

THE HISTORIC ENGLAND FOUNDATION
(A charitable company limited by guarantee without share capital)

Charity Number: 1178368
Company Number: 10564101

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

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TRUSTEES' REPORT

The directors, who are also trustees, present their report and the audited financial statements for the year ended 31 March 2024. The Trustees' Report also contains the information required of the directors by company law.

Trustees

The trustees of the charity who were in office during the period and up to the date of signing the financial statements were:

Jay Barrymore
Peter Beckett
David Laing (resigned 20 February 2024)
Ellen Leslie (resigned 2 November 2023)
Sir Laurie Magnus (resigned 27 June 2023)
Matthew O'Connell
Dr Fabian Richter
Satwinder Singh
Samuel Swire

Objectives and activities

The objects of the charity are, for the benefit of the public:

- ▶ To promote the conservation, protection and improvement of heritage assets situated in England;
- ▶ To advance education by promoting research into, and furthering the public's knowledge and enjoyment of, heritage assets situated in England and their conservation, in particular but not exclusively without limitation by supporting the work of Historic England; and
- ▶ To further such other exclusively charitable purposes incidental to the above objects as the trustees see fit.

To achieve its aims, the charity seeks to secure grants and donations from charitable trusts and foundations, other organisations and individuals. It then distributes these as grants to other bodies who operate in line with the charity's objects and with its grant-making policy, which states that:

- ▶ The trustees will only fund work that demonstrates heritage merit and applicants are expected to provide evidence that the heritage asset(s) that are the subject of the application are of sufficient historical or architectural significance to merit preservation;
- ▶ The trustees may on occasion fund applications for preservation or advancement of education of heritage assets that have a connection with a particular person or event, where that person or event is of sufficient educational, historical or significant interest or where a significant part of the surviving fabric relates to the period during which the person occupied it, or in which the event took place;
- ▶ The trustees will only fund the work of organisations operating in England;
- ▶ The trustees prefer to contribute to specific appeals and projects rather than to contribute to general running costs or expenditure of an organisation or charity;
- ▶ The trustees will not normally approve any grant without seeing the most recently published annual report and accounts of the organisation that they intend to benefit;
- ▶ Grants from the charity are restricted funds and may only be used towards the project and costs outlined in the submitted application, or as subsequently agreed in writing; and
- ▶ Grants from the charity must advance the education of the public and applicants are expected to demonstrate how this will be achieved.

The trustees have had regard to Charity Commission guidance on public benefit in shaping the objectives of the charity and planning its activities.

TRUSTEES' REPORT (continued)

Achievements and performance

Financial achievements are set out within the financial review.

Fundraising targets were approved by trustees at the beginning of the financial year, with income recorded against the following programme areas: Learning, Skills & Engagement; Heritage at Risk; Archive; Technical and Scientific; and Other. Total income for the year was £410,246.

During the year the charity adopted a new Fundraising Risk Appetite and Due Diligence Policy.

Fundraising

The charity does not employ any staff. All fundraising activity is outsourced to the Partnerships and Development Team within Historic England, under the terms of a Shared Services Agreement, and their costs are recharged on a full cost basis to the charity. The trustees direct the work of the Historic England Partnerships and Development Team in order to implement the strategy agreed by the trustees, and, particularly, to:

- ▶ Generate fundraised income in order to support projects that meet the objects of the charity and which have been approved by the trustees;
- ▶ Build up unrestricted income for the charity for allocation by the trustees in accordance with its grant-making policy.

The activities of the Partnerships and Development Team are monitored and directed by the trustees who review and approve the Fundraising Strategy.

No third-party professional fundraisers or commercial participators have been engaged by the charity. No complaints have been received by the charity relating to its fundraising activities and the charity does not directly mail or e-mail members of the general public for the purposes of fundraising.

Financial review

Financial position

The charity has had a successful fundraising year, securing restricted funding of £354,987 with a further £55,259 of unrestricted funding.

Grants have been awarded to Historic England for the following projects:

- ▶ £26,478 for apprenticeships
- ▶ £26,184 for Emerging Talent Placements
- ▶ £62,306 for Fort Cumberland X-Ray
- ▶ £223,253 for Heritage Building Skills
- ▶ £44,456 for Shrewsbury Flaxmill Maltings.

