ARUNDEL CASTLE TRUSTEES LIMITED

England & Wales · Charity number 271833

Details

Status	Registered
Legal form	Charitable company
Company number	01269400
Registered	1976-09-27
Register	View on the Charity Commission register

Contact

Address	Arundel Castle High Street Arundel BN18 9AB
Phone	01903882173
Email	visits@arundelcastle.org
Website	www.arundelcastle.org

Activities

Objects: TO ADVANCE EDUCATION, TO RELIEVE POVERTY, TO ADVANCE RELIGION AND TO PROMOTE AND AID SUCH OTHER PURPOSES AS ARE RECOGNISED BY ENGLISH LAW TO BE EXCLUSIVELY CHARITABLE.

Activities: The Charity preserves the buildings, grounds and chattels of Arundel Castle for public benefit to whom it gives access for a minimum of 100 days per annum. To maximise the public enjoyment and education by refurbishing and improving displays and the condition of artefacts, supported by hosting special events such as jousting, civil war re-enactments and other events in keeping with its history.

Classification

- **How:** Provides Buildings/facilities/open Space, Other Charitable Activities
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** The General Public/mankind

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Geography

- West Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£5,701,722	£4,731,284	£18,685,748	121
2023-12-31	£5,431,429	£4,460,145	£15,910,339	116
2022-12-31	£4,751,665	£4,207,356	£14,266,794	85
2021-12-31	£3,759,839	£3,024,747	£14,644,923	65
2020-12-31	£1,017,890	£2,440,990	£13,289,182	59

Trustees

Name	Role	Appointed
THE DUKE OF NORFOLK	Chair	
CHARLES TORQUIL DE MONTALT FRASER		
Edward Perks		2023-09-26
Hugh Coghill		2015-01-01
John Martin Robinson		
Lord Henry Fitzalan-Howard		2019-05-10

Linked charities

- ARUNDEL CASTLE ENDOWMENT FUND (271833-1)

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ARUNDEL CASTLE TRUSTEES LIMITED

England & Wales - Charity number 271833

Accounts

Registered number: 01269400
Charity number: 271833

Arundel Castle Trustees Limited

(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 December 2024

Arundel Castle Trustees Limited
(A company limited by guarantee)

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Arundel Castle Trustees Limited
(A company limited by guarantee)

Reference and administrative details of the Charity, its Trustees and advisers
For the year ended 31 December 2024

Trustees	The Duke of Norfolk Dr J M Robinson The Earl of Arundel Mr C Fraser Mr H Coghill Mr E Perks
Company registered number	01269400
Charity registered number	271833
Registered office	Arundel Castle High Street Arundel BN18 9AB
Company secretary	Mrs S Webber
Castle Manager	Mr A Lewis
Independent auditors	Kreston Reeves LLP Chartered Accountants 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ
Bankers	Lloyds Bank Plc Brighton BN1 1GL
Solicitors	Currey & Co 33 Queen Anne Street London W1G 9HY
Investment advisers	Cazenove Capital Management 31 Gresham Street London EC2V 7QA

Trustees' report
For the year ended 31 December 2024

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 January 2024 to 31 December 2024. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Charity qualify as small under section 383 of the Companies Act 2006, the Group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The primary objectives of the charity, as stated in its governing document, are to preserve the buildings, grounds and chattels of Arundel Castle for the public benefit of current and future generations. The unrestricted income and capital of the company may be applied towards these objectives at the Trustees' discretion.

In order to achieve these objectives, members of the public are allowed reasonable access to the property on not less than 100 days during the year and in 2024 the Castle was open for 197 days.

b. Aims and intended impact

The Trustees have considered the Charity Commission's guidance on public benefit and fee charging when setting their objectives for the year.

For the public benefit the charity aims to educate people in the history of the buildings and contents of the Castle through public access to and experience of visiting the Castle. The Trustees employ an education officer and offer a range of learning activities at the Castle.

The Trustees also continually aim to maximise the enjoyment of all visitors by refurbishing and improving the displays and condition of artefacts within the Castle, as well as hosting special events portraying the history of the Castle.

c. Principal activities in the year

The principal activities of the charitable company in the year were the opening of Arundel Castle and its grounds to the public from 28 March – 3 November 2024 and preserving the building, grounds and chattels.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Trustees' report (continued)
For the year ended 31 December 2024

Achievements and performance

a. Operational Performance

The Trustees are pleased with the admission figures for 2024 which are comparable with visitor levels prior to the pandemic.

The number of overseas visitors continued to increase in 2024 with the overall visitor profile now re-established at pre-pandemic levels, except for fewer coach holiday (as opposed to coach day trip) visitors and with a larger number of UK visitors overall.

Whilst the previous year saw a reduction in discretionary spend in the Castle's catering outlets, this was reversed in 2024, such that revenue from ticket sales and catering increased with retail broadly level. However, the Castle was not immune to the wider economic challenges in the catering outlets with reduced margins reflecting higher food and labour costs. The catering offer was enhanced in order to continue to encourage discretionary spend.

Admission statistics for the 2024 season compared with the previous year and the year prior to the pandemic are summarised as follows:

	2024	2023	2019
Number of days castle open to the public	197	190	193
Number of visitors			
Castle	153,131	160,208	145,088
Grounds	35,894	36,540	44,818
Normal admission charge			
Adults	£29.00	£27.00	£20.00
Senior Citizens	N/A	N/A	£17.50
Children	£12.00	£11.00	£11.00

b. Trading Performance

The charitable company's wholly owned trading subsidiary, Arundel Castle Enterprises Limited, carries out non charitable trading activities for the charity. The financial performance of Arundel Castle Enterprises Limited is shown in note 4 to the financial statements.

In 2024, Arundel Castle Enterprises Limited ran the castle shop, tea terrace, restaurant and the Arundel Castle and Arundel Festival events on behalf of the charity.

The subsidiary gifts its taxable profit to Arundel Castle Trustees Limited under Gift Aid.

Achievements and performance (continued)

c. Investment policy and performance

Investment powers and policy:

The Trustees may invest funds of the Charity, not immediately required for its purpose, in such investment securities as they see fit subject to any conditions imposed or required by law.

The Trustees engage Cazenove Capital Management to manage the charity's portfolio of securities on a discretionary basis.

Performance review:

The charitable company's investment performance is measured regularly against a benchmark of a combination of FTSE and Government Stock. The Trustees will keep the performance under constant review and work with their investment advisers to maximise opportunities and minimise investment losses to ensure investment stability while still providing income.

Total investment income received in the year, before fees, amounted to £267,038 per the Statement of Financial Activities (2023: £212,772), which accounted for 4.7% of the total charitable company's incoming resources in 2024. This income is wholly reinvested in order to sustain and enhance capital growth in the portfolio.

Financial review

a. Financial Results

The consolidated Statement of Financial Activities (SOFA) for the year is set out on page 14. A summary of the financial results and the work of the charitable company is set out below.
The consolidated SOFA shows net surplus before investment gains of £970,438 in the year compared with £971,284 in 2023.

b. Incoming Resources

The charitable company has three principal sources of income. Firstly, it receives income from admissions to the Castle. The admissions income accounted for 85% of the charitable company's total incoming resources in 2024 (2023: 87%). The total visitor numbers were 3.9 % lower than 2023 and 5.3% higher than 2022.

Secondly, the charitable company receives a material revenue stream in dividends from its investments. More information on investments is given in the Investment Performance section above.

The third principal source of income is takings from the Mill Road car park. This is a public car park, which is open to the public all year round, not just during Castle opening. Takings from the car park are collected by the Castle and are a valuable source of income for the charity, accounting for 7% (2023: 8%) of the total charitable company's incoming resources in 2024.

c. Resources Expended

The charity's funds have been applied to charitable purposes throughout the year. In this regard, the Trustees have been following a policy of investment in the fabric of the Castle with the result that £540,390 (2023: £576,525) has been spent on various renovation and repair projects in the year. The Trustees plan to continue to invest funds in the upkeep and enhancement of the Castle in 2025 as described in the 'Plans for Future Periods' section of this report.

d. Fixed Assets

The movement in fixed assets during the year is set out in note 14 to the financial statements.

e. Interest in land and historic buildings

The executors of the XVI Duke of Norfolk conveyed Arundel Castle and its grounds to the charitable company as a gift in July 1976. The Trustees have excluded these assets from the balance sheet as reliable cost information is not available and conventional valuation approaches lack sufficient reliability due to the unique nature of the property. There is further information given on this in note 2.7 to the financial statements.

f. Reserves Policy

The charity holds both endowment and unrestricted reserves in order to meet its charitable objectives. Details of each of the individual reserves can be found in note 20 to the financial statements.

The Trustees consider that they need to increase reserves in order to maintain the structure and grounds of the Castle in the long term. In some years the charity expends more money in meeting its charitable objectives than it receives from its principal sources of income. It therefore relies on reserves to fund long term capital projects such as the re wiring of the Castle interior, the re leading of the roof and those detailed in the 'Plans for Future Periods' section of this report.

In the long term, the endowment fund alone is considered insufficient to continue to meet the charitable objects, therefore it is the policy of the Trustees to supplement this fund by augmenting unrestricted reserves.

The Trustees also have an unrestricted designated fund for future expenditure on the East Wing of the Castle. The income from this fund is used to honour the landlord's commitments to maintain the East Wing.

The total reserve is £18,685,748 to include the unrestricted fund of £13,914,340 and the endowment fund of £4,771,408.

g. Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Structure, governance and management

a. Governing Instrument

Arundel Castle Trustees Limited is a charitable company limited by guarantee and governed by its Memorandum and Articles of Association dated 19 July 1976 as amended on 27 April 1999. It was registered as a charity with the Charity Commission on 27 September 1976. The charity has one wholly owned trading subsidiary, Arundel Castle Enterprises Limited.

The members, who were the Trustees and directors of Arundel Castle Trustees Limited at 31 December 2024, have each undertaken to contribute £1 to the assets of the company in the event of the same being wound up while he / she is a member or within twelve months of his / her ceasing to be a member.

Arundel Castle Enterprises Limited is limited by shares and is governed by its Memorandum and Articles of Association dated 10 October 1980.

The report and consolidated financial statements for the year ended 31 December 2024 relate to the combined activities of the two legal entities.

b. Methods of appointment or election of Trustees

The Board of Trustees has the power as laid out in the Articles of Association to appoint persons to be Trustees of the charitable company as it thinks fit provided that the majority of the Trustees are resident in the UK at any one time, and the majority shall be persons other than the Duke and Duchess of Norfolk, any relative of either of them, and the spouse of any such relative.

