

# >>> THE PALACE TRUST <<<

(A Charitable Company  
Limited by Guarantee)

## ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

COMPANY NUMBER:  
09404519

CHARITY REGISTERED IN  
ENGLAND AND WALES  
NUMBER: 1160830



The Bishop's Palace  
WELLS · SOMERSET

# »»» THE PALACE TRUST «««

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# Annual Report 2025

## Foreword



We live in a very uncertain world which is why it is a privilege to help conserve a small but important slice of living history. For over 800 years the Bishop's Palace and grounds in Wells have been the home of the Bishop of Bath and Wells and a place of spiritual reflection, beauty and tranquility. The Palace Trust (a charity) has enabled the general public to share this experience for many decades and hopes to extend that welcome far into the future.

After a couple of loss-making years post covid, we are pleased to report the second successive year of surplus with £73,534 for the year ended 31 December 2025. That achievement is particularly pleasing in the context of a very challenging environment for tourism in the south-west and, indeed, the whole country. It is sobering when iconic venues like the Eden Project are forced to make redundancies, so we are delighted that whilst the surplus has contributed to greater financial stability, we have also increased our community engagement activities. We intend that upward curve to continue for a long time to come.

We continue to conserve and improve the Palace and grounds in accordance with the Trust's values and during the year spent £194,000 on conserving the fabric of the building and grounds. The Wynne Wilson study now transports you back in time to the 1930s, the new multimedia device enriches the experience of wandering around the Palace and even offers a dialogue with previous Bishops in the long gallery! Our RHS partner gardens, as ever, are a delight and this year saw 20,000 yellow tulips adorn the battlement banks which should repeat for years to come. They too can be enjoyed with a new Bloomberg Connects App which covers the outer gardens and is narrated by our head gardener, James Cross, and other colleagues.

Our award-winning cafe, situated in the free area, can be enjoyed up to 500,000 people a year who cross the drawbridge who can also enjoy part of the Palace grounds free of charge.

Our charity has many exciting plans for further development and looks forward to sharing them and offering inspiration to many, many people who can experience joy, healing, hope and wellbeing.

Finally, some important thanks, to our wonderful staff and volunteers who make it all possible and especially to the Friends of the Palace and all our other lovely visitors.



Roger Hawes  
Chair



Merryn Kidd  
Chief Executive

# THE PALACE TRUST

## 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 Sally Strachey Rt Revd Trevor Willmott
Company Secretary	Hollie Peppard (resigned 16 July 2025) Merryn Kidd (from 16 July 2025)
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 2025, 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	
Caroline Brawley	
Paul Dickinson	
Sam Forsey	(resigned 1 <sup>st</sup> March 2025)
Roger Hawes	(Chair)
Natasha Hopkins	
Katharine MacDonald	
Michael Minta	
Claire Revell	(resigned 26 <sup>th</sup> February 2026)
Sally Strachey	(appointed 20 <sup>th</sup> November 2025)
Rt Revd Trevor Willmott	

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 2025

## »»» STRUCTURE, GOVERNANCE AND MANAGEMENT

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 62 staff were employed by the Trust and its subsidiary during the 12-month period ended 31 December 2025 with 64 in post at 31 December 2025 (14 full time and 50 part time). We had an average of 187 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.







187 VOLUNTEERS

AN AVERAGE OF 62 STAFF

10 TRUSTEES

**“WHAT A WONDERFUL PLACE. IT IS IN AN IDYLIC LOCATION WITH BEAUTIFUL GARDENS AND SO MUCH HISTORY. COMBINED WITH A TOUR OF CATHEDRAL, THIS IS A TRULY MAGICAL DAY OUT. THE FOOD IN THE CAFE IS EXCELLENT AND REASONABLY PRICED.”**

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## 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, newly identified for the 2026-2036 Strategic Plan.

#### Our Strategic Priorities

##### 1. Visitor Experience & Inclusivity

Ensure an unforgettable, outstanding welcome and experience, where visitors feel included and personally connected to our offering.

##### 2. Community & Charitable Work

Enrich lives through our charitable work both on-site and off-site, ensuring everyone in our community has the chance to discover something meaningful and beneficial.

##### 3. Development & Conservation

Elevate the conservation of our historic fabric while boldly developing the site into a visionary space that maximises our charitable impact.

