year the investment portfolio was valued at £7,546,416 and by the end of the year it was valued at £7,223,339, comprising listed investments of £7,223,339 *(2019: £7,546,416)*. Part of the reduction in value is attributable to withdrawals of capital by the Trustees to fund the Kitchen Project at Titsey Place. The portfolio made a total return of -0.3% over the 12-month period; the comparative benchmark used by the Trustees to monitor investment performance was -7.6%.

Risk management
The Trustees have reviewed the significant risks to which the charity is exposed and have ensured that there are sufficient controls to manage those risks. During the year the Trustees have continued to review and update the Foundation's risk policy.

The Trustees have a risk management strategy which comprises a regular review of the risks the Foundation may face, the establishment of systems and procedures to mitigate those risks identified, and the implementation of procedures designed to minimise any potential impact on the Foundation should those risks materialise. The Trustees confirm that they have examined the major risks to which the Foundation is exposed and that there are appropriate systems and procedures to manage those risks.

The main risks identified are:

- the effect of the COVID-19 Pandemic, managing the associated risks from opening to the public, and considering future pandemics. The Managing Agents have worked with the Governor and specialist Health & Safety consultants to ensure that appropriate risk mitigation procedures have been in place;
- the departure for whatever reason of the Governor – as the current Governor was appointed in 2013, the risk of his departure is considered low;
- the reduction in income required to cover core expenditure. Trustees meet on a regular basis with their investment advisors to ensure that the assets of the Foundation are managed appropriately;
- damage to or theft of the Foundation's property with a continued focus on managing Titsey Place and the security arrangements that are in place;
- health and safety issues which are managed in conjunction with the Managing Agents as many of these relate to the operation of the Estate. The Trustees pay particular attention to ensuring that the properties are well maintained and properly secured, and all associated risks minimised. All of the properties owned by the Foundation are included in a maintenance programme to ensure that they are put into a good state of repair and condition and kept in that state.

Covid-19
The coronavirus pandemic has had a severe effect on the Foundation. As explained elsewhere, it has necessitated the closing of the park and woodlands at Titsey Place although these were able to be reopened during the year as were the gardens. The House remains closed to the public.

This has had a negative, albeit manageable, impact on the Foundation's finances due to the lack of visitor income which would normally be in the region of £60,000 over the season. Fortunately, none of the Foundation's employees or volunteers have suffered directly from the virus, but the trustees remain concerned as a number of the Foundation's employees and volunteers are categorised as vulnerable and the Foundation will continue to prioritise their safety.

The Trustees are grateful to the Governor, the Employees, the Volunteers and the Managing Agents for all they have done during the year to keep the Foundation operating, to provide as much access to the public as has been possible in a COVID-19 secure manner and for coping with such extreme circumstances. It is hoped that

the forthcoming year will see a reopening of the House to the public.

Reserves
The balance of the free reserves of £7.9m *(2019: £6.1m)* is invested to provide an income to pay for the running costs of Titsey Place and its grounds. The public have access to the parkland and woodland walks free of charge, though they are expensive to maintain and the Trustees continue to keep under review the admission prices charged to visitors (currently £8 per adult to visit both the House and the Gardens).

During the year, the Foundation continued to maintain three designated reserve funds which helped to ensure that the Foundation was able to meet the future costs of maintaining the properties and the contents:

- £650,000 was designated to fund emergency or unplanned repairs to Titsey Place. By its nature there was no specific time frame for the use of this fund and it was to be used as and when needed.
- £1,483,667 was designated to provide a fund which will generate income in the future to offset the loss of income now that the Tile Works lease has expired.
- £300,000 was designated to fund the replacement of soft furnishings, mainly carpets and curtains.
  The Trustees will be reviewing the Foundation's reserve policy during the coming year to consider whether the amounts should be adjusted in light of changed circumstances.

