

# >>> THE PALACE TRUST <<<

(A Charitable Company  
Limited by Guarantee)

## ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

**COMPANY NUMBER:  
09404519**

**CHARITY REGISTERED IN  
ENGLAND AND WALES  
NUMBER: 1160830**



The Bishop's Palace  
WELLS · SOMERSET

# >>> THE PALACE TRUST <<<

## CONTENTS

<b>Reference and Administrative Details</b>	<b>4</b>
<b>Trustee Directors' Report</b>	<b>5</b>
<b>Independent Auditors Report</b>	<b>22</b>
<b>Consolidated Statement of Financial Activities</b>	<b>26</b>
<b>Balance Sheet and Consolidated Balance Sheet</b>	<b>27</b>
<b>Statement of Cash Flows and Consolidated Statement of Cash Flows</b>	<b>29</b>
<b>Notes to Financial Statements</b>	<b>30</b>





# Annual Report 2024

## Foreword



Welcome to the Report and Accounts for 2024. That sounds rather dry doesn't it?! However, these documents tell the story of a remarkable turnaround in that after two years of losses the Trust achieved a surplus of £120,000. This is all thanks to you, our visitors, our superb team of staff and volunteers, the support of a number of Trusts and private donations, and of the Church Commissioners. We thank you all sincerely.

However, it was not all plain sailing as the unpredictable English weather tried its best to disrupt things and other operational struggles presented their own challenges. We very much enjoyed hosting the crew and cast of Wolf Hall: The Mirror and the Light which gave us excellent coverage and much needed revenue, and we were delighted to see how enormously popular our Christmas Illuminations were in 2024, but one of the most significant initiatives in 2024 was the launch of our joint entrance ticket with Wells Cathedral which proved to be a great success. We recognise that The Bishop's Palace is one of the jewels in the crown of our unique city of Wells and we continue to seek ever closer ties with the Cathedral and other city attractions and stakeholders.

We welcomed just under half a million people over our drawbridge during the year and hope that they took away some very treasured memories. And not just of the cygnets we are privileged to observe each year! We said goodbye to four Trustees who retired in 2024 who were instrumental in making the Palace and grounds what they are today and welcomed four new ones thereby maintaining a strong team of Trustees with a wide range of skills.

Last year was the penultimate year of our five year strategy and it's pleasing to see so many of those aims and ambitions having been achieved. However, we strive continually to conserve and improve the Palace and its superb RHS partner gardens, and a number of projects were developed both during the year and which are on track for delivery in 2025. These include delivery of a new multi-media device which deepens the experience of visiting the Palace building, but also changes to the visitor entrance, improvements to the Dragons Lair, our cafe, our community garden facilities and our Christmas offering.

As a charity, community engagement has always been at the heart of what we do and page [9] of the report summarises just some of our activities here. But there is so much more we would like to do, and will do, in the coming years.

We know that we live in increasingly uncertain times but we also know that our visitors are able to find tranquillity and peace here, and can return to their lives feeling refreshed.



**Roger Hawes**  
Chair



**Merryn Kidd**  
Chief Executive

## &gt;&gt;&gt; THE PALACE TRUST &lt;&lt;&lt;

Reference and  
Administrative Details**Trustee Directors**

Rt Revd Noel Michael Beasley  
Greg Beedle  
Caroline Brawley  
Paul Dickinson  
Roger Hawes  
Natasha Hopkins  
Katharine MacDonald  
Michael Minta  
Claire Revell  
Rt Revd Trevor Willmott

**Company Secretary**

Greg Beedle (from 25 May 2023 to 13 May 2024)  
Hollie Peppard (from 13 May 2024)

**Chief Executive**

Merryn Kidd

**Charity Number**

1160830

**Company Number**

09404519

**Principal Address and Registered Office**

The Bishop's Palace  
Wells  
Somerset  
BA5 2PD

**Auditors**

Albert Goodman LLP  
Goodwood House  
Blackbrook Park Avenue  
Taunton  
Somerset  
TA1 2PX

**Bankers**

NatWest  
7 High Street  
Wells  
Somerset  
TA1 1JQ



# THE PALACE TRUST

## Trustee Directors Report

The Trustees, who are also directors for the purposes of the Companies Act, present their report and the financial statements of the charity for the year ended 31 December 2024, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The full name of the Charity is The Palace Trust. It was incorporated on 26 January 2015 as a company limited by guarantee. Its company registration number is 09404519. Its charity registration number is 1160830. The Charity is variously referred to throughout this report as either "the Charity", "the Company" or "the Trust".

### References and Administrative Details

Administrative information is given in a separate section at the front of these accounts.

### Directors and Trustees

The directors of the Company are the Charity's Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year-end are as follows:

Rt Revd Noel Michael Beasley	
Greg Beedle	(appointed 1st June 2024)
Maureen Boylan	(resigned 1st December 2024)
Caroline Brawley	(appointed 1st September 2024)
Nick Denison	(resigned 1st December 2024)
Paul Dickinson	
Sam Forsey	(resigned 1st March 2025)
Roger Hawes	(Chair)
Natasha Hopkins	(appointed 1st September 2024)
Katharine MacDonald	(appointed 2nd May 2023)
Michael Minta	
Claire Revell	(appointed 1st September 2024)
Peter Stickland	(resigned 1st December 2024)
Rt Revd Trevor Willmott	
Julie Wills	(resigned 31st May 2024)

None of the Trustees have any beneficial interest in the Company. All of the Trustees are members of the Company and guarantee to contribute £1 in the event of a winding up.





## »»» THE PALACE TRUST ««« ANNUAL REPORT 2024

The Palace Trust's Articles contain two charitable aims: a) to preserve for the benefit of the public the fabric of The Bishop's Palace (as a place of historic and architectural interest) in order to facilitate access to The Bishop's Palace by the public for their education and interest, and b) to promote such charitable purposes as will advance the religious and other charitable work of the Church of England in such manner as the Trustees shall from time to time decide and are approved by the Church Commissioners.

Today, The Palace Trust continues to work towards these charitable aims, by opening The Bishop's Palace and its fourteen acres of gardens up to the public and running it as a heritage site, visitor attraction and community asset, and via its community engagement programmes.







The Bishop's Palace  
WELLS · SOMERSET

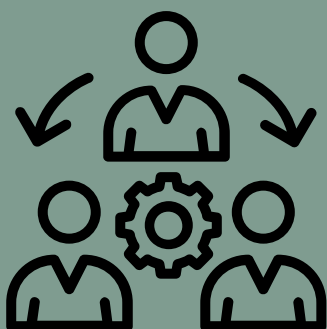
## ORGANISATIONAL STRUCTURE

The Board of Trustees is responsible for strategy and supervision of the executive to whom they delegate responsibility for operations. The Chief Executive Officer is responsible for delivering the strategy with the senior management team comprising the following department heads: Catering, Visitor Experience, Community Engagement and Volunteers, Horticulture, Property Management, Marketing & Communications, and Finance & HR. Department heads are responsible for the day to day running of the operations and report directly to the CEO.

An average of 51 staff were employed by the Trust and its subsidiary during the 12-month period ended 31 December 2024 with 51 in post at 31 December 2023 (22 full time and 29 part time). We had an average of 174 volunteers during the year.

## KEY MANAGEMENT PERSONNEL REMUNERATION

The trustees consider the Board of Trustees and the Chief Executive Officer as comprising the Key Management Personnel (KMP) in charge of directing and controlling the Trust and running and operating the Trust on a day-to-day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. The pay of Chief Executive Officer is reviewed annually and normally increased in accordance with average earnings. The remuneration is also benchmarked with heritage organisations of a similar size to ensure that the remuneration set is fair and not out of line with that generally paid for comparable roles. Details of trustee expenses and related party transactions are disclosed in note 8 to the accounts, and details of other KMP remuneration are disclosed in note 9 to the accounts.