The Articles of Association specify a minimum of five Trustees and the Trustees, in practice, have a policy of maintaining a board of either five or six Trustees of the charitable company at any one time. The Board seeks to ensure that it continually comprises Trustees with the range of expertise necessary for the operation and governance of the charity. Should the need for additional expertise on the Board arise, the Trustees would each consider appropriate candidates and put the names of those most appropriate to the rest of the Board. The Board would then agree to whom an approach should be made.

Details of the Trustees who served during the year are listed on page 1.

c. Policies adopted for the induction and training of Trustees

New Trustees undertake a morning meeting with the Duke of Norfolk during which they are introduced to other Trustees and key members of staff, and are given a tour of the Castle. They are also briefed on their legal obligations under charity and company law and informed of the content of the Memorandum and Articles of Association.

During their induction meeting new Trustees are also briefed as to the history of the Castle and informed how the work of the Board fits with the charity's objectives. New Trustees are also given a copy of the latest available financial statements and the Charity Commission guidance booklet CC3 "The Essential Trustee" for their review.

Structure, governance and management (continued)

d. Organisational structure and decision making

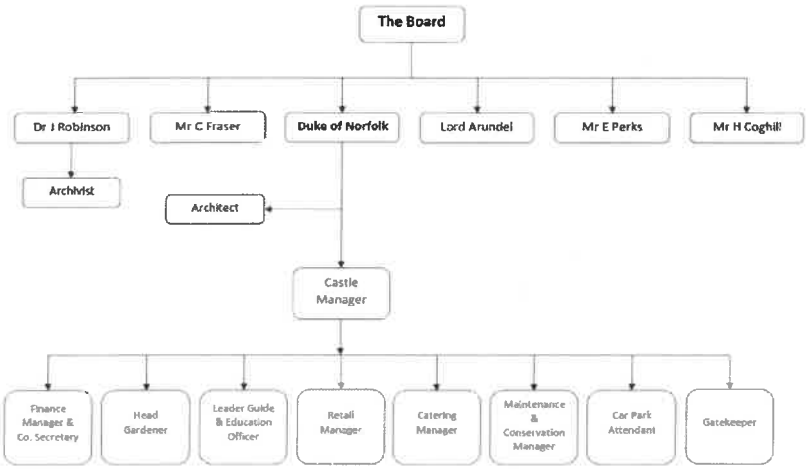
During the year under review the Trustees met in March, July and September.

During the March meeting the Trustees approve both the financial statements for the previous calendar year and the budgets for the coming year. They also monitor the progress of maintenance projects being undertaken during the period in which the Castle is closed to the public, from November to March each year.

At the July meeting the Trustees review how the first two months of opening (April and May) compare with the same period in the past two seasons and pre pandemic. They use this information to re forecast results for the year, plan projects and manage the opening business accordingly.

The September meeting is used to compare the performance of the whole season against the forecast and previous seasons, analyse as appropriate and make key decisions on the opening policy, pricing policy and advertising and marketing activity for the next year.

Once the Trustees have approved the budgets for the year, they delegate day to day operational decisions to the Castle Manager and Heads of Department within the Castle. The reporting and decision making hierarchy is shown below.



e. Related party relationships

Arundel Castle Trustees Limited has one wholly owned subsidiary, Arundel Castle Enterprises Limited. Arundel Castle Enterprises Limited operates the commercial activity within the Castle, which comprises the gift shop and restaurant businesses.

For information on related party transactions please see note 28 to the financial statements.

Structure, governance and management (continued)

f. Risk management

Against the background of their desire to achieve and maintain best practice in corporate governance, and acknowledging their ultimate responsibility for safeguarding the assets in their ownership, the Trustees have appointed senior staff members (as detailed in the organisational chart above) to be responsible for the areas in which the charity and the group may be exposed to significant strategic, business and operational risks.

Systems have been established to mitigate the risks identified and procedures are in place to minimise the impact on the charity and the group should any of those risks materialise. This work has identified all significant risks, which the charity records on its risk register. Particular attention has been focused on non financial risks arising from fire, and health and safety of visitors. The risks which the charity faces are under continual review.

g. Remuneration of key personnel

The Trustees are responsible for setting the pay and remuneration of all personnel, including key management personnel. This is reviewed and agreed at the March meeting each year.

Future developments

The Trustees will continue to preserve and maintain the Castle for the public benefit, following traditional lines, to give visitors an enjoyable experience of its history from the medieval keep to the Victorian rooms.

The Trustees have the following plans for the Castle:

- To continue to attract visitors to the Castle, gardens and events and maximise income.
- To enhance the visitor experience by continuing to develop the Castle, garden and grounds and improving access and facilities.

Projects for 2025 include:

- Continued maintenance of building fabric and care of the contents.
- Completing the refurbishment of the Victoria bedroom and bathroom and then reopening to visitors.
- Restoration of windows in the Castle café.
- Continuing the Castle's conversion to LED lighting together with associated electrical upgrades.
- Refurbishment of the oak parquet flooring in the Exit Passage & Exhibition room.
- Completing the construction of a stumpery in the Castle grounds opposite the High Street Gate entrance.
- Redesign and new planting in the Kitchen Garden.

Trustees' report (continued)
For the year ended 31 December 2024

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office following their initial appointment in 2023. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....

The Duke of Norfolk
(Chair of Trustees)
Date: 11 March 2025

Independent auditors' report to the Members of Arundel Castle Trustees Limited

Opinion

We have audited the financial statements of Arundel Castle Trustees Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2024 and of the Group's incoming resources and application of resources, 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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's 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 of Arundel Castle Trustees Limited (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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 appears 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.

Opinion on 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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's 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 to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the Members of Arundel Castle Trustees Limited (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) Second Edition (released October 2019), the Companies Act 2006 and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to posting inappropriate journal entries to increase revenue or reduce expenditure, and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with relevant tax and regulatory authorities; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Independent auditors' report to the Members of Arundel Castle Trustees Limited (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

Use of our report

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



Lucy Hammond BSc FCA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Chartered Accountants

Chichester 9 April 2025

Arundel Castle Trustees Limited
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2024

	Note	Unrestricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:					
Charitable activities	5	4,064,239	-	4,064,239	3,924,610
Other trading activities	6	1,370,445	-	1,370,445	1,294,047
Investments	7	212,576	54,462	267,038	212,772
Total income and endowments		5,647,260	54,462	5,701,722	5,431,429
Expenditure on:					
Raising funds:	8				
Fundraising trading		1,059,629	-	1,059,629	927,285
Investment management and bank charges		99,481	30,290	129,771	114,512
Charitable activities:	9				
Upkeep of the castle		3,024,069	-	3,024,069	2,955,733
Costs of admissions and castle opening		487,870	-	487,870	433,400
Governance costs		29,945	-	29,945	29,215
Total expenditure		4,700,994	30,290	4,731,284	4,460,145
Net income before net gains on investments		946,266	24,172	970,438	971,284
Net gains on investments		1,020,138	784,833	1,804,971	672,261
Net movement in funds		1,966,404	809,005	2,775,409	1,643,545
Reconciliation of funds:					
Total funds brought forward		11,947,936	3,962,403	15,910,339	14,266,794
Net movement in funds		1,966,404	809,005	2,775,409	1,643,545
Total funds carried forward		13,914,340	4,771,408	18,685,748	15,910,339

The notes on pages 18 to 43 form part of these financial statements.

Arundel Castle Trustees Limited
(A company limited by guarantee)
Registered number: 01269400

Consolidated balance sheet
As at 31 December 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	14		649,969		776,947
Heritage assets	15		539,913		475,683
Investments	16		15,214,839		12,308,425
			16,404,721		13,561,055
Current assets					
Stocks	17	94,340		107,216	
Debtors	18	610,359		629,515	
Cash at bank and in hand		1,776,255		1,870,820	
		2,480,954		2,607,551	
Creditors: amounts falling due within one year	19	(199,927)		(258,267)	
Net current assets			2,281,027		2,349,284
Total assets less current liabilities			18,685,748		15,910,339
Total net assets			18,685,748		15,910,339
Charity funds					
Endowment funds	20		4,771,408		3,962,403
Unrestricted funds					
Designated funds	20	41,146		37,782	
General funds	20	13,873,194		11,910,154	
Total unrestricted funds	20		13,914,340		11,947,936
Total funds			18,685,748		15,910,339

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....

The Duke of Norfolk
(Chair of Trustees)
Date: 11 March 2025

The notes on pages 18 to 43 form part of these financial statements.

Arundel Castle Trustees Limited
(A company limited by guarantee)
Registered number: 01269400

Charity balance sheet
As at 31 December 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	14		637,338		739,581
Heritage assets	15		539,913		475,683
Investments	16		15,214,939		12,308,525
			16,392,190		13,523,789
Current assets					
Debtors	18	822,036		790,546	
Cash at bank and in hand		1,487,487		1,596,459	
		2,309,523		2,387,005	
Creditors: amounts falling due within one year	19	(190,431)		(252,344)	
Net current assets			2,119,092		2,134,661
Total assets less current liabilities			18,511,282		15,658,450
Total net assets			18,511,282		15,658,450
Charity funds					
Endowment funds	20		4,771,408		3,962,403
Unrestricted funds					
Designated funds	20	41,146		37,782	
General funds	20	13,698,728		11,658,265	
Total unrestricted funds	20		13,739,874		11,696,047
Total funds			18,511,282		15,658,450

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....

The Duke of Norfolk
(Chair of Trustees)
Date: 11 March 2025

The notes on pages 18 to 43 form part of these financial statements.

Arundel Castle Trustees Limited
(A company limited by guarantee)

Consolidated statement of cash flows
For the year ended 31 December 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	23	918,875	1,019,398
Cash flows from investing activities			
Interest received		52,064	21,896
Purchase of tangible fixed assets including chattels		(84,631)	(30,846)
Transfer of funds to investments		(980,873)	(700,000)
Net cash used in investing activities		(1,013,440)	(708,950)
Change in cash and cash equivalents in the year		(94,565)	310,448
Cash and cash equivalents at the beginning of the year		1,870,820	1,560,372
Cash and cash equivalents at the end of the year	24	1,776,255	1,870,820

The notes on pages 18 to 43 form part of these financial statements

Notes to the financial statements
For the year ended 31 December 2024

1. General information

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Arundel Castle Trustees Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The endowment fund is invested with the objective of achieving a total return, combining income and capital gains. Trustees will allocate returns between current spending and preserving capital, ensuring compliance with relevant regulations.

Investment income, gains and losses are allocated to the appropriate fund.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

2.4 Expenditure

2. Accounting policies (continued)

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All expenditure is inclusive of irrecoverable VAT.