Fundraising
In accordance with Section 162A Charities Act 2011, the Trustees of the Foundation confirm that:

- The Foundation does not actively fund-raise from members of the public and relies upon its investment income and revenue from ticket prices and sales in the tea rooms to fund its charitable activity.
- The Foundation does not make use of any professional fund-raisers and has not entered into any agreements with any commercial participators.
- Neither the Foundation nor any person acting on its behalf was subject to an undertaking to be bound by any voluntary scheme for regulating fund-raising, or any voluntary standard of fund-raising, in respect of the Foundation's activities.
- The Foundation has not received any complaints during the year in relation to fund-raising.
- As the Foundation does not carry out any fund-raising activity it does not consider it necessary, at present, to have any arrangements in place to monitor fund-raising activity and has not needed to take any steps to ensure that any fund-raising activity is carried out in a way that protects vulnerable people and members of the public from the behaviour as set out in Section 162A(2) Charities Act 2011. If the Trustees decide to undertake fundraising activity appropriate arrangements would be put in place.

In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees and signed on their behalf by:

Woolton
Woolton (Jul 6, 2021 15:12 GMT+1)

The Earl of Woolton

Date: 06/07/2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 30 SEPTEMBER 2020

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE TITSEY FOUNDATION CIO

Opinion

We have audited the financial statements of The Titsey Foundation CIO (the 'charity') for the year ended 30 September 2020 which comprise the Statement of Financial Activites, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 September 2020 and of its result 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 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 Auditor’s 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Trustees' Report and financial statements, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE TITSEY FOUNDATION CIO (CONTINUED)

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulation 2008 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- the information given in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Trustees' Responsibilities Statement set out on page 8, 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 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 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.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report
This report is made solely to the Charity's trustees as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE TITSEY FOUNDATION CIO (CONTINUED)

Nexia Smith & Williamson
Nexia Smith & Williamson (Jul 22, 2021 18:02 GMT+1)

Nexia Smith & Williamson

Chartered Accountants
Statutory Auditors

Onslow House
Onslow Street
Guildford
GU1 4TL
Date: 22/07/2021

Nexia Smith & Williamson is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Income from:				
Donations and legacies	4	**3,015,291**	**3,015,291**	*55,302*
Charitable activities	3	**204,014**	**204,014**	*176,625*
Investments	5	**700,370**	**700,370**	*491,604*
Other income		**8,530**	**8,530**	*222*
Total income		**3,928,205**	**3,928,205**	*723,753*
Expenditure on:				
Raising funds	6	**220,894**	**220,894**	*131,160*
Charitable activities	7	**867,076**	**867,076**	*840,689*
Total expenditure		**1,087,970**	**1,087,970**	*971,849*
Net (losses)/gains on investments	14	**(121,448)**	**(121,448)**	*122,413*
Net movement in funds before other recognised gains		**2,718,787**	**2,718,787**	*(125,683)*
Other recognised gains:				
Gains on investment property revaluation	13	**692,100**	**692,100**	*331,380*
Net income		**3,410,887**	**3,410,887**	*205,697*
Reconciliation of funds:				
Total funds brought forward		**27,434,405**	**27,434,405**	*27,228,708*
Net movement in funds		**3,410,887**	**3,410,887**	*205,697*
Total funds carried forward		**30,845,292**	**30,845,292**	*27,434,405*

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 32 form part of these financial statements.

BALANCE SHEET
AS AT 30 SEPTEMBER 2020

	Note		2020 £		*2019* *£*
Fixed assets					
Tangible assets	11		**152,884**		*191,000*
Heritage assets	12		**2,642,470**		*2,287,536*
Investments	14		**7,223,339**		*7,546,416*
Investment property	13		**20,022,100**		*16,440,000*
			30,040,793		*26,464,952*
Current assets					
Debtors	15	**239,722**		*120,801*	
Cash at bank and in hand		**884,292**		*1,003,099*	
		1,124,014		*1,123,900*	
Creditors: amounts falling due within one year	16	**(319,515)**		*(154,447)*	
Net current assets			**804,499**		*969,453*
Total net assets			**30,845,292**		*27,434,405*
Charity funds					
Restricted funds	17		**-**		*-*
Unrestricted funds					
Designated funds	17	**2,433,667**		*2,433,667*	
General funds	17	**28,411,625**		*25,000,738*	
Total unrestricted funds	17		**30,845,292**		*27,434,405*
Total funds			**30,845,292**		*27,434,405*

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Woolton
Woolton (Jul 6, 2021 15:12 GMT+1)