Further information is available in Note 12. Outgoing resources in Note 12 include grants as well as support costs of £47,228 and direct costs of £21,396.

At the end of the year, the charity had restricted funds of £140,746 and unrestricted funds of £65,266.

TRUSTEES' REPORT (continued)

During the year, the charity recognised grants and donations including:

- ▶ £26,184 from The Mercers' Company for the Emerging Talent Programme
- ▶ £55,000 from Historic England for unrestricted purposes
- ▶ £6,000 from Sir Laurie Magnus for use at Shrewsbury Flaxmill Maltings
- ▶ £34,000 from the Benefact Trust for project Rejuvenate
- ▶ £62,306 from The Wolfson Foundation for X-Ray equipment
- ▶ £223,253 from The Hamish Ogston Foundation for Heritage Building Skills

The charity has also recognised other donations and legacies from companies and individuals totalling £3,503 including Gift Aid on individual donations.

An explanation of the restrictions on these grants and donations and how they support the key objectives of the charity is contained in Note 12.

We would like to extend our thanks to all those trusts, individuals and companies who have supported The Historic England Foundation during the last financial year.

Principal risks and uncertainties

The key risks (and mitigations) facing the charity are as follows:

- ▶ Inability to build up strategic long-term income to enable financial sustainability (ensure Historic England Partnerships and Development Team is sufficiently resourced and skilled to build up sustainable income streams);
- ▶ Trustee body lacks relevant skills and diversity of experience (carry out a regular skills audit to inform training requirements and to inform and support future trustee recruitment);
- ▶ Non-compliance with General Data Protection Regulation (GDPR) and Privacy and Electronic Communications Regulations (ensure approach to fundraising is compliant with all data protection legislation through appointed Data Protection Officer and regular reviews by the Historic England Partnerships and Development Team of its policies and processes);
- ▶ Risk of funder or donor leading to reputational damage (adopt and implement a new ethical fundraising and due diligence policy).

Reserves policy

The trustees have determined that holding reserves is unnecessary, because expenditure for the charity is easily controlled as there are no directly employed staff. Fixed costs and grants represent the largest single cost to the charity. Therefore, in the event of a failure to secure sufficient unrestricted funding, the work of the charity could be reduced. The trustees are content that the charity will continue to operate as a going concern for at least the twelve months from the date on which the report and financial statements have been signed, as per Note 1c on page 18.

Plans for future periods

The trustees reviewed the forward business plan in the 2023-24 financial year and has set new targets for the period 2024-2027. The new forward business plan outlines how the charity intends to build up income in support of its grant-making activities:

- ▶ Individuals capable of giving both at higher levels financially and in their capacity to influence others to support will be cultivated by the trustees and the Historic England Partnerships and Development Team, under the terms of the Shared Resources Agreement. Major donors may be drawn from the UK or from international audiences. Approaches will be made on a one-to-one basis and are likely to provide restricted gifts in support of pre-agreed priority projects.

TRUSTEES' REPORT (continued)

- ▶ Under the terms of the Shared Resources Agreement the Historic England Partnerships and Development Team, supported by the trustees as required, will lead on approaches to trusts and foundations and other grant-making bodies for restricted gifts to pre-agreed priority projects.
- ▶ Income generated from the general public may be restricted to specific programmes of activity or be unrestricted, in which case it will be allocated by trustees in accordance with the charity's grant-making policy. A mid-level regular giving programme will be developed and tested to assess the potential of long-term engagement from a wider range of individuals and increase levels of unrestricted income.
- ▶ Corporate partnerships and sponsorship may also be initiated.

Structure, governance and management

Structure

The charity does not directly employ staff and hence does not have an organisational structure in the traditional sense. It operates as a subsidiary of Historic England, which is the sole member of the charity.

The charity is limited by guarantee without share capital, incorporated on 16 January 2017, and is a subsidiary undertaking of Historic England. Its governing document is its Memorandum and Articles of Association. On 14 May 2018, The Historic England Foundation was registered as a charity with the Charity Commission for England and Wales.

Governance

The trustees, for the purposes of company law, are also its directors. The trustees consist of at least three individuals, of whom no more than a minority shall be Historic England commissioners or Historic England employees, provided that there shall always be at least a quorum of trustees who are not Historic England commissioners or Historic England employees.

