



Burghley

Annual Report 2023

Burghley House
Preservation Trust

Contents

Foreword	4
Review of the year	5
Independent Auditors' Report	22
Consolidated Statement of Financial Activities	26
Balance Sheets (Group and Charity)	27
Consolidated Cash Flow Statement	28
Notes to the Accounts	29
Legal and Administrative Details	48



Foreword

This last year has been one of tremendous improvement and investment in the visitor business at Burghley. Governors have always set great store by giving all our visitors the best possible experience during their time at Burghley and it was recognised that it was time to update and refresh what we offered in line with the expectations of all who come here. A visitor Masterplan commissioned in 2020 by the Burghley House Preservation Trust from Purcell architects identified a series of projects that were prioritised for delivery and this, in tandem with research commissioned in 2021 with BDRC consultants, identified opportunities to reach new audiences and improve customer experience. Accordingly, after many months of anticipation, hard work and upheaval, 'Hide and Secrets', our new adventure play area and new car park have opened. This has enabled the restoration of an important area of the park and the protection of one of our ancient lime avenues. There is now a greatly improved aspect on arrival and a palpable sense of new energy in Burghley Park.

These projects are the culmination of careful planning and considered research into our existing facilities and areas for development at Burghley and it is immensely gratifying to see them brought to fruition and buzzing with families enjoying themselves, bringing life to a new area.

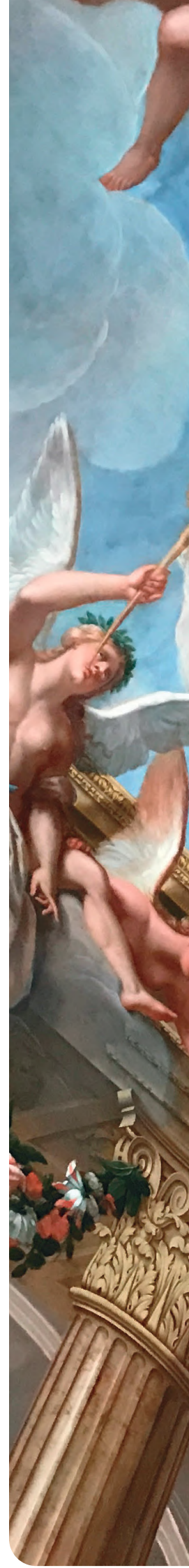
One of our key objectives at Burghley is the advancement of historic and aesthetic education and along with our ongoing Education programmes - offered to schools, families and adults throughout the year - we have always made every effort to share information on the history of the estate, the house, and the works of art with anyone who is interested. To do this we have an immense resource at our fingertips: one of our most protected assets is the extraordinary archive at Burghley. This is a collection of documents from the 11th to 21st century containing manuscripts (including diaries, letters, bills and deeds) photographs, drawings, maps, plans, books, newspaper cuttings and brochures. All important documents and those dating from before 1700 are kept in the Muniment Room within the house - the earliest being a charter of William II dated 1094. The Muniment Room houses approximately half a million items contained in eight huge steel safes, and supplementary document storage. Almost every item has now been catalogued and added to a digital database by our archivist, Rosemary Canadine.

We are extremely fortunate that a huge amount has been done to research and document the works of art. While some of our archive manuscripts offer primary source material, on a day-to-day basis, probably the most useful resource is our digital collections inventory. This comprises some 6,000 objects, and enables us to refer to the location, references, condition and provenance of every work of art in the house. Public access has been made available to our digital inventory through a 'Search the Collections' facility on our website for anyone who is interested. However, in spite of all the work that has been done to research the history of the collection, very occasionally something crops up to surprise us and leaves us scratching our heads. One unexpected happy outcome of the creation of the new car park was the chance discovery of an unknown treasure.

During the last week of construction, our particularly vigilant digger-driver noticed an unusual lump amongst the piles of excavated spoil. Excitingly this turned out to be a 2nd Century Roman marble head and further exploration revealed the accompanying 17th Century bust and pedestal that it would have been mounted on. How it ended up in the middle of the park, away from the house and formal gardens we can only imagine. We can assume that it arrived here as part of the extensive purchases made by the 5th or 9th Earls of Exeter during their extensive trips to Italy in the late 17th Century or the 1760's. Frustratingly, as yet no reference to this treasure can be found in any of the contemporary records - was it secretly buried by someone hoping to remove it at a later date? - we will never know. Our 'new' treasure is now undergoing careful restoration in London and will be returned to Burghley this autumn and displayed for the enjoyment of our visitors amongst the marble statuary collected by the Earls of Exeter - where perhaps it was originally intended to be.

An immense amount of work goes on throughout the year to make Burghley a wonderful place to visit. A constant programme of restoration, maintenance and innovation requires real dedication and draws on the huge variety of skills that we have amongst our team. It is a matter of great pride for us all here that Burghley continues to flourish and I hope that you will continue to visit or stay in touch with us throughout the year.

Melinda Rock



Review of the year

It seems no time at all since the last annual report was written, yet once again we have had a busy year at Burghley across many areas of our activities.

When considering and instigating change within an historic estate, time must be given to consider the impacts and significance of the change and the ramifications that it may bring. Change, amongst other things, can be disruptive, and that disruption can be a slow and steady realisation that it is time to evolve, and ever increasingly, as the modern world teaches us, change is time-consuming and impactful!

Over the last 12 months we have undertaken significant planning and preparation to deliver our new visitor car park and adventure playground, 'Hide and Secrets', which are exciting additions to our House and Gardens visitor offering. Long discussions, debate and consideration have been given by our teams to the impacts that may occur from these development plans, and almost all teams from across the Estate have been involved in some form of contribution, creativity and thought towards the projects.

Construction of the projects is now complete, and both are wonderful new additions and offerings for our visitors. We have been delighted to partner with local firms Burmor Construction and L4 Civils on the new car park, and with Capco from East Anglia on the Adventure Playground. The construction projects will deliver some of the most significant visitor-based changes at Burghley over the last two decades and we hope to encourage visitors both new and old to return to Burghley now and in years to come.

Elsewhere across the Estate, we push forward with our delivery of the urban extension at Stamford North. We continued our public engagement sessions to further understand what is needed throughout Stamford and reflected their input in our outline planning application submitted to South Kesteven District Council and Rutland County Council in January of this year. We hope to see resolution to this application over the next calendar year. Our team continue to consult intensively on education and health provision for the new development, as we see these provisions as key to successful long-term placemaking and development, and a vital addition to Stamford.

Our partnership continues with South Kesteven District Council on St Martins Park as we move forward our delivery of the site through careful collaboration with key partners. Our teams have been busy aligning all infrastructure matters required for a complex site with high design requirements in proximity to both the Railway and close to the River Welland.

Elsewhere across the portfolios, our team have been busy pushing towards completion on our residential development at Welland Farm in Barrowden. When complete in the next few months, this scheme will deliver 5 new market homes and 1 affordable property into the 'let' portfolio. It has not been an easy task to balance increasing construction costs against the viability of the overall project, but we are excited to add new homes into our property portfolio which provide energy efficient living, reflecting the growing demand for more cost effective modern homes.

A sustainable approach to our Charitable activities, our land and how we farm is important to us. We have therefore, in the last 12 months, devoted human resource to those goals. It is heartening to see real progress being made with our initiatives, the enthusiasm adopted by our teams estate-wide is contagious and we aim to continue to evolve our ideas and practices throughout Burghley as sustainability, nature, wildlife and farming are hugely relevant to us.

Burghley Horse trials returned in 2022, the first since the start of the pandemic, and was bigger and better than ever. The new team in place delivered an exceptional, world-class equestrian competition, social and lifestyle event. Derek Di Grazia succeeded Captain Mark Philips as Course Designer and we are much looking forward to seeing how his course design will steward the cross-country course forwards over the coming years, as eventing evolves as a sport. A year of many firsts for the team involved, one to note in particular would be the successful launch of our livestreaming capability for subscribers to watch the entire event from wherever they wish, as a significant addition to our BBC contract.

As we look forward to the year ahead, the relocation of our car park will allow us to begin the restoration of important parkland to its historic landscape position. Our teams will concentrate on embedding our new playground and car park within our visitor offering, alongside the long-term property growth on the large urban schemes that is vital to the long-term growth and health of the Estate. Our teams, estate-wide, will continue with the simply excellent management and delivery of our day-to-day operations, all whilst looking ahead to future opportunities.

The Visitor Experience

The Governors of the Burghley House Preservation Trust are constantly looking for ways to improve the visitor experience at Burghley whilst being mindful of the impact this might have on the House and collections.

Burghley House opened from 19th March through to 30th October 2022. The gardens were open every day during this time, the State Rooms opened six days per week, closing only on Fridays to enable maintenance and conservation work to be carried out and to allow the House to be used for private events and filming. 83,335 people visited the house and gardens during the open season. Although this was a considerable increase compared to 2021, when the country was still recovering from the Covid Pandemic, it was still approximately 18% down on the pre-pandemic visitor numbers achieved in 2019. While the domestic market has bounced back after the pandemic, international visits and group travel have been slower to recover. The overall number of visitors does not include the many more people who attended private functions, weddings and larger scale festivals and events in the park or those who simply enjoy the park on a regular day to day basis during the entire year, free of any admission charge.



Since 2006 an annual exhibition has been held in 'The Treasury' in the Brewhouse interpretation centre. The 2022 exhibition featured The Collections of Two Countesses, Anne Cavendish (pictured top) and Hannah-Sophia Chambers (pictured below), two highly independent and spirited women with a passion for collecting. The exhibition provided a unique insight into the personal collections of the two Countesses, showcasing items from their private quarters which are not usually on public display.

Each year a specially curated temporary exhibition is displayed in the Sculpture Garden to showcase different styles and the versatility of the sculpture medium. 2022's exhibition featured the work of two artists. Marjan Wouda sculptures took us into the seemingly familiar realm of animals. Going beyond mere appearance, she delivered telling renditions of their characteristics, pose and behaviors. Diane Maclean's explored lines of light, with sculptures fabricated with brushed steel, to subtly capture the changes in tone and intensity of sunlight.