The Earl of Woolton

Date: 06/07/2021

The notes on pages 15 to 32 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	2020 £	*2019 £*
Cash flows from operating activities			
Net cash used in operating activities	19	**(494,346)**	*(548,096)*
Cash flows from investing activities			
Proceeds from sale of investments		**868,426**	*1,069,181*
Additions to tangible fixed assets		**(1,317)**	*(32,762)*
Additions to heritage assets		**(304,249)**	*(12,522)*
Additions to investment property		**-**	*(13,620)*
Additions to investments		**(666,797)**	*(512,395)*
Surplus from investing activities		**479,476**	*360,444*
Net cash provided by investing activities		**375,539**	**858,326**
Change in cash and cash equivalents in the year		**(118,807)**	**310,230**
Cash and cash equivalents at the beginning of the year		**1,003,099**	*692,869*
Cash and cash equivalents at the end of the year	20	**884,292**	*1,003,099*

The notes on pages 15 to 32 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Charity has elected to apply all amendments to FRS 102, as set out in the Financial Reporting Council's triennial review published in December 2017, and included in Update Bulletin 2 to the Charities SORP (FRS 102), prior to mandatory adoption for accounting periods beginning on or after 1 January 2019.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

CIO Status

The Titsey Foundation CIO meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

There are no material uncertainties about the CIO’s ability to continue as a going concern; the CIO has unrestricted reserves of £28m and free reserves of £8m which is considered sufficient to enable it to continue as a going concern for the foreseeable future. The trustees have considered the impact of the coronavirus pandemic on the charity as described in the Trustees’ Report on pages 2 to 7, and although the impact on the day to day running of the charity was significant during the periods of lockdown, the Charity’s strong balance sheet position means that the going concern status is unaffected.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1. Accounting policies (continued)

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is the usually upon notification from investment managers.

Rental income is recognised net of VAT on an accruals basis in accordance with the relevant rental agreements.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on raising funds consists of investment management costs of running the Charity's investment property portfolio.

Cost of charitable activities includes costs in relation to the preservation of Titsey Place and making the estate available to the public, as well as governance costs which are in relation to the Charity’s public accountability and compliance with regulation.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating income and expenditure account.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold land and buildings	- Nil
Plant, machinery and vehicles	- 20-25%
Office equipment	- 25%
Improvements	- 5%

1. Accounting policies (continued)

1.7 Heritage assets

The Foundation's heritage assets comprise Titsey Place and contents, Titsey Park, the Woodlands, St James's Church in Titsey village and some of the surrounding farmland.

The heritage assets were acquired by way of gifts from the two founders and by subsequent purchase of a leasehold interest in the Woodlands. The Trustees' policy is to retain, manage and preserve these heritage assets for the benefit of the public and future generations. The Trustees do not envisage acquiring any further heritage assets, but capital improvements directly associated with these assets are also considered to be heritage in nature and are capitalised along with the underlying assets.

Expenditure incurred to maintain the assets is expensed as incurred.

Land and buildings encompasses Titsey Place, Titsey Park, St James' Church, The Woodlands and surrounding farmland.

The deemed cost of the land and buildings was derived from valuations undertaken just prior to the original donation from the Foundation's founders in 1979. St James' Church on Titsey Estate was subsequently transferred to the Foundation for £1 consideration. Additionally, the Foundation, as freeholder, bought out a leasehold interest in 157 acres of Woodland adjacent to the Estate in 1997. As the Foundation's heritage land and buildings are considered to be both inalienable and have an almost indefinite useful life, they are not depreciated, but rather held at their original transfer value in the accounts subject to an impairment review.

Impairment reviews for all property are undertaken whenever there is evidence that the value of the underlying assets may be less than their carrying amount in the accounts; no impairment has been required since the original transfer.

Heritage contents include furniture, pictures, porcelain and a library of books held within Titsey Place. As with the Land & Buildings, they were professionally valued in 1979 upon the transfer to the Foundation.

These are also considered to have an indefinite useful life and have therefore been capitalised at their original valuation when transferred to the Foundation, and are not depreciated.

Improvements consist of construction and other fixed asset additions directly attributable to the aforementioned heritage land & buildings which have been capitalised since the original transfer of the assets. Only those improvements which directly enhance the underlying heritage asset's value to the public have been classified as heritage assets.

Depreciation is provided on the following bases:

Freehold land and buildings	- Nil
Contents	- Nil
Improvements	- 5%

1.8 Investment property

Investment property is carried at fair value. Revaluation surpluses are recognised in the Statement of Financial Activities.

1. Accounting policies (continued)

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.13 Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Charity becomes a party to the contractual provisions of the instrument.