2.5 Basis of consolidation

The financial statements consolidate the accounts of Arundel Castle Trustees Limited and its subsidiary undertaking, Arundel Castle Enterprises Limited ('subsidiary').

Of the net income after investment movement of £2,766,753 (2023: net income of £1,643,545), £2,632,225 (2023: £1,451,186) is attributable to the parent charitable company. The profit attributable to the subsidiary is shown in the notes to the financial statements.

2.6 Tangible fixed assets and depreciation

All assets costing more than £10,000 are capitalised and included at purchase cost plus any incidental expenses of acquisition.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of the fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Consolidated Statement of Financial Activities incorporating income and expenditure account

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property, improvements & gardens	- 10% - 20% straight line
Motor vehicles & groundsmens' equipment	- 25% straight line
Coffee shop fixtures & fittings	- 10% - 33% straight line
Fixtures, fittings & computer equipment	- 25% - 33% straight line

No depreciation has been provided on freehold property. This represents the property at 11 London Road owned by the charity and, in the opinion of the Trustees, the amount of any depreciation would be immaterial. Annual impairment reviews of the property are performed based on published house price indices.

2. Accounting policies (continued)

2.7 Arundel Castle

The charity maintains Arundel Castle and its grounds in support of the charity's objective to preserve the buildings, grounds and chattels for the benefit of current and future generations.

Arundel Castle and its grounds were conveyed to the charity by the Executors of the XVI Duke of Norfolk as a gift in July 1976 and have not been valued in these financial statements. Reliable cost information for these assets is not available and the Trustees consider that conventional valuation approaches lack sufficient reliability due the the unique nature of the property. Furthermore, if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the charity and users of the accounts. As a result, no value is reported for these assets in the charity's balance sheet.

Arundel Castle is a unique, inalienable building of historical significance and the Trustees are forbidden from disposing of the property either in whole or in part. Each year, the Trustees are required to spend significant sums in maintaining the fabric of the building and enhancing the overall visitor experience, as directed by the charity's governing instrument. This expenditure is charged in the Statement of Financial Activities as incurred, rather than capitalised, because in the opinion of the Trustees it gives a more meaningful presentation of the charity's activities during the year.

The total of such expenditure was £540,390 in the year ended 31 December 2024 (2023: £576,525).

Chattels owned by the Duke of Norfolk

Certain chattels on display to the public at Arundel Castle, books kept in the library at Arundel Castle and certain chattels kept in the private chapel at Arundel Castle are owned by the Duke of Norfolk and his successors and made available to the Trustees of Arundel Castle under legal agreements dated 28 July 1981. Under these agreements it is undertaken that the chattels and books will be made available to the Trustees for public display at Arundel Castle, subject to a number of conditions and restrictions. It is considered that the effect of these conditions and restrictions is such that the chattels and books do not fall under the control of the Trustees of Arundel Castle Trustees Limited, as defined by Financial Reporting Standard 102 (FRS 102) Heritage Assets. As a result, no value is reported for these assets in the charity's balance sheet. Under the terms of the legal agreements these chattels and books remain generally on display to the public in accordance with the usual Castle opening arrangements.

Chattels owned by the Charitable Company

Chattels owned mainly comprise of an oil painting of Elizabeth Stuart, a silver tripod, a silver salver, a Regency silver dinner service, a four poster bed and gold Coronation cups. The chattels are all stated at cost and undergo annual impairment reviews. These financial statements do not reflect the value of chattels situated in Arundel Castle and owned by the Duke of Norfolk, which have been loaned to the charitable company.

Gardens

The grounds were gifted to the charity in 1976, as detailed previously in this note.
Significant capital expenditure to improve the gardens and enhance the visitor experience has been carried out and this expenditure is held on the balance sheet at cost less depreciation.

2. Accounting policies (continued)

2.8 Investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries are valued at cost.

2.9 Interest receivable

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

2.10 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.13 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.14 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Tangible fixed assets (see note 14)
Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Heritage assets (see note 15)
Heritage assets are not included within the financial statements as the Trustees consider that conventional valuation techniques lack sufficient reliability over their valuation and that if valuations could be obtained the cost would be onerous compared with the additional benefit derived. The assessment is reviewed annually.

4. Net income from trading activities of subsidiary

The charity has a wholly owned trading subsidiary incorporated in the UK. Arundel Castle Enterprises Limited is used for trading activities at Arundel Castle, principally the gift shop and catering facilities and the hosting of the annual Arundel Festival. The company gifts its distributable income to Arundel Castle Trustees Limited under Gift Aid. All activities have been consolidated on a line by line basis in the Statement of Financial Activities. Audited financial statements are filed with the Registrar of Companies.

A summary of its trading results is shown below:

Arundel Castle Enterprises Limited

	2024 £	2023 £
Profit and loss account		
Turnover	942,673	898,887
Cost of sales	(339,600)	(330,734)
Gross profit	603,073	568,153
Adminstrative expenses	(463,049)	(380,674)
Interest receivable	3,160	4,881
	(459,889)	(375,793)
Total profit before taxtion	143,184	192,360

5. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £
Admissions	4,064,239	4,064,239

	Unrestricted funds 2023 £	Total funds 2023 £
Admissions	3,924,610	3,924,610

In both 2024 and 2023, all income from admissions was to unrestricted funds.

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £
Subsidiary income	942,673	942,673
Rental/car park income	424,108	424,108
Facility hire	3,664	3,664
Total 2024	1,370,445	1,370,445

	Unrestricted funds 2023 £	Total funds 2023 £
Subsidiary income	898,887	898,887
Rental/car park income	342,603	342,603
Facility hire	52,557	52,557
Total 2023	1,294,047	1,294,047

In both 2024 and 2023, all income from other trading activities was to unrestricted funds.

7. Investment income

	Unrestricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Investment income	160,512	54,462	214,974
Bank interest	52,064	-	52,064
Total 2024	212,576	54,462	267,038

7. Investment income (continued)

	Unrestricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Investment income	128,365	62,513	190,878
Bank interest	21,894	-	21,894
Total 2023	150,259	62,513	212,772

8. Finance costs

	Unrestricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Investment management fees and bank charges	99,481	30,290	129,771

	Unrestricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Investment management fees and bank charges	87,877	26,635	114,512

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Total 2024 £
Upkeep of the Castle	3,024,069	3,024,069
Cost of admissions and Castle opening	487,870	487,870
Governance costs	29,945	29,945
Total 2024	3,541,884	3,541,884

	Unrestricted funds 2023 £	Total 2023 £
Upkeep of the Castle	2,955,733	2,955,733
Cost of admissions and Castle opening	433,400	433,400
Governance costs	29,215	29,215
Total 2023	3,418,348	3,418,348

Summary by expenditure type

	Staff costs 2024 £	Depreciation 2024 £	Other costs 2024 £	Total 2024 £
Upkeep of the Castle	1,134,180	119,414	1,770,475	3,024,069
Cost of admissions and Castle opening	487,870	-	-	487,870
Governance costs	-	-	29,945	29,945
	1,622,050	119,414	1,800,420	3,541,884

9. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type (continued)

	Staff costs 2023 £	Depreciation 2023 £	Other costs 2023 £	Total 2023 £
Upkeep of the Castle	1,055,653	117,116	1,782,964	2,955,733
Cost of admissions and Castle opening	433,400	-	-	433,400
Governance costs	-	-	29,215	29,215
	1,489,053	117,116	1,812,179	3,418,348

10. Net income/(expenditure)

	2024 £	2023 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	21,500	20,500
Depreciation of tangible fixed assets	147,379	146,767
Operating lease rentals	46,008	33,958

11. Staff costs

Staff costs were as follows:

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Wages and salaries	1,726,565	1,542,455	1,470,383	1,344,765
Social security costs	102,021	91,062	89,691	82,151
Contribution to defined contribution pension schemes	67,858	63,691	61,976	62,137
	1,896,444	1,697,208	1,622,050	1,489,053

During the financial year, the charity made an ex gratia payment to a long-serving staff member in recognition of their dedicated service and significant contributions to the organisation which totalled £6,582.

11. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	Group 2024 No.	Group 2023 No.	Charity 2024 No.	Charity 2023 No.
Restaurant and shop staff	19	16	-	-
Administration	4	4	3	3
Castle opening staff (temporary)	98	96	98	96
	121	116	101	99

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	Group 2023 No.
In the band £60,001 - £70,000	1	-
In the band £80,001 - £90,000	-	1
In the band £100,001 - £110,000	1	-

The key management personnel of the parent charity and the group comprise Trustees, the Castle Manager and the Finance Manager. The total employee benefits of the key management personnel were £171,297 (2023: £162,835).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 December 2024, expenses totalling £681 were reimbursed or paid directly to Trustee (2023 - £1,641 to 3 Trustees). This relates to the reimbursment of travel and accommodation expenses incurred.

13. Taxation

The parent company is a registered charity, and is entitled to certain tax exemptions on income and profits from investments. Surpluses are applied solely for charitable purposes.

To the extent that Arundel Castle Enterprises Limited makes a taxable profit it is conveyed to the parent charitable company under Gift Aid, resulting in no liability to corporation tax.

Arundel Castle Trustees Limited and Arundel Castle Enterprises Limited are registered for VAT, and consequently all of their income and expenditure is recorded net of VAT, with the exception of castle admissions income, which is subject to a VAT cultural exemption.

Notes to the financial statements
For the year ended 31 December 2024

14. Tangible fixed assets

Group

	Freehold property, improvements & gardens £	Coffee shop fixtures & fittings £	Motor vehicles & groundsmens' equipment £	Restaurant & gift shop fixtures & fittings £	Fixtures, fittings & computer equipment £	Total £
Cost or valuation						
At 1 January 2024	2,545,857	68,285	177,467	194,501	642,309	3,628,419
Additions	-	-	-	3,230	17,171	20,401
Disposals	-	-	-	(2,958)	-	(2,958)
At 31 December 2024	2,545,857	68,285	177,467	194,773	659,480	3,645,862
Depreciation						
At 1 January 2024	2,106,446	57,338	149,565	168,082	370,041	2,851,472
Charge for the year	41,272	4,106	11,371	23,859	66,771	147,379
On disposals	-	-	-	(2,958)	-	(2,958)
At 31 December 2024	2,147,718	61,444	160,936	188,983	436,812	2,995,893
Net book value						
At 31 December 2024	398,139	6,841	16,531	5,790	222,668	649,969
At 31 December 2023	439,411	10,947	27,902	26,419	272,268	776,947

14. Tangible fixed assets (continued)

Group (continued)

Charity

	Freehold property, improvements & gardens £	Motor vehicles & groundsmens ' equipment £	Fixtures, fittings & computer equipment £	Total £
Cost or valuation				
At 1 January 2024	2,545,857	177,467	642,309	3,365,633
Additions	-	-	17,171	17,171
At 31 December 2024	2,545,857	177,467	659,480	3,382,804
Depreciation				
At 1 January 2024	2,106,446	149,565	370,041	2,626,052
Charge for the year	41,272	11,371	66,771	119,414
At 31 December 2024	2,147,718	160,936	436,812	2,745,466
Net book value				
At 31 December 2024	398,139	16,531	222,668	637,338
At 31 December 2023	439,411	27,902	272,268	739,581

15. Heritage assets

Assets not recognised in the balance sheet

The charitable company maintains Arundel Castle and its grounds which were acquired in 1976 by way of gift from the Executors of the XVI Duke of Norfolk.