174 VOLUNTEERS

AN AVERAGE OF 51 STAFF

10 TRUSTEES

**“ THIS PLACE WAS A TRUE SURPRISE WHEN WE VISITED ... THE SETTING IS BEAUTIFUL AND WITH EASY STROLLS ALL AROUND IT MADE FOR A LOVELY DAY OUT ”**

8



## »»» SELECTION AND TRAINING OF TRUSTEES

Trustees are appointed according to the skills and experience required to deliver a successful strategic Board which meets both as a board and in smaller sub-committees. The Church Commissioners have the right to appoint one Trustee and the Bishop of Bath and Wells also has the right to be a Trustee. A skills audit was conducted prior to the 2024 recruitment round in order to identify gaps in the skills and experience in the board of Trustees.

Interviews for new Trustees are carried out by a Trustee panel before a decision on whether to appoint is made. New Trustees are provided with an induction pack of relevant information which is supplemented by a detailed induction programme involving the Chair and key members of staff. Trustees are encouraged to participate in ongoing training and an annual away day.

## »»» RELATIONSHIP WITH OTHER ENTITIES

The management of catering, events (both corporate and private) and filming is undertaken by Palace Enterprises (Wells) Ltd ('PEL'), which is a wholly owned subsidiary of The Palace Trust. Income generated by this subsidiary may be donated to the charity by way of an annual Gift Aid donation if available from distributable profits.





## OBJECTIVES, STRATEGY AND ACTIVITIES OF THE TRUST



### STRATEGIC AIMS

The charitable purposes of The Palace Trust are to preserve for the benefit of the public the fabric of The Bishop's Palace and to promote such charitable purposes as will advance the religious and other charitable work of the Church of England.

Today, The Palace Trust seeks to conserve and share the Palace and its story as a place of enjoyment and reflection for the benefit of all. The charity fulfils its purpose by taking forward detailed actions that meet five strategic objectives.

Our Strategic Objectives, following the 3-year Strategy are to:

1. Establish the Trust's identity and purpose to a diverse, inclusive & expanding audience.
2. Deliver the benefits of wellbeing and a sense of community to more people.
3. Develop the site to deliver the best visitor experience & welcome.
4. Improve our environmental and financial sustainability.
5. Develop the Trust's reputation for excellence in Horticulture.

#### **1. ESTABLISH THE TRUST'S IDENTITY AND PURPOSE TO A DIVERSE, INCLUSIVE AND EXPANDING AUDIENCE**

Our ambition is to welcome 160,000 paying visitors annually to the Palace by 2025. The ambition is based on three approaches. First, the development of the visitor offer, with significantly improved interpretation around the built heritage of the site. Second, a broader, more dynamic public events programme. Third, by making our heritage accessible to those who will benefit from it the most, who do not currently have the means to engage.

#### **2. DELIVER THE BENEFITS OF WELLBEING AND A SENSE OF COMMUNITY TO MORE PEOPLE**

We want the Palace to be a best practice model of community engagement, and for our organisation to become a focal point for the community in which we operate, working in partnership to achieve better outcomes for the people who will benefit from our site, facilities, and expertise the most.

### 3. DEVELOP THE SITE TO DELIVER THE BEST VISITOR EXPERIENCE & WELCOME

By 2025 The Palace Trust aims to have embarked on a transformation of the visitor experience of the Palace buildings. New interpretation will be engaging, immersive, and will transform people's understanding and enjoyment of The Bishop's Palace.

### 4. IMPROVE OUR ENVIRONMENTAL AND FINANCIAL SUSTAINABILITY

A sustainable future is dependent on three key areas; sustainability in terms of environmental impact – an essential area of focus which will assist both our financial performance and also our desire to care for and conserve the natural world and our heritage assets for future generations to enjoy; financial, and social sustainability. The Palace Trust will have made substantial progress towards a net zero carbon footprint by 2025 and will have rebuilt the ability to generate a surplus, depleted in recent times since the coronavirus pandemic.

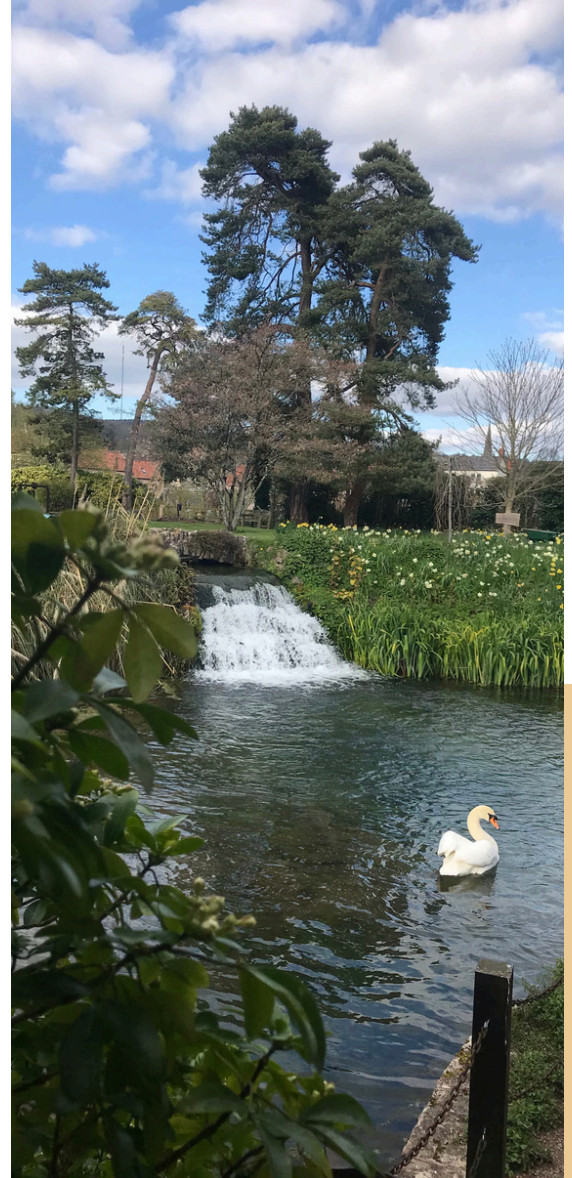
### 5. DEVELOP THE TRUST'S REPUTATION FOR EXCELLENCE IN HORTICULTURE

The Gardens are the Palace's most high-profile primary asset as 2024 saw the 9th consecutive year as an RHS Partner Garden. We want to inspire and train the next generation of gardeners and enhance and protect the natural and semi-cultivated environment in the gardens to support nature and wildlife, and adapt to the ever-changing climate in an holistic manner.

## »»» PUBLIC BENEFIT

In setting The Palace Trust's preceding aims and following activities, the Trustees have given careful consideration to the Charity Commission's guidance on public benefit and continue to preserve and make accessible The Bishop's Palace and its fourteen acres of gardens to the public, as a place of historic, architectural and landscape interest.

The Palace Trust achieves its purpose by opening the site to the public throughout the year, aiming to engage a diverse audience through a programme of public events, activities, exhibitions, its commercial activities and its community engagement programme. The Bishop's Palace is central to the experience and enjoyment of Wells and will remain so as The Palace Trust continues to grow and expand its public offer, in particular with the introduction of community engagement measures designed to reach out to those most in need for little or no cost to them. The Palace Trust undertakes an annual plan of conservation and repair works ensuring The Bishop's Palace remains in the public domain for future generations.





A close-up, low-angle shot of a man with dark, wavy hair, wearing a dark blue button-down shirt. He is looking down and playing a guitar, with his hands visible on the fretboard and strings. The lighting is dramatic, with strong highlights and shadows, creating a moody atmosphere.