The trustees elect a Chair from among their number (provided such person is not a Historic England Commissioner or a Historic England employee). The Chair holds office for four years or for as long as they remain a trustee, whichever period is shorter, and will be eligible for re-appointment at the end of their first term of office.

Three full trustee meetings were held in the financial year. Attendance at regular trustee meetings throughout the year has been very strong with only a very small number of apologies received.

Management

The day-to-day management and administration of the charity's operations is delegated to specific Historic England staff within the Partnerships and Development, and Finance Teams. The service provided is paid for by the charity under the arrangement between the two organisations. Strategic decisions are taken by the trustee board following discussions at board meetings and based upon the recommendations of the Partnerships and Development Team.

Details of the related party transactions and group relationships are contained within Notes 13 and 14 respectively.

Trustee recruitment and induction

During the year, David Laing, Ellen Leslie and Laurie Magnus resigned as HEF trustees.

Three trustees' terms were extended to Autumn 2024, with a view to new trustees being recruited during the year.

TRUSTEES' REPORT (continued)**Reference and administrative details**

Registered Office:	The Engine House Fire Fly Avenue Swindon Wiltshire SN2 2EH
Charity Registration Number:	1178368
Company Registration Number:	10564101
Trustees:	Jay Barrymore Peter Beckett David Laing (resigned 20 February 2024) Ellen Leslie (resigned 2 November 2023) Sir Laurie Magnus (resigned 27 June 2023) Matthew O'Connell Dr Fabian Richter Satwinder Singh Samuel Swire
Auditors:	Comptroller and Auditor General National Audit Office 157-159 Buckingham Palace Road London SW1W 9SP
Bankers:	HSBC Holdings plc Keith House 133 Regent Street London W1B 4HX

Exemptions from disclosure

The charity is entitled to the small companies' exemption in relation to the preparation of a Strategic Report under section 414A of the Companies Act 2006.

Funds held as custodian trustee on behalf of others

The charity does not hold any funds on behalf of others.

TRUSTEES' REPORT (continued)

Statement of trustees' responsibilities

The trustees (who are also the directors of The Historic England Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the trustees to prepare financial statements for each financial year. Under these laws, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Statement of Recommended Practice (SORP);
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ▶ 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 keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and 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 and Charities Act 2011. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

As far as each of the trustees is aware:

- ▶ there is no relevant audit information of which the charitable company's auditor is unaware, and
- ▶ they have taken all the steps that they ought to have taken to make themselves aware of all relevant audit information and to establish that the charitable company's auditors are aware of that information.

The auditors have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at a Board meeting.

TRUSTEES' REPORT (continued)

Other matters

The accounts have been audited by the Comptroller and Auditor General, National Audit Office since the inception of the company.

Audit fees charged for the year are reported in note 3.

These financial accounts were authorised for issue by the Board of Trustees and were signed on their behalf by:



Dr Fabian Richter
Trustee
23 July 2024

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF THE HISTORIC ENGLAND FOUNDATION

Opinion on financial statements

I have audited the financial statements of The Historic England Foundation ('the Company') for the year ended 31 March 2024 under the Companies Act 2006 which comprise the Company's:

- Balance Sheet as at 31 March 2024;
- Statement of Financial Activities (Including Income & Expenditure Account);
- Statement of Cash Flows for the year then ended; and
- the related notes, including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), as applied in accordance with the provisions of the Companies Act 2006.

In my opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2024 and its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the Charities Act 2011.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs (UK)) and applicable law. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of the Company in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Company's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HISTORIC ENGLAND FOUNDATION (CONTINUED)

Other Information

The other information comprises the information included in the Trustees' Report, but does not include the financial statements and my auditor's report thereon. The Trustees are responsible for the other information.

My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the Trustees' Report has been prepared in accordance with applicable legal requirements; and
- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, I have not identified material misstatements in the Trustees' Report.

I have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- I have not received all of the information and explanations I require for my audit.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HISTORIC ENGLAND FOUNDATION (continued)

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Company from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as Trustees determine are necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- preparing financial statements, which give a true and fair view, in accordance with the Companies Act 2006 and the Charities Act 2011;
- preparing the Annual Report, in accordance with the Companies Act 2006 and the Charities Act 2011; and
- assessing the 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 directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and report on the financial statements in accordance with applicable law and International Standards on Auditing (ISAs (UK)).