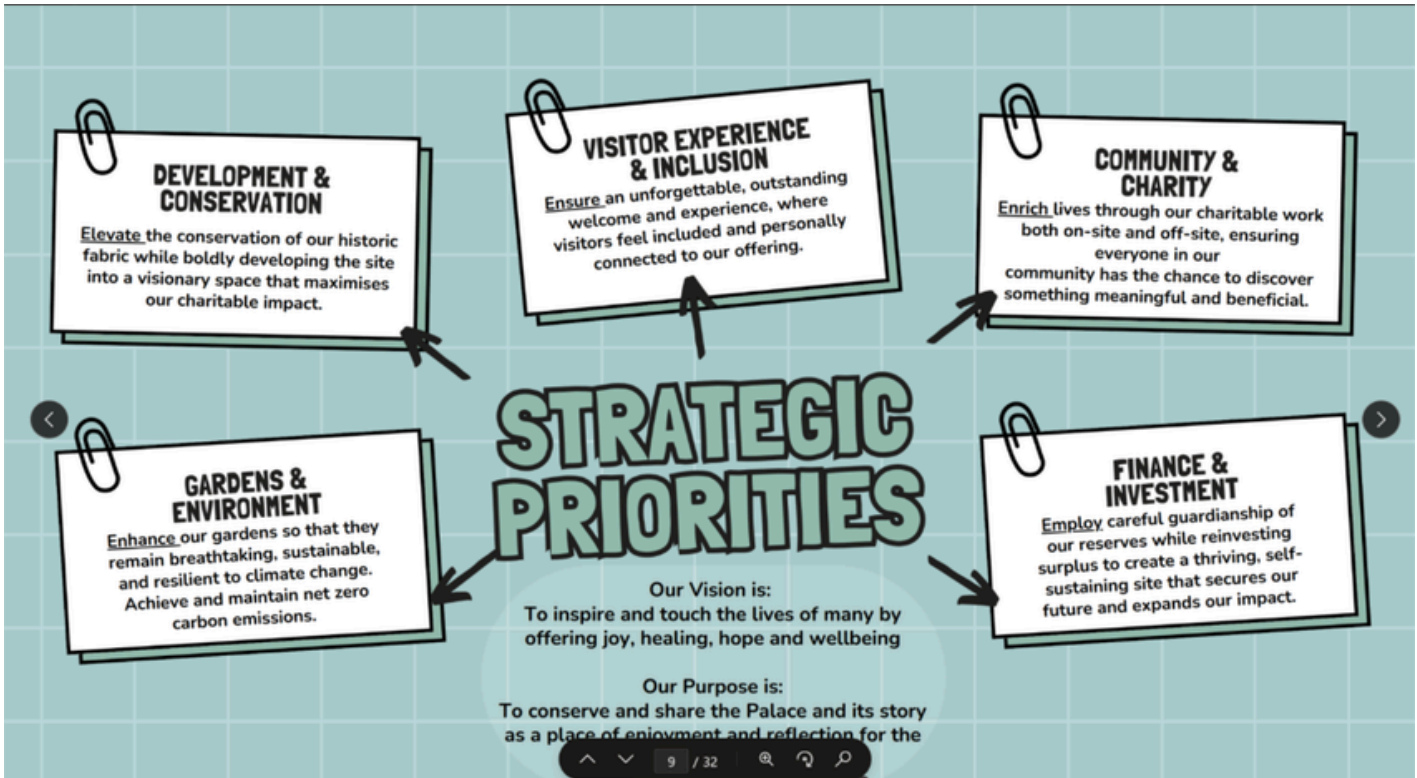
##### 4. Gardens & Environment

Enhance our gardens so that they remain breathtaking, sustainable, and resilient to climate change. Achieve and maintain net zero carbon emissions.

## Our Strategic Priorities (cont)

### 5. Finance & Investment

Employ careful guardianship of our reserves while reinvesting surplus to create a thriving, self-sustaining site that secures our future and expands our impact.



## »»» 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.



## »»» ACTIVITIES

2025 was the final year of our 2020-2025 Strategic Plan and many of the planned activities were brought to completion.

In January 2025 we launched our new multi-media devices, created in partnership with Imagineear. The devices hold around 1.5hrs of content and bring the interior of the medieval palace to life in a range of creative ways, including the wonderful “Talking Portraits” where the Bishops in the portraits come to life and speak directly to the visitor. The tour has a family or adult version and proved to be extremely popular throughout its first year. A new Volunteer role was created to distribute the devices and act as a friendly welcome inside the Palace’s entrance hall. At the same time, a Welcome Video, projected into the archway of the Entrance Hall, was launched. Lasting just under 5 minutes, it sets the scene for the visit to the site and serves as a beautiful introduction to the interpretation.

Also in January, a new piece of art by glass artist Edgar Phillips was installed; an etched glass tabletop with interpretation about the original Bishop Ken’s table, which sits on the original 17th century legs of the table and has proved to be fantastic for engaging visitors with the piece.

Work began in early March on the creation of a new Strategic Plan for the next 5-10 years. Workshops and exploratory sessions were held, starting with a SMT/Trustee Away Day, led by a strategic expert, and continuing with staff and volunteer sessions. Initial ideas were presented to the Board in May and approved in August.

In August a new digital tour of the gardens was launched in partnership with Bloomberg Connects, giving visitors the opportunity to use their own devices to explore the gardens, guided by our team of gardeners and volunteers, along with more detailed content on planting and history.

A range of new “Flagship Events” were introduced at the Palace in 2025, including a new Country and Garden Fair, with dog show, bake off, petting zoo, plant stalls and more, History Live! a weekend of historical reenactments, and Party at the Palace, a pop festival resulting in 1500 attendees enjoying music on the Croquet Lawn. These new events were complemented by our most successful ever Christmas Artisan Market in November, and Christmas Illuminations which ran from 30th November through until 4th January.