**“STAFF ALL LOVELY, GARDENS IMMACULATE. GARDENERS ALSO VERY FRIENDLY AND AFTERNOON TEA WAS ABSOLUTELY DELICIOUS. CAME AWAY HAVING JOINED FOR THE YEAR”  
(TRIPADVISOR)**

## »»» ACTIVITIES

2024 was a year of consolidation and growth for the organisation. Several successful key staff appointments were made throughout the year including a new Visitor Experience Manager in January, a new Head of Finance and HR in May, a new Weddings Manager in August, and a new Chef, Kitchen Assistant and Cafe Supervisor in November. As four Trustees retired in 2024, four new ones were recruited.

A new ticketing platform was launched online in January 2024, allowing a much easier online booking system, and subsequently the platform was rolled out to all sales, in person and online, facilitating quicker entry, enhancing event pre-sales, and allowing easy booking for the cafe offerings. A new joint ticket, allowing entry to both the Palace and the adjacent Wells Cathedral was launched in April following Wells Cathedral's introduction of charging for entry, and it has proved to be very successful with tourists to Wells, and a wonderful opportunity to work with our close neighbours.

Changes inside the Palace buildings were made throughout the year, following our ongoing Interpretation project to develop the site into an all-weather destination. The East Gallery was opened in February, displaying our own small but significant permanent collection, and new items formerly kept hidden in the Bishop's safe which are of great interest to the visiting public. The Wynne Willson Study was launched; recreating the Drawing Room as it might have been during Bishop Wynne Willson's time (1921-1937) with music, furniture, newspapers, pastime objects and decoration from that period, and the Long Gallery was updated with a new table display and interpretation. Interpretation panels detailing our stories around the Transatlantic Slavery connections were displayed in the Wynne Willson Study. Work continued throughout the year on research and development for the launch of digital multimedia guides, and a welcome video for the Entrance Hall and these will be launched in January 2025.

In July, we were delighted to install a new, interactive stained-glass sculpture of the Moon in recycled materials by local artist Edgar Phillips in the outer gardens. The same artist has been commissioned to create a bespoke interpretive tabletop to showcase the legs of Bishop Ken's table in our Entrance Hall for early 2025.

**“WE HAD THE GUIDED TOUR WITH DAVID WHO WAS SO KNOWLEDGEABLE AND FRIENDLY, AND MADE OUR VISIT SPECIAL 👍 (TRIPADVISOR)”**

## ➤➤➤ ACTIVITIES (CONT)

A new 'Book Nook' to sell second-hand books was created in an unused bastion by our maintenance volunteers and opened in July. It is being run by volunteers and has proved to be very popular with visitors, raising a few hundred pounds per month.

Our very busy Café was given a full refurbishment and redecoration, bringing the garden indoors with a plant effect wall, copper tables, plant-draped statement ceiling lights, neon signs, and new colour scheme, and a range of new seating. Not only has this changed the ambiance inside, but it has also allowed more covers within the same space and better access for those with mobility aids.

Finally, a much-needed refresh of the ladies and accessible facilities in the Stable Yard Area took place, with new flooring, tiling, painting and mirrors, alongside newly sprayed magenta pink cubicles!

Development plans for the site were accelerated during 2024 and planning permission was granted in late autumn for works in the Community Garden to provide shelter and more accessible inside space with suitable facilities for our groups using the area. Much work was carried out on developing ideas and drawings and taking advice for several projects including: moving our Visitor Reception to a larger space in the Stable Yard area and creating a new entrance to the grounds (planning application and LBC submitted in December 2024);

creating a Splash Play area in The Dragon's Lair, using spring water; widening and potentially moving our Willow Bridge in order to create better access for those with mobility issues to our outer gardens; and finally assessing the potential to install solar panels on the rooves of the Palace and Chapel buildings that are hidden from view. We hope to carry out all of these projects in 2025, subject to permissions.





# PERFORMANCE

2024 was a very different year from the two previous years in terms of performance, and the team was delighted to return a surplus of £119,000 – double the budgeted surplus, representing an improvement of £180,000 on 2023.

We welcomed 490,500 over the Drawbridge and of those, 140,170 paid to enter the site, which represented an 11.8% increase on 2023.

Key factors leading to the success included:

- Welcoming the crew and cast of BBC's Wolf Hall: The Mirror and The Light to film at the Palace for two weeks in March - a wonderful opportunity to showcase our stunning medieval rooms and gardens on screen, and to generate additional income;
- The success of the discounted joint ticket with Wells Cathedral which allows tourists to enjoy both sites;
- Strong performance in the summer from the cafe and its associated new outlets around the site;
- A new pop event (a Queen tribute act) which saw 600 people enjoying the music on our Croquet Lawn for the first time;
- The Christmas Artisan Market, which was more successful than ever with record numbers of visitors,
- A very busy Christmas at the Palace, including large numbers of visitors buying a new 'evening only' Christmas Illuminations ticket, along with our decision to open the site between Christmas and New Year for the first time which likely added around £25k to our income.

The Trust was exceptionally grateful to several trusts and foundations for their support in 2025, including the Boshier Hinton Foundation, the David Medlock Foundation, and The Clarks Foundation, and to the Church Commissioners for their support.



## COMMUNITY ENGAGEMENT

In 2024 we gave 200 free annual passes to those who would benefit most from access to our place of peace, beauty and tranquillity (this included people using the local food bank). In addition to this we gave 82 annual passes to children and their families on pupil premium at a local school. We donated raffle prizes to a 40 local groups. We also gave out 60 community membership passes to local groups that would benefit from accessing The Bishop's Palace and Gardens who might not otherwise have been able to visit. In addition to this we gave some free venue hire so that some local groups could celebrate here or hold regular meetings eg bereavement group, carers group, Refugee Week Exhibition.

This year we broadened the range of learning opportunities. We continued to offer some free visits to local schools which totalled 1171 pupils visiting this year. We ran some free nature courses for learning disabled adults and a yoga course for neurodiverse people. We worked in partnership with Museum To You to deliver outreach sessions to over 100 people living in local nursing homes and over 100 learning disabled adults, so they could enjoy learning about The Bishop's Palace. With Historic Houses Association we developed a new learning module for educators on sustainability and reducing our carbon footprint, and shared this with other members of Historic Houses in the South of England. We worked in partnership with three local groups to deliver sessions in our community garden for young people and adults needing extra support. We also worked with Wells Transatlantic Slavery Group to pilot a learning module on the subject for primary schools. We more than doubled the number of students coming on work experience from previous years to fifteen. One member of our team completed their apprenticeship. Our Young Photographers' Competition attracted more than 150 entries and we offered some free workshops to encourage participation.

**“ THIS WAS AN AMAZING DISCOVERY AND WELL WORTH THE JOINT TICKET PRICE WITH A VISIT TO THE CATHEDRAL. THE GARDENS WERE BRILLIANT WITH LOTS OF DIFFERENT AREAS TO EXPLORE. THE PALACE WAS VERY INTERESTING WITH PLENTY TO LEARN ABOUT IN THE VARIOUS ROOMS AND EXHIBITIONS. ”**



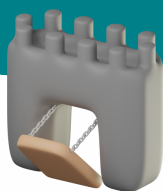
# 2024 AT A GLANCE



The Bishop's Palace  
WELLS · SOMERSET

**490,500**

Crossed the drawbridge



**140,170**

Visitors paid to enjoy the Palace & Gardens

**2,513**

Memberships were bought or renewed



**over 100 days**

Of public events and activities

**200** Free annual passes to those who would benefit most



**82**

Annual passes to children and their families on  
pupil premium

**1,171**

Pupil free visits from local schools

Welcomed new Visitor Experience Manager; Head of Finance and HR;  
Weddings Manager, Chef, Kitchen Assistant and Cafe Supervisor



**3**

Groups per week in Community Garden

**5**

Cygnets born



**69,000** cups of coffee  
and **34,000** pieces of cake sold in the newly  
refurbished café



## VOLUNTEERING OPPORTUNITIES

This year 177 volunteers contributed just over 17000 volunteering hours to our organisation. There are 14 different volunteer roles requiring a time commitment of between 2 hours per fortnight to a day per week, which means there is a range of opportunities to suit everyone. We organised two new family volunteering days which went well. The number of volunteers who need extra support to take part, doubled from seven to fourteen which was a great achievement. We continue to offer a comprehensive training programme, out of pocket expenses, a volunteer website, and regular social events, to make the volunteering experience at The Bishop's Palace as rewarding as possible. The Palace Trust is extremely grateful for the loyalty and contribution of its volunteers who not only make the effective running of the site viable through their gift of time, knowledge and skills but who benefit from their engagement with our work, to deliver our charitable objects.