My 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 a report that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HISTORIC ENGLAND FOUNDATION (continued)

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Company's accounting policies;
- inquired of management and those charged with governance, including obtaining and reviewing supporting documentation relating to the Company's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including The Historic England Foundation's controls relating to the Company's compliance with the Companies Act 2006 and the Charities Act 2011;
- inquired of management and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations; and
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Company for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Company's framework of authority and other legal and regulatory frameworks in which the Company operates, I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Company. The key laws and regulations I considered in this context included Companies Act 2006 and the Charities Act 2011.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management and those charged with governance concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HISTORIC ENGLAND FOUNDATION (continued)

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Other auditor's responsibilities

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Alexander Macnab (Senior Statutory Auditor)
23 July 2024

For and on behalf of the
Comptroller and Auditor General (Statutory Auditor)
National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH

		2023-2024			2022-2023
		Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
	Note				
Income From:					
Donations and Legacies	2	259	9,244	9,503	162,760
Grants	2	55,000	345,743	400,743	1,461,681
Total		55,259	354,987	410,246	1,624,441
Expenditure On:					
Raising Funds	3,4,5	23,697	199	23,896	16,039
Charitable Activity	3,4,5	41,169	386,236	427,405	1,712,381
Total		64,866	386,435	451,301	1,728,420
Net Income/(Expenditure)		(9,607)	(31,448)	(41,055)	(103,979)
Reconciliation of Funds:					
Total Funds Brought Forward	12	74,873	172,194	247,067	351,046
Total Funds Carried Forward	12	65,266	140,746	206,012	247,067

All the revenue and operating results relate to the continuing operations of the charity.

The charity had no recognised gains or losses during the period other than those in the Statement of Financial Activities.

The notes on pages 18 to 26 form part of these financial statements.

BALANCE SHEET AS AT 31 MARCH

		2024	2023
		Total	Total
	Note	Funds	Funds
		£	£
Fixed Assets			
Intangible Asset	7	27,439	41,158
Total Fixed Assets		27,439	41,158
Current Assets			
Debtors	8,9	55,000	128,077
Cash at Bank and in Hand	8,10	177,869	177,596
Total Current Assets		232,869	305,673
Liabilities			
Creditors: Amounts Falling Due Within One Year	8,11	(54,296)	(99,764)
Total Liabilities		(54,296)	(99,764)
Net Current Assets		178,573	205,909
Total Net Assets		206,012	247,067
The Funds of the Charity			
Restricted Funds	12	140,746	172,194
Unrestricted Funds	12	65,266	74,873
Total Charity Funds		206,012	247,067

The notes on pages 18 to 26 form part of these financial statements.

These financial accounts were approved and authorised for signature by the Board of Trustees on 23 July 2024 and were signed on their behalf by:



Dr Fabian Richter
Trustee

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH

	Note	2023-2024 £	2022-2023 £
Net Income/(Expenditure) for the Financial Year		(41,055)	(103,979)
Adjustments for:			
Amortisation	7	13,719	13,719
(Increase)/Decrease in Debtors	9	73,077	(76,077)
Increase/(Decrease) in Creditors	11	(45,468)	91,964
Net Cash Generated by Operating Activities		273	(74,373)
Cash Flows from Investing Activities			
Purchase of Intangible Asset	7	-	(54,877)
		-	(54,877)
Change in Cash and Cash Equivalents During the Year		273	(129,250)
Cash and Cash Equivalents at the Beginning of the Year	10	177,596	306,846
Cash and Cash Equivalents at the End of the Year	10	177,869	177,596

The notes on pages 18 to 26 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 Statement of Accounting Policies

a) General information

The Historic England Foundation was incorporated on 16 January 2017 and is a subsidiary undertaking of Historic England. It was registered as a charity on 14 May 2018. The charity provides grants to applicable bodies which meet the aims and objectives of the charity in line with its established Memorandum and Articles of Association.

The charity is a public benefit entity limited by guarantee without share capital and is incorporated in England. The registered office is The Engine House, Fire Fly Avenue, Swindon, Wiltshire, SN2 2EH.