Marjan Wouda,
Zachte Kracht



Diane Maclean,
Thresholds



Marjan Wouda,
Daun Russell

The Visitor Experience

Over the summer our visitors had the opportunity to experience an award-winning virtual reality production called 'The Light in the Shadow', which looked at the Life of Artemisia Gentileschi using the latest immersive VR technology. Burghley owns one Gentileschi's better known paintings, 'Susannah and the Elders', which featured in the production and was on display in the Heaven Room while the VR production was on.



Events staged in Burghley Park continue to attract large audiences throughout the year. Approximately 8,000 people took part in the Rat Race's 'Burghley's Dirty Weekend', a festival style occasion, where competitors are able to camp in Burghley Park before taking part in a gruelling 20 mile, 200 obstacle endurance race. For those who had any energy left the weekend culminated in an evening of live music and revelries in a big top marquee.

Living Heritage staged the 'Burghley Game and Country Fair' once again over the Spring Bank Holiday weekend. There was the full range of country pursuits, from angling demonstrations on the lake to clay shooting and from dog agility races to horse boarding - an exciting extreme sport, where a boarder is pulled at speeds of up to 28mph around a series of obstacles by a galloping horse.

Our summer concerts were also well attended. Approximately 5,500 people enjoyed the 'Battle Proms' and 'Classic Ibiza' sold out with a capacity audience of 7,000 people.

Burghley once again played a starring role for the filming of Netflix's hit TV series 'The Crown'. Series 5 and 6 were filmed when the House was closed for visitors at the start and end of the year. Although filming is a huge upheaval, it is always very welcome and now contributes a significant amount of income for the ongoing maintenance and preservation of the House and Estate.

The Burghley House Collection

Burghley is one of the finest examples of a late 16th century 'prodigy house', built by one of Queen Elizabeth's most trusted and important ministers, the Lord High Treasurer, William Cecil (1521-1598.)

The House contains an outstanding collection of fine art, amassed by the Cecil family over a 400 year period. Most areas contain objects of National importance, of which some highlights are:

- 17th & 18th century Italian Old Master paintings.
- 17th & 18th century English and Continental furniture.
- Oriental and European ceramics.
- Chinese snuff bottles.
- English portrait miniatures.
- English & European 17th century tapestries.

Management of the Collection is the responsibility of the resident Executive Chair, Miranda Rock (a member of the Cecil family), and a curatorial department led by Jon Culverhouse, who has been looking after the Collection since 1984. The Collection has been comprehensively inventoried and investigated by a number of the foremost experts in their fields. A computerised record of every object of note is kept: these records are constantly reviewed and revised.

Conditions within the House are monitored and great efforts have been made to ensure stability of temperature and humidity as far as is possible within an historic building. Sensitive objects have been allocated specialised storage areas. A detailed photographic record of all objects was commenced twenty years ago and its preparation continues today. Some 70% of the Collection is now recorded.

The State Rooms of the House are open to visitors, daily, for approximately 28 weeks each year. Other areas are always available for scholastic research by appointment. We have a pro-active approach to loaning objects to other collections, both nationally and internationally. In recent years, major exhibitions have travelled from Burghley to museums in the USA and Japan. A major development of display facilities at the House, undertaken in 2003 with assistance from the Heritage National Lottery Fund, has provided a substantial specialised display area.

Each year exhibitions are mounted to concentrate on aspects of the Collection. This opportunity is used to show visitors objects that are not always on display. There is also an ongoing programme of rotation of objects to ensure that items are exhibited in the public part of the House as much as is practicable.

Acquisitions to the Collection are now rare. However, on occasion, the Governors of the Trust have been able to make funds available for the purchase of an object of outstanding importance, sold or transferred by previous generations. As the Trust exists for the preservation of the House and its contents, there is no need for a disposals' policy.

A successful collaboration has enabled an important painting to be fully conserved.

~ The Burghley House Collection

As mentioned in previous reports, The Burghley House Collection frequently lends works of art to other institutions, both in this country and abroad. In late 2021, we received a request from a Danish museum, the Nivaagaards, a small but important museum with an excellent Collection. Their Director planned to hold an exhibition of paintings by a remarkable 16th Century female artist, Sophonisba Anguissola.

Sophonisba was born in Cremona around 1552. Encouraged by her father, and quite unusually for a young woman in her day, she trained as a painter. Her talent, particularly for portraiture, quickly brought her work to the attention of important patrons, including King Philip II of Spain, who brought her to Madrid and appointed her as a lady-in-waiting and tutor to his young Queen. Sophonisba painted the portraits of the royal family, taught the Queen to draw and became very close to the young princes and princesses in the royal court.

Following the Queen's death, Sophonisba returned to Italy, where she became famous for her portraits. She continued to paint until the remarkable age of 93, dying in 1625. She was the first female artist of the Renaissance to achieve international fame during her lifetime. However, after her death her paintings fell from fashion, and it was not until the 20th Century that her genius was again recognised.

Brownlow, 9th Earl of Exeter, purchased 'A Portrait of an Old Man' by Anguissola whilst travelling in Italy in 1763. It has hung in the First George Room at Burghley since then, during which time the canvas had slowly become unstable and varnish applied in the 19th Century had become discoloured, rendering the finer details of the painting almost invisible. Due to its fragile state, the initial decision was that we should not lend the painting. However, on hearing this, the Danish museum offered to pay for half of the cost of conservation. Due to this generous offer, the painting spent four months undergoing expert conservation at the prestigious Hamilton Kerr Institute, a part of the University of Cambridge. The results were spectacular. All damages and weaknesses were repaired, and a wealth of hidden details and delicate brushwork were revealed. The painting travelled to Denmark, where it was a star feature in the exhibition, 'Sophonisba – History's forgotten miracle', a show that attracted record numbers to the museum. The painting is about to return to the house, stable and safe to be displayed to our visitors in the future.

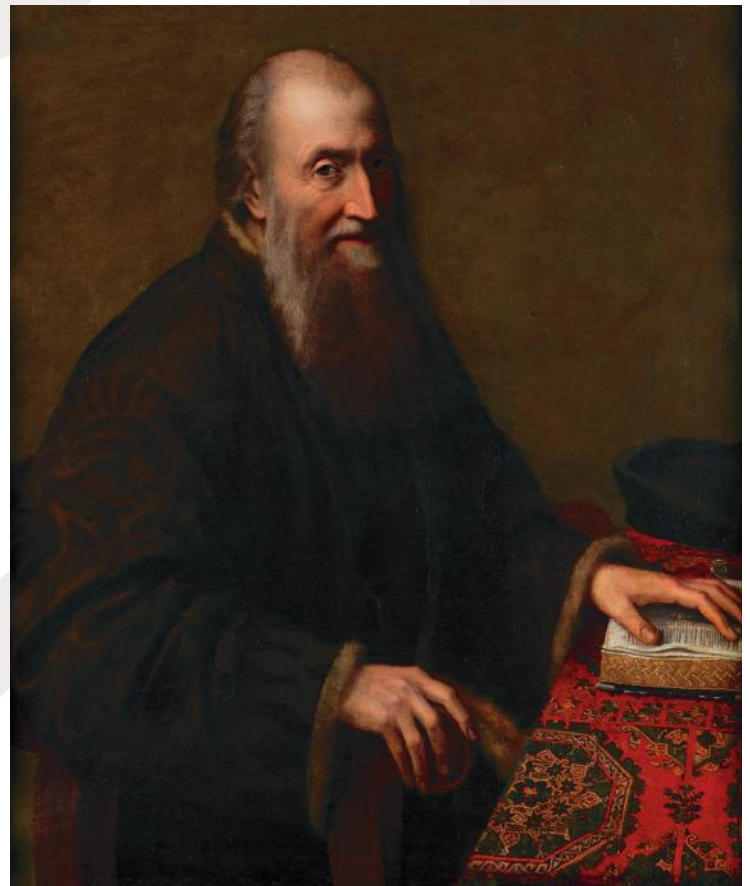


Image right: 'A Portrait of an Old Man' before heading to the Hamilton Kerr for repair (2021).

A successful collaboration has enabled an important painting to be fully conserved.

~ The Burghley House Collection



Image left: 'A Portrait of an Old Man' during the cleaning process. Old damages clearly visible.

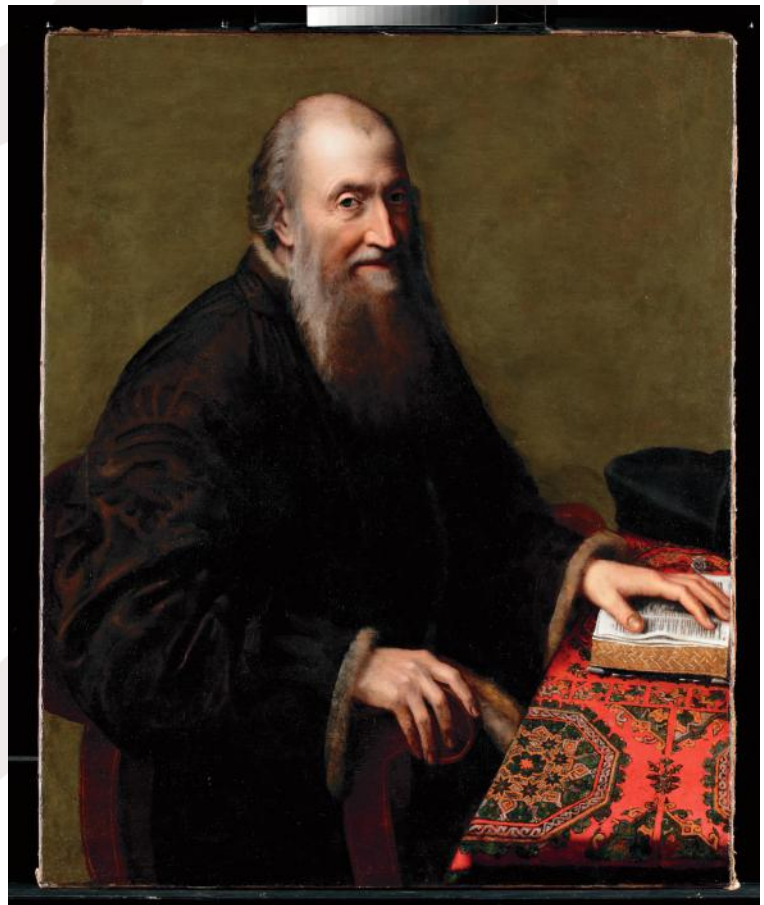


Image right: 'A Portrait of an Old Man' result following a successful restoration at the Hamilton Kerr Institute (August 2022).