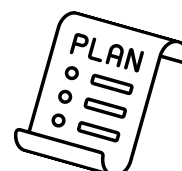
## FUTURE PLANS

2025 will be the final year of our current Strategic Plan, and the management team and trustees will meet in March 2025 to begin the path to creating a new strategy for 2026 and beyond.

A bite-sized version of our 2025 Business Plan can be found on our website, or via this link <https://bishoppalace.org.uk/wp-content/uploads/2024/12/Bitesize-Business-Plan-2025-compressed.pdf>

The final year of our plan includes the aims that, by the end of 2025, we will:

- Be an example in the South-West for inclusivity and diversity in our operations, events, interpretation and welcome.
- Have transformed the interpretation of the historic interiors and be sharing the captivating stories they hold.
- Put learning and education at the heart of all we do with programmes of structured and informal learning activities for a broad range of audiences.
- Optimise our continued status of RHS Partner garden by offering a range of horticultural courses and workshops.
- Have maximised all revenue streams and significantly increased surplus.
- Have implemented improvements to The Dragon's Lair area.
- Have proceeded with or rejected a new Visitor Reception.
- Have installed an accessible loo, and completed works to the Community Garden area to create adequate facilities for user groups.
- Be fully engaged with the local community, offering high quality employment, volunteering opportunities, and pathways to employment across all our work.
- Have improved our environmental performance in energy consumption, on-site production and storage.
- Have reduced by 50% our carbon footprint (from 2022 baseline) through investments in renewable energy production & storage proposals, in partnership and with external funding.







## 2025 PROJECTS

### »»» Visitor Reception

Move Visitor Reception to the Stableyard Room, creating a new entrance into the south gardens, allowing level, wide access for all, along with more space suitable for our growing numbers, and a retail and membership area

### »»» Community Gardens Access for all

Capacity building of Community Gardens facilities to enable groups to engage all year round and in all weathers. Create more shelter, space for growing, outdoor tap, accessible toilet, bifold doors to maximise indoor/outdoor space.

### »»» Environmental Sustainability

Install solar panels on the hidden rooves of the Palace and the Chapel, and carry out research into possibilities of increasing footprint and capacity of our water source heat pump.

### »»» Interpretation

Work with Bloomberg Connects to create content for app to use in the Gardens and exteriors of the Palace. Create new interactive interpretation in the Wynne Willson Room, and explore potential for an immersive experience in the Conference Room.

### »»» The Dragon's Lair Water Play and Sensory Trail

Install a new, water play area with raining trees, squirting fountains, splash pool etc, and investigate potential for sensory trail (for barefoot play etc)

### »»» Willow Bridge

Double the width of the bridge and move it to line up with the small door to the outer gardens to allow unimpeded access to those using mobility scooters or wheelchairs, and children's prams and buggies.

# FINANCIAL REVIEW AND RESERVES POLICY



The Palace Trust's financial position improved over the year by £34,345 at year end, the Trust had unrestricted net assets (excluding the trading subsidiary), of £1,260,850, £569,102 of which is designated and £207,307 is Tangible fixed assets. It is the charity's policy not to commit The Palace Trust to any new major programme of work until sufficient funds are accumulated in reserves to satisfy existing obligations.

## »»» RISK POLICY

The Trustees undertook a comprehensive review of risks during the past year and maintain a register of those risks which would affect the reputation and financial status of The Palace Trust. This register is maintained by the Trustees and includes a ranking of risk that takes account of likelihood and severity of impact. Risks that could have a material impact on The Palace Trust are singled out for particular attention.

- A prolonged period of inclement weather. Wet weather can lead to a drop in footfall and thus visitor income. This is mitigated by steps taken to increase footfall in the shoulder months thereby reducing the reliance on summer months, and in the long term to develop the site as an all-weather attraction.
- Long term conservation and use of the site. The Bishop's Palace and gardens is owned by the Church Commissioners and the long-term conservation and use of the site is governed by a Management Agreement between The Palace Trust and Church Commissioners. We are in active communication with them regarding longer term arrangements for the Trust to continue to manage the site for the benefit of the community.

## »»» RESERVES

Each year the Trustees review the level of free reserves. The Board considers the exposure to major risks in terms of their likely impact on its income sources and planned expenditure in the medium term.

Free reserves are defined as those available for the use by the Charity that are deemed to be readily realisable, less funds that are restricted or else designated for particular purposes.

This therefore excludes £207,307 tangible fixed assets that will continue to be used in the day-to-day running, and restricted funds of £nil.

The policy is to have a Trust Reserve for unrestricted funds at the year-end of sufficient size to cover the period from January to March when The Palace Trust runs at a deficit. The Trust Reserve therefore equates to 3 months of forecast expenditure. As at 31st December 2024 this was £450,000.

Other free reserves of £635,172 include £199,102 which has been allocated to the following projects as designated funds:

- Conservation: improving the fabric of the property.
- Environmental: introducing renewable energy sources.
- Interpretation: enhancing the Palace visitor experience.
- Community: expanding engagement across the Palace and gardens



## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are directors of The Palace Trust for the purposes of company law) are responsible for preparing the Trustee Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company 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 charitable company and the group and of the income and expenditure, of the charitable group 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 in the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standard 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 charitable company will continue in business.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions





## STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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### AUDITORS

The auditors, Albert Goodman LLP, are deemed to be re-appointed under Section 487(2) of the Companies Act 2006.

### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

By order of the Trustees.



R Hawes

Trustee

The Palace Trust

Date: 5.8.25





➤➤➤ Finally, we asked ChatGPT to summarise key themes from the feedback we've had from our visitors:



The Bishop's Palace  
WELLS • SOMERSET

## **The Palace Trust**

Independent Auditors' Report to the Trustees and Members  
For the Year Ended 31 December 2024

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### **Opinion**

We have audited the financial statements of The Palace Trust (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2024, which comprise the consolidated Statement of Financial Activities, the consolidated and parent charitable company Balance Sheets, the consolidated and parent charitable company Statement of Cash Flows, and 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 Generally Accepted Accounting Practice, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2024 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustee's 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 entity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

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

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

We have nothing to report in this regard.

## **The Palace Trust**

Independent Auditors' Report to the Trustees and Members  
For the Year Ended 31 December 2024

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### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 19-20, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **The Palace Trust**

Independent Auditors' Report to the Trustees and Members  
For the Year Ended 31 December 2024

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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:

### **The extent to which the audit was considered capable of detecting irregularities including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charity Act 2011, employment, data protection and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation, claims and breaches of relevant legislation; and
- reviewing correspondence with the Charity Commission and other relevant regulators including the group's legal advisors and insurers.

## **The Palace Trust**

Independent Auditors' Report to the Trustees and Members  
For the Year Ended 31 December 2024

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There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

### **Use of our report**

This report is made solely to the group and parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group and parent charitable company's members and 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 group and parent charitable company and the group and parent charitable company's members as a body and the parent charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Michelle Ferris BSC (Hons) FCA DChA (Senior Statutory Auditor)  
For and on behalf of Albert Goodman LLP, Statutory Auditor

Goodwood House  
Blackbrook Park Avenue  
Taunton  
Somerset  
TA1 2PX

Date: 07. August 2025...