The financial statements are prepared on the historic cost basis and presented in British Pounds Sterling.

b) Statement of compliance

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' and the Companies Act 2006.

c) Basis of preparation – going concern

The financial statements are prepared on a going concern basis. The charity currently meets its financial obligations through receipt of funding from unrestricted grants from Historic England and is targeting an individual fundraising strategy to reduce this reliance.

After making enquiries of Historic England regarding receipt of ongoing unrestricted funding, the trustees have a reasonable expectation that the charity will have access to adequate resources to continue in operational existence for at least twelve months from the date the accounts were approved. The charity therefore adopts the going concern basis in preparing its financial statements on the basis that there are no material uncertainties about the charity's ability to continue to operate.

d) Accounting judgments and estimates

There are no critical judgments, estimates or assumptions present in these financial statements.

e) Revenue recognition

All revenue is generated from donations, legacies, grants and Gift Aid and is measured at the fair value of the consideration received or receivable. Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Legacies are recognised as income when there has been grant of probate, there are sufficient assets in the estate, evidence of entitlement has been received from the executor, and the amount receivable can be measured with sufficient accuracy.

Gift Aid is recognised when the claim is made to HMRC.

Accrued income is recognised where a formal offer of funding has been communicated to HEF and terms and conditions have been met, but cash has not yet been received.

f) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are donations (plus any related Gift Aid) or grants which the donor has specified are to be solely used for particular purposes and/or at particular times.

Costs charged to restricted funds relate to activities undertaken to further the specific charitable purposes the fund was established to support. These costs include both direct and support costs associated with the activities undertaken by the restricted fund.

Support costs which can be so associated have been apportioned according to the number of transactions on restricted and unrestricted funds to the extent that restricted funds are available and do not go into deficit.

g) Expenditure recognition

Expenditure is accounted for on an accruals basis in line with the requirements of Charity SORP and is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

The charity is not registered for VAT and as a result all expenditure is inclusive of input VAT incurred.

h) Grant making activities

Grants awarded, notified to the recipient and accepted are accounted for on an accruals basis in line with the requirements of Charity SORP and are recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

i) Apportionment and allocation of costs

In accordance with the requirements of the Charities SORP, the charity has developed a model to apportion support costs across its main activities. The results of this can be found at Note 4.

Support costs are those functions that assist the work of the charity but are not directly attributable to raising funds or charitable activities. Support costs include finance, legal and governance costs that support the charity's charitable remit.

Support costs have been apportioned based on that activity's share of costs to the extent that restricted funds are available and do not go into deficit.

j) Taxation

Taxation expenses comprise current corporation tax recognised in the reporting period.

As the company is registered as a charity it is generally exempt from the requirement to pay corporation tax.

k) Fixed Assets

Fixed assets consist of The Historic England Foundation website. It is recognised on a historic cost basis with amortisation provided over 4 years with no residual value assumed.

Impairment reviews are carried out at the end of each reporting period in accordance with FRS 102 to ensure that the carrying value of the asset does not exceed its recoverable amount.

Amortisation is included in finance and administrative costs in note 3 and allocated with the other support costs as detailed in note 4.

l) Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits held on call or with maturities of less than three months.

m) 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.

n) Financial instruments

The charity only holds non-complex financial instruments.

2 Income from Donations and Legacies

	2023-2024			2022-2023
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
Donations	70	7,539	7,609	87,650
Legacies	-	-	-	70,489
Gift Aid	189	1,705	1,894	4,621
Total Donations & Legacies	259	9,244	9,503	162,760
Grants	55,000	345,743	400,743	1,461,681
Total Income	55,259	354,987	410,246	1,624,441

3 Support Costs

	2023-2024			2022-2023
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
Audit Fee	12,000	-	12,000	8,520
Finance and Administrative	31,470	3,758	35,228	35,155
Total Support Costs	43,470	3,758	47,228	43,675

Details on the method of allocation and apportionment of costs between restricted and unrestricted funds are available at Note 1i).

The audit fee is £10,000 plus VAT.

Remuneration paid to auditors in respect of non-audit services in 2023-2024 was nil (2022-2023: nil).