Much work took place on development projects, and we completed our improvements to the Community Garden Room, with a new wrap around pergola to protect groups from the sun and rain, a bifold door entrance and raised floor for an indoor/outdoor seamless environment, new kitchen and storage, and an outdoor sink with hot and cold water. Plans were approved for a new Visitor Reception and Shop, involving creating a new doorway through the Stable Yard Room into the gardens, and work was completed on schedule in December. Work also took place to create a new Splash Play Zone in the Dragon’s Lair, with ‘raining tree’, squirting rocks, and a paddling pool for our younger visitors. The works were completed in November, and the facility will launch in Spring 2026.



# PERFORMANCE

2025 saw the organisation returning a surplus for a second consecutive year, and this £73,534 was close to budget, despite some challenging external factors.

We welcomed 495,151 over the Drawbridge and, of those, 152,276 paid to enter the site, which represented an 8.6% increase on 2024. Given the continued cost of living crisis, a variety of challenging weather, and other visitor attractions in the area struggling, the Trust was delighted with this result.

Key contributors leading to this success including:

- The introduction of new ticketing levels, with a drop in price to £14 for a day ticket, an increase on our annual admission to £25, and a new Friends of the Palace premium membership at £65 which was very popular;
- A range of new flagship events, including:
  - The Country and Garden Fair
  - Party at the Palace – with 1500 visitors enjoying a pop and folk festival on the Croquet Lawn
  - 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 our ‘evening only’ Christmas Illuminations ticket, along with an extended offering of dates between Christmas and New Year, and the good weather during that period.
- Excellent results in our Food and Beverage department;
- The Trust was exceptionally grateful to the Church Commissioners for their support in 2025.





## COMMUNITY ENGAGEMENT

In 2025 we gave 162 free annual passes and 108 day tickets 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 62 annual passes to children and their families on pupil premium at two local schools. Total value of these tickets and passes was £5624. We donated raffle prizes to 49 local groups. We also gave out 77 free 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 /reduced cost venue hire so that some local groups could celebrate here or hold regular meetings eg bereavement group, carers group, local school sixth form prom.

We hosted visits from 11 different state schools (with some repeat visits, such as The Blue School) and one home-educator group, excluding private schools attending paid visits. This amounted to 665 children. Additionally, a further 16 schools engaged with our Christmas Eco Arts Exhibition, reaching 1,403 children across the county. Of these, 9 schools also visited us on-site, bringing the total number of free school visits to 20. We ran a free 10 week 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 so they could enjoy learning about gardens and wildlife at The Bishop's Palace.

Over the course of the year we offered 14 work experience placements to local young people and 1 x 6 week placement in the gardens to an adult attending Job Centre Plus. We worked in partnership with three local groups to deliver sessions in our community garden for young people and adults needing extra support including piloting a new course with the Child and Adolescent mental health team. We welcomed 14 young people from Wells Youth Centre for a free wellbeing workshop and a photography workshop. The photography workshop was funded by Arts Society Mendip and they also provided another workshop for older adults. The focus of the photography workshops was to encourage participation in our Playing Cards photography competition. Over the summer we had 187 entries with the 55 winning images creating a bespoke pack of playing cards. Nearly everyone attended a launch here with breakfast and each received 2 free packs of cards.

**“ THE BISHOP’S PALACE AND GARDENS ARE BEAUTIFUL AND VERY WELL MAINTAINED. WE OPTED FOR THE AUDIO TOUR (FREE AFTER ADMISSION) WHICH WAS EXTREMELY INFORMATIVE AND GAVE US A REALLY GOOD INSIGHT INTO THE HISTORY OF THE PLACE. THE STAFF WERE FRIENDLY AND HELPFUL. ”**





## VOLUNTEERING OPPORTUNITIES

This year 182 volunteers contributed just under 20,000 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. 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. This year we achieved the nationally recognised quality standard for working with volunteers 'Investing in Volunteering Award'. 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



2026 marks the first year of our new Strategic Plan. A summary version of the 2026 Business Plan is available on our website. The Trustees have agreed a programme of work that reflects our charitable purpose, with a focus on strengthening the visitor experience, widening access, conserving the site, and building long term resilience.



## Visitor Experience and Inclusion

2026 marks the first year of our new Strategic Plan. A summary version of the 2026 Business Plan is available on our website. The Trustees have agreed a programme of work that reflects our charitable purpose, with a focus on strengthening the visitor experience, widening access, conserving the site, and building long term resilience.

We will focus on enhancing the visitor experience and improving inclusion across the site. A new Visitor Reception in the Stable Yard will be embedded and monitored to support better visitor flow and accessibility. The full visitor journey, from the Market Place through to the Palace, will be reviewed to reduce barriers, particularly for those with additional access needs. Digital improvements will support this work, including the introduction of an AI powered website assistant and improved use of visitor data to enable more personalised communication and deeper audience insight.

Our events programme will continue to play a central role, with key events such as the Country and Garden Fair, Party at the Palace, Christmas Illuminations and the Christmas Artisan Market. We will also expand our cultural offer through exhibitions featuring regional artists and a research-led estates exhibition. New initiatives will include trial summer evening openings and the introduction of seasonal rowing boats on the moat, alongside carefully managed water-based activities.