Vital restoration complete on the historic Lion Bridge

August 2022 saw the completion of one of Burghley's biggest preservation projects – the restoration of the iconic 18th Century Lion Bridge.

The restoration work to Lion Bridge had been classified as urgent when regular quinquennial inspections revealed the structure was at risk due to water ingress through parapets and road surface causing a gradual and chronic deterioration.

Made possible by funding from the government's Culture Recovery Fund, the works took eight months to complete and involved a range of specialist conservation and restoration techniques, expertise, and materials. The project progressed using a combination of locally based companies who worked with a very experienced conservation contractor all overseen by Burghley's own management team. Every element of the works was carried out in close consultation with Historic England to ensure the works were historically accurate, sustainable, and aesthetically appropriate.

Ensuring the Grade I listed Lion Bridge is preserved for the next 100+ years, the repairs involved removal of the modern tarmac road surface and replacement with stone cobbles which are more in keeping with a bridge of this style, along with the re-introduction of drainage channels either side of the carriage way, repointing to the parapet stonework, gentle cleaning of the archways to remove staining and conservation of the metal gates on either side of the bridge.

Administered on behalf of the Department for Digital, Culture, Media and Sport by Historic England, the Culture Recovery Fund was set up to protect heritage, arts and cultural organisations across England from the economic impact of Covid-19. Burghley House was one of 142 Heritage sites in England which were selected to receive funding from the Grants for Programmes of Major Works under the fund to help pay for vital repair projects and conservation work. Burghley Estate was awarded a grant of over £400k for the Lion Bridge restoration and invested a further £110k itself.

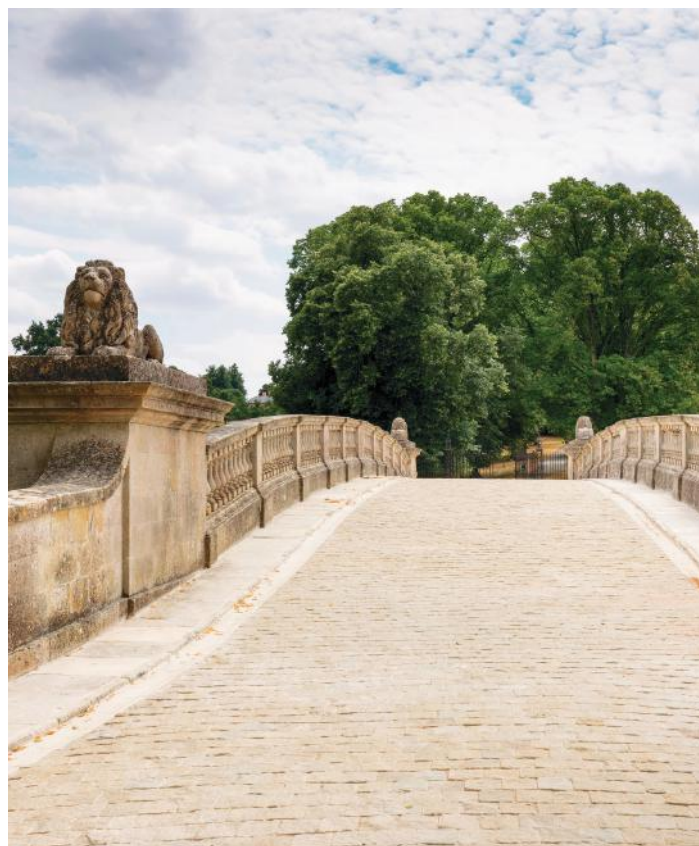


Image above: Lion Bridge completed following eight month restoration.



Images above: Contractors laying new stone setts during restoration.

A Service of Thanksgiving for Lord Burghley at Westminster Abbey



A Service of Thanksgiving to celebrate the birth and lasting legacy of William Cecil, Lord Burghley, was held at Westminster Abbey on Wednesday 22nd June 2022.

The grand memorial service, organised by the Lord Burghley 500 Foundation, was the culmination of a two-year long programme of events to mark the quincentenary of Lord Burghley's birth in 1520.

Academics, family members and Burghley staff gathered to remember and celebrate Lord Burghley's life. The service was given by the Dean of Westminster, the Very Reverend Dr David Hoyle, and HRH Princess Alexandra was in attendance.



Highlights included a specially commissioned Anthem composed by James MacMillan, and an address by Lord Chartres of Wilton and historian Dr David Starkey CBE gave a tribute. The Lord Barnard, Viscount Cranborne and Marquess of Salisbury gave readings, and the prayers were led by the Reverend Mark Birch, Minor Canon and Precentor. The service was sung by the Westminster Abbey Special Service Choir, conducted by James O'Donnell, Organist and Master of the Choristers. The organ was played by Matthew Jorysz, Assistant Organist. There were performances by London Viols before and during the service.

As the Reverend said, Burghley 'has shaped our history, as he shaped so much of the cultural and intellectual life of the first Elizabethan age. We remember a man of high and disciplined intelligence, a loyal public servant of rare ability, and a man of boundless energy and range'.

The service, in the place where Burghley served as Lord High Steward, was a moving and fitting end to the quincentenary celebrations.

The foundation continues to commemorate Lord Burghley's legacy by promoting projects through education and training. They have endowed visiting research fellowships at Cecil's old school, St John's College, Cambridge, and will continue to work with schools, particularly those areas near Hatfield and Burghley House to build programmes - both academic and technical.

Land Rover Burghley Horse Trials

Burghley Horse Trials returned to the Calendar in 2022 following a three-year absence. The main objectives for the 2022 event were to:

1. Deliver a successful event
2. Run a financially sustainable event
3. Learning & Research

In many ways it was a challenging year with huge cost increases of between 20-30% on some of our contracts, a new operational team and not knowing how our stakeholders would react to the return of Horse Trials. There are many learnings to come out of 2022 but, most importantly, as a Burghley team we delivered horse trials successfully. There was a huge clamouring from our many stakeholders and a great positive vibe on event. All in all, we have hopefully laid the foundations to build on into 2023 and secure the long-term future of the horse trials at our iconic venue.

As part of building for the future it is important that we recognise changing trends and audiences. Whilst horse trials continues to enjoy the support of a committed audience we must also ensure we present our event to new audiences and the younger generations. Presentation of horse trials both on event and digitally is a key focus for us which we recognise must retain balance so as not to lose our committed dedicated followers. The use of new technologies is also vital in the management of event. E-ticketing will be used in 2023 for our public admission which will allow much more flexibility in our box office delivery and supports our drive on Environmental Sustainability. As we move more to digital it is key that the park infrastructure can support that with good connectivity.

Land Rover remain our Title Partner but under a new name! As part of Land Rover's wider global marketing strategy Burghley Horse Trials will now be known as Defender Burghley Horse Trials. Good conversations continue to take place about a longer-term partnership with an extension to the current contract now in place. We are also currently reviewing all our commercial assets including the successfully launched Burghley TV which came online for the 2022 event. We are very pleased with the launch of Burghley TV which was extremely well received. Our plan is to increase the audience that follow and subscribe. We will continue to invest in Burghley TV to ensure we maintain a high-quality output. It is also vitally important for our future with the changing trends in how people consume content that we have the relevant assets available to commercialise.



Looking to the future

Objectives for 2023/24

To continue to attract a high number of visitors to Burghley House

Our new digital ticketing system – Visisoft – will enable us to understand more clearly the patterns of our existing visitors and encourage them to return. We will also make every effort to reach new audiences this year with a varied programme of events and activities. As well as our established event calendar comprising craft workshops, concerts and food markets, Horse Trials, Spooky Tours and a bigger than ever Christmas Fair, we have introduced an opera evening in the South Gardens, a silent disco that will be held in the Chestnut Yard, Burghley Bat Walks -to learn about different bat species that live in the parkland, 'Fire and Wild' outdoor dining experience in the Park and Autumn garden walks with our garden team.

The early success of 'Hide and Secrets' and extremely positive feedback has demonstrated that investment into this new attraction for our visitors has been very well received. The success of this project has been the result of a joined-up approach developed by our marketing team to create a uniquely Burghley experience. The invention of a character 'Cecil the Mole' – reflecting the history of William Cecil, 1st Lord Burghley as reputed spy-master in the court of Elizabeth I, gave spirit and inspiration to the project. The exceptional work done by our own gardening team to bring this to life through landscaping, planting and ingenuity has provided additional areas to climb and explore, significantly enhanced and enlarged the visitor journey to the towers and is both whimsical and fun. Work will continue to develop child-focussed interpretation of the planting and wildlife in this area and throughout the gardens through creative collaboration between the gardening and the education teams.

To offer a wide variety of educational opportunities for both children and adults

We continued to offer a rich and varied program of events to visiting school children throughout the year. However, this year we have noticed a marked increase in schools taking up gardens-based activities such as our 'Green Plants' and 'Minibeasts' workshops. We have also noticed an increased uptake in visits from KS1 (infant school) students and KS3 and 4 (Secondary) students. In terms of our informal educational provision; Beastly Boring Burghley family tours and holiday craft workshops have both been extremely popular this year.

The cost of living crisis and high fuel costs are undoubtedly affecting the willingness of schools to plan visits but we have exciting plans for the future to develop new workshops and increase capacity. We have recruited several new staff members who can boost our capacity during peak times.

Our future plans include updating some of our older workshops to reflect curriculum changes. Other exciting plans for the year ahead include looking for ways to increase our EYFS (Early Years) provision following on from successfully boosting our KS1, 3 and 4 provision. Our main obstacle to increasing Early years provision is teaching space, especially in the gardens, and we going to look at this over the coming year and see if we can find a way to resolve this challenge.