Investments in listed shares are classified as basic financial instruments. They are initially measured at transaction price and subsequently measured at fair value, with changes in fair value being recognised in profit or loss. Fair value is determined using the quoted bid price at the balance sheet date.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Charity will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Charity's cash management.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

2. Critical accounting estimates and areas of judgement

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Investment properties valuation

Land and buildings are stated at fair value based on the valuation performed by an independent professional valuer, Strutt & Parker, with recent experience in the location and category of property valued. The valuer used observable market prices adjusted as necessary for any difference in the future, location or condition of the specific asset.

3. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
House admissions and tearoom income	38,231	**38,231**	*63,235*
Public benefit	150,696	**150,696**	*102,600*
Woodland income	15,087	**15,087**	*10,790*
	204,014	**204,014**	*176,625*

4. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Donations			
Donation received from The Titsey Foundation	3,015,291	**3,015,291**	*41,681*
Other donations	-	**-**	*13,621*
	3,015,291	**3,015,291**	*55,302*

5. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Rental income	526,182	**526,182**	*310,303*
Investment income	174,188	**174,188**	*181,301*
	700,370	**700,370**	*491,604*

6. Cost of raising funds

	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Investment advice	24,460	**24,460**	*48,821*
Property costs	196,434	**196,434**	*82,339*
	220,894	**220,894**	*131,160*

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Estate costs	402,404	**402,404**	*401,154*
Titsey Place and Garden	464,672	**464,672**	*439,535*
	867,076	**867,076**	*840,689*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Estate costs	390,744	11,660	**402,404**
Titsey Place and Garden	453,011	11,661	**464,672**
	843,755	23,321	**867,076**

	Activities undertaken directly 2019 £	*Support costs 2019 £*	*Total funds 2019 £*
Estate costs	*388,613*	*12,541*	*401,154*
Titsey Place and Garden	*426,994*	*12,541*	*439,535*
	815,607	*25,082*	*840,689*

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Estate costs 2020 £	Titsey Place and Garden 2020 £	Total funds 2020 £
Staff costs including tea room	-	212,422	**212,422**
Depreciation	42,686	7,622	**50,308**
Professional fees	35,447	30,693	**66,140**
Property account expenditure	64,376	59,940	**124,316**
Titsey Place and garden expenditure	-	8,589	**8,589**
Utilities	1,214	18,100	**19,314**
Insurance	28,956	22,351	**51,307**
Titsey Church expenses	10,082	-	**10,082**
Tree surgery	76,719	-	**76,719**
Irrecoverable VAT	105,643	-	**105,643**
Sundry expenses	12,769	57,192	**69,961**
Advertising	-	14,549	**14,549**
Tea room expenses	-	17,184	**17,184**
Rates	5,172	4,369	**9,541**
Bad debts	7,680	-	**7,680**
	390,744	453,011	**843,755**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Estate costs 2019 £	*Titsey Place and Garden 2019 £*	*Total funds 2019 £*
Staff costs including tea room	*-*	*193,586*	*193,586*
Depreciation	*40,321*	*8,457*	*48,778*
Professional fees	*39,974*	*19,605*	*59,579*
Property account expenditure	*68,245*	*53,583*	*121,828*
Titsey Place and garden expenditure	*-*	*5,259*	*5,259*
Utilities	*4,121*	*20,500*	*24,621*
Insurance	*20,424*	*27,155*	*47,579*
Titsey Church expenses	*9,961*	*-*	*9,961*
Tree surgery	*6,709*	*-*	*6,709*
Irrecoverable VAT	*50,248*	*-*	*50,248*
Sundry expenses	*8,513*	*48,046*	*56,559*
Advertising	*-*	*21,174*	*21,174*
Tea room expenses	*-*	*23,294*	*23,294*
Rates	*1,979*	*6,335*	*8,314*
Bad debts	*90,664*	*-*	*90,664*
Loss on disposal of fixed assets	*47,454*	*-*	*47,454*
	388,613	*426,994*	*815,607*

Analysis of support costs

	Estate costs 2020 £	**Titsey Place and Garden 2020 £**	**Total funds 2020 £**
Governance costs	11,660	11,661	**23,321**

	Estate costs 2019 £	*Titsey Place and Garden 2019 £*	*Total funds 2019 £*
Governance costs	*12,541*	*12,541*	*25,082*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

