
THE TITSEY FOUNDATION CIO

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Trustees' Report	2 - 7
Trustees' Responsibilities Statement	8
Independent Auditor's Report on the Financial Statements	9 - 11
Statement of Financial Activities	12
Balance Sheet	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 - 32

THE TITSEY FOUNDATION CIO

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

THE TITSEY FOUNDATION CIO

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.

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

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.

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

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,

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

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

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

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 (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 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 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.

THE TITSEY FOUNDATION CIO

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.

THE TITSEY FOUNDATION CIO

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.

THE TITSEY FOUNDATION CIO

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.

THE TITSEY FOUNDATION CIO

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.

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

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%

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

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.

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

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.

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

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
	<u>204,014</u>	<u>204,014</u>	<u>176,625</u>

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
	<u>3,015,291</u>	<u>3,015,291</u>	<u>55,302</u>

THE TITSEY FOUNDATION CIO

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

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
	<u>700,370</u>	<u>700,370</u>	<u>491,604</u>

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
	<u>220,894</u>	<u>220,894</u>	<u>131,160</u>

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
	<u>867,076</u>	<u>867,076</u>	<u>840,689</u>

THE TITSEY FOUNDATION CIO

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
	<u>843,755</u>	<u>23,321</u>	<u>867,076</u>

	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
	<u>815,607</u>	<u>25,082</u>	<u>840,689</u>

THE TITSEY FOUNDATION CIO

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

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
	<u>390,744</u>	<u>453,011</u>	<u>843,755</u>

THE TITSEY FOUNDATION CIO

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

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Estate costs</i> 2019 £	<i>Titsey Place and Garden</i> 2019 £	<i>Total funds</i> 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
	<u>388,613</u>	<u>426,994</u>	<u>815,607</u>

Analysis of support costs

	<i>Estate costs</i> 2020 £	<i>Titsey Place and Garden</i> 2020 £	<i>Total funds</i> 2020 £
Governance costs	<u>11,660</u>	<u>11,661</u>	<u>23,321</u>

	<i>Estate costs</i> 2019 £	<i>Titsey Place and Garden</i> 2019 £	<i>Total funds</i> 2019 £
Governance costs	<u>12,541</u>	<u>12,541</u>	<u>25,082</u>

THE TITSEY FOUNDATION CIO

**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).

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

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	<u>20,022,100</u>

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	<u>7,223,339</u>
Net book value	
At 30 September 2020	<u>7,223,339</u>
<i>At 30 September 2019</i>	<u>7,546,416</u>

THE TITSEY FOUNDATION CIO

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

Analysis of investments

Equities	6,333,281	6,586,378
Bonds	188,424	202,188
Alternatives	701,634	757,850
Total	<u>7,223,339</u>	<u>7,546,416</u>

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
	<u>239,722</u>	<u>120,801</u>

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
	<u>319,515</u>	<u>154,447</u>

THE TITSEY FOUNDATION CIO

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

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
	<u>2,433,667</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,433,667</u>
General funds					
Reserves	<u>25,000,738</u>	<u>3,928,205</u>	<u>(1,087,970)</u>	<u>570,652</u>	<u>28,411,625</u>
Total Unrestricted funds	<u><u>27,434,405</u></u>	<u><u>3,928,205</u></u>	<u><u>(1,087,970)</u></u>	<u><u>570,652</u></u>	<u><u>30,845,292</u></u>

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.

THE TITSEY FOUNDATION CIO

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

17. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 October 2018</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/out</i> £	<i>Gains/ (Losses)</i> £	<i>Balance at 30 September 2019</i> £
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
	<u>2,681,763</u>	<u>-</u>	<u>-</u>	<u>(248,096)</u>	<u>-</u>	<u>2,433,667</u>
General funds						
Reserves	<u>24,546,945</u>	<u>723,753</u>	<u>(971,849)</u>	<u>248,096</u>	<u>453,793</u>	<u>25,000,738</u>
Total Unrestricted funds	<u>27,228,708</u>	<u>723,753</u>	<u>(971,849)</u>	<u>-</u>	<u>453,793</u>	<u>27,434,405</u>

THE TITSEY FOUNDATION CIO

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

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
	<u>27,434,405</u>	<u>3,928,205</u>	<u>(1,087,970)</u>	<u>570,652</u>	<u>30,845,292</u>

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
	<u>27,228,708</u>	<u>723,753</u>	<u>(971,849)</u>	<u>-</u>	<u>453,793</u>	<u>27,434,405</u>

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

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

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.