To continue to repair, restore and conserve the fabric of the buildings at Burghley House

The work for this year will be based around the priorities for repair highlighted in the quinquennial inspection of Burghley House, more specifically the on-going programme of stonework repairs.

To be mindful of our responsibility to protect our natural environment and to create a more sustainable Estate.

We have worked hard to facilitate positive cultural change that reflects our commitment to sustainability across the entire business. We have made investment to enable significant improvements in day-to-day life, for example in the creation of a new waste separation and management centre which handles all waste from our agricultural and property portfolio.

We have entered an additional 196 hectares of woodland into Countryside Stewardship with the aim to enhance habitat and enrich biodiversity. We have commissioned a carbon impact assessment which will inform the success of our arable reversion in areas of the park and we will continue to monitor this. We are planting 70,000 native species trees across 40 hectares under the Queen's Green Canopy scheme, which will add to our sequestration of carbon and mitigation of carbon emissions.

Moving forward, Burghley is looking to generate renewable energy for the House, ancillary buildings and the Golf Club. We hope to obtain planning permission for a ground-mounted solar system and break ground within the next year. The above two projects will not only provide us with a degree of self-sufficiency and energy security, but also demonstrate our commitment to reducing our dependence on fossil fuels. We will continue to work on improving our goal to be more sustainable and safeguard the future of Burghley.



Strategic Report

Achievements and performance

The year ended 31 January 2023 was the first full year of business for the Trust since the beginning of the pandemic in 2020. Burghley House and Park was opened to the public all year and a full calendar of events at the House and Park were held.

There was also a successful return of the Burghley Horse Trials. Despite the last two years being cancelled, large numbers attended the event and a significant amount of the losses incurred during the cancellations recovered.

The Trust's property portfolio also returned the overall level of income received before the pandemic, although the commercial property sector, especially hospitality, remains weakened due to economic conditions particularly increased utility costs.

The Trust's achievements for the year are stated on pages 5 to 14.

Income

Income derived from investment properties and other property assets owned by the Trust amounted to £5.1 million (2022: £4.9 million), this was only a 3% increase on the previous year and has not kept pace with the rate of cost increases on property. This was a result in a fall in income from commercial income which has not yet returned to pre-Covid levels.

Income from the showing of Burghley House rose to £857,301, an increase from £191,400 in the previous year. This compares to £868,657 in 2020 which was the last full year the House was open.

Trading activities income rose by £5m due to the return of the Land Rover Burghley Horse Trials, which were cancelled during the financial years ending 2021 and 2022. Other trading income also included an increase in income from functions and exhibitions which almost doubled from the previous year to £628,089.

Costs of raising funds

Expenditure on generating funds increased to £9.1m million (2022: £5 million) this increase was largely due to the costs associated to the Land Rover Burghley Horse Trials noted above. Costs to open Burghley House to the public also increased due to the return of a full year's opening.

Cost of charitable activities

The cost of repairing and restoring the fabric of Burghley House and its collections came to £2,322,695 (2022: £1,731,446) which also reflects a return to previous levels of expenditure, made possible by increased income.

A significant grant from Natural England was received to aid the restoration of Lion Bridge inside Burghley Park. This work has now been completed and the Lion Bridge restored to its former glory.

Strategic Report

Surplus for the year

The Trust showed an unrestricted income fund surplus for the year of £526,146 (2022: surplus £721,090), an unrestricted expendable endowment fund surplus of £2,971,874 (2022: surplus £4,206,794) and a restricted expendable endowment fund deficit of £4,760 (2022: deficit £4,760).

The net surplus is £3,313,260 (2022: surplus £4,923,124) and has been added to unrestricted income, unrestricted expendable endowment and restricted expendable endowment funds.

This result is stated after deciding to revalue the investment properties by £3,000,000 (2022: £4,000,000 increase).

A transfer of £5,778,567 was made from the unrestricted income fund from the unrestricted expendable endowment (2022: £5,393,949 to the unrestricted income fund) in accordance with the reserves policy below.

Burghley Enterprises Limited made a profit for the of £575,438 (2022: £999,156) and is incorporated into these accounts. The profits are paid up to this Charity under Gift Aid.

The Governing Body do not consider it would be appropriate to make provision in the accounts for the significant cost of dealing with the backlog of dilapidations to property owned by the Charity. Nevertheless it is necessary to read the accounts in the knowledge of the quantum of expenditure which is outstanding. These future costs are discussed in the reserves policy below.

Reserves policy

The Governors have reviewed the Charity's reserves policy, taking into account future income projections and expenditure plans in line with the strategic plan of Burghley House Preservation Trust, together with the associated risks and opportunities.

The Governors policy is to maintain a level of reserves which will provide a stable base for the Charity's continuing activities and enable the Charity to adjust to any significant change in financial resources through unplanned events, whilst ensuring that excessive funds are not accumulated.

Governors intend to invest any surplus of income into either its Heritage Asset, to fulfil the Charity's objectives, or to invest further into its endowment to provide increased income in the future. A transfer between the unrestricted income fund and the unrestricted expendable endowment fund is made to reflect this investment.

Advantage has been taken of affordable bank debt to provide working capital to finance the fulfilment of the objectives and property development and as a consequence the income account is overdrawn.

The total reserves of the Charity were £83,933,997 of which £1,099,240 were restricted expendible endowment funds and £87,544,119 were unrestricted expendible endowment funds. The unrestricted income fund was £4,709,362 overdrawn.

Strategic Report

Investment policy

The Governors have reviewed and retained the Charity's investment policy, which states that the Governors of the Trust wish to pursue a policy that provides revenue for its current purposes and enhances income and capital growth over the longer term, thereby enabling them to meet their current and future objectives in accordance with the purposes of the Charity.

The Governors, in delegating their investment security management to Cazenove Capital Management Limited, require the managers to pay attention to the standard investment criteria, namely the suitability of the class of investment and the need for diversification insofar as is appropriate to the circumstances of the Charity. The same criteria apply to the Agents managing their investment property portfolio.

The Governors have a duty to optimise financial returns for the Charity, but may exclude certain types of investment from the investment security portfolio, taking into account social and environmental issues.

During the year to 31 January 2022, the investment security portfolio generated total revenue of £39,073 (2022: £27,885) and realised and unrealised losses of £52,062 (2022: gains £203,976). The investment property portfolio generated net revenue of £3,206,075 (2022: £3,350,339), as referred to in the sections above. Given the prevailing market conditions during the year, the Governors were satisfied with the overall performance of the investments.

Principle risks and uncertainties

Governors have identified areas of potential risk and uncertainty:

- The loss or destruction of the Charity's historic property and collections
- The ongoing liability to repair and restore Burghley House and contents
- Decreasing visitor numbers to Burghley
- The risk of investment income declining as a result of a weak property rental market
- The loss of sponsorship of the Burghley Horse Trials

Governors have put in place a number of measures to manage these risks. There are regular reviews of the condition of Burghley House by qualified architect. Annual exhibitions and other events are held at Burghley House to attract visitor interest (detailed in this report). Continued inward investment is made to the property portfolio and there is also an ongoing programme of investment diversity. The Burghley Horse Trials is managed with the intention of being the best equestrian event of its type in the world in order to attract commercial sponsorship.

Public benefit

The Governors confirm that they have referred to the guidance contained in the Charity Commission's revised general guidance on public benefit when reviewing the Charity's objectives and planning future activities.

Donations

During the year the Charity made charitable donations amounting to £11,800 (2022: £2,500).

Structure, Governance and Management

Company

The Governors are Directors of the Charity for the purposes of the Companies Act 2006. The Charity is a Charitable Company Limited by guarantee and was set up on 3 April 1969. It is governed by a memorandum and articles of association.

Governors

The Members of the Governing Body who served the Charity during the year were:

- ~ The Hon Edward Leigh-Pemberton (Chairman)
- ~ Mr J C S Chenevix-Trench
- ~ Mr E G Clive
- ~ Sir Giles Floyd Bt
- ~ Mr E M Harley OBE
- ~ Mrs Cressida Hogg CBE
- ~ Mr W A Oswald
- ~ Mr W H M Parente
- ~ Mr S J Richmond-Watson
- ~ Mr B T J Stevens

None of the Governors had a beneficial interest in any contract outside the normal course of business to which the Charity was a party during the year.

From time to time a panel of Governors will consider the addition of new members to the Governing Body. Any proposals from such a panel is brought to the full Governing Body for its approval. In addition to receiving an induction pack, new Governors undergo an orientation day with the Chairman, Executive Chair and Chief Executive Officer of the Charity to brief them on the legal obligations under charity law, the decision making processes and the recent financial performance of the Charity. Governors are encouraged to attend appropriate external training events where these facilitate the undertaking of their role and are also provided with legal and accounting updates are required.

The full Governing Body of the Charity meets formally three times a year, and deals with planning and strategy decisions and reviews the activities of the Charity. Important issues arising between meetings are normally dealt with orally or by correspondence by the Chairman. Day-to-day management of the Charity is delegated by the Governors to the Executive Chair and Chief Executive Officer, who report weekly to the Chairman and regularly to the various committees of Governors.

Structure, Governance and Management

The Governors' responsibilities

The Governors (who are also Directors for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the group and the incoming resources and application of resources, including the net income and expenditure for that period. In preparing those financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 Charity will continue in business

The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and the group and to enable them to ensure that the financial statements comply with the Companies Act 2006 and also with the requirements of the Statement of Recommended Practice (SORP) issued by the Charity Commissioners for England and Wales. They are also responsible for safeguarding the assets of the Charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Fundraising

The Governors take their responsibility under the Charities (Protection and Social Investment) Act 2016 seriously and considered the implications on their activities. The Charity does not raise funds directly from the general public and does not actively solicit donations. The Charity does not work directly with commercial sponsors but where commercial sponsorship is arranged for an event, such as the Burghley Horse Trials, a clear contract is in place between the trading company and the commercial sponsor. The Governors are not aware of any complaints made in respect of fundraising during the period.