# The Palace Trust

Consolidated Statement of Financial Activities (including an Income & Expenditure account)

For the Year Ended 31 December 2024

		2024			2023		
		Unres- tricted	Res- tricted	Total	Unres- tricted	Res- tricted	Total
	Notes	£	£	£	£	£	£
<b>Income from:</b>							
Donations and legacies	2	180,221	1,549	181,770	190,439	13,850	204,289
Charitable activities	3	736,726	-	736,726	626,200	-	626,200
Other trading activities	4	997,052	-	997,052	752,176	-	752,176
Investment	5	41,523	-	41,523	40,520	-	40,520
<b>Total income</b>		<b>1,955,522</b>	<b>1,549</b>	<b>1,957,071</b>	<b>1,609,335</b>	<b>13,850</b>	<b>1,623,185</b>
<b>Expenditure on:</b>							
Raising funds	6	816,923	-	816,923	728,079	-	728,079
Charitable activities	7	1,022,317	-	1,022,317	965,115	-	965,115
<b>Total expenditure</b>		<b>1,839,240</b>	<b>-</b>	<b>1,839,240</b>	<b>1,693,194</b>	<b>-</b>	<b>1,693,194</b>
<b>Net (expenditure) / income</b>		<b>116,282</b>	<b>1,549</b>	<b>117,831</b>	<b>(83,859)</b>	<b>13,850</b>	<b>(70,009)</b>
Transfer between funds	15	1,549	(1,549)	-	13,850	(13,850)	-
<b>Other recognised gains</b>							
Unrealised (loss) / gain on investment		1,241	-	1,241	4,703	-	4,703
<b>Net movement in funds for the year</b>		<b>119,072</b>	<b>-</b>	<b>119,072</b>	<b>(65,306)</b>	<b>-</b>	<b>(65,306)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		1,229,739	-	1,229,739	1,295,045	-	1,295,045
<b>Total funds carried forward</b>		<b>1,348,811</b>	<b>-</b>	<b>1,348,811</b>	<b>1,229,739</b>	<b>-</b>	<b>1,229,739</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

**The Palace Trust – Company Registration Number: 09404519**  
**Balance Sheet and Consolidated Balance Sheet**  
**As at 31 December 2024**

		2024 £	2024 £	2023 £	2023 £
	Notes	Group	Charity	Group	Charity
<b>Fixed assets</b>					
Tangible fixed assets	10	263,639	207,307	284,108	224,212
Investments	11	55,494	55,495	54,253	54,254
		<u>319,133</u>	<u>262,802</u>	<u>338,361</u>	<u>278,466</u>
<b>Current assets</b>					
Stock	12	25,636	-	29,075	-
Debtors	13	128,420	122,473	80,797	219,743
Cash at bank and in hand		1,113,706	996,612	927,177	811,790
		<u>1,267,762</u>	<u>1,119,085</u>	<u>1,037,049</u>	<u>1,031,533</u>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	14	(238,084)	(121,037)	(145,671)	(83,494)
<b>Net current assets</b>		<u>1,029,678</u>	<u>998,048</u>	<u>891,378</u>	<u>948,039</u>
<b>Total net assets</b>		<u><b>1,348,811</b></u>	<u><b>1,260,850</b></u>	<u><b>1,229,739</b></u>	<u><b>1,226,505</b></u>
<b>The funds of the charity:</b>					
Unrestricted funds:					
General funds		436,070	404,441	266,036	322,698
Designated funds		912,741	856,409	963,703	903,807
Total unrestricted funds	15	<u>1,348,811</u>	<u>1,260,850</u>	<u>1,229,739</u>	<u>1,226,505</u>
Restricted funds	15	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total charity funds</b>		<u><b>1,348,811</b></u>	<u><b>1,260,850</b></u>	<u><b>1,229,739</b></u>	<u><b>1,226,505</b></u>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 30 – 50 form part of these accounts.

Approved by the Board for issue on ..... 5.8.25 ..... and signed on their behalf by:

..... R Hawes  
R Hawes  
Trustee



# The Palace Trust

## Statement of Cash Flows and Consolidated Statement of Cash Flows For the Year Ended 31 December 2024

		2024 £	2024 £	2023 £	2023 £
	Notes	Group	Charity	Group	Charity
<b>Cash flows from operating activities</b>					
Net expenditure for the year		119,072	34,345	(65,306)	(14,123)
Adjustments to cash flows from non-cash items:					
Depreciation and amortisation	10	74,859	50,620	60,509	38,902
Investment income	5	(41,523)	(36,522)	(40,520)	(38,742)
Unrealised net (gain) / loss on investments	11	(1,241)	(1,241)	(4,703)	(4,703)
(Profit) / loss on disposal of fixed assets		4,234	-	1,245	783
		155,401	47,202	(48,775)	(17,883)
Working capital adjustments					
Decrease / (increase) in stocks	12	3,439	-	(20,866)	246
(Increase) / decrease in debtors	13	(47,623)	97,270	(23,990)	(109,483)
Increase / (decrease) in creditors	14	92,413	37,543	18,174	14,831
Net cash flow from operations		203,630	182,015	(75,457)	(112,289)
<b>Cash flows from investing activities</b>					
Purchase of tangible fixed assets	10	(58,624)	(33,715)	(150,231)	(129,401)
Proceeds on disposal of fixed assets		-	-	250	-
Investment income	5	41,523	36,522	40,520	38,742
		(17,101)	2,807	(109,461)	(90,659)
Net increase in cash and cash equivalents		186,529	184,822	(184,918)	(202,948)
Cash and cash equivalents at the beginning of the reporting period		927,177	811,790	1,112,095	1,014,738
Cash and cash equivalents at the end of the reporting period		1,113,706	996,612	927,177	811,790
Cash & Cash equivalents reconciliation:					
Cash at bank		1,113,706	996,612	927,177	811,790
Total cash & cash equivalents at the end of the reporting period		1,113,706	996,612	927,177	811,790

## **1 Accounting Policies**

The principal accounting policies adopted in the preparation of the financial statements are:

### **1.1 Basis of accounting**

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Palace Trust 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 note(s) and all amounts are presented in £ sterling.

These financial statements consolidate the results of the Charity and its wholly owned subsidiary, Palace Enterprises (Wells) Limited, on a line by line basis. The "Group" heading within the balance sheet refers to the consolidated accounts of The Palace Trust and Palace Enterprises (Wells) Limited.

In the parent company financial statements the investment in the trading subsidiary is accounted for at cost less impairment.

A separate Statement of Financial Activities or income and expenditure account, for the Charity itself has not been presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006.

### **1.2 Legal status of the Trust**

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The company is incorporated in England and Wales and the company registered office is detailed on page 4, reference and administration details.

### **1.3 Going Concern**

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting when preparing the financial statements.

**1.4 Income**

Income from grants and donations is recognised in the year in which they are receivable when there is evidence of entitlement, receipt is probable and the amount can be reliably measured. Where income has not been received for gift aid claims relating to donations received in the year, income is accrued.

Income from government grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Where no conditions are attached to the grant income they are recognised within donations and legacies and where conditions relating to performance of services are attached, grant income is recognised in income from charitable activities within the Statement of Financial Activities.

Income from charitable activities includes membership and admissions income. Membership income is accounted for in full in the year that the membership commences. Admission income is recognised on a cash basis, in the year the income is physically received.

Income from other trading activities, including restaurant income, event income and rental income, is included in the period in which the group is entitled to receipt, it is probable that economic benefits will flow to the entity and the amount can be reliably measured.

The charity receives income from its subsidiary under gift aid and this is recognised upon physical receipt.

The charity notes the requirement of the SORP that large charities must report their results on an activities basis. The charity considers that they produce one activity – the operation of a heritage site– and therefore reports on that basis.

**1.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

**1.6 Expenditure**

Resources expended are recognised on the accruals basis to match the period in which the expenditure was incurred.

Raising funds is expenditure incurred in generating the trading subsidiary funds and from other trading activities carried out by the trust.