The Keep at Arundel Castle was built at the end of the 11th century by Roger de Montgomery Earl of Arundel. Since then it has been added to over the centuries, the last major remodelling taking place at the end of the 19th century. Apart from the occasional reversion to the Crown, Arundel Castle has descended directly from 1138 to the present day, carried by female heiresses from the d'Albinis to the Fitzalans in the 13th century and then from the Fitzalans to the Howards in the 16th century and it has been the seat of the Dukes of Norfolk and their ancestors for over 850 years.

The Castle houses a collection of fine furniture dating from the 16th century, tapestries, clocks and portraits by Van Dyck, Gainsborough, Mytens, Lawrence, Reynolds, Canaletto and others. Personal possessions of Mary, Queen of Scots and a selection of historical, religious and heraldic items from the Duke of Norfolk's collection are also on display.

15. Heritage assets (continued)

These items, with the exception of certain chattels as described more fully below, are displayed under legal agreement with the Duke of Norfolk and his successors and are not included in the balance sheet of the charity.

There have been no acquisitions or disposals of heritage assets during the last five years.

The current building underwent a major restoration project that was completed in 1900. It was one of the first English country houses to be fitted with electric light, integral fire fighting equipment, service lifts and central heating.

The charity aims to maintain the condition of the Castle in a steady state of repair, and to improve the grounds to enhance the experience of visitors to the Castle. Annual surveys are undertaken to ensure that the fabric of the building is not deteriorating and repair and maintenance work is undertaken as required, according to budget. Examples of such expenditure in recent years include re-leading the castle roof and internal and external re-wiring to the Castle.

The total of such expenditure in 2024 was £540,390 (2023: £576,525).

The cost of major enhancement work to the grounds and gardens, and any capital work to the building that does not represent repair or maintenance, is capitalised on the balance sheet.

In accordance with the admission policy, public access to the Castle and grounds is permitted every day of the week except Monday during the opening season which is from Easter or 1 April to the end of October each year.

Chattels recognised on the balance sheet (Note 15)

Chattels comprising an oil painting of Elizabeth Stuart, a silver tripod, a silver salver, a Regency silver dinner service, a four poster bed and gold Coronation cups are reported in the balance sheet at cost.

Public access to these assets is provided in accordance with the general castle admissions policy as described above.

Enhancement to gardens and grounds

The grounds, together with the keep and gatehouse have been open to the public since 1800 and the gardens since 1854.

On 14 May 2008 The Collector Earl's Garden was opened by HRH The Prince of Wales. This formal garden was conceived as a tribute to Thomas Howard, 14th Earl of Arundel, known as 'The Collector'.

The capital expenditure on this project and other projects for the enhancement of the gardens is held on the balance sheet at cost and was depreciated over 10 years.

Admission to The Collector Earl's Garden is included within the standard admission for the castle and grounds.

Notes to the financial statements
For the year ended 31 December 2024

15. Heritage assets (continued)

Group and Charity

Assets recognised at cost

	Chattels owned by the charity 2024 £	Total 2024 £
At 1 January 2024	475,683	475,683
Additions	64,230	64,230
At 31 December 2024	539,913	539,913

Analysis of heritage asset transactions

Group and Charity

	2024 £	2023 £	2022 £	2021 £	2020 £
Purchases					
Coronation cups	64,230	-	-	-	-
Total additions	64,230	-	-	-	-

Notes to the financial statements
For the year ended 31 December 2024

16. Fixed asset investments

Group	Endowment fund £	East Wing sinking fund £	General fund investments £	Total £
Cost or valuation				
At 1 January 2024	3,962,403	37,781	8,308,241	12,308,425
Investment income	54,462	403	160,109	214,974
Management fees	(30,290)	(116)	(63,977)	(94,383)
Realised and unrealised gains/(losses)	784,833	3,077	1,017,040	1,804,950
Transfers into fund	-	-	980,873	980,873
At 31 December 2024	4,771,408	41,145	10,402,286	15,214,839
Net book value				
At 31 December 2024	4,771,408	41,145	10,402,286	15,214,839
At 31 December 2023	3,962,403	37,781	8,308,241	12,308,425

Charity	Investments in subsidiary companies £	Endowment fund £	East Wing sinking fund £	General fund investments £	Total £
Cost or valuation					
At 1 January 2024	100	3,962,403	37,781	8,308,241	12,308,525
Investment income	-	54,462	403	160,109	214,974
Management fees	-	(30,290)	(116)	(63,977)	(94,383)
Realised and unrealised gains/(losses)	-	784,833	3,077	1,017,040	1,804,950
Transfers into fund	-	-	-	980,873	980,873
At 31 December 2024	100	4,771,408	41,145	10,402,286	15,214,939
Net book value					
At 31 December 2024	100	4,771,408	41,145	10,402,286	15,214,939
At 31 December 2023	100	3,962,403	37,781	8,308,241	12,308,525

16. Fixed asset investments (continued)

Investments held by the charity include an investment in the subsidiary company, Arundel Castle Enterprises Limited at cost.

Arundel Castle Trustees Limited owns 100% of the issues ordinary share capital of Arundel Castle Enterprises Limited, a company incorporated in England and Wales. Arundel Castle Enterprises Limited is the only subsidiary of Arundel Castle Trustees Limited. There are no other related companies.

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Class of shares	Holding	Included in consolidation
Arundel Castle Enterprises Limited	01521264	Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net assets £
Arundel Castle Enterprises Limited	942,673	(799,489)	143,184	174,566

Endowment Fund

This represents a permanent endowment to Arundel Castle Trustees Limited by the Executors of the XVI Duke of Norfolk. The fund is represented by:

	Market value 2024	Cost 2024	Market value 2023	Cost 2023
	£	£	£	£
UK listed investments	352,315	182,586	197,044	182,586
Overseas listed investments	4,335,591	3,491,979	2,210,511	2,081,616
Sub total	4,687,906	3,674,565	2,407,555	2,264,202
Investment deposit account	83,503	83,503	64,594	64,594
Total	4,771,409	3,758,068	2,472,149	2,328,796

The Trustees consider the following investment to be material (over 5% of total investment fund) to the market value of the portfolio at 31 December 2024:

Broadcom - 5.50%

East Wing Sinking Fund

This represents funds invested in 1993 for future restoration of the East Wing. The fund is represented by:

	Market Value 2024	Cost 2024	Market Value 2023	Cost 2023
	£	£	£	£
Other unlisted investments	40,137	64,025	37,345	37,000
Sub total	40,137	64,025	37,345	37,000
Investment deposit account	1,008	1,008	436	436
Total	41,145	65,033	37,781	37,436

As at 31 December 2024, the fund is made up of one investment, Cazenove GBP Balanced Fund.

Notes to the financial statements
For the year ended 31 December 2024

General investment fund

General Fund

The fund is represented by:

	Market value 2024	Cost 2024	Market value 2023	Cost 2023
	£	£	£	£
UK listed investments	74,507	67,589	66,794	67,587
Overseas listed investments	3,330,632	2,770,827	2,731,715	2,388,201
Other unlisted securities	1,283,328	1,181,793	1,325,075	1,350,998
Bonds and fixed interest	1,681,542	1,707,498	1,647,607	1,642,787
Sub total	6,370,009	5,727,707	5,771,191	5,449,573
Investment deposit account	439,260	439,260	64,902	64,902
Total	6,809,269	6,166,967	5,836,093	5,514,475

The Trustees consider the following investment to be material (over 5% of total investment fund) to the market value of the portfolio at 31 December 2024:

iShares S&P 500 Swap - 6.60%
JPMorgan America Equity Fund - 8.60%
SPDR S&P - 6.70%
HSBC Global - 7.00%
Amundi Prime - 5.80%

General Fund - Equities

The fund is represented by:

	Market Value 2024	Cost 2024	Market value 2023	Cost 2023
	£	£	£	£
UK listed investments	260,158	365,078	197,044	182,586
Overseas listed investments	3,230,933	2,529,480	2,210,511	2,081,616
Sub total	3,491,091	2,894,558	2,407,555	2,264,202
Investment deposit account	101,926	101,926	64,594	64,594
Total	3,593,017	2,996,484	2,472,149	2,328,796

The Trustees consider the following investment to be material (over 5% of total investment fund) to the market value of the portfolio at 31 December 2024:

Broadcom - 5.30%

17. Stocks

	Group 2024 £	Group 2023 £
Gift shop goods for resale	89,042	102,612
Restaurant stock	5,298	4,604
	94,340	107,216

18. Debtors

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Due within one year				
Trade debtors	54,242	84,267	52,108	78,988
Amounts owed by group undertakings	-	-	228,644	166,310
Other debtors	68,313	57,445	68,313	57,445
Prepayments and accrued income	487,804	487,803	472,971	487,803
	610,359	629,515	822,036	790,546

19. Creditors: Amounts falling due within one year

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade creditors	123,261	159,464	118,331	159,090
Other taxation and social security	20,928	49	19,962	-
Other creditors	-	900	-	900
Accruals	55,738	97,854	52,138	92,354
	199,927	258,267	190,431	252,344

Notes to the financial statements
For the year ended 31 December 2024

20. Statement of funds

Statement of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2024 £
Unrestricted funds					
Designated funds					
East Wing Sinking Fund	37,782	403	(116)	3,077	41,146
General funds					
General Funds	11,910,154	5,646,857	(4,700,878)	1,017,061	13,873,194
Total Unrestricted funds	11,947,936	5,647,260	(4,700,994)	1,020,138	13,914,340
Endowment funds					
Endowment Fund	3,962,403	54,462	(30,290)	784,833	4,771,408
Total of funds	15,910,339	5,701,722	(4,731,284)	1,804,971	18,685,748

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds					
Designated funds					
East Wing Sinking Fund	40,061	754	(280)	(2,753)	37,782
General funds					
General Funds	10,598,084	5,368,162	(4,433,230)	377,138	11,910,154
Total Unrestricted funds	10,638,145	5,368,916	(4,433,510)	374,385	11,947,936
Endowment funds					
Endowment Fund	3,628,649	62,513	(26,635)	297,876	3,962,403
Total of funds	14,266,794	5,431,429	(4,460,145)	672,261	15,910,339

Endowment Fund

The charity holds both endowment and unrestricted reserves in order to meet its charitable objectives.