Auditors

Saffery Champers have confirmed that they are willing to remain in office as auditors of the Charity and accordingly a resolution to reappoint them will be put to the Governors.

Statement of disclosure to auditor

- (a) so far as the Governors are aware, there is no relevant audit information of which the Charity's auditors are unaware, and
- (b) they have taken all the steps that they ought to have taken as Governors to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Structure, Governance and Management

Burghley Enterprises Limited

Burghley Enterprises Limited is a wholly owned subsidiary of Burghley House Preservation Trust Limited.

The company's principal activities are the provision of goods and services at Burghley House as well as property trading activities.

The directors of Burghley Enterprises Limited who served during the year were:

- ~ E M Harley (Chairman)
- ~ E G Clive, Esq (appointed 28 April 2023)
- ~ S J Richmond-Watson Esq (retired 28 April 2023)
- ~ Mrs MR Rock

Burghley Horse Trials Limited

Burghley Horse Trials Limited is a wholly owned subsidiary of Burghley House Preservation Trust Limited.

The company's principal activity is the management of a five-star rated equestrian event.

The directors of Burghley Horse Trials Limited who served during the year were:

- ~ W A Oswald (Chairman)
- ~ The Hon Angela Reid
- ~ T E Bonham
- ~ Mrs C Cecil
- ~ D J Pennell

Burghley Land Limited

Burghley Land Limited is a wholly owned subsidiary of Burghley House Preservation Trust Limited.

The company's principal activity is that of property development.

The directors of Burghley Land Limited who served during the year was:

- ~ D J Pennell
- ~ S J Richmond-Watson (appointed 28 April 2023)

Structure, Governance and Management

Burghley Barns Limited

Burghley Barns Limited is a wholly owned subsidiary of Burghley House Preservation Trust Limited.

The company's principal activity is that of property development.

The directors of Burghley Land Limited who served during the year was:

- ~ D J Pennell
- ~ S J Richmond-Watson (appointed 28 April 2023)

BPGC Limited

BPGC Limited is a wholly owned subsidiary of Burghley House Preservation Trust Limited.

The company's principal activity is that of a golf club.

The directors of BPGC Limited who served during the year was:

- ~ D J Pennell
- ~ S J Richmond-Watson (appointed 28 April 2023)

Dormant wholly owned subsidiary companies

Burghley Stamford North Limited

The directors of this company are:

- ~ D J Pennell
- ~ The Hon Edward Leigh-Pemberton (appointed 28 April 2023)

St Martin's Park Limited

The directors of this company are:

- ~ D J Pennell

Remuneration of key personnel

The remuneration of key personnel is monitored and authorised by the Resources and Remuneration Committee of Governors with reference to external factors when appropriate.

By order of the board

J E P Fitch
Secretary

Independent auditors' report to the members and Governors of Burghley House Preservation Trust

Opinion

We have audited the financial statements of Burghley House Preservation Trust for the year ended 31 January 2023 which comprise the Consolidated Statement of Financial Activities, Balance Sheets, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 affairs of the group and the parent charitable company as at 31 January 2023 and of the group's incoming resources and application of resources, including its income and expenditure, 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 FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or the parent charitable 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.

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

Independent auditors' report to the members and Governors of Burghley House Preservation Trust

Other information

The Governors (who are the directors for the purposes of Company Law and the Trustees for the purposes of Charity Law) are responsible for the other information. The other information comprises the information included in the Annual 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.

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

We have nothing to report in this regard.

Other matters 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 Governors' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Annual Report which includes the Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In 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 Governors' Annual Report and Strategic Report.

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

- adequate 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's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent auditors' report to the members and Governors of Burghley House Preservation Trust

Responsibilities of Governors

As explained more fully in the Statement of Governors' Responsibilities set out on page 26, the Governors (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 the 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 the 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 group or the parent charitable company or cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under this Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the Governors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with management and Governors and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company's include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Independent auditors' report to the members and Governors of Burghley House Preservation Trust

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or international misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 might state to the parent charitable company's members and Governors 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 parent charitable company, the parent charitable company's members and Trustees as a body, for our audit work for this report, or for the opinions we have formed.

Cara Turlington (Senior Statutory Auditor)

For and on behalf of Saffery Champness
Chartered Accountants & Statutory Auditors
71 Queen Victoria Street
London
EC4V 4BE

Saffery Champness is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Consolidated Statement of Financial Activities

incorporating the income and expenditure account

for the year ended 31 January 2023

		2023 Unrestricted Income	2023 Unrestricted Expendable Endowment	2023 Restricted Expendable Endowment	2023 Total	2022 Total
	Notes	£	£	£	£	£
Income and endowments from:						
Donations and grants	3	111,312	65,789	-	177,101	702,905
Other trading activities	3	7,622,201	-	-	7,622,201	2,760,718
Income from investments	4	5,052,472	-	-	5,052,472	4,927,016
Income from charitable activities	3	857,301	-	-	857,301	665,901
Other income		2,400	-	-	2,400	-
Total income and endowments		13,645,686	65,789	-	13,711,475	9,056,540
Expenditure on:						
Expenditure on raising funds		9,013,496	87,644	-	9,101,140	5,052,531
Expenditure on charitable activities		4,106,044	134,209	4,760	4,245,013	3,284,861
Total expenditure	5	13,119,540	221,853	4,760	13,346,153	8,337,392
Net gains/(losses) on investments	17	-	2,947,938	-	2,947,938	4,203,976
Net income/(expenditure)		526,146	2,791,874	(4,760)	3,313,260	4,923,124
Transfers between funds	17	(5,778,567)	5,778,567	-	-	-
Net Movement in Funds		(5,252,421)	8,570,441	(4,760)	3,313,260	4,923,124
Balance brought forward		543,059	78,973,678	1,104,000	80,620,737	75,697,613
Balance carried forward	17,18	(4,709,362)	87,544,119	1,099,240	83,933,997	80,620,737

The consolidated statement of financial activities has been prepared on the basis that all operations are continuing operations.

The notes on pages 29 to 47 form part of these financial statements.

Comparative figures are included in note 28.

Balance Sheets

as at 31 January 2023

		Group 2023	Group 2022	Charity 2023	Charity 2022
	Notes	£	£	£	£
Fixed assets					
Investment securities	7	3,359,508	3,388,460	3,408,023	3,436,975
Tangible assets	8	306,660	217,602	184,972	100,126
Investment properties	9	72,988,178	65,700,737	69,962,152	65,700,737
Heritage assets	10	12,295,672	10,988,481	12,295,672	10,988,481
		88,950,018	80,295,280	85,850,819	80,226,319
Current assets					
Stocks	11	6,490,465	5,253,202	98,445	77,757
Debtors	12	523,531	920,379	12,066,641	8,434,069
Cash at bank and in hand		3,494,736	3,870,132	2,560,578	2,736,143
		10,508,732	10,043,713	14,725,664	11,247,969
Creditors: amounts falling due within one year.	13	(1,824,753)	(1,403,475)	(1,363,398)	(986,850)
Net current assets		8,683,979	8,640,238	13,362,266	10,261,119
Creditors: amounts falling due after one year:	14	(13,700,000)	(8,314,781)	(13,700,000)	(8,300,000)
Net assets		83,933,997	80,620,737	85,513,085	82,187,438
Funds					
Unrestricted Income Fund	17	(4,709,362)	543,059	(3,130,274)	2,109,760
Unrestricted Expendable Endowment Fund					
- Historic cost	17	50,246,214	44,637,993	50,246,214	44,637,993
- Revaluation reserve	17	37,297,905	34,335,685	37,297,905	34,335,685
Restricted Expendable Endowment Fund	18	1,099,240	1,104,000	1,099,240	1,104,000
Total Funds		83,933,997	80,620,737	85,513,085	82,187,438


The notes on pages 35 to 52 form part of these financial statements.

As permitted by Section 408 of the Companies Act 2006, the parent Charity's Statement of Financial Activities has not been included in these financial statements. The parent Charity's total incoming resources for the year were £6,701,181 (2022: £7,237,763) which includes a donation of £575,438 (2022: £999,156) from its wholly owned subsidiary undertaking, Burghley Enterprises Limited. Burghley Horse Trials Limited and BPGC Limited are loss making this year, therefore does not feed into the Charity's total incoming resources for the year. The net surplus for the year for the Charity was £3,325,647 (2022: £5,945,377).

The financial statements were approved for issue by the Governors on 30 June 2023.



Edward Leigh-Pemberton - Chairman
Governor



Sir Giles Floyd Bt.
Governor

Consolidated Cash Flow Statement

for the year ended 31 January 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	20A	(3,048,109)	(2,354,967)
Cash flows from investing activities:			
Dividends, interest and rents from investments		3,206,075	3,350,339
Proceeds from the sale of property, plant and equipment		519,103	1,321,741
Purchase of property, plant and equipment (including capitalised borrowing costs)		(1,603,701)	(224,511)
Proceeds from sale of investments		881,488	625,706
Purchase of investments		(5,710,710)	(1,675,949)
Net cash provided by (used in) investing activities		(2,707,745)	3,397,326
Cash flows from financing activities:			
Repayments of borrowing		-	(7,649,034)
Cashflow from new borrowing		5,400,000	8,300,000
Finance leases		(21,510)	(39,322)
Net cash provided by (used in) financing activities		5,378,490	611,644
Change in cash and cash equivalents in the reporting period		(377,364)	1,654,003
Cash and cash equivalents at the beginning of the reporting period		3,883,480	2,229,477
Cash and cash equivalents at the end of the reporting period		3,506,116	3,883,480
Cash in hand		3,494,736	3,870,132
Cash held in investment portfolio		11,380	13,348
Total cash and cash equivalents		3,506,116	3,883,480

Notes to the Accounts

1 Accounting policies

Charity information

Burghley House Preservation Trust is a Charity domiciled and incorporated in England and Wales. The registered office is 61 St Martins, Stamford, Lincolnshire, PE9 2LQ.

The Charity does not have share capital, but its liability is limited by the guarantees of its members. Each member has agreed to accept liability of an amount not exceeding £1, should the Charity be wound up. At 31 January 2023 the total of such guarantees amounted to £10.