## Development and Conservation

The conservation and care of the Palace will continue through a programme of planned works across the buildings and estate. This includes ongoing maintenance of the historic fabric, the phased conservation of the Bishops' portraits, and improvements to infrastructure such as the automation of the historic sluice gate system to reduce flood risk. Subject to planning and fundraising, we will also progress a wider Water and Science project to enhance interpretation, learning and visitor facilities within the gardens, supported by investment in digital and electrical infrastructure.

## Gardens and Environment

Within the gardens, we will maintain high horticultural standards while responding to environmental challenges. This will include renewing key garden areas, strengthening tree health and resilience, and continuing sustainable and organic gardening practices. We will increase rainwater harvesting and explore the use of moat water for irrigation. Environmental responsibility will be embedded within our reporting, with carbon monitoring introduced from 2026 and clear targets set for emissions reduction. We will also explore the installation of solar panels, subject to the necessary approvals.

## Community and Charitable

Our charitable and community work will remain at the heart of our activity. We will pilot a travel bursary scheme to reduce barriers to access and continue to support local schools through free visits and outreach sessions. Work experience opportunities will be expanded, with a focus on young people facing barriers to opportunity. We will grow our Heritage Connectors initiative and continue to support a large and active volunteer community. Free access will be maintained for targeted local community groups and individuals most in need, alongside our new free Open Day, ensuring the Palace remains welcoming and accessible to all. We will also work towards achieving Disability Confident Level 3 status.



**“ WE SPENT A DAY HERE, BOUGHT A TICKET FOR BOTH PALACE, GARDENS AND CATHEDRAL... WAS DEFINITELY WORTH IT. WHAT A BEAUTIFUL PLACE!  
(TRIPADVISOR) ”**

## ➤➤➤ Finance and Resilience

Financial sustainability will remain a priority. We will continue to grow income across admissions, retail, catering, events and venue hire, supported by improvements to systems and visitor offer. Fundraising capacity will be strengthened, alongside efforts to secure external funding for capital projects and reduce reliance on reserves. We will also review the use and future management of the Bishop's Barn and consider the development of an Endowment Fund to support long term resilience.

2026 will be a year of consolidation and careful growth, embedding recent investments while strengthening financial resilience, broadening access, and preparing the Palace for long-term sustainability.



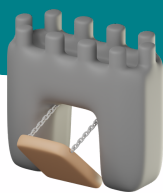
# 2025 AT A GLANCE



The Bishop's Palace  
WELLS · SOMERSET

**495,151**

Crossed the drawbridge



**152,276**

Visitors paid to enjoy the Palace & Gardens

**699**

'Friends of the Palace' made



**over 100 days**

Of public events and activities

**125** free annual passes and **108** day tickets to those who will benefit the most



**56**

Annual passes to children and their families on pupil premium

**807**

Pupil free visits from local schools



Welcomed new Building & Facilities Assistant, Gardener, Visitor Experience Supervisor, Trainee Gardener, Events Manager, Financial Controller, Office and Accounts Assistants, and Fundraising Assistant.

**4**

Groups per week in Community Garden

**6**

Cygnets born



**62,683** cups of coffee  
and **50,653** pieces of cake sold in the café

# FINANCIAL REVIEW AND RESERVES POLICY

(Under Audit Review)



The Palace Trust's financial position is an estimated surplus of £73,534 which included an agreed overspend in premises maintenance. At year end, the Trust had unrestricted net assets (excluding the trading subsidiary), of £1,276,805, of which £650,750 is designated and £461,887 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 (or extreme heat) 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 (Under Audit Review)

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 £461,887 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 2025 this was £450,000.

Other free reserves of £453,609 include £200,750 which has been allocated to the following project as designated funds:

- Environmental: introducing renewable energy sources
- Interpretation: enhancing the Palace Visitor Experience



## 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.

### 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: 13.5.26





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



The Bishop's Palace  
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## **The Palace Trust**

Independent Auditors' Report to the Trustees and Members  
For the Year Ended 31 December 2025

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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 2025, 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 2025 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 2025

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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 2025

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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 2025**

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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: 13/05/2026.