General Fund

The Trustees consider that they need to increase reserves in order to maintain the structure and grounds of the Castle in the long term. In some years the charity expends more money in meeting its charitable

Notes to the financial statements
For the year ended 31 December 2024

21. Summary of funds

Summary of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2024 £
Designated funds	37,782	403	(116)	3,077	41,146
General funds	11,910,154	5,646,857	(4,700,878)	1,017,061	13,873,194
Endowment funds	3,962,403	54,462	(30,290)	784,833	4,771,408
	15,910,339	5,701,722	(4,731,284)	1,804,971	18,685,748

Summary of funds - prior year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Designated funds	40,061	754	(280)	(2,753)	37,782
General funds	10,598,084	5,368,162	(4,433,230)	377,138	11,910,154
Endowment funds	3,628,649	62,513	(26,635)	297,876	3,962,403
	14,266,794	5,431,429	(4,460,145)	672,261	15,910,339

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Tangible fixed assets	649,969	-	649,969
Fixed asset investments	10,443,431	4,771,408	15,214,839
Heritage assets	539,913	-	539,913
Current assets	2,480,954	-	2,480,954
Creditors due within one year	(199,927)	-	(199,927)
Total	13,914,340	4,771,408	18,685,748

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Tangible fixed assets	776,947	-	776,947
Fixed asset investments	8,346,022	3,962,403	12,308,425
Heritage assets	475,683	-	475,683
Current assets	2,607,551	-	2,607,551
Creditors due within one year	(258,267)	-	(258,267)
Total	11,947,936	3,962,403	15,910,339

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2024 £	Group 2023 £
Net income for the period (as per Statement of Financial Activities)	2,775,409	1,643,545
Adjustments for:		
Depreciation charges	147,379	146,767
(Gains)/losses on investments	(1,804,971)	(672,261)
Dividends, interests and rents from investments	(267,038)	(212,772)
Decrease/(increase) in stocks	12,876	(17,558)
(Increase)/decrease in debtors	19,156	(44,719)
Increase/(decrease) in creditors	(58,319)	95,293
Investment management fees paid by fund	94,383	81,103
Net cash provided by operating activities	918,875	1,019,398

24. Analysis of cash and cash equivalents

	Group 2024 £	Group 2023 £
Cash in hand	1,776,255	1,870,820
Total cash and cash equivalents	1,776,255	1,870,820

25. Analysis of changes in net debt

	At 1 January 2024	Cash flows	At 31 December 2024
	£	£	£
Cash at bank and in hand	1,870,820	(94,565)	1,776,255
	1,870,820	(94,565)	1,776,255

26. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund. £Nil (2023- £Nil) were payable to the fund at the balance sheet date and are included in creditors.

27. Operating lease commitments

At 31 December 2024 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Not later than 1 year	37,714	48,504	37,714	48,504
Later than 1 year and not later than 5 years	127,178	147,910	127,178	147,910
Later than 5 years	13,032	30,014	13,032	30,014
	177,924	226,428	177,924	226,428

28. Related party transactions

Dr John Martin Robinson, a trustee of Arundel Castle Trustees Limited and a director of Arundel Castle Enterprises Limited, is paid, on normal commercial terms, for his services to the castle library. During the year he has been paid a total of £22,812 (2023: £21,140) for these services. No amounts were unpaid at the year end.

The Duke of Norfolk, a trustee of Arundel Castle Trustees Limited, had a trade debtor balance at the year end of £40,330 (2023: £48,199). The total of recharged costs over the year has been £40,330 (2023: £39,121).

The 1958 Settlement Younger Beneficiaries - Henry's Fund, of which The Duke of Norfolk and Earl of Arundel are trustees, holds a lease of the East Wing of Arundel Castle. This was granted in November 1993 in consideration of the carrying out of essential works of repair and improvement at a cost in excess of £1,300,000 and an annual rent payable to Arundel Castle Trustees Limited, which was £1,498 for the year (2023: £1,398). There was an outstanding debtor balance at the year end of £1,438 (2023: £1,398).

Arundel Castle Trustees Limited leases the overflow car park from the 1958 Settlement Younger Beneficiaries - Henry's Fund, of which The Duke of Norfolk and Earl of Arundel are trustees. Lease expenditure and grounds maintenance costs in the year were £58,139 (2023: £41,660) and no amounts were unpaid at the year end.

29. Controlling party

The Trustees, as a body, administer the Company in accordance with the Memorandum and Articles of Assocation. Therefore there is no single controlling party.

ARUNDEL CASTLE TRUSTEES LIMITED

England & Wales - Charity number 271833

Accounts

Registered number: 01269400
Charity number: 271833

Arundel Castle Trustees Limited

(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 December 2023

Arundel Castle Trustees Limited
(A company limited by guarantee)

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Arundel Castle Trustees Limited

(A company limited by guarantee)

Reference and administrative details of the Charity, its Trustees and advisers
For the year ended 31 December 2023

Trustees	The Duke of Norfolk Dr J M Robinson The Earl of Arundel Mr N Powell (resigned 26 September 2023) Mr C Fraser Mr H Coghill Mr E Perks (appointed 26 September 2023)
Company registered number	01269400
Charity registered number	271833
Registered office	Arundel Castle High Street Arundel BN18 9AB
Company secretary	Mrs S Webber
Castle Manager	Mr A Lewis
Independent auditors	Kreston Reeves LLP Chartered Accountants 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ
Bankers	Lloyds Bank Plc Brighton BN1 1GL
Solicitors	Currey & Co 33 Queen Anne Street London W1G 9HY
Investment advisers	Cazenove Capital Management 31 Gresham Street London EC2V 7QA

Arundel Castle Trustees Limited

(A company limited by guarantee)

Trustees' report
For the year ended 31 December 2023

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 January 2023 to 31 December 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Charity qualify as small under section 383 of the Companies Act 2006, the Group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Policies and objectives

The primary objectives of the charity, as stated in its governing document, are to preserve the buildings, grounds and chattels of Arundel Castle for public benefit. The unrestricted income and capital of the company may be applied towards these objectives at the Trustees' discretion.

In order to achieve these objectives, members of the public are allowed reasonable access to the property on not less than 100 days during the year and in 2023 the Castle was open for 190 days.

Aims and intended impact

The Trustees have considered the Charity Commission's guidance on public benefit and fee charging when setting their objectives for the year.

For the public benefit the charity aims to educate people in the history of the buildings and contents of the Castle through public access to and experience of visiting the Castle. The Trustees employ an education officer and offer a range of learning activities at the Castle.

The Trustees also continually aim to maximise the enjoyment of all visitors by refurbishing and improving the displays and condition of artefacts within the Castle, as well as hosting special events portraying the history of the Castle.

Principal activities in the year

The principal activities of the charitable company in the year were the opening of Arundel Castle and its grounds to the public from 1 April – 29 October 2023 and preserving the building, grounds and chattels.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Strategic report

Achievements and performance

Operational performance

The Trustees are pleased with the admission figures for 2023 which exceeded visitor levels prior to the pandemic and reflected the full programme of events during the season.

Overseas visitor numbers increased significantly as compared with 2022 as did visitors arriving by coach.

However, the coach visitors were primarily on day trips with fewer coach holiday visitors than pre-pandemic.

Whilst visitor numbers and ticket sales fared well, the Castle was not immune to the wider economic challenges with a reduction in individual discretionary spend in the catering outlets whereas the Castle's retail outlet was not impacted in the same way.

Admission statistics for the 2023 season compared with the previous year and the year prior to the pandemic are summarised as follows:

	2023	2022	2019
Number of days castle open to the public	190	190	193
Number of visitors			
Castle	160,208	148,659	145,088
Grounds	36,540	30,786	44,818
Normal admission charge			
Adults	£27.00	£25.00	£20.00
Senior Citizens	N/A	N/A	£17.50
Children	£11.00	£10.00	£11.00

Trading performance

The charitable company's wholly owned trading subsidiary, Arundel Castle Enterprises Limited, carries out non charitable trading activities for the charity. The financial performance of Arundel Castle Enterprises Limited is shown in note 4 to the financial statements.

In 2023, Arundel Castle Enterprises Limited ran the castle shop, tea terrace and restaurant, and the Arundel Castle, and Arundel Festival events on behalf of the charity.

The subsidiary gifts its taxable profit to Arundel Castle Trustees Limited under Gift Aid.

Investment policy and performance

Investment powers and policy

The Trustees may invest funds of the Charity, not immediately required for its purpose, in such investment securities as they see fit subject to any conditions imposed or required by law.

The Trustees engage Cazenove Capital Management to manage the charity's portfolio of securities on a discretionary basis.

Performance review

The charitable company's investment performance is measured regularly against a benchmark of a combination of FTSE and Government Stock. The Trustees will keep the performance under constant review and work with their investment advisers to maximise opportunities and minimise investment losses to ensure investment stability while still providing income.

Total investment income received in the year, before fees, amounted to £212,772 per the Statement of

Financial Activities (2022: £160,097), which accounted for 3.9% of the total charitable company's incoming resources in 2023. This income is wholly reinvested in order to sustain and enhance capital growth in the portfolio.

Financial review

Financial results

The consolidated Statement of Financial Activities (SOFA) for the year is set out on page 13. A summary of the financial results and the work of the charitable company is set out below.
The consolidated SOFA shows net surplus before investment gains of £971,284 in the year compared with £544,309 in 2022.

Incoming resources

The charitable company has three principal sources of income. Firstly, it receives income from admissions to the Castle. The admissions income accounted for 87% of the Castle's total incoming resources in 2023 (2022: 87%). The total visitor numbers were up on 2022 by 9.6%.

Secondly, the charitable company receives a material revenue stream in dividends from its investments. More information on investments is given in the Investment Performance section above.

The third principal source of income is takings from the Mill Road car park. This is a public car park, which is open to the public all year round, not just during Castle opening. Takings from the car park are collected by the Castle and are a valuable source of income for the charity, accounting for 8% (2022: 9%) of the total charitable company's incoming resources in 2023.

Resources expended

The charity's funds have been applied to charitable purposes throughout the year. In this regard, the Trustees have been following a policy of investment in the fabric of the Castle with the result that £576,525 (2022: £856,070) has been spent on various renovation and repair projects in the year. The Trustees plan to continue to invest funds in the upkeep and enhancement of the Castle in 2024 as described in the 'Plans for Future Periods' section of this report.