9. Net incoming resources/(resources expended)

This is stated after charging:

	2020	2019
	£	£
Depreciation of tangible fixed assets - owned by the Charity	**39,434**	*36,066*
Depreciation of heritage assets - owned by the Charity	**10,875**	*12,712*
Auditor's remuneration - accounting services	**1,800**	*9,650*
Auditor's remuneration - audit	**19,825**	*14,382*

10. Staff costs

	2020	2019
	£	£
Wages and salaries	**188,915**	*173,862*
Social security costs	**19,455**	*16,466*
Contribution to defined contribution pension schemes	**4,052**	*3,258*
	212,422	*193,586*

The average number of persons employed by the Charity during the year was as follows:

	2020	2019
	No.	No.
Estate staff	**10**	*13*

No employee received remuneration amounting to more than £60,000 in either year.

During the year, no Trustees received any remuneration or other benefits *(2019: £Nil).*
During the year ended 30 September 2020, no Trustee expenses have been incurred *(2019: £Nil).*

11. Tangible fixed assets

	Improvements £	Plant & machinery and vehicles £	Office equipment £	Total £
Cost				
At 1 October 2019	**2,235,281**	**193,252**	**3,872**	**2,432,405**
Additions	**1,317**	**-**	**-**	**1,317**
At 30 September 2020	**2,236,598**	**193,252**	**3,872**	**2,433,722**
Depreciation				
At 1 October 2019	**2,068,854**	**168,679**	**3,872**	**2,241,405**
Charge for the year	**31,811**	**7,622**	**-**	**39,433**
At 30 September 2020	**2,100,665**	**176,301**	**3,872**	**2,280,838**
Net book value				
At 30 September 2020	**135,933**	**16,951**	**-**	**152,884**
At 30 September 2019	*166,427*	*24,573*	*-*	*191,000*

12. Heritage assets

Assets recognised at cost

	Improvements 2020 £	Land and buildings 2020 £	Contents 2020 £	Total 2020 £
Carrying value at 1 October 2019	957,016	450,557	879,963	**2,287,536**
Additions	365,809	-	-	**365,809**
Depreciation	(10,875)	-	-	**(10,875)**
	1,311,950	450,557	879,963	**2,642,470**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

13. Investment property

	Freehold investment property £
Valuation	
At 1 October 2019	**16,440,000**
Additions	**2,890,000**
Surplus on revaluation	**692,100**
At 30 September 2020	**20,022,100**

The 2020 valuations were made by Strutt & Parker, on an open market basis. The historical cost of investment properties held at fair value is £1,669,493 *(2019: £1,669,493).*

14. Fixed asset investments

	Listed investments £
Market value	
At 1 October 2019	**7,546,416**
Additions	**666,797**
Disposals	**(1,054,743)**
Revaluations	**64,869**
At 30 September 2020	**7,223,339**
Net book value	
At 30 September 2020	**7,223,339**
At 30 September 2019	*7,546,416*

Analysis of investments

Equities	6,333,281	*6,586,378*
Bonds	188,424	*202,188*
Alternatives	701,634	*757,850*
Total	7,223,339	*7,546,416*

Revaluations as above of £64,869 plus realised losses of £186,317 equal the loss on investments of £121,448 shown on the Statement of Financial Activities. The historical cost of fixed asset investments held at fair value is £5,234,099 *(2019: £5,400,682).*

15. Debtors

	2020 £	*2019* *£*
Due within one year		
Trade debtors	**152,529**	*105,711*
Other debtors	**15,807**	*8,258*
Prepayments and accrued income	**71,386**	*6,832*
	239,722	*120,801*

16. Creditors: Amounts falling due within one year

	2020 £	*2019* *£*
Trade creditors	**147,750**	*40,512*
Other taxation and social security	**25,638**	*6,534*
Other creditors	**8,588**	*49,756*
Accruals and deferred income	**137,539**	*57,645*
	319,515	*154,447*

17. Statement of funds

Statement of funds - current year

	Balance at 1 October 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 September 2020 £
Unrestricted funds					
Designated funds					
Lease replacement reserve	**1,483,667**	**-**	**-**	**-**	**1,483,667**
Repairs and improvements reserve	**650,000**	**-**	**-**	**-**	**650,000**
Soft furnishings renewal reserve	**300,000**	**-**	**-**	**-**	**300,000**
	2,433,667	**-**	**-**	**-**	**2,433,667**
General funds					
Reserves	**25,000,738**	**3,928,205**	**(1,087,970)**	**570,652**	**28,411,625**
Total Unrestricted funds	**27,434,405**	**3,928,205**	**(1,087,970)**	**570,652**	**30,845,292**

The lease replacement reserve is designated to enable income to be maintained in the event of let investment properties becoming totally or partially void or lettable at reduced rates. A transfer has been made into general funds to offset the deficit before investment gains and losses.