1.1 Accounting convention

These 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) (second edition) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been under the historical cost convention, as modified by the revaluation of investment assets appropriated to the Charity by the Burghley Estate Trust under the Deed of Appropriation dated 6 April 1987 and assets released by the Executors of the Estate of the 6th Marquess of Exeter. The freehold land and buildings held as investment properties forming the major part of the assets appropriated from Burghley Estate Trust and released from the Estate of the 6th Marquess of Exeter, have been reflected in the accounts at their market value at 31 January 2023. Investment securities are reflected in the accounts at market value. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

The group financial statements consolidate the financial statements of the Charity and its subsidiaries for the year ended 31 January 2023. The statement of financial activities (SOFA) and the balance sheet consolidate the financial statements on a line by line basis where appropriate. No separate SOFA has been presented for the Charity alone as permitted by Section 408 of the Companies Act 2006. Details concerning the subsidiary companies, along with their results and financial position are set out in note 22.

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the costs of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The costs of the combination includes the estimated amount of contingent consideration that is probably and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combination in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and association are accounted for at cost less impairment.

1.3 Going concern

At the time of approving the financial statements, the governors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the governors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Tangible fixed assets and depreciation

a) Heritage assets

Heritage assets are the tangible assets of the Charity that are of historical importance and are held to advance the preservation, conservation and educational objectives of the Charity and through public access contribute to the nation's culture and education.

The House, grounds and chattels transferred from the Burghley Estate Trust and under the terms of the Will of the 6th Marquess of Exeter, and subsequent development expenditure on these assets, are considered to be heritage assets and are integral to Burghley House.

Included within improvements to Burghley House and grounds are fixtures and fittings in relation to the Brewhouse and the Garden of Surprises which are included at cost and depreciated on a straight line basis calculated at an annual rate of 20% and 5% respectively.

Due to the historic and unique nature of the assets concerned conventional valuation approaches lack sufficient reliability. As a consequence the improvements to Burghley House and grounds (excluding fixtures and fittings in relation to the Brewhouse and Garden of Surprises) are included at cost and have not been depreciated. Chattels acquired prior to 2001 are included at their

probate value and chattels acquired since 2001 are included at market value, neither have been depreciated.

Expenditure on the conservation and preservation of Burghley House and its collection is charged to the unrestricted income account when it is incurred.

b) Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the statement of financial activities.

Although this accounting policy is in accordance with the applicable accounting standard, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", it is a departure from the general requirement of the Companies Act 2006 for all tangible fixed assets to be depreciated. In the opinion of the directors, compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might have been charged cannot be separately identified or quantified.

Borrowing costs on loans taken out specifically for the construction of investment properties are capitalised as part of the cost of investment properties.

c) Other tangible assets

Other tangible assets are those which are used for charitable purposes but are not considered to be heritage assets. They are stated at cost less accumulated depreciation. The costs of minor additions are not capitalised. Depreciation of fixtures, fittings and equipment, plant and machinery and motor vehicles is on a straight line basis over periods ranging between 3 and 15 years, or 18-20% reducing balance so as to write off each asset over the term of its expected useful life.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

d) Goodwill

Goodwill arising on the acquisition of trade and assets represents the excess of the fair value of the consideration over the fair value of the identifiable assets and liabilities acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 3 years.

1.5 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Charity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in the statement of financial activities, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stock

Stocks are stated at the lower of cost and net realisable value.

Cost comprises land and associated acquisition costs, direct materials and subcontract work, professional fees and other direct costs that have been incurred in bringing stock to its present location and condition, including borrowing costs.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in the statement of financial activities (SOFA).

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the Charity's statement of financial position when the Charity becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through the statement of financial activities are measured at fair value.

Other financial assets

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Basic financial liabilities

Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through the statement of financial activities are measured at fair value.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expenses recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Charity obligations are discharged, cancelled, or they expire.

1.9 Income

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Any income received in relation to future periods is deferred as appropriate. The following specific policies are applied to particular categories of income:

Donations and legacies are included in full in the statement of financial activities when receivable.

Income from investments is included when receivable.

Income from charitable activities is accounted for when earned.

Income from government and other grants, whether 'capital' grants or 'revenue' 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.

1.10 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Expenditure on raising funds comprises those costs directly attributable to managing the investment portfolio and raising investment income.

Expenditure on charitable activities includes those costs incurred by the Charity in the delivery of its objectives. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charities objectives and activities. All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; other costs are apportioned on the basis of the proportion of direct expenditure.

1.11 Fund accounting

Unrestricted income and expendable endowment funds are available for use at the discretion of the Governors in furtherance of the objectives of the Charity. Unrestricted income and expendable endowment funds include a revaluation reserve representing the restatement of investment assets at market rates due to the related assets being included in those funds.

Restricted expendable endowment funds are subjected to restrictions on their expenditure imposed by the donor.

1.12 Taxation

The Charity is a registered Charity and is not liable to United Kingdom income tax or corporation tax on charitable activities.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Notes to the Accounts

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements - Investment properties

The Charity accounts for investment properties in accordance with FRS 102. Investment properties are measured using the revaluation model with movement in valuation reported through the statement of financial activities. The Governors use their judgement to determine the fair value of the investment properties at the reporting date.

3 Income (excluding income from investments)

	2023 £	2022 £
Equestrian event income	4,871,941	13,428
Function and exhibition income	628,089	271,790
Shop sales	468,083	347,347
Film income	120,621	812,290
Restaurant income	134,168	91,056
Income from agriculture	78,630	98,887
Golf club income	1,261,962	1,072,944
Timber and woodlands income	58,061	52,438
Other income	646	538
	7,622,201	2,760,718
Viewing fees - House and Gardens	857,301	665,901
Donations and grants	177,101	702,905
	8,656,603	4,129,524

The total turnover of the group for the year has been derived from its principal activities wholly undertaken in the United Kingdom. Included within donation and grant income is £83,900 (2022: £335,600) relating to the repair of the Lion Bridge. This income is received on the condition that it is used for the repair of the Lion Bridge in the grounds of Burghley House and has all been spent at the year end.

4 Income from investments

	2023 £	2022 £
Income from investment property	3,368,876	3,302,352
Income from minerals	1,643,455	1,596,648
Investment income from securities	39,073	27,885
Bank deposit interest	1,068	131
	5,052,472	4,927,016
Less: Expenses	(1,846,397)	(1,576,677)
	3,206,075	3,350,339

Notes to the Accounts

5 Analysis of total expenditure

	2023 Direct costs £	2023 Support costs £	2023 Total £	2022 Total £
Expenditure on raising funds				
Equestrian event expenditure	3,946,614	-	3,946,614	639,709
Expenditure on investment properties	1,846,397	578,384	2,424,781	2,057,474
House showing expenditure	773,318	242,242	1,015,560	624,589
Timber and woodland expenses	299,299	93,755	393,054	438,615
Golf Club expenditure	1,321,131	-	1,321,131	1,292,144
	8,186,759	914,381	9,101,140	5,052,531
Expenditure on charitable activities				
House showing	1,459,446	457,172	1,916,618	1,553,415
Maintenance of heritage property	1,768,661	554,034	2,322,695	1,731,446
Donations	5,700	-	5,700	-
	3,233,807	1,011,206	4,245,013	3,284,861
Total	11,420,566	1,925,587	13,346,153	8,337,392

Support costs

	2023 £	2022 £
Wages and salaries	1,027,968	866,885
Overheads	860,239	596,208
Depreciation	800	-
Governance costs - audit fees	36,580	33,774
	1,925,587	1,496,867

All support costs have been allocated on the basis of the proportion of direct expenditure.

6 Surplus on current year activities

	2023 £	2022 £
Surplus on current year activities is stated after charging:		
Depreciation of tangible assets	206,854	173,091
Auditors' remuneration		
- Audit (Charity £28,500 (2022: £23,000))	49,800	37,800
- Taxation compliance services	8,875	3,150
- Other non-audit services	31,235	3,465
Grant from Natural England	149,689	526,509
Grant from The Job Retention Scheme	-	44,473

These were the only grants received from government sources in the period

Notes to the Accounts

7 Investment securities

	2023 £	2022 £
Group		
Quoted investments		
Market value at 1 February 2022	3,375,112	2,987,781
Additions	906,567	809,061
Disposals (Proceeds: £881,488, loss: £14,282)	(895,770)	(633,685)
Unrealised (loss)/gain on investments	(37,780)	211,955
	3,348,129	3,375,112
Other unquoted investments		
Cash held on deposit	11,379	13,348
Market value at 31 January 2023 - Group	3,359,508	3,388,460
Charity		
Cost of investment in subsidiaries	48,515	48,515
Value at 31 January 2023 - Charity	3,408,023	3,436,975
Historical cost at 31 January 2023	2,935,033	2,770,896

Quoted investments

The quoted investments consist of holdings of equities, bonds and other managed funds as selected by Cazenove Capital Management Limited using their delegated authority as set out in the Investment Policy on page 24, and have been revalued to reflect their market value at 31 January 2023.

Subsidiary undertakings

The cost of investment in subsidiaries represents the cost of ordinary £1 shares in the wholly owned subsidiary undertakings, Burghley Enterprises Limited, Burghley Horse Trials Limited, Burghley Land Limited, burghley Barns Limited and BPGCLimited, all of which are registered in England and Wales.

The principal activities of Burghley Enterprises Limited are the provision of refreshments and the sale of goods and services at Burghley House and property trading activities.

The principal activity of Burghley Horse Trials Limited is the management of a four-star rated equestrian event.

The principal activity of Burghley Land Limited is property development.

The principal activity of Burghley Barns Limited is property development.

The principal activity of BPGC Limited is a golf club.

Further information is summarised in note 22 on page 39.