Fixed assets

The movement in fixed assets during the year is set out in note 14 to the financial statements.

Interest in land and historic buildings

The executors of the XVI Duke of Norfolk conveyed Arundel Castle and its grounds to the charitable company as a gift in July 1976. The Trustees have excluded these assets from the balance sheet as reliable cost information is not available and conventional valuation approaches lack sufficient reliability due to the unique nature of the property. There is further information given on this in note 2.7 to the financial statements.

Reserves policy

The charity holds both endowment and unrestricted reserves in order to meet its charitable objectives. Details of each of the individual reserves can be found in note 20 to the financial statements.

The Trustees consider that they need to increase reserves in order to maintain the structure and grounds of the Castle in the long term. In some years the charity expends more money in meeting its charitable

objectives than it receives from its principal sources of income. It therefore relies on reserves to fund long term capital projects such as the re wiring of the Castle interior, the re leading of the roof and those detailed in the 'Plans for Future Periods' section of this report.

In the long term, the endowment fund alone is considered insufficient to continue to meet the charitable objects, therefore it is the policy of the Trustees to supplement this fund by augmenting unrestricted reserves.

The Trustees also have an unrestricted designated fund for future expenditure on the East Wing of the Castle. The income from this fund is used to honour the landlord's commitments to maintain the East Wing.

The total reserve is £15,910,339 to include the unrestricted fund of £11,947,936 and the endowment fund of £3,962,403.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Structure, governance and management

Governing instrument

Arundel Castle Trustees Limited is a charitable company limited by guarantee and governed by its Memorandum and Articles of Association dated 19 July 1976 as amended on 27 April 1999. It was registered as a charity with the Charity Commission on 27 September 1976. The charity has one wholly owned trading subsidiary, Arundel Castle Enterprises Limited.

The members, who were the Trustees and directors of Arundel Castle Trustees Limited at 31 December 2023, have each undertaken to contribute £1 to the assets of the company in the event of the same being wound up while he / she is a member or within twelve months of his / her ceasing to be a member.

Arundel Castle Enterprises Limited is limited by shares and is governed by its Memorandum and Articles of Association dated 10 October 1980.

The report and consolidated financial statements for the year ended 31 December 2023 relate to the combined activities of the two legal entities.

Method of appointment or election of Trustees

The Board of Trustees has the power as laid out in the Articles of Association to appoint persons to be Trustees of the charitable company as it thinks fit provided that the majority of the Trustees are resident in the UK at any one time, and the majority shall be persons other than the Duke and Duchess of Norfolk, any relative of either of them, and the spouse of any such relative.

The Articles of Association specify a minimum of five Trustees and the Trustees, in practice, have a policy of maintaining a board of either five or six Trustees of the charitable company at any one time. The Board seeks to ensure that it continually comprises Trustees with the range of expertise necessary for the operation and governance of the charity. Should the need for additional expertise on the Board arise, the Trustees would each consider appropriate candidates and put the names of those most appropriate to the rest of the Board. The Board would then agree to whom an approach should be made.

Arundel Castle Trustees Limited

(A company limited by guarantee)

Trustees' report
For the year ended 31 December 2023

Details of the Trustees who served during the year are listed on page 1.

Policies adopted for the induction and training of Trustees

New Trustees undertake a morning meeting with the Duke of Norfolk during which they are introduced to other Trustees and key members of staff, and are given a tour of the Castle. They are also briefed on their legal obligations under charity and company law and informed of the content of the Memorandum and Articles of Association.

During their induction meeting new Trustees are also briefed as to the history of the Castle and informed how the work of the Board fits with the charity's objectives. New Trustees are also given a copy of the latest available financial statements and the Charity Commission guidance booklet CC3 "The Essential Trustee" for their review.

Organisational structure and decision making

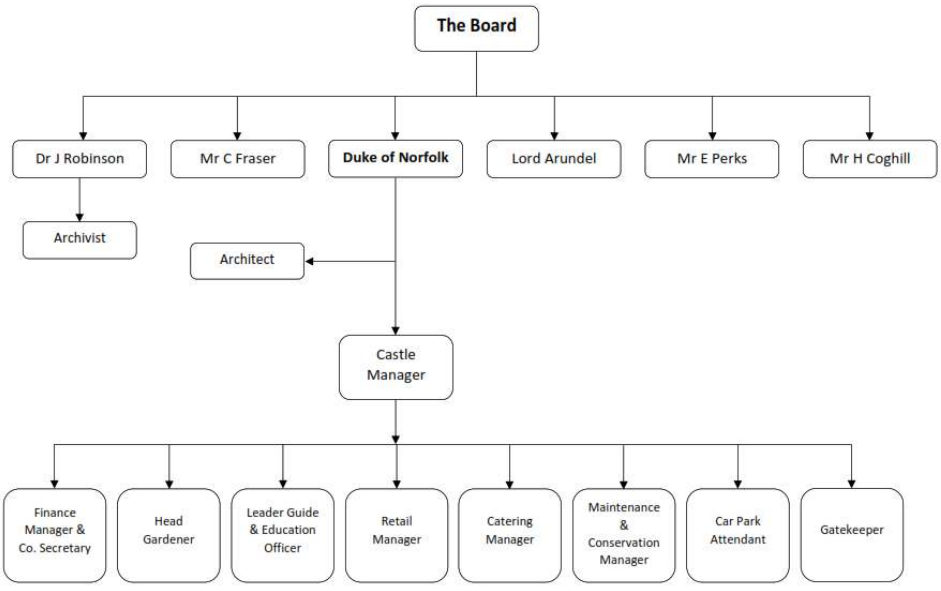
During the year under review the Trustees met in February, July and September.

During the February meeting the Trustees approve both the financial statements for the previous calendar year and the budgets for the coming year. They also monitor the progress of maintenance projects being undertaken during the period in which the Castle is closed to the public, from November to March each year.

At the July meeting the Trustees review how the first two months of opening (April and May) compare with the same period in the past two seasons and pre-pandemic. They use this information to re-forecast results for the year, plan projects and manage the opening business accordingly.

The September meeting is used to compare the performance of the whole season against the forecast and previous seasons, analyse as appropriate and make key decisions on the opening policy, pricing policy and advertising and marketing activity for the next year.

Once the Trustees have approved the budgets for the year, they delegate day to day operational decisions to the Castle Manager and Heads of Department within the Castle. The reporting and decision making hierarchy is shown below.



Related party relationships

Arundel Castle Trustees Limited has one wholly owned subsidiary, Arundel Castle Enterprises Limited. Arundel Castle Enterprises Limited operates the commercial activity within the Castle, which comprises the gift shop and restaurant businesses.

For information on related party transactions please see note 28 to the financial statements.

Risk management

Against the background of their desire to achieve and maintain best practice in corporate governance, and acknowledging their ultimate responsibility for safeguarding the assets in their ownership, the Trustees have appointed senior staff members (as detailed in the organisational chart above) to be responsible for the areas in which the charity and the group may be exposed to significant strategic, business and operational risks.

Systems have been established to mitigate the risks identified and procedures are in place to minimise the impact on the charity and the group should any of those risks materialise. This work has identified all significant risks, which the charity records on its risk register. Particular attention has been focused on non-financial risks arising from fire, and health and safety of visitors. The risks which the charity faces are under continual review.

Remuneration of key personnel

The Trustees are responsible for setting the pay and remuneration of all personnel, including key management personnel. This is reviewed and agreed at the March meeting each year.

Plans for future periods

Future developments

The Trustees will continue to preserve and maintain the Castle for the public benefit, following traditional lines, to give visitors an enjoyable experience of its history from the medieval keep to the Victorian rooms.

The Trustees have the following plans for the Castle:

- To continue to attract visitors to the Castle, gardens and events and maximise income.
- To enhance the visitor experience by continuing to develop the Castle, garden and grounds and improving access and facilities.

Projects for 2024 include:

- Continued maintenance of building fabric and care of the contents.
- Completing the refurbishment of the Victoria bedroom and bathroom and then reopening to visitors.
- Completing and then opening to visitors the new wildlife pond beyond the lower lawn.
- Continuing the Castle's conversion to LED lighting together with associated electrical upgrades.
- Completing the refurbishment of the oak parquet flooring in the Castle restaurant.
- Completing the refurbishment of the Antler Temple in the Earl’s Garden.
- Redesign and new planting in the Rose Garden.

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office following the Trustees' decision in March 2023 to tender the audit for 31 December 2023 and Kreston Reeves LLP's subsequent appointment. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....

The Duke of Norfolk
(Chair of Trustees)
Date: 5/3/2024

Independent auditors' report to the Members of Arundel Castle Trustees Limited

Opinion

We have audited the financial statements of Arundel Castle Trustees Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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's 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 of Arundel Castle Trustees Limited (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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 appears 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.

Opinion on 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 Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' 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 the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's 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 to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the Members of Arundel Castle Trustees Limited (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) Second Edition (released October 2019), the Companies Act 2006 and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to posting inappropriate journal entries to increase revenue or reduce expenditure, and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with relevant tax and regulatory authorities; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Independent auditors' report to the Members of Arundel Castle Trustees Limited (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

Use of our report

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

Kreston Reeves LLP

Lucy Hammond BSc FCA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Chartered Accountants

Chichester

5 March 2024

Arundel Castle Trustees Limited

(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2023

	Note	Unrestricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:					
Charitable activities	5	3,924,610	-	3,924,610	3,442,517
Other trading activities	6	1,294,047	-	1,294,047	1,149,051
Investments	7	150,259	62,513	212,772	160,097
Total income and endowments		5,368,916	62,513	5,431,429	4,751,665
Expenditure on:					
Raising funds:	8				
Fundraising trading		927,285	-	927,285	990,794
Investment management and bank charges		87,877	26,635	114,512	104,001
Charitable activities:	9				
Upkeep of the castle		2,955,733	-	2,955,733	2,176,033
Costs of admissions and castle opening		433,400	-	433,400	875,336
Governance costs		29,215	-	29,215	61,192
Total expenditure		4,433,510	26,635	4,460,145	4,207,356
Net income before net gains/(losses) on investments		935,406	35,878	971,284	544,309
Net gains/(losses) on investments		374,385	297,876	672,261	(922,438)
Net movement in funds		1,309,791	333,754	1,643,545	(378,129)
Reconciliation of funds:					
Total funds brought forward		10,638,145	3,628,649	14,266,794	14,644,923
Net movement in funds		1,309,791	333,754	1,643,545	(378,129)
Total funds carried forward		11,947,936	3,962,403	15,910,339	14,266,794

The notes on pages 17 to 41 form part of these financial statements.