**The Palace Trust**

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

For the Year Ended 31 December 2025

				2025			2024
		Unres-	Res-	Total	Unres-	Res-	Total
	Notes	tricted	tricted		tricted	tricted	
		£	£	£	£	£	£
<b>Income from:</b>							
Donations and legacies	2	178,536	-	178,536	180,221	1,549	181,770
Charitable activities	3	765,075	-	765,075	736,726	-	736,726
Other trading activities	4	1,186,132	-	1,186,132	997,052	-	997,052
Investment	5	39,466	-	39,466	41,523	-	41,523
<b>Total income</b>		<b>2,169,209</b>	<b>-</b>	<b>2,169,209</b>	<b>1,955,522</b>	<b>1,549</b>	<b>1,957,071</b>
<b>Expenditure on:</b>							
Raising funds	6	974,504	-	974,504	816,923	-	816,923
Charitable activities	7	1,118,953	-	1,118,953	1,022,317	-	1,022,317
<b>Total expenditure</b>		<b>2,093,457</b>	<b>-</b>	<b>2,093,457</b>	<b>1,839,240</b>	<b>-</b>	<b>1,839,240</b>
<b>Net (expenditure) / income</b>		<b>75,752</b>	<b>-</b>	<b>75,752</b>	<b>116,282</b>	<b>1,549</b>	<b>117,831</b>
Transfer between funds	15	-	-	-	1,549	(1,549)	-
<b>Other recognised gains</b>							
Unrealised (loss) / gain on investment		(2,218)	-	(2,218)	1,241	-	1,241
<b>Net movement in funds for the year</b>		<b>73,534</b>	<b>-</b>	<b>73,534</b>	<b>119,072</b>	<b>-</b>	<b>119,072</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		1,348,811	-	1,348,811	1,229,739	-	1,229,739
<b>Total funds carried forward</b>		<b>1,422,345</b>	<b>-</b>	<b>1,422,345</b>	<b>1,348,811</b>	<b>-</b>	<b>1,348,811</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 2025

		2025 £	2025 £	2024 £	2024 £
	Notes	Group	Charity	Group	Charity
<b>Fixed assets</b>					
Tangible fixed assets	10	518,736	461,887	263,639	207,307
Investments	11	53,276	53,277	55,494	55,495
		<u>572,012</u>	<u>515,164</u>	<u>319,133</u>	<u>262,802</u>
<b>Current assets</b>					
Stock	12	42,446	-	25,636	-
Debtors	13	116,221	74,874	128,420	122,473
Cash at bank and in hand		920,926	866,064	1,113,706	996,612
		<u>1,079,593</u>	<u>940,938</u>	<u>1,267,762</u>	<u>1,119,085</u>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	14	(229,260)	(179,297)	(238,084)	(121,037)
		<u>850,333</u>	<u>761,641</u>	<u>1,029,678</u>	<u>998,048</u>
<b>Net current assets</b>					
		<u>1,422,345</u>	<u>1,276,805</u>	<u>1,348,811</u>	<u>1,260,850</u>
<b>Total net assets</b>					
		<u><u>1,422,345</u></u>	<u><u>1,276,805</u></u>	<u><u>1,348,811</u></u>	<u><u>1,260,850</u></u>
<b>The funds of the charity:</b>					
Unrestricted funds:					
General funds		252,859	164,168	436,070	404,441
Designated funds		1,169,486	1,112,637	912,741	856,409
		<u>1,422,345</u>	<u>1,276,805</u>	<u>1,348,811</u>	<u>1,260,850</u>
Total unrestricted funds	15	1,422,345	1,276,805	1,348,811	1,260,850
Restricted funds	15	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total charity funds</b>		<u><u>1,422,345</u></u>	<u><u>1,276,805</u></u>	<u><u>1,348,811</u></u>	<u><u>1,260,850</u></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 13.5.26 and signed on their behalf by:



R Hawes  
Trustee



**The Palace Trust**Statement of Cash Flows and Consolidated Statement of Cash Flows  
For the Year Ended 31 December 2025

		2025 £	2025 £	2024 £	2024 £
	Notes	Group	Charity	Group	Charity
<b>Cash flows from operating activities</b>					
Net expenditure for the year		73,534	15,955	119,072	34,345
Adjustments to cash flows from non-cash items:					
Depreciation and amortisation	10	79,602	58,125	74,859	50,620
Investment income	5	(39,466)	(36,684)	(41,523)	(36,522)
Unrealised net (gain) / loss on investments	11	2,218	2,218	(1,241)	(1,241)
(Profit) / loss on disposal of fixed assets		-	-	4,234	-
		115,888	39,614	155,401	47,202
Working capital adjustments					
Decrease / (increase) in stocks	12	(16,810)	-	3,439	-
(Increase) / decrease in debtors	13	12,199	47,599	(47,623)	97,270
Increase / (decrease) in creditors	14	(8,824)	58,260	92,413	37,543
Net cash flow from operations		102,453	145,473	203,630	182,015
<b>Cash flows from investing activities</b>					
Purchase of tangible fixed assets	10	(334,699)	(312,705)	(58,624)	(33,715)
Proceeds on disposal of fixed assets		-	-	-	-
Investment income	5	39,466	36,684	41,523	36,522
		(295,233)	(276,021)	(17,101)	2,807
Net increase in cash and cash equivalents		(192,780)	(130,548)	186,529	184,822
Cash and cash equivalents at the beginning of the reporting period		1,113,706	996,612	927,177	811,790
Cash and cash equivalents at the end of the reporting period		920,926	866,064	1,113,706	996,612
Cash & Cash equivalents reconciliation:					
Cash at bank		920,926	866,064	1,113,706	996,612
Total cash & cash equivalents at the end of the reporting period		920,926	866,064	1,113,706	996,612

## **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
Assets Under Construction	No depreciation

**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 £	2025 Total £	Unres- tricted funds £	Res- tricted funds £	2024 Total £
Donations	25,116	-	25,116	13,001	1,549	14,550
Gift aid	49,384	-	49,384	62,220	-	62,220
<b>Grants</b>						
Church Commissioners	102,000	-	102,000	105,000	-	105,000
Other small grants	2,036	-	2,036	-	-	-
	178,536	-	178,536	180,221	1,549	181,770