4 Allocation of Support Costs

Details on the method of allocation and apportionment of support costs between activities are available at Note 1i).

a) Expenditure by Activity

	Grant Giving £	Staff and Trustee Costs £	Other £	Allocation £	Total £
For the Year Ended 31 March 2024					
Raising Funds	-	21,396	-	2,500	23,896
Charitable Activity	382,677	-	-	44,728	427,405
Support Costs	-	20,899	26,329	(47,228)	-
Total Expenditure	382,677	42,295	26,329	-	451,301

	Grant Giving £	Staff and Trustee Costs £	Other £	Allocation £	Total £
For the Year Ended 31 March 2023					
Raising Funds	-	15,634	-	405	16,039
Charitable Activity	1,669,111	-	-	43,270	1,712,381
Support Costs	-	20,677	22,998	(43,675)	-
Total Expenditure	1,669,111	36,311	22,998	-	1,728,420

b) Support Costs by Activity

	Governance £	Finance £	Total £
For the Year Ended 31 March 2024			
Raising Funds	635	1,865	2,500
Charitable Activities	11,365	33,363	44,728
Total Support Costs	12,000	35,228	47,228

	Governance £	Finance £	Total £
For the Year Ended 31 March 2023			
Raising Funds	79	326	405
Charitable Activities	8,441	34,829	43,270
Total Support Costs	8,520	35,155	43,675

5 Trustees' Remuneration

None of the trustees received any remuneration or any other benefits by any group or other entity during the period in respect of The Historic England Foundation.

6 Employee Benefits

The charity did not directly employ any staff during the accounting period. This means that no disclosure of staff receiving benefits of more than £60,000 is required. All staff engaged on charity business have a contract of employment with Historic England. The costs of these staff are included with overheads in the management charge from Historic England.

7 Intangible Asset

A full year of amortisation is provided in the year of acquisition and none in the year of disposal.

	Total £
Cost at 1 April 2023	54,877
At 31 March 2024	54,877
Amortisation at 1 April 2023	13,719
Charged in year	13,719
Amortisation at 31 March 2024	27,438
Carrying amount at 31 March 2023	41,158
Carrying amount at 31 March 2024	27,439

	Total £
Cost at 1 April 2022	-
Additions	54,877
At 31 March 2023	54,877
Amortisation at 1 April 2022	-
Charged in year	13,719
Amortisation at 31 March 2023	13,719
Carrying amount at 31 March 2023	41,158

8 Summary of Current Assets and Liabilities

	2023-2024			2022-2023
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
Current Assets	92,123	140,746	232,869	305,673
Current Liabilities	(54,296)	-	(54,296)	(99,764)
Net Current Assets	37,827	140,746	178,573	205,909

9 Debtors

	2023-2024			2022-2023
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
Accrued Income	55,000	-	55,000	128,077
Total Debtors	55,000	-	55,000	128,077

10 Cash at Bank and in Hand

	2023-2024			2022-2023
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
Cash at Bank	37,123	140,746	177,869	177,596
Total Cash	37,123	140,746	177,869	177,596

11 Creditors: Amounts Falling Due Within One Year

	2023-2024			2022-2023
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
Accruals and Deferred Income	54,296	-	54,296	99,764
Total Creditors	54,296	-	54,296	99,764

12 Reconciliation of Movement in Funds

	At 1 April 2023 £	Incoming Resources £	Outgoing Resources £	At 31 March 2024 £
Restricted Funds				
Apprenticeships	26,478	-	(26,478)	-
Archive	69,887	-	-	69,887
Emerging Talent	-	26,184	(26,184)	-
Fort Cumberland X-Ray	-	62,306	(62,306)	-
Heritage Building Skills	-	223,253	(223,253)	-
Heritage Construction	7,600	-	-	7,600
Historic England	9,792	-	-	9,792
Rejuvenate	-	34,000	(179)	33,821
Shrewsbury Flaxmill Maltings	38,437	9,244	(47,678)	3
Skills and Education	20,000	-	(357)	19,643
Total Restricted Funds	172,194	354,987	(386,435)	140,746
Unrestricted Funds				
General Fund	74,873	55,259	(64,866)	65,266
Total Unrestricted Funds	74,873	55,259	(64,866)	65,266
Total Funds	247,067	410,246	(451,301)	206,012

The purposes and restrictions of the material individual funds are described below. Outgoing resources above include both grants and support costs charged to restricted funds.