Arundel Castle Trustees Limited
(A company limited by guarantee)
Registered number: 01269400

Consolidated balance sheet
As at 31 December 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	14		776,947		892,868
Heritage assets			475,683		475,683
Investments	16		12,308,425		10,826,391
			13,561,055		12,194,942
Current assets					
Stocks	17	107,216		89,658	
Debtors	18	629,515		584,796	
Cash at bank and in hand		1,870,820		1,560,372	
		2,607,551		2,234,826	
Creditors: amounts falling due within one year	19	(258,267)		(162,974)	
Net current assets			2,349,284		2,071,852
Total assets less current liabilities			15,910,339		14,266,794
Total net assets			15,910,339		14,266,794
Charity funds					
Endowment funds	20		3,962,403		3,628,649
Unrestricted funds					
Designated funds	20	37,782		40,061	
General funds	20	11,910,154		10,598,084	
Total unrestricted funds	20		11,947,936		10,638,145
Total funds			15,910,339		14,266,794

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....

The Duke of Norfolk
(Chair of Trustees)
Date: 5/3/2024

The notes on pages 17 to 41 form part of these financial statements.

Arundel Castle Trustees Limited
(A company limited by guarantee)
Registered number: 01269400

Charity balance sheet
As at 31 December 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	14		739,581		827,255
Heritage assets			475,683		475,683
Investments	16		12,308,525		10,826,491
			13,523,789		12,129,429
Current assets					
Debtors	18	790,546		1,314,795	
Cash at bank and in hand		1,596,459		757,235	
		2,387,005		2,072,030	
Creditors: amounts falling due within one year	19	(252,344)		(155,847)	
Net current assets			2,134,661		1,916,183
Total assets less current liabilities			15,658,450		14,045,612
Total net assets			15,658,450		14,045,612
Charity funds					
Endowment funds	20		3,962,403		3,628,649
Unrestricted funds					
Designated funds	20	37,782		40,061	
General funds	20	11,658,265		10,376,902	
Total unrestricted funds	20		11,696,047		10,416,963
Total funds			15,658,450		14,045,612

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
The Duke of Norfolk
(Chair of Trustees)
Date: 5/3/2024.

The notes on pages 17 to 41 form part of these financial statements.

Arundel Castle Trustees Limited
(A company limited by guarantee)

Consolidated statement of cash flows
For the year ended 31 December 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	1,019,398	696,459
Cash flows from investing activities		
Interest received	21,896	1,353
Proceeds from the sale of tangible fixed assets	-	3,750
Purchase of tangible fixed assets	(30,846)	(256,768)
Transfer of funds to investments	(700,000)	(1,300,000)
Net cash used in investing activities	(708,950)	(1,551,665)
Change in cash and cash equivalents in the year	310,448	(855,206)
Cash and cash equivalents at the beginning of the year	1,560,372	2,415,578
Cash and cash equivalents at the end of the year	1,870,820	1,560,372

The notes on pages 17 to 41 form part of these financial statements

Notes to the financial statements
For the year ended 31 December 2023

1. General information

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Arundel Castle Trustees Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

2. Accounting policies (continued)

2.4 Expenditure (continued)

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All expenditure is inclusive of irrecoverable VAT.

2.5 Basis of consolidation

The financial statements consolidate the accounts of Arundel Castle Trustees Limited and its subsidiary undertaking, Arundel Castle Enterprises Limited ('subsidiary').

Of the net income after investment movement of £1,643,545 (2022: net expenditure of £378,129), £1,451,186 (2022: £536,018) is attributable to the parent charitable company. The profit attributable to the subsidiary is shown in the notes to the financial statements.

2.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and included at purchase cost plus any incidental expenses of acquisition.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of the fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Consolidated Statement of Financial Activities incorporating income and expenditure account

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property, improvements & gardens	- 10% - 20% straight line
Restaurant & gift shop fixtures & fittings	- 10% - 33% straight line
Motor vehicles & groundsmens' equipment	- 25% straight line
Coffee shop fixtures & fittings	- 10% - 33% straight line
Fixtures, fittings & computer equipment	- 25% - 33% straight line

No depreciation has been provided on freehold property. This represents the property at 11 London Road owned by the charity and, in the opinion of the Trustees, the amount of any depreciation would be immaterial. Annual impairment reviews of the property are performed based on published house price indices.

2. Accounting policies (continued)

2.7 Arundel Castle

The charity maintains Arundel Castle and its grounds in support of the charity's objective to preserve the buildings, grounds and chattels for the benefit of current and future generations.

Arundel Castle and its grounds were conveyed to the charity by the Executors of the XVI Duke of Norfolk as a gift in July 1976 and have not been valued in these financial statements. Reliable cost information for these assets is not available and the Trustees consider that conventional valuation approaches lack sufficient reliability due the the unique nature of the property. Furthermore, if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the charity and users of the accounts. As a result, no value is reported for these assets in the charity's balance sheet.

Arundel Castle is a unique, inalienable building of historical significance and the Trustees are forbidden from disposing of the property either in whole or in part. Each year, the Trustees are required to spend significant sums in maintaining the fabric of the building and enhancing the overall visitor experience, as directed by the charity's governing instrument. This expenditure is charged in the Statement of Financial Activities as incurred, rather than capitalised, because in the opinion of the Trustees it gives a more meaningful presentation of the charity's activities during the year.

The total of such expenditure was £576,525 in the year ended 31 December 2023 (2022: £856,070).

Chattels owned by the Duke of Norfolk

Certain chattels on display to the public at Arundel Castle, books kept in the library at Arundel Castle and certain chattels kept in the private chapel at Arundel Castle are owned by the Duke of Norfolk and his successors and made available to the Trustees of Arundel Castle under legal agreements dated 28 July 1981. Under these agreements it is undertaken that the chattels and books will be made available to the Trustees for public display at Arundel Castle, subject to a number of conditions and restrictions, It is considered that the effect of these conditions and restrictions is such that the chattels and books do not fall under the control of the Trustees of Arundel Castle Trustees Limited, as defined by Financial Reporting Standard 102 (FRS 102) Heritage Assets. As a result, no value is reported for these assets in the charity's balance sheet. Under the terms of the legal agreements these chattels and books remain generally on display to the public in accordance with the usual Castle opening arrangements.

Chattels owned by the Charitable Company

Mainly the Chattels owned comprise an oil painting of Elizabeth Stuart, a silver tripod, a silver salver, a Regency silver dinner service and a four poster bed. The chattels are all stated at cost and undergo annual impairment reviews. These financial statements do not reflect the value of chattels situated in Arundel Castle and owned by the Duke of Norfolk, which have been loaned to the charitable company.

Gardens

The grounds were gifted to the charity in 1976, as detailed previously in this note.
Significant capital expenditure to improve the gardens and enhance the visitor experience has been carried out and this expenditure is held on the balance sheet at cost less depreciation.

2. Accounting policies (continued)

2.8 Investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries are valued at cost.

2.9 Interest receivable

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

2.10 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.13 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.14 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2. Accounting policies (continued)

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Tangible fixed assets (see note 14)
Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Heritage assets (see note 15)
Heritage assets are not included within the financial statements as the Trustees consider that conventional valuation techniques lack sufficient reliability over their valuation and that if valuations could be obtained the cost would be onerous compared with the additional benefit derived. The assessment is reviewed annually.

4. Net income from trading activities of subsidiary

The charity has a wholly owned trading subsidiary incorporated in the UK. Arundel Castle Enterprises Limited is used for trading activities at Arundel Castle, principally the gift shop and catering facilities and the hosting of the annual Arundel Festival. The company gifts its distributable income to Arundel Castle Trustees Limited under Gift Aid. All activities have been consolidated on a line by line basis in the Statement of Financial Activities. Audited financial statements are filed with the Registrar of Companies.

A summary of its trading results is shown below:

Arundel Castle Enterprises Limited

	2023 £	2022 £
Profit and loss account		
Turnover	898,887	796,532
Cost of sales	(330,734)	(300,093)
Gross profit	568,153	496,439
Adminstrative expenses	(380,674)	(339,178)
Interest receivable	4,881	638
	(375,793)	(338,540)
Total profit before taxtion	192,360	157,899

Notes to the financial statements
For the year ended 31 December 2023

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Admissions	3,924,610	3,924,610

	Unrestricted funds 2022 £	Total funds 2022 £
Admissions	3,442,517	3,442,517

In both 2023 and 2022, all income from admissions was to unrestricted funds.

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £
Subsidiary income	898,887	898,887
Rental/car park income	342,603	342,603
Facility hire	52,557	52,557
Total 2023	1,294,047	1,294,047

	Unrestricted funds 2022 £	Total funds 2022 £
Subsidiary income	796,522	796,522
Rental/car park income	312,529	312,529
Facility hire	40,000	40,000
Total 2022	1,149,051	1,149,051

In both 2023 and 2022, all income from other trading activities was to unrestricted funds.

7. Investment income

	Unrestricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Investment income	128,365	62,513	190,878
Bank interest	21,894	-	21,894
Total 2023	150,259	62,513	212,772

7. Investment income (continued)

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Investment income	102,710	56,034	158,744
Bank interest	1,353	-	1,353
Total 2022	104,063	56,034	160,097

8. Finance costs

	Unrestricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Investment management fees and bank charges	87,877	26,635	114,512

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Investment management fees and bank charges	76,626	27,375	104,001

Notes to the financial statements
For the year ended 31 December 2023

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Total 2023 £
Upkeep of the Castle	2,955,733	2,955,733
Cost of admissions and Castle opening	433,400	433,400
Governance costs	29,215	29,215
Total 2023	3,418,348	3,418,348

	Unrestricted funds 2022 £	Total 2022 £
Upkeep of the Castle	2,176,033	2,176,033
Cost of admissions and Castle opening	875,336	875,336
Governance costs	61,192	61,192
Total 2022	3,112,561	3,112,561

Summary by expenditure type

	Staff costs 2023 £	Depreciation 2023 £	Other costs 2023 £	Total 2023 £
Upkeep of the Castle	1,055,653	117,116	1,782,964	2,955,733
Cost of admissions and Castle opening	433,400	-	-	433,400
Governance costs	-	-	29,215	29,215
	1,489,053	117,116	1,812,179	3,418,348

9. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type (continued)

	Staff costs 2022 £	Depreciation 2022 £	Other costs 2022 £	Total 2022 £
Upkeep of the Castle	841,132	64,511	1,270,390	2,176,033
Cost of admissions and Castle opening	423,664	-	451,672	875,336
Governance costs	7,741	-	53,451	61,192
	1,272,537	64,511	1,775,513	3,112,561

10. Net income/(expenditure)

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	20,500	16,000
Depreciation of tangible fixed assets	146,767	93,461
Operating lease rentals	33,958	31,241

11. Staff costs

Staff costs were as follows:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Wages and salaries	1,542,455	1,384,025	1,344,765	1,211,226
Social security costs	91,062	75,286	82,151	68,234
Contribution to defined contribution pension schemes	63,691	51,644	62,137	49,244
	1,697,208	1,510,955	1,489,053	1,328,704

11. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
Restaurant and shop staff	16	5	-	-
Administration	4	4	3	3
Castle opening staff (temporary)	96	76	96	70
	116	85	99	73

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	Group 2022 No.
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-

The key management personnel of the parent charity and the group comprise Trustees, the Castle Manager and the Finance Manager. The total employee benefits of the key management personnel were £162,835 (2022: £154,817).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 December 2023, expenses totalling £1,641 were reimbursed or paid directly to 3 Trustees (2022 - £185 to 1 Trustee). This relates to the reimbursment of travel and accommodation expenses incurred.