Notes to the Accounts

8 Tangible fixed assets

	Investment Properties Freehold Land and Buildings	Total Plant and Fixtures
	£	£
Group		
Cost		
At 1 February 2022	65,700,737	1,538,382
Additions	4,804,145	221,512
Disposals	(516,704)	(75,884)
Surplus on the revaluation of properties	3,000,000	-
At 31 January 2023	72,988,178	1,684,010
Depreciation		
At 1 February 2022	-	1,320,780
On disposals	-	(75,284)
Charge for the year	-	131,854
At 31 January 2023	-	1,377,350
Net book value		
At 31 January 2023	72,988,178	306,660
At 31 January 2022	65,700,737	217,602
Charity		
Cost		
At 1 February 2022	65,700,737	1,139,023
Additions	2,343,119	161,153
Disposals	(1,081,704)	(74,384)
Surplus on the revaluation of properties	3,000,000	-
At 31 January 2023	69,962,152	1,225,792
Depreciation		
At 1 February 2022	-	1,038,897
On disposals	-	(74,384)
Charge for the year	-	76,307
At 31 January 2023	-	1,040,820
Net book value		
At 31 January 2023	69,962,152	184,972
At 31 January 2022	65,700,737	100,126

Notes to the Accounts

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance lease or hire purchase contracts:

	2023 £	2022 £
Plant and machinery	15,286	30,569
Course improvements	4,936	9,870
Fixtures and fittings	577	1,152
	20,799	41,591
Depreciation charge for the year in respect of leased assets	20,792	20,792

9 Investment properties

	2023 £	2022 £
Historic cost	35,376,447	31,089,006
Revaluation reserve	37,611,731	34,611,731
Net book value at 31 January 2023	72,988,178	65,700,737

The Governors, using their knowledge of the property portfolio, have increased the value of the investment properties at 31 January 2023 by £3,000,000 (2022: £4,000,000 increase).

Notes to the Accounts

10 Heritage assets

	Assets under the course of construction	Burghley House and grounds	Chattels at probate value	Chattels at market value	Total Heritage assets
Group and charity Cost	£	£	£	£	£
As at 31 January 2022	-	8,179,286	3,953,793	284,767	12,417,846
Additions	1,296,917	83,474	-	1,800	1,382,191
At 31 January 2023	1,296,917	8,262,760	3,953,793	286,567	13,800,037
Depreciation					
As at 31 January 2022	-	1,429,365	-	-	1,429,365
Charge for the year	-	75,000	-	-	75,000
At 31 January 2023	-	1,504,365	-	-	1,504,365
Net book value					
At 31 January 2023	1,296,917	6,758,395	3,953,793	286,567	12,295,672
At 31 January 2022	-	6,749,921	3,953,793	284,767	10,988,481

In accordance with the Charity's accounting policy, no value has been included within the financial statements in respect of the freeholds of the public area of Burghley House and Burghley Lake. Recent developments to Burghley House and grounds are included at cost and are depreciated.

The Trust's large collection of fine art is made up of many items, including furniture, paintings, silver, miniatures, books, ceramics, tapestries and jewellery. This collection was acquired by the Earls and Marquesses of Exeter over many years and is therefore relevant to the understanding of Burghley House and its history. The Governors have decided that, given the large number and diversity of items in the collection, together with the difficulty and onerous cost of establishing a market value, to include the collection at the probate value given in October 1981 when it was transferred to the Trust by the Executors of the Will of the 6th Marquess of Exeter. The House, grounds and chattels are insured for £326 million.

Items of fine art and other chattels at Burghley House acquired since 2001 are included at market value. The Governors' policy regarding the maintenance, preservation and recording of the chattels, together with information on the access given to the public is stated on page 8.

Five year financial summary of heritage transactions:

	2023 £	2022 £	2021 £	2020 £	2019 £
Burghley House & grounds - cost of additions	1,380,391	157,549	131,544	132,879	319,744

Notes to the Accounts

11 Stocks

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Showing supplies	109,506	96,891	-	-
Estate maintenance supplies	1,095	2,109	1,095	2,107
Livestock	97,350	75,650	97,350	75,650
Food and beverages	7,544	6,187	-	-
Golf equipment	45,498	37,343	-	-
Property development	6,229,472	5,035,022	-	-
	6,490,465	5,253,202	98,445	77,757

12 Debtors

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade debtors	73,014	122,259	53,066	30,573
Amounts owed by subsidiary undertakings	-	-	11,583,626	7,636,763
Other debtors	280,224	151,129	294,728	150,261
Prepayments and accrued income	170,293	646,991	135,221	616,472
	523,531	920,379	12,066,641	8,434,069

13 Creditors: amounts falling due within one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade creditors	999,451	670,540	772,202	457,734
Taxes and social security costs	-	56,337	-	21,301
Other creditors	42,221	68,685	199	68,685
Obligations under finance leases & hire purchase contracts	14,781	21,510	-	-
Accruals and deferred income	768,300	586,403	590,997	439,130
	1,824,753	1,403,475	1,363,398	986,850

Notes to the Accounts

14 Creditors: amounts falling due after one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Bank loans	13,700,000	8,300,000	13,700,000	8,300,000
Obligations under finance leases & hire purchase contracts	-	14,871	-	-
	13,700,000	8,314,871	13,700,000	8,300,000

The Charity has two fixed term loans with Hoare & Co. One of £6,500,000 is repayable between 2031 and 2036, a second of £2,250,000 is repayable in 2033 -Security has been provided in the form of a fixed charge over certain assets of the Charity.

The Charity has a revolving credit facility and a fixed term loan of £4,950,000 with Natwest Bank repayable in 2026. Security has been provided in the form of a fixed charge over certain assets of the Charity.

15 Finance lease obligations - Hire purchase

	2023 £	2022 £
Future minimum lease payments due under finance leases:		
Within one year	14,781	21,510
In two to five years	-	14,781
	14,781	36,291

Finance lease payments represent monthly payments by BPGC Limited for certain items of plant and machinery. The leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 1 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

16 Pension costs

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £308,870 (2022: £327,365).

Notes to the Accounts

17 Unrestricted income and expendable endowment funds

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Unrestricted income fund				
Balance brought forward at 1 February 2022	543,059	(5,571,890)	2,109,760	(5,027,531)
Surplus for the year	526,146	721,090	467,887	1,683,433
Transfer to the Unrestricted expendable endowment fund	(5,778,567)	5,393,949	(5,707,921)	5,453,858
Balance carried forward at 31 January 2023	(4,709,362)	543,059	(3,130,274)	2,109,760
Unrestricted expendable endowment fund				
Balance brought forward at 1 February 2022	78,973,678	80,160,833	78,973,678	80,160,833
Loss for the year	(156,064)	2,818	(85,418)	62,727
Loss on disposal of property and investments	(14,282)	(7,979)	(14,282)	(7,979)
Revaluation of investment property	3,000,000	4,000,000	3,000,000	4,000,000
Unrealised gain/(loss) on investment revaluation	(37,780)	211,955	(37,780)	211,955
Transfer from/(to) the Unrestricted income fund	5,778,567	(5,393,949)	5,707,921	(5,453,858)
Balance carried forward at 31 January 2023	87,544,119	78,973,678	87,544,119	78,973,678
Realised element of unrestricted expendable endowment fund	50,246,214	44,637,993	50,246,214	44,637,993
Unrealised gains on investment properties	36,414,455	33,414,455	36,414,455	33,414,455
Unrealised gain on investment securities	883,450	921,230	883,450	921,230
Balance carried forward at 31 January 2023	87,544,119	78,973,678	87,544,119	78,973,678

Unrestricted income and unrestricted expendable endowment funds are both available for charitable purposes, and the distinction is historical, merely to record the allocation of income and movements on income and expendable endowment funds.

18 Restricted expendable endowment fund

	1 February 2022 £	Income £	Expenditure £	31 January 2023 £
Brewhouse fund	1,079,700	-	-	1,079,700
Garden of Surprises fund	24,300	-	4,760	19,540
	1,104,000	-	4,760	1,099,240

The Brewhouse fund consists principally of monies received from the Heritage Lottery Fund towards the project to convert the Brewhouse at Burghley into a visitor attraction. The related expenditure amounting to £2,606,442, has been capitalised as a heritage asset being an improvement to Burghley House and Grounds. The Garden of Surprises fund consists principally of monies received from donors towards the project to create an Elizabethan trick garden at Burghley as a visitor attraction. The related expenditure amounting to £1,319,345 has been capitalised as being an improvement to Burghley House and Grounds.

Notes to the Accounts

19 Analysis of assets between funds

	2023 Unrestricted income fund	2023 Unrestricted expendable endowment	2023 Restricted expendable endowment	2023 Total	2022 Total
		£	£	£	£
Fund balances at 31 January 2023 are represented by:					
Investment securities	-	3,359,509	-	3,359,509	3,388,460
Tangible fixed assets	306,659	-	-	306,659	217,602
Intangible assets	-	-	-	-	-
Heritage assets	-	11,196,432	1,099,240	12,295,672	10,988,481
Investment properties	-	72,988,178	-	72,988,178	65,700,737
Net current (liabilities)	8,683,979	-	-	8,683,979	8,640,238
Creditors due between 2 and 5 years	(13,700,000)	-	-	(13,700,000)	(8,314,781)
	(4,709,362)	87,544,119	1,099,240	83,933,997	80,620,737

20A Reconciliation of operating deficit to net cash outflow from operating activities

	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	313,262	4,923,124
Depreciation	206,853	174,447
Amortisation	-	211,426
Losses/(Gains) on investments	52,061	(4,203,976)
Dividends, interest and rents from investments	(3,206,075)	(3,350,339)
Loss on the sale of fixed assets	(1,800)	4,158
(Increase)/decrease in stocks	(1,237,263)	44,222
Decrease/(increase) in debtors	396,848	(363,397)
Increase/(decrease) in creditors	428,005	205,368
Net cash (used in)/provided by operating activities	(3,048,109)	(2,354,967)

20B Analysis of net debt

	31 January 2022 £	cash flow £	31 January 2023 £
Cash in hand	3,870,132	(375,396)	3,494,736
Notice deposits	13,348	(1,968)	11,380
	3,883,480	(377,364)	3,506,116
Bank borrowing due in less than one year	-	-	-
Bank borrowing due in more than one year	(8,300,000)	(5,400,000)	(13,700,000)
	(4,416,520))	(5,777,364)	(10,193,884)

Notes to the Accounts

21 Governors and employees

	Group 2023 Number	Group 2022 Number	Charity 2023 Number	Charity 2022 Number
The number of Governors who served the Group and the Company during the year was:	10	10	10	10
The average monthly number of persons employed by the Group and the Company during the year was:				
Office and management	35	29	35	29
House showing	66	56	55	47
Maintenance and forestry	16	18	16	18
Equestrian event	6	8	-	-
Golf Club	30	25	-	-
	153	136	106	94
Employment costs	£	£	£	£
Wages and salaries	3,320,405	3,139,575	2,530,309	2,224,634
Social security costs	290,803	271,396	224,249	199,252
Other pension costs (note 17)	308,870	327,365	264,067	257,159
	3,920,078	3,738,336	3,018,625	2,681,045

The number of employees whose emoluments, as defined for taxation purposes, amounted to over £60,000 in the year was 4 in the range £60,000 to £70,000 (2022 - NIL), 1 in the range £70,000 to £80,000 (2022 - 1), NIL in the range £90,000 to £100,000 (2022 - 1), 2 in the range £110,000- £120,000 (2022 - 1) and 1 in the range £140,000- £150,000 (2021 - 2). Total remuneration of key personnel was £689,552 (2022: £580,399). Total employer's pension contributions for key personnel was £112,408 (2022: £112,408).