Apprenticeships

This fund is for The Historic England Foundation to pioneer the new heritage apprenticeship standards for the sector, setting best practice for recruitment and training and creating a new, more accessible entry route into the heritage workforce for a much more diverse talent pool of young people. This will enable us to help address critical skills shortages, working in partnership with a wide range of organisations to make the heritage sector more inclusive and sustainable long term.

A grant of £26,478 was made to Historic England during 2023-2024 from this fund (2022-2023: £98,900).

Emerging Talent Placements

In 2023-2024 a grant of £26,184 (2022-2023: £nil) was received from The Mercers' Company with the aim to improve diversity both in the Historic England workforce and in every aspect of the work they do.

Grants totalling £26,184 were made to Historic England during 2023-2024 from this fund.

Fort Cumberland X-Ray

In 2023-2024 a grant of £62,306 (2022-2023: £nil) was received from The Wolfson Foundation to enable the analysis of objects including those recovered from historic shipwrecks and archaeological sites.

A grant of £62,306 was made to Historic England during 2023-2024 from this fund.

Heritage Building Skills

In 2023-2024 grants totalling £273,253 (2022-2023: £1,334,477) were received from The Hamish Ogston Foundation to be used to fund an in-work training and apprenticeships programme that will help to ensure that the trade and craft skills needed to repair and maintain historic buildings are passed onto future generations.

Grants totalling £223,253 were made to Historic England during 2023-2024 from the grant received from The Hamish Ogston Foundation (2022-2023: £1,334,477).

The remaining £50,000 was returned to The Hamish Ogston Foundation.

Rejuvenate

In 2023-2024 a grant of £34,000 was received from the Benefact Trust (2022-2023: £5,000 from the Edward Vinson 1957 Charitable Settlement) restricted to researching the most effective ways to improve the lives of vulnerable young people with a particular view to increasing wellbeing through enhancing life opportunities, including to prevent involvement with the criminal justice system and to respond to the challenges of being in the criminal justice system, and reduce re-offending.

Shrewsbury Flaxmill Maltings

In 2023-2024 donations of £7,539 along with Gift Aid on donations of £1,705 were restricted to work undertaken at Shrewsbury Flaxmill Maltings (2022-2023: grants of £14,127; donations of £65,865 and Gift Aid on donations of £4,606).

Grants of £44,456 (2022-2023: £200,954) were awarded to Historic England during 2023-2024 in relation to this fund.

13 Related Party Transactions

Historic England is the sole member of the charity and is regarded as a related party. Grants of £382,677 (2022-2023: £1,669,111) were given to Historic England. Grant funding of £48,883 was returned to the charity by Historic England due to a miscalculation in the previous year, leading to an over-payment. Historic England invoiced the charity in respect of shared services of £42,295 (2022-2023: £36,310 and website build costs of £54,877) which was unpaid at the end of the financial year. Historic England also provided capacity building grant funding to The Historic England Foundation of £55,000 (2022-2023: £108,077) which was unpaid at the end of the financial year. £108,077 of capacity building grant funding was received during 2023-2024 from Historic England relating to the previous financial year.

During the year, the charity had the following related party transactions which require disclosure:

- Sir Laurie Magnus, former trustee of The Historic England Foundation and former commissioner of Historic England, gave a donation of £6,000 towards Shrewsbury Flaxmill Maltings.

No other trustees or other related parties have undertaken any material related party transactions with the charity during the year.

14 Controlling Parties

The parent entity and ultimate controlling party of The Historic England Foundation is Historic England (Historic Buildings and Monuments Commission for England) which is the public body that helps people care for, enjoy and celebrate England's spectacular historic environment which they achieve by:

- ▶ Championing historic places;
- ▶ Identifying and protecting our heritage;
- ▶ Supporting change;
- ▶ Understanding historic places; and
- ▶ Providing expertise at a local level.

Historic England as sole member of the charity and under the charity's articles of association has the power to appoint and remove trustees.

Copies of the consolidated accounts are available to the public and may be obtained from www.historicengland.org.uk.

15 Events after the Reporting Period

There were no events after the reporting period to be declared in these accounts. The accounts were authorised for issue on the date the Independent Auditor's Report was signed.