## 3 Income from charitable activities

	Unres- tricted funds £	Res- tricted funds £	2025 Total £	Unres- tricted funds £	Res- tricted funds £	2024 Total £
Entrance fees	696,225	-	696,225	660,192	-	660,192
Membership income	68,850	-	68,850	76,534	-	76,534
	765,075	-	765,075	736,726	-	736,726

#### 4 Other trading activities

	Unres- tricted funds £	Res- tricted funds £	2025 Total £	Unres- tricted funds £	Res- tricted funds £	2024 Total £
Restaurant income	719,546	-	719,546	719,546	-	719,546
Event income	62,591	-	62,591	86,126	-	86,126
Event site hire	43,120	-	43,120	43,120	-	43,120
Shop income	255,954	-	255,954	30,475	-	30,475
Event catering	12,722	-	12,722	12,722	-	12,722
Solar panel income	-	-	-	-	-	-
Film income	82,667	-	82,667	82,667	-	82,667
Rental income	9,532	-	9,532	22,396	-	22,396
	1,186,132	-	1,186,132	997,052	-	997,052

#### 5 Investment income

	Unres- tricted funds £	Res- tricted funds £	2025 Total £	Unres- tricted funds £	Res- tricted funds £	2024 Total £
Bank interest	39,466	-	39,466	41,523	-	41,523

#### 6 Expenditure on raising funds

	Unres- tricted £	Res- tricted £	2025 Total £	Unres- tricted £	Res- tricted £	2024 Total £
Costs of goods sold	298,672	-	298,672	250,590	-	250,590
Wages, salaries & agency	443,083	-	443,083	394,386	-	394,386
Other direct costs	185,949	-	185,949	118,926	-	118,926
Event costs	35,508	-	35,508	47,006	-	47,006
Commission sales expense	11,292	-	11,292	6,015	-	6,015
	974,504	-	974,504	816,923	-	816,923

**7 Charitable activities expenditure**

	Unres- tricted £	Res- tricted £	2025 Total £	Unres- tricted £	Res- tricted £	2024 Total £
<b>Direct charitable activities</b>						
Maintenance costs	68,357	-	68,357	102,370	-	102,370
Garden maintenance	27,238	-	27,238	31,668	-	31,668
Public access & education	9,501	-	9,501	7,656	-	7,656
<b>Support costs</b>						
Wages & salaries	635,188	-	635,188	556,130	-	556,130
Staff training & recruitment	39,267	-	39,267	24,318	-	24,318
Travel & entertainment	8,057	-	8,057	8,457	-	8,457
Rent, rates, light & heat	76,129	-	76,129	63,978	-	63,978
Cleaning costs	41,375	-	41,375	50,229	-	50,229
Advertising	45,227	-	45,227	36,777	-	36,777
Office costs	88,225	-	88,225	69,464	-	69,464
Subscriptions	2,811	-	2,811	2,598	-	2,598
Legal fees	-	-	-	-	-	-
Professional fees	6,847	-	6,847	3,280	-	3,280
Accountancy	-	-	-	-	-	-
Bank charges	1,292	-	1,292	3,165	-	3,165
Depreciation	58,125	-	58,125	50,620	-	50,620
Loss on disposal of fixed asset	2,167	-	2,167	3,288	-	3,288
<b>Governance</b>						
Auditors fees - audit	7,400	-	7,400	6,719	-	6,719
Auditors fees- accountancy	1,747	-	1,747	1,600	-	1,600
	<u>1,118,953</u>	<u>-</u>	<u>1,118,953</u>	<u>1,022,317</u>	<u>-</u>	<u>1,022,317</u>



**7 Expenditure (continued)**

	2025	Charity	2025	Subsidiary	Total	Total
	2024	2024	2024	2024	2025	2024
	£	£	£	£	£	£
Depreciation of owned assets	58,125	50,620	21,477	24,239	79,602	74,859
Auditors' remuneration for:						
Current auditors						
- Audit services	7,400	6,700	5,500	5,100	12,900	11,800
- Other services	1,747	1,600	1,211	1,040	2,958	2,640

**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 (2024: £nil).

No trustees were reimbursed for travel expenses during the year (2024: one trustee - £434).

No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

## 9 Employees

	2025 Group £	2025 Charity £	2024 Group £	2024 Charity £
Wages and salaries	947,021	550,029	856,433	487,120
Social security costs	78,975	47,654	48,017	33,163
Employer pension	52,275	37,505	41,498	31,279
Termination payments	-	-	4,568	4,568
	<u>1,078,271</u>	<u>635,188</u>	<u>950,516</u>	<u>556,130</u>

### Number of employees

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

	2025 Group No.	2025 Charity No.	2024 Group No.	2024 Charity No.
Average employee head count	<u>61</u>	<u>30</u>	<u>47</u>	<u>23</u>

During the year, no employees were paid in respect of PILON or redundancy (2024: One employee was paid £1,522 in respect of PILON and £3,046 in respect of redundancy).