No remuneration was paid to any Governor in the year. Travelling and accommodation expenses of £1,259 were reimbursed to four Governors in the year (2022: £737 to two Governors).

22 Subsidiary companies

Burghley Enterprises Limited - Company number 02332264

The turnover of Burghley Enterprises Limited amounted to £1,494,366 (2022: £1,622,397), and the net profit arising of £575,438 (2022: £999,156) is due to be paid under Gift Aid to Burghley House Preservation Trust Limited. During the year the parent company charged £39,000 in rent (2022: £39,000).

The results of Burghley Enterprises Limited for the year ended 31 January 2023 are shown below. Audited accounts are filed with the Registrar of Companies.

	2023 £	2022 £
Turnover and other income	1,494,366	1,622,397
Cost of sales and expenses	(918,928)	(623,241)
Profit for the year	575,438	999,156
Shareholders funds	48,514	48,514

Notes to the Accounts

22 Subsidiary companies (continued)

Burghley Horse Trials Limited - Company number 07087188

The turnover of Burghley Horse Trials Limited amounted to £4,871,941 (2022: £75,603), and a net profit arising of £447,555 (2022: loss of £696,194). During the year the parent company charged £131,552 in rent (2022: £124,278).

The results of Burghley Horse Trials Limited for the year ended 31 January 2023 are shown below.
Audited accounts are filed with the Registrar of Companies.

	2023 £	2022 £
Turnover and other income	4,871,943	75,603
Cost of sales and expenses	(4,424,386)	(771,797)
Profit for the year	447,557	(696,194)
Shareholders funds	1	1

BPGC Limited - Company number 12005973

The turnover of BPGC Limited amounted to £1,283,813 (2022: £1,119,931), and the net loss arising of £70,106 (2022: £184,448). During the year the parent company charged £NIL in rent (2022: £NIL).

The results of BPGC Limited for the period ended 31 January 2023 are shown below.
Audited accounts are filed with the Registrar of Companies.

	2023 £	2022 £
Turnover and other income	1,283,813	1,119,931
Cost of sales and expenses	(1,353,919)	(1,304,379)
Profit/ (Loss) for the year	(70,106)	(184,448)
Shareholders funds	1	1

Burghley Land Limited - Company number 08601360

The income of Burghley Land Limited amounted to £Nil (2022: £NIL), and there was a loss of £7,590 in the year (2022: £NIL). The parent company charged £Nil in rent (2022: £NIL).

Inter-group interest of £273,623 was eliminated on consolidation.
Audited accounts are filed with the Registrar of Companies.

Burghley Barns Limited - Company number 08601372

The income of Burghley Land Limited amounted to £Nil (2022: £NIL), and there was a loss of £123,623 in the year (2022: £NIL). The parent company charged £Nil in rent (2022: £NIL).

Audited accounts are filed with the Registrar of Companies.

Notes to the Accounts

23 Related party transactions

Following the Charity Commissioners' agreement, Burghley House Preservation Trust Limited and the Trustees of the 6th Marquess of Exeter Will Trust are sharing income and expenditure in relation to the showing of Burghley House in a proportion based on their respective ownerships of Burghley House. Relative to the Deed of Apportionment agreed with the Trustees of the 6th Marquess of Exeter Will Trust, they were charged £19,450 (2022: £19,450) for management and maintenance services. The amount owed to the company in respect of these services at 31 January 2023 was £NIL (2022: £NIL).

Rental income amounting to £13,500 (2022: £13,500) was received from The Trustees of the 6th Marquess of Exeter Will Trust during the year. No amounts were due at 31 January 2023 (2022: £Nil).

The Trustees of the 6th Marquess of Exeter are also due to receive £44,022 as a licence fee from Burghley Horse Trials Limited (2022: £NIL) and the amount outstanding at 31 January 2023 amounted to £NIL (2022: £NIL).

24 Capital commitments

At 31 January 2023 The Charity had contracted capital expenditure to complete works to a new adventure playground and a new car park, these commitments were estimated to be £1.5 million (2022: £NIL).

25 Contingent liabilities

A grant has been received from the Football Foundation to be used on the construction of facilities for a local football club. Should the terms and conditions of the grant not be adhered to within a specified period an element of the grant may be repayable. The Governors expect the terms and conditions to be adhered to and therefore believe no further disclosure is necessary in these financial statements. A legal charge has been granted in relation thereto.

Notes to the Accounts

27 Comparative information

Consolidated Statement of Financial Activities

incorporating the income and expenditure account

for the year ended 31 January 2022

		2022 Unrestricted Income	2022 Unrestricted Expendable Endowment	2022 Restricted Expendable Endowment	2022 Total
	Notes	£	£	£	£
Income and endowments from:					
Donations and grants	3	511,996	190,909	-	702,905
Other trading activities	3	2,760,718	-	-	2,760,718
Income from investments	4	4,927,016	-	-	4,927,016
Income from charitable activities	3	665,901	-	-	665,901
Total income and endowments		8,865,631	190,909	-	9,056,540
Expenditure on:					
Expenditure on raising funds		4,977,576	74,955	-	5,052,531
Expenditure on charitable activities		3,166,965	113,136	4,760	3,284,861
Other expenditure		-	-	-	-
Total expenditure	5	8,144,541	188,091	4,760	8,337,392
Net gains/(losses) on investments	18	-	4,203,976	-	4,203,976
Net income/(expenditure)		721,090	4,206,794	(4,760)	4,923,124
Transfers between funds	18	5,393,949	(5,393,949)	-	-
Net Movement in Funds		6,115,039	(1,187,155)	(4,760)	4,923,124
Balance brought forward		(5,571,980)	80,160,833	1,108,760	75,697,613
Balance carried forward	18,19	543,059	78,973,678	1,104,000	80,620,737

Notes to the Accounts

27 Comparative information (continued)

Analysis of total expenditure

	2022 Direct costs £	2022 Support costs £	2022 Total £
Expenditure on raising funds			
Equestrian event expenditure	639,709	-	639,709
Expenditure on investment properties	1,576,677	480,797	2,057,474
House showing expenditure	478,633	145,956	624,589
Timber and woodland expenses	336,118	102,497	438,615
Golf Club expenditure	1,292,144	-	1,292,144
	4,323,281	729,250	5,052,531
Expenditure on charitable activities			
House showing	1,190,408	363,007	1,553,415
Maintenance of heritage property	1,326,836	404,610	1,731,446
	2,517,244	767,617	3,284,861
Total	6,840,525	1,496,867	8,337,392

Restricted expendable endowment fund

	1 February 2021 £	Income £	Expenditure £	31 January 2022 £
Brewhouse fund	1,079,700	-	-	1,079,700
Garden of Surprises fund	29,060	-	4,760	24,300
	1,108,760	-	4,760	1,104,000

Analysis of assets between funds

	Unrestricted income fund £	Unrestricted expendable endowment £	Restricted expendable endowment £	Total £
Fund balances at 31 January 2022 are represented by:				
Investment securities	-	3,388,460	-	3,388,460
Tangible fixed assets	217,602	-	-	217,602
Intangible assets	-	-	-	-
Heritage assets	-	9,884,481	1,104,000	10,988,481
Investment properties	-	65,700,737	-	65,700,737
Net current (liabilities)	8,640,238	-	-	8,640,238
Creditors due between 2 and 5 years	(8,314,781)	-	-	(8,314,781)
	543,059	78,973,678	1,104,000	80,620,737

Legal and Administrative Details

Governors

The Hon Edward Leigh-Pemberton (Chairman)
Mr J C S Chenevix-Trench
Mr E G Clive
Sir Giles Floyd Bt
Mr E M Harley OBE
Mrs Cressida Hogg CBE
Mr W A Oswald
Mr W H M Parente
Mr S J Richmond-Watson
Mr B T J Stevens

Key personnel

Executive Chair
Chief Executive
Head of HR
Director of Commercial Visitor Operations
Finance Director & Company Secretary
Head of Land and Property
Director of the Burghley Horse Trials

Mrs M Rock
Mr D J Pennell
Mrs J Evans
Mr P J Gompterz
Mr J E P Fitch Esq
Mr J Tusting Esq
Mr M Johnson Esq

Company Number

951524 (England and Wales)

Charity Number

258489

Registered office

61 St Martins
Stamford
Lincolnshire
PE9 2LQ

Solicitors

Farrer & Co LLP
66 Lincoln's Inn Fields
London
WC2A 3LH

Investment Advisors

Cazenove Capital Management Limited
1 London Wall Place
London
EC2Y 5AU

Bankers

National Westminster Bank plc
Cathedral Square
Peterborough
Cambridgeshire
PE1 1XH

Independent Auditors

Saffery Champness
71 Queen Victoria Street
London
EC4V 4BE