Charitable activity expenditure comprises costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and costs of an indirect nature necessary to support them. Grants payable are at the discretion of the Trustees. Governance costs are those costs associated with the governance arrangements of the charity and relate to general running of the charity as opposed to those costs associated with charitable activities.

**1.7 Operating leases**

The trust classifies the lease of properties as operating leases as title remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

**1.8 Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of Trust.

Restricted funds are from donations and grants in which the donor or funder has specified are to be solely used for particular areas of the Trust's work or for specific projects being undertaken by the Trust.

**1.9 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Fixed assets under £1,000 are not capitalised. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life as follows:

Computer equipment	3 - 5 years straight line
Furniture, fittings & equipment	2 - 10 years straight line
Outdoor equipment	2 - 15 years straight line
Catering equipment	5 - 10 years straight line

**1.10 Debtors**

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Trust will not be able to collect all amounts due to according to the original terms of the receivables.

Other debtors comprise prepayments and accrued income. Prepayments arise from the payments for services prior to benefit from those services, and accrued income is amounts due for services provided, recognised at the point of provision of the services.

**1.11 Stock**

Stock consists of shop stock for resale and publication stocks. Stock is valued at the lower of cost and net realisable value, after making allowances for obsolete and slow moving stock.

**1.12 Cash at bank and in hand**

Cash at bank and cash 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.

**1.13 Creditors**

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

**1.14 Defined contribution pension**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to defined contribution plans are recognised as staff pension expense through the profit and loss when they are due.

**1.15 Taxation**

As a registered charity, the company is not liable to corporation tax or capital gains tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax (VAT) is partially recoverable by the company. Any irrecoverable VAT is added to the relevant cost and charged as an expense in the Statement of Financial Activities.

**1.16 Financial Instruments**

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and liabilities of the charity and their measurements are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank and deposit accounts– is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**2 Donations and legacies**

	Unres- tricted funds £	Res- tricted funds £	2024 Total £	Unres- tricted funds £	Res- tricted funds £	2023 Total £
Donations	13,001	1,549	14,550	17,525	-	17,525
Gift aid	62,220	-	62,220	82,704	-	82,704
<b>Grants</b>						
Church Commissioners	105,000	-	105,000	89,500	-	89,500
Other small grants	-	-	-	710	13,850	14,560
	<u>180,221</u>	<u>1,549</u>	<u>181,770</u>	<u>190,439</u>	<u>13,850</u>	<u>204,289</u>

**3 Income from charitable activities**

	Unres- tricted funds £	Res- tricted funds £	2024 Total £	Unres- tricted funds £	Res- tricted funds £	2023 Total £
Entrance fees	660,192	-	660,192	532,314	-	532,314
Membership income	76,534	-	76,534	93,886	-	93,886
	<u>736,726</u>	<u>-</u>	<u>736,726</u>	<u>626,200</u>	<u>-</u>	<u>626,200</u>

**4 Other trading activities**

	Unres- tricted funds £	Res- tricted funds £	2024 Total £	Unres- tricted funds £	Res- tricted funds £	2023 Total £
Restaurant income	719,546	-	719,546	595,404	-	595,404
Event income	86,126	-	86,126	66,550	-	66,550
Event site hire	43,120	-	43,120	48,572	-	48,572
Shop income	30,475	-	30,475	18,040	-	18,040
Event catering	12,722	-	12,722	15,958	-	15,958
Solar panel income	-	-	-	385	-	385
Film income	82,667	-	82,667	200	-	200
Rental income	22,396	-	22,396	7,067	-	7,067
	997,052	-	997,052	752,176	-	752,176

**5 Investment income**

	Unres- tricted funds £	Res- tricted funds £	2024 Total £	Unres- tricted funds £	Res- tricted funds £	2023 Total £
Bank interest	41,523	-	41,523	40,520	-	40,520

**6 Expenditure on raising funds**

	Unres- tricted £	Res- tricted £	2024 Total £	Unres- tricted £	Res- tricted £	2023 Total £
Costs of goods sold	250,590	-	250,590	199,680	-	199,680
Wages, salaries & agency	394,386	-	394,386	369,715	-	369,715
Other direct costs	118,926	-	118,926	105,482	-	105,482
Event costs	47,006	-	47,006	47,185	-	47,185
Commission sales expense	6,015	-	6,015	6,017	-	6,017
	816,923	-	816,923	728,079	-	728,079

**7 Charitable activities expenditure**

	Unres- tricted £	Res- tricted £	2024 Total £	Unres- tricted £	Res- tricted £	2023 Total £
<b>Direct charitable activities</b>						
Maintenance costs	102,370	-	102,370	52,268	-	52,268
Garden maintenance	31,668	-	31,668	22,152	-	22,152
Public access & education	7,656	-	7,656	7,922	-	7,922
<b>Support costs</b>						
Wages & salaries	556,130	-	556,130	547,625	-	547,625
Staff training & recruitment	24,318	-	24,318	19,935	-	19,935
Travel & entertainment	8,457	-	8,457	5,716	-	5,716
Rent, rates, light & heat	63,978	-	63,978	114,495	-	114,495
Cleaning costs	50,229	-	50,229	47,590	-	47,590
Advertising	36,777	-	36,777	30,614	-	30,614
Office costs	69,464	-	69,464	59,608	-	59,608
Subscriptions	2,598	-	2,598	3,436	-	3,436
Legal fees	-	-	-	600	-	600
Professional fees	3,280	-	3,280	1,332	-	1,332
Accountancy	-	-	-	150	-	150
Bank charges	3,165	-	3,165	3,685	-	3,685
Depreciation	50,620	-	50,620	39,683	-	39,683
Loss on disposal of fixed asset	3,288	-	3,288	4	-	4
<b>Governance</b>						
Auditors fees - audit	6,719	-	6,719	6,700	-	6,700
Auditors fees- accountancy	1,600	-	1,600	1,600	-	1,600
	<u>1,022,317</u>	<u>-</u>	<u>1,022,317</u>	<u>965,115</u>	<u>-</u>	<u>965,115</u>



**7 Expenditure (continued)**

	2024	Charity	2024	Subsidiary	Total	Total
	2024	2023	2024	2023	2024	2023
	£	£	£	£	£	£
Depreciation of owned assets	50,620	38,902	24,239	21,607	74,859	60,509
Auditors' remuneration for:						
Current auditors						
- Audit services	6,700	6,340	5,100	4,800	11,800	11,140
- Other services	1,600	1,600	1,040	1,300	2,640	2,900

**8 Trustee directors**

The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2023: £nil).

One charity trustee was reimbursed for travel expenses during the year totalling £434 (2023: three trustees - £1,069).

No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

## 9 Employees

	2024 Group £	2024 Charity £	2023 Group £	2023 Charity £
Wages and salaries	856,433	487,120	790,854	452,421
Social security costs	48,017	33,163	45,819	32,671
Employer pension	41,498	31,279	41,478	29,319
Termination payments	4,568	4,568	39,189	33,214
	<u>950,516</u>	<u>556,130</u>	<u>917,340</u>	<u>547,625</u>

### Number of employees

The average monthly number of employees during the year, calculated on the basis of average headcount, was as follows:

	2024 Group No.	2024 Charity No.	2023 Group No.	2023 Charity No.
Average employee head count	<u>47</u>	<u>23</u>	<u>43</u>	<u>22</u>

During the year, one employee was paid £1,522 in respect of PILON and £3,045 in respect of a redundancy. All payments are full and final settlement, and no amounts are accrued at the year-end (2023: four employees were paid a total of £17,174 in respect of settlement, £19,830 in respect of PILON and £2,185 in respect of a redundancy).

The number of employees whose annual emoluments were £60,000 (excluding employer pension costs) or more were:

	2024 number	2023 number
£70,000 - £80,000	<u>1</u>	<u>-</u>

This employee is not a member of the defined contribution pension scheme.