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

	2025 number	2024 number
£70,000 - £80,000	<u>1</u>	<u>1</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 (2024: the Chief Executive). The total employee benefits (includes gross pay, employer pension and employer national insurance) of the key management personnel of the Trust were £91,275 (2024: £87,489).

### 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 (2024 - £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 £	Assets under construction £	Total £
<b>Cost</b>						
At 1 January 2025	49,321	147,627	203,184	167,143	-	567,275
Additions	46,415	64,374	102,522	21,994	99,394	334,699
Disposals	-	-	-	-	-	-
At 31 December 2025	95,736	212,001	305,706	189,137	99,394	901,974
<b>Depreciation</b>						
At 1 January 2025	38,445	60,492	94,549	110,150	-	303,636
Charge for the year	14,153	28,354	15,513	21,582	-	79,602
Eliminated on disposals	-	-	-	-	-	-
At 31 December 2025	52,598	88,846	110,062	131,732	-	383,238
<b>Net book value</b>						
At 31 December 2025	43,138	123,155	195,644	57,405	99,394	518,736
At 31 December 2024	10,876	87,135	108,635	56,993	-	263,639

## 10 Tangible fixed assets (continued)

Charity	Computer equipment £	Furniture, fittings & equipment £	Outdoor equipment £	Catering equipment £	Assets under construction £	Total £
<b>Cost</b>						
At 1 January 2025	49,321	147,627	203,184	23,991	-	424,123
Additions	46,415	64,374	102,522	-	99,394	312,705
Disposals	-	-	-	-	-	-
At 31 December 2025	95,736	212,001	305,706	23,991	99,394	736,828
<b>Depreciation</b>						
At 1 January 2025	38,445	60,492	94,549	23,330	-	216,816
Charge for the year	14,153	28,354	15,513	105	-	58,125
Eliminated on disposals	-	-	-	-	-	-
At 31 December 2025	52,598	88,846	110,062	23,435	-	274,941
<b>Net book value</b>						
At 31 December 2025	43,138	123,155	195,644	556	99,394	461,887
At 31 December 2024	10,876	87,135	108,635	661	-	207,307

## 11 Investments

Group	2025 £	2024 £
<b>Unlisted investments</b>		
Opening balance	55,494	54,253
Unrealised (loss) / gain	(2,218)	1,241
Closing balance	53,276	55,494
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)

Charity	2025 £	2024 £
<b>Unlisted investments</b>		
Opening balance	55,494	54,253
Unrealised (loss) / gain	(2,218)	1,241
	<hr/>	<hr/>
Closing balance	53,276	55,494
	<hr/>	<hr/>
Historical cost of investments	33,593	33,593
	<hr/>	<hr/>

### Charity investments at market value comprise:

	Total 2025 £	Total 2024 £
Shares in unlisted investments	53,276	55,494
Shareholding in Palace Enterprises (Wells) Limited		
Ordinary shares of £1 each	1	1
	<hr/>	<hr/>
	53,277	55,495
	<hr/>	<hr/>

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:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Turnover	1,170,533	951,786
Cost of sales	(744,713)	(646,859)
	<hr/>	<hr/>
Gross profit	425,820	304,927
Administrative expenses	(355,356)	(220,201)
	<hr/>	<hr/>
Operating profit	70,464	84,726
Investment income	-	-
	<hr/>	<hr/>
Profit before tax & profit for the financial year	70,464	84,726
Retained earnings brought forward in subsidiary	87,961	3,235
Gift aid to The Palace Trust	(12,883)	-
	<hr/>	<hr/>
Retained earnings carried forward in subsidiary	145,542	87,961
	<hr/>	<hr/>
The assets and liabilities were:		
Fixed assets	56,849	56,332
Current assets	203,334	185,632
Current liabilities	(114,640)	(154,002)
	<hr/>	<hr/>
Total net assets	145,543	87,962
	<hr/>	<hr/>
Called up share capital	1	1
Profit and loss reserve	145,542	87,961
	<hr/>	<hr/>
	<hr/>	<hr/>
	145,543	87,962
	<hr/>	<hr/>

**12 Stocks**

	<b>2025 Group £</b>	<b>2025 Charity £</b>	<b>2024 Group £</b>	<b>2024 Charity £</b>
Goods for resale	42,446	-	25,636	-
	<u>42,446</u>	<u>-</u>	<u>25,636</u>	<u>-</u>

**13 Debtors**

	<b>2025 Group £</b>	<b>2025 Charity £</b>	<b>2024 Group £</b>	<b>2024 Charity £</b>
Trade debtors	60,301	20,077	59,789	22,991
Prepayments and accrued income	55,920	54,797	68,631	62,527
Amounts owed by group undertakings	-	-	-	36,955
	<u>116,221</u>	<u>74,874</u>	<u>128,420</u>	<u>122,473</u>

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

	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>
	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	81,789	45,699	50,961	20,103
Other creditors	17,017	15,874	32,489	31,759
Accruals and deferred income	94,256	27,960	104,624	54,375
Taxation and social security	36,198	25,285	50,010	14,800
Amounts owed to group undertakings	-	64,479	-	-
	<u>229,260</u>	<u>179,297</u>	<u>238,084</u>	<u>121,037</u>

**Deferred Income**

	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</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 2025	45,367	13,125	33,695	8,759
Released from previous years	(45,367)	(13,125)	(33,695)	(8,759)
Resources deferred in the year	56,463	6,446	45,367	13,125
	<u>56,463</u>	<u>6,446</u>	<u>45,367</u>	<u>13,125</u>

At the balance sheet date the trust was holding funds received in advance for events to be held in 2026.