The repairs and improvements reserve is designated to fund emergency or unplanned repairs to Titsey Place.

The soft furnishings renewal reserve is designated to fund the replacement of soft furnishing, mainly carpets and curtains, at Titsey Place.

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 October 2018 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 30 September 2019* £
Unrestricted funds						
Designated funds						
Lease replacement reserve	*1,731,763*	-	-	*(248,096)*	-	*1,483,667*
Repairs and improvements reserve	*650,000*	-	-	-	-	*650,000*
Soft furnishing renewal reserve	*300,000*	-	-	-	-	*300,000*
	2,681,763	-	-	*(248,096)*	-	*2,433,667*
General funds						
Reserves	*24,546,945*	*723,753*	*(971,849)*	*248,096*	*453,793*	*25,000,738*
Total Unrestricted funds	27,228,708	723,753	(971,849)	-	*453,793*	*27,434,405*

18. Summary of funds

Summary of funds - current year

	Balance at 1 October 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 September 2020 £
Designated funds	**2,433,667**	**-**	**-**	**-**	**2,433,667**
General funds	**25,000,738**	**3,928,205**	**(1,087,970)**	**570,652**	**28,411,625**
	27,434,405	**3,928,205**	**(1,087,970)**	**570,652**	**30,845,292**

Summary of funds - prior year

	Balance at 1 October 2018 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 30 September 2019 £*
Designated funds	*2,681,763*	*-*	*-*	*(248,096)*	*-*	*2,433,667*
General funds	*24,546,945*	*723,753*	*(971,849)*	*248,096*	*453,793*	*25,000,738*
	27,228,708	*723,753*	*(971,849)*	*-*	*453,793*	*27,434,405*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

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

	2020 £	*2019 £*
Net income/expenditure for the period (as per Statement of Financial Activities)	**2,718,787**	*(125,683)*
Adjustments for:		
Depreciation charges	**50,308**	*48,778*
Investment surplus	**(479,476)**	*(360,444)*
Loss on the sale of fixed assets	**-**	*47,454*
Decrease/(increase) in debtors	**(118,921)**	*60,887*
Increase/(decrease) in creditors	**103,508**	*(96,675)*
Investment revaluations	**121,448**	*(122,413)*
Donation of property	**(2,890,000)**	-
Net cash used in operating activities	**(494,346)**	*(548,096)*

20. Analysis of cash and cash equivalents

	2020 £	*2019 £*
Cash in hand	**884,292**	*1,003,099*
Total cash and cash equivalents	**884,292**	*1,003,099*

21. Analysis of changes in net debt

	At 1 October 2019 £	Cash flows £	At 30 September 2020 £
Cash at bank and in hand	**1,003,099**	**(118,807)**	**884,292**
Debt due within 1 year	**-**	**(922)**	**(922)**
	1,003,099	**(119,729)**	**883,370**

22. Related party transactions

During the year, the CIO received rental income of £35,000 *(2019: £35,000)* from the governor G A Innes and recharged expenses totalling £37,651 *(2019: £33,871)* to G A Innes. At the year-end G A Innes owed the CIO £9,071 *(2019: £56,981)*. The CIO also received rental income from Pitchfont Farm Partnership, an entity in which G A Innes is a partner, of £37,000 *(2019: £37,000)*. During the year the CIO paid grants of £295 *(2019: £880)* to Pitchfont Farm Partnership to fund educational visits from local school children.

During the year, the CIO received a gift of property valued at £2,890,000 plus other sundry assets and liabilities from The Titsey Foundation, a related charity with trustees in common. The total amount gifted was £3,015,291 *(2019: £41,681)*. The Titsey Foundation has subsequently been removed from the register as this transfer comprised the entirety of the trust's remaining assets and liabilities.