## 9 Employees (continued)

The key management personnel for the year, comprises the Chief Executive (2023: the Chief Executive and Chief Operating Officer). The total employee benefits (includes gross pay, employer pension and employer national insurance) of the key management personnel of the Trust were £87,489 (2023: £117,201).

### Pension costs

The company operates a defined contribution pension scheme. The charge to the Statement of Financial Activities for the year is shown above.

Contributions totalling £nil (2023 - £nil) were payable to the schemes at the end of the year and are included in creditors.

## 10 Tangible fixed assets

Group	Computer equipment £	Furniture, fittings & equipment £	Outdoor equipment £	Catering equipment £	Total £
<b>Cost</b>					
At 1 January 2024	37,079	130,768	198,570	154,453	520,870
Additions	12,242	16,859	4,614	24,909	58,624
Disposals	-	-	-	(12,219)	(12,219)
At 31 December 2024	49,321	147,627	203,184	167,143	567,275
<b>Depreciation</b>					
At 1 January 2024	32,367	35,394	75,973	93,028	236,762
Charge for the year	6,078	25,098	18,576	25,107	74,859
Eliminated on disposals	-	-	-	(7,985)	(7,985)
At 31 December 2024	38,445	60,492	94,549	110,150	303,636
<b>Net book value</b>					
At 31 December 2024	10,876	87,135	108,635	56,993	263,639
At 31 December 2023	4,712	95,374	122,597	61,425	284,108

## 10 Tangible fixed assets (continued)

Charity	Computer equipment £	Furniture, fittings & equipment £	Outdoor equipment £	Catering equipment £	Total £
<b>Cost</b>					
At 1 January 2024	37,079	130,768	198,570	23,991	390,408
Additions	12,242	16,859	4,614	-	33,715
Disposals	-	-	-	-	-
At 31 December 2024	49,321	147,627	203,184	23,991	424,123
<b>Depreciation</b>					
At 1 January 2024	32,367	35,394	75,973	22,462	166,196
Charge for the year	6,078	25,098	18,576	868	50,620
Eliminated on disposals	-	-	-	-	-
At 31 December 2024	38,445	60,492	94,549	23,330	216,816
<b>Net book value</b>					
At 31 December 2024	10,876	87,135	108,635	661	207,307
At 31 December 2023	4,712	95,374	122,597	1,529	224,212

## 11 Investments

Group	2024 £	2023 £
<b>Unlisted investments</b>		
Opening balance	54,253	49,550
Unrealised (loss) / gain	1,241	4,703
Closing balance	55,494	54,253
Historical cost of investments	33,593	33,593

The unlisted investments comprise 2,400 shares in the Central Board of Finance of the Church of England Investment Fund.

**11 Investments (continued)**

<b>Charity</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Unlisted investments</b>		
Opening balance	54,253	49,550
Unrealised (loss) / gain	1,241	4,703
	<u>55,494</u>	<u>54,253</u>
Closing balance	<u>55,494</u>	<u>54,253</u>
Historical cost of investments	<u>33,593</u>	<u>33,593</u>

**Charity investments at market value comprise:**

	<b>Total</b>	<b>Total</b>
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Shares in unlisted investments	55,494	54,253
Shareholding in Palace Enterprises (Wells) Limited		
Ordinary shares of £1 each	1	1
	<u>55,495</u>	<u>54,254</u>

Palace Enterprises (Wells) Limited (company no 03013064) was incorporated 23 January 1995 and is a wholly owned trading subsidiary of The Palace Trust. The parent charity holds 100% of the issued share capital and 100% of the voting rights of the subsidiary trading company.

The principal activities of the company is to provide a fully catered venue for wedding receptions and other events, together with a catering service in the Bishop's Table Restaurant. The registered office is the same as that of the Trust, detailed on page 1. The subsidiary gift aids some of its taxable profits to The Palace Trust, paying corporation tax on any profits retained, and files audited accounts with the Registrar of Companies.

## 11 Investments (continued)

A summary of the trading results is shown below:

	2024	2023
	£	£
Turnover	951,786	717,055
Cost of sales	(646,859)	(572,151)
Gross profit	304,927	144,904
Administrative expenses	(220,201)	(196,086)
Operating profit	84,726	(51,182)
Investment income	-	-
Profit before tax & profit for the financial year	84,726	(51,182)
Retained earnings brought forward in subsidiary	3,235	54,417
Gift aid to The Palace Trust	-	-
Retained earnings carried forward in subsidiary	87,961	3,235
The assets and liabilities were:		
Fixed assets	56,332	59,896
Current assets	185,632	168,273
Current liabilities	(154,002)	(224,933)
Total net assets	87,962	3,236
Called up share capital	1	1
Profit and loss reserve	87,961	3,235
	87,962	3,236

**12 Stocks**

	<b>2024 Group £</b>	<b>2024 Charity £</b>	<b>2023 Group £</b>	<b>2023 Charity £</b>
Goods for resale	25,636	-	29,075	-

**13 Debtors**

	<b>2024 Group £</b>	<b>2024 Charity £</b>	<b>2023 Group £</b>	<b>2023 Charity £</b>
Trade debtors	59,789	22,991	24,380	1,621
Prepayments and accrued income	68,631	62,527	56,417	55,365
Amounts owed by group undertakings	-	36,955	-	162,757
	<b>128,420</b>	<b>122,473</b>	<b>80,797</b>	<b>219,743</b>

**14 Creditors: Amounts falling due within one year**

	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	50,961	20,103	31,863	29,427
Other creditors	32,489	31,759	27,078	27,078
Accruals and deferred income	104,624	54,375	53,685	20,771
Taxation and social security	50,010	14,800	33,045	6,218
	<u>238,084</u>	<u>121,037</u>	<u>145,671</u>	<u>83,494</u>

**Deferred Income**

	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Deferred income at 1 January 2024	33,695	8,759	30,637	9,187
Released from previous years	(33,695)	(8,759)	(30,637)	(9,187)
Resources deferred in the year	45,367	13,125	33,695	8,759
	<u>45,367</u>	<u>13,125</u>	<u>33,695</u>	<u>8,759</u>

At the balance sheet date the trust was holding funds received in advance for events to be held in 2025.



**15 Summary of movement in funds- Group**

	Opening balance £	Income £	Expenditure £	Transfers & gains £	Closing balance £
<b>Unrestricted funds - Group</b>					
General	266,036	1,955,522	(1,764,381)	(21,107)	436,070
<b>Designated funds - Group</b>					
Palace interpretation	229,595	-	-	(30,493)	199,102
Trust Reserve	450,000	-	-	-	450,000
Fixed assets	284,108	-	(74,859)	54,390	263,639
<b>Total designated funds</b>	<b>963,703</b>	<b>-</b>	<b>(74,859)</b>	<b>23,897</b>	<b>912,741</b>
<b>Restricted funds</b>					
Mobility Scooter	-	1,549	-	(1,549)	-
<b>Total funds</b>	<b>1,229,739</b>	<b>1,957,071</b>	<b>(1,839,240)</b>	<b>1,241</b>	<b>1,348,811</b>

**Summary of movement in funds- Charity**

	Opening balance £	Income £	Expenditure £	Transfers & gains £	Closing balance £
<b>Unrestricted funds - Charity</b>					
General	322,698	1,103,852	(1,021,677)	(432)	404,441
<b>Designated funds - Charity</b>					
Palace interpretation	229,595	-	-	(30,493)	199,102
Trust Reserve	450,000	-	-	-	450,000
Fixed assets	224,212	-	(50,620)	33,715	207,307
<b>Total designated funds</b>	<b>903,807</b>	<b>-</b>	<b>(50,620)</b>	<b>3,222</b>	<b>856,409</b>
<b>Restricted funds</b>					
Mobility Scooter	-	1,549	-	(1,549)	-
<b>Total funds</b>	<b>1,226,505</b>	<b>1,105,401</b>	<b>(1,072,297)</b>	<b>1,241</b>	<b>1,260,850</b>