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

	Opening balance £	Income £	Expenditure £	Transfers & gains £	Closing balance £
<b>Unrestricted funds - Group</b>					
General	436,070	2,169,209	(2,013,855)	(338,565)	252,859
<b>Designated funds - Group</b>					
Palace interpretation	199,102	-	-	1,648	200,750
Trust Reserve	450,000	-	-	-	450,000
Fixed assets	263,639	-	(79,602)	334,699	518,736
<b>Total designated funds</b>	<b>912,741</b>	<b>-</b>	<b>(79,602)</b>	<b>336,347</b>	<b>1,169,486</b>
<b>Restricted funds</b>					
Mobility Scooter	-	-	-	-	-
<b>Total funds</b>	<b>1,348,811</b>	<b>2,169,209</b>	<b>(2,093,457)</b>	<b>(2,218)</b>	<b>1,422,345</b>

**Summary of movement in funds- Charity**

	Opening balance £	Income £	Expenditure £	Transfers & gains £	Closing balance £
<b>Unrestricted funds - Charity</b>					
General	404,441	1,183,924	(1,107,626)	(316,571)	164,168
<b>Designated funds - Charity</b>					
Palace interpretation	199,102	-	-	1,648	200,750
Trust Reserve	450,000	-	-	-	450,000
Fixed assets	207,307	-	(58,125)	312,705	461,887
<b>Total designated funds</b>	<b>856,409</b>	<b>-</b>	<b>(58,125)</b>	<b>314,353</b>	<b>1,112,637</b>
<b>Restricted funds</b>					
Mobility Scooter	-	-	-	-	-
<b>Total funds</b>	<b>1,260,850</b>	<b>1,183,924</b>	<b>(1,165,751)</b>	<b>(2,218)</b>	<b>1,276,805</b>

**Summary of movement in funds – Group (2024)**

	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>	963,703	-	(74,859)	23,897	912,741
<b>Restricted funds</b>					
Mobility Scooter	-	1,549	-	(1,549)	-
<b>Total funds</b>	<b>1,229,739</b>	<b>1,955,522</b>	<b>(1,839,240)</b>	<b>2,790</b>	<b>1,348,811</b>

**Summary of movement in funds – Charity (2024)**

	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>	903,807	-	(50,620)	3,222	856,409
<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 (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.

### 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	53,276	270,176	(70,593)	-	252,859
Designated funds	518,736	650,750	-	-	1,169,486
Restricted funds	-	-	-	-	-
<b>As at 31 December 2025</b>	<b>572,012</b>	<b>920,926</b>	<b>(70,593)</b>	<b>-</b>	<b>1,422,345</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	53,277	215,314	(104,423)	-	164,168
Designated funds	461,887	650,750	-	-	1,112,637
Restricted funds	-	-	-	-	-
<b>As at 31 December 2025</b>	<b>515,164</b>	<b>866,064</b>	<b>(104,423)</b>	<b>-</b>	<b>1,276,805</b>

**Analysis of assets between funds – Group – (2024)**

	<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 – (2024)**

	<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>

## 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 £3,072 (2024 – net income of £34,346) based on income of £1,183,924 (2024 - £1,104,213). Gift aid distributions from trading subsidiary of £12,883 (2024: £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:

	2025 £	2024 £
<b>Other</b>		
Expiry date:		
Within one year	16,872	1,926
Within two and five years	8,118	6,240
	<hr/>	<hr/>
	24,990	8,166
	<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 2035.

## 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, M Kidd, was charged £5,500 in rent for the use of The Gardeners Flat during 2024 and did not occupy the premises in during 2025. The rent was collected and, in turn, paid onto the Church Commissioners. A balance of £nil (2024: £nil) was outstanding to The Palace Trust at the year end. This is considered to be a market rent.

## 20 Financial instruments

	2025 Group £	2025 Charity £	2024 Group £	2024 Charity £
Financial assets that are fair value through income & expenditure account	53,276	53,277	55,494	55,495
Financial assets that are debt instruments measured at amortised cost	1,017,505	820,303	1,221,374	1,099,269
	<u>1,070,781</u>	<u>873,580</u>	<u>1,276,868</u>	<u>1,154,764</u>
Financial liabilities measured at amortised cost	132,340	63,771	142,707	64,987
	<u>132,340</u>	<u>63,771</u>	<u>142,707</u>	<u>64,987</u>

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

	Income £	Expense £	Net gains £	Net losses £
<b>2025</b>				
Financial assets that are fair value through income & expenditure account	-	-	-	(2,218)
Financial assets measured at amortised cost	-	-	-	-
Financial liabilities measured at amortised cost	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,218)</u>
<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>