Summary of movement in funds – Group (2023)

	Opening balance £	Income £	Expenditure £	Transfers & gains £	Closing balance £
<b>Unrestricted funds - Group</b>					
General	296,969	1,609,335	(1,632,685)	(7,583)	266,036
<b>Designated funds - Group</b>					
Palace interpretation	352,195	-	-	(122,600)	229,595
Trust Reserve	450,000	-	-	-	450,000
Fixed assets	195,881	-	(60,509)	148,736	284,108
<b>Total designated funds</b>	<b>963,703</b>	<b>-</b>	<b>(60,509)</b>	<b>(62,091)</b>	<b>963,703</b>
<b>Restricted funds</b>					
Gate funds	-	13,850	-	(13,850)	-
<b>Total funds</b>	<b>1,260,672</b>	<b>1,609,335</b>	<b>(1,693,194)</b>	<b>(69,674)</b>	<b>1,229,739</b>

Summary of movement in funds – Charity (2023)

	Opening balance £	Income £	Expenditure £	Transfers & gains £	Closing balance £
<b>Unrestricted funds - Charity</b>					
General	303,937	983,484	(977,258)	12,535	322,698
<b>Designated funds - Charity</b>					
Palace interpretation	352,195	-	-	(122,600)	229,595
Trust Reserve	450,000	-	-	-	450,000
Fixed assets	134,496	-	(38,902)	128,618	224,212
<b>Total designated funds</b>	<b>936,691</b>	<b>-</b>	<b>(38,902)</b>	<b>6,018</b>	<b>903,807</b>
<b>Restricted funds</b>					
Gate funds	-	13,850	-	(13,850)	-
<b>Total funds</b>	<b>1,240,628</b>	<b>983,484</b>	<b>(1,016,160)</b>	<b>18,553</b>	<b>1,226,505</b>

### Summary of movement in funds (continued)

#### Designated funds

- The Palace interpretation fund relates to a large development project currently in the planning phase and fresh interpretation in the Palace building.
- Trust Reserve relates to an amount of unrestricted funds sufficient to cover 3 months of expenditure, to cover the period from January to March when The Palace Trust runs at a seasonal deficit.
- The fixed assets funds represent the net book value of the assets held.

#### Restricted funds

- The Mobility Scooter Funds were received as a contribution towards purchase of a mobility scooter. £1,549 of the funds came from The Boshier-Hinton Foundation. The amount has been transferred to unrestricted upon the purchase of the fixed asset, as permitted by the Charity SORP.
- The Gate Funds were received as a contribution towards the installation of the community gate. £10,000 of the funds came from The Medlock Charity, £350 from the Sir John and Lady Heathcoat Amory Trust and £3,500 from an anonymous source. The amount has been transferred to unrestricted upon the purchase of the fixed asset, as permitted by the Charity SORP.

#### 16 Analysis of assets between funds – Group

	<b>Tangible fixed assets £</b>	<b>Cash at bank and in hand £</b>	<b>Other net current assets/ (liabilities) £</b>	<b>Creditors more than one year £</b>	<b>Total £</b>
Unrestricted funds	55,494	464,604	(84,028)	-	436,070
Designated funds	263,639	649,102	-	-	912,741
Restricted funds	-	-	-	-	-
<b>As at 31 December 2024</b>	<b>319,133</b>	<b>1,113,706</b>	<b>(84,028)</b>	<b>-</b>	<b>1,348,811</b>

#### Analysis of assets between funds – Charity

	<b>Tangible fixed assets £</b>	<b>Cash at bank and in hand £</b>	<b>Other net current assets/ (liabilities) £</b>	<b>Creditors more than one year £</b>	<b>Total £</b>
Unrestricted funds	55,495	347,510	1,436	-	404,441
Designated funds	207,307	649,102	-	-	856,409
Restricted funds	-	-	-	-	-
<b>As at 31 December 2024</b>	<b>262,802</b>	<b>996,612</b>	<b>1,436</b>	<b>-</b>	<b>1,260,850</b>

**Analysis of assets between funds – Group - 2023**

	<b>Tangible fixed assets £</b>	<b>Cash at bank and in hand £</b>	<b>Other net current assets/ (liabilities) £</b>	<b>Creditors more than one year £</b>	<b>Total £</b>
Unrestricted funds	54,253	247,582	(35,799)	-	266,036
Designated funds	284,108	679,595	-	-	963,703
Restricted funds	-	-	-	-	-
<b>As at 31 December 2023</b>	<b>338,361</b>	<b>927,177</b>	<b>(35,799)</b>	<b>-</b>	<b>1,229,739</b>

**Analysis of assets between funds – Charity – 2023**

	<b>Tangible fixed assets £</b>	<b>Cash at bank and in hand £</b>	<b>Other net current assets/ (liabilities) £</b>	<b>Creditors more than one year £</b>	<b>Total £</b>
Unrestricted funds	54,254	132,195	136,249	-	322,698
Designated funds	224,212	679,595	-	-	903,807
Restricted funds	-	-	-	-	-
<b>As at 31 December 2023</b>	<b>278,466</b>	<b>811,790</b>	<b>136,249</b>	<b>-</b>	<b>1,226,505</b>

## **17 Income and expenditure account of the Trust**

The company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own Income and Expenditure Account or separate Statement of Financial Activities.

Prior to gift aid amounts received from the subsidiary, The Palace Trust has net income for the year of £34,346 (2023 - £14,124) based on income of £1,104,213 (2023 - £906,130). Gift aid distributions from trading subsidiary of £nil (2023: £nil) were received in the year.

## **18 Obligations under leases**

Operating leases-

The total future minimum rentals payable under non-cancellable operating leases funded by unrestricted funds are as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Other</b>		
Expiry date:		
Within one year	1,926	1,785
Within two and five years	6,240	3,193
	<hr/>	<hr/>
	8,166	4,978
	<hr/>	<hr/>

In addition to the above, the Trust has a non-exclusive licence (by way of a management agreement) to occupy the Palace and the gardens with the Church Commissioners to the end of 2033.

## **19 Related party transactions**

The charity has taken advantage of the exemption in FRS 102 "Related Party Disclosures" from disclosing transactions with other members of the group.

The chief executive (who was appointed 1 April 2023), M Kidd, was charged £5,500 (2023: £3,850) in rent for the use of The Gardeners Flat during the year. The rent collected, is in turn paid onto the Church Commissioners. A balance of £nil (2023: £nil) was outstanding to The Palace Trust at the year end. This is considered to be a market rent.

## 20 Financial instruments

	2024 Group £	2024 Charity £	2023 Group £	2023 Charity £
Financial assets that are fair value through income & expenditure account	55,494	55,495	54,253	54,254
Financial assets that are debt instruments measured at amortised cost	1,221,374	1,099,269	994,034	1,018,645
	<u>1,276,868</u>	<u>1,154,764</u>	<u>1,048,287</u>	<u>1,072,899</u>
Financial liabilities measured at amortised cost	142,707	64,987	78,931	65,263
	<u>142,707</u>	<u>64,987</u>	<u>78,931</u>	<u>65,263</u>

### Items of income, expenditure, gain and loss (group and charity)

	Income £	Expense £	Net gains £	Net losses £
<b>2024</b>				
Financial assets that are fair value through income & expenditure account	-	-	1,241	-
Financial assets measured at amortised cost	-	-	-	-
Financial liabilities measured at amortised cost	-	-	-	-
	<u>-</u>	<u>-</u>	<u>1,241</u>	<u>-</u>
<b>2023</b>				
Financial assets that are fair value through income & expenditure account	-	-	4,703	-
Financial assets measured at amortised cost	-	-	-	-
Financial liabilities measured at amortised cost	-	-	-	-
	<u>-</u>	<u>-</u>	<u>4,703</u>	<u>-</u>