13. Taxation

The parent company is a registered charity, and is entitled to certain tax exemptions on income and profits from investments. Surpluses are applied solely for charitable purposes.

To the extent that Arundel Castle Enterprises Limited makes a taxable profit it is conveyed to the parent charitable company under Gift Aid, resulting in no liability to corporation tax.

Arundel Castle Trustees Limited and Arundel Castle Enterprises Limited are registered for VAT, and consequently all of their income and expenditure is recorded net of VAT, with the exception of castle admissions income, which is subject to a VAT cultural exemption.

Notes to the financial statements
For the year ended 31 December 2023

14. Tangible fixed assets

Group

	Freehold property, improvements & gardens £	Coffee shop fixtures & fittings £	Motor vehicles & groundsmens' equipment £	Restaurant & gift shop fixtures & fittings £	Fixtures, fittings & computer equipment £	Total £
Cost or valuation						
At 1 January 2023	2,545,857	68,285	177,467	193,097	612,867	3,597,573
Additions	-	-	-	1,404	29,442	30,846
At 31 December 2023	2,545,857	68,285	177,467	194,501	642,309	3,628,419
Depreciation						
At 1 January 2023	2,065,174	53,232	136,575	142,537	307,187	2,704,705
Charge for the year	41,272	4,106	12,990	25,545	62,854	146,767
At 31 December 2023	2,106,446	57,338	149,565	168,082	370,041	2,851,472
Net book value						
At 31 December 2023	439,411	10,947	27,902	26,419	272,268	776,947
At 31 December 2022	480,683	15,053	40,892	50,560	305,680	892,868

14. Tangible fixed assets (continued)

Group (continued)

Charity

	Freehold property, improvements & gardens £	Motor vehicles & groundsmens' equipment £	Fixtures, fittings & computer equipment £	Total £
Cost or valuation				
At 1 January 2023	2,545,857	177,467	612,867	3,336,191
Additions	-	-	29,442	29,442
At 31 December 2023	2,545,857	177,467	642,309	3,365,633
Depreciation				
At 1 January 2023	2,065,174	136,575	307,187	2,508,936
Charge for the year	41,272	12,990	62,854	117,116
At 31 December 2023	2,106,446	149,565	370,041	2,626,052
Net book value				
At 31 December 2023	439,411	27,902	272,268	739,581
At 31 December 2022	480,683	40,892	305,680	827,255

15. Heritage assets

Assets not recognised in the balance sheet

The charitable company maintains Arundel Castle and its grounds which were acquired in 1976 by way of gift from the Executors of the XVI Duke of Norfolk.

The Keep at Arundel Castle was built at the end of the 11th century by Roger de Montgomery Earl of Arundel. Since then it has been added to over the centuries, the last major remodelling taking place at the end of the 19th century. Apart from the occasional reversion to the Crown, Arundel Castle has descended directly from 1138 to the present day, carried by female heiresses from the d'Albinis to the Fitzalans in the 13th century and then from the Fitzalans to the Howards in the 16th century and it has been the seat of the Dukes of Norfolk and their ancestors for over 850 years.

The Castle houses a collection of fine furniture dating from the 16th century, tapestries, clocks and portraits by Van Dyck, Gainsborough, Mytens, Lawrence, Reynolds, Canaletto and others. Personal possessions of Mary, Queen of Scots and a selection of historical, religious and heraldic items from the Duke of Norfolk's collection are also on display.

15. Heritage assets (continued)

These items, with the exception of certain chattels as described more fully below, are displayed under legal agreement with the Duke of Norfolk and his successors and are not included in the balance sheet of the charity.

There have been no acquisitions or disposals of heritage assets during the last five years.

The current building underwent a major restoration project that was completed in 1900. It was one of the first English country houses to be fitted with electric light, integral fire fighting equipment, service lifts and central heating.

The charity aims to maintain the condition of the Castle in a steady state of repair, and to improve the grounds to enhance the experience of visitors to the Castle. Annual surveys are undertaken to ensure that the fabric of the building is not deteriorating and repair and maintenance work is undertaken as required, according to budget. Examples of such expenditure in recent years include re-leading the castle roof and internal and external re-wiring to the Castle.

The total of such expenditure in 2023 was £576,525 (2022: £856,070).

The cost of major enhancement work to the grounds and gardens, and any capital work to the building that does not represent repair or maintenance, is capitalised on the balance sheet.

In accordance with the admission policy, public access to the Castle and grounds is permitted every day of the week except Monday during the opening season which is from Easter or 1 April to the end of October each year.

Chattels recognised on the balance sheet (Note 15)

Chattels comprising an oil painting of Elizabeth Stuart, a silver tripod, a silver salver, a Regency silver dinner service and a four poster bed are reported in the balance sheet at cost.

Public access to these assets is provided in accordance with the general castle admissions policy as described above.

Enhancement to gardens and grounds

The grounds, together with the keep and gatehouse have been open to the public since 1800 and the gardens since 1854.

On 14 May 2008 The Collector Earl's Garden was opened by HRH The Prince of Wales. This formal garden was conceived as a tribute to Thomas Howard, 14th Earl of Arundel, known as 'The Collector'.

The capital expenditure on this project and other projects for the enhancement of the gardens is held on the balance sheet at cost and was depreciated over 10 years.

Admission to The Collector Earl's Garden is included within the standard admission for the castle and grounds.

15. Heritage assets (continued)

Group and Charity

Assets recognised at cost

	Chattels owned by the charity 2023 £	Total 2023 £
As at 31 December 2023 & 2022	475,683	475,683

16. Fixed asset investments

Group	Endowment fund £	East Wing sinking fund £	General fund investments £	Total £
Cost or valuation				
At 1 January 2023	3,628,649	40,060	7,157,682	10,826,391
Investment income	62,513	754	127,609	190,876
Management fees	(26,635)	(280)	(54,188)	(81,103)
Realised and unrealised gains/(losses)	297,876	(2,753)	377,138	672,261
Transfers into fund	-	-	700,000	700,000
At 31 December 2023	3,962,403	37,781	8,308,241	12,308,425
Net book value				
At 31 December 2023	3,962,403	37,781	8,308,241	12,308,425
At 31 December 2022	3,628,649	40,060	7,157,682	10,826,391

16. Fixed asset investments (continued)

Charity	Investments in subsidiary companies £	Endowment fund £	East Wing sinking fund £	General fund investments £	Total £
Cost or valuation					
At 1 January 2023	100	3,628,649	40,060	7,157,682	10,826,491
Investment income	-	62,513	754	127,609	190,876
Management fees	-	(26,635)	(280)	(54,188)	(81,103)
Realised and unrealised gains/(losses)	-	297,876	(2,753)	377,138	672,261
Transfers into fund	-	-	-	700,000	700,000
At 31 December 2023	100	3,962,403	37,781	8,308,241	12,308,525
Net book value					
At 31 December 2023	100	3,962,403	37,781	8,308,241	12,308,525
At 31 December 2022	100	3,628,649	40,060	7,157,682	10,826,491

IInvestments held by the charity include an investment in the subsidiary company, Arundel Castle Enterprises Limited at cost.

Arundel Castle Trustees Limited owns 100% of the issues ordinary share capital of Arundel Castle Enterprises Limited, a company incorporated in England and Wales. Arundel Castle Enterprises Limited is the only subsidiary of Arundel Castle Trustees Limited. There are no other related companies.

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Class of shares	Holding	Included in consolidation
Arundel Castle Enterprises Limited	01521264	Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Arundel Castle Enterprises Limited	898,887	(758,415)	140,472	200,101

Endowment Fund

This represents a permanent endowment to Arundel Castle Trustees Limited by the Executors of the XVI Duke of Norfolk. The fund is represented by:

	Market value 2023	Cost 2023	Market value 2022	Cost 2022
	£	£	£	£
UK listed investments	197,044	182,586	200,037	198,844
Overseas listed investments	2,210,511	2,081,616	1,845,660	1,340,278
Other unlisted securities	-	-	873,291	950,368
Bonds and fixed interest	-	-	491,341	474,591
Sub total	2,407,555	2,264,202	3,410,329	2,964,081
Investment deposit account	64,594	64,594	217,659	217,659
Total	2,472,149	2,328,796	3,627,988	3,181,740

The Trustees do not consider any individual investment to be material (over 5% of total investment fund) to the market value of the portfolio at 31 December 2023.

East Wing Sinking Fund

This represents funds invested in 1993 for future restoration of the East Wing. The fund is represented by:

	Market Value 2023	Cost 2023	Market Value 2022	Cost 2022
	£	£	£	£
Other unlisted investments	37,345	37,000	30,894	34,134
Sub total	37,345	37,000	30,894	34,134
Investment deposit account	436	436	9,167	9,167
Total	37,781	37,436	40,061	43,301

As at 31 December 2023, the fund is made up of one investment, Cazenove GBP Balanced Fund.

Notes to the financial statements
For the year ended 31 December 2023

General investment fund

General Fund

The fund is represented by:

	Market value 2023	Cost 2023	Market value 2022	Cost 2022
	£	£	£	£
UK listed investments	66,794	67,587	315,669	340,594
Overseas listed investments	2,731,715	2,388,201	2,526,926	2,300,232
Other unlisted securities	1,325,075	1,350,998	1,439,077	1,601,348
Bonds and fixed interest	1,647,607	1,642,787	1,429,725	1,500,322
Sub total	5,771,191	5,449,573	5,711,397	5,742,496
Investment deposit account	64,902	64,902	1,445,013	1,445,013
Total	5,836,093	5,514,475	7,156,410	7,187,509

The Trustees consider the following investment to be material (over 5% of total investment fund) to the market value of the portfolio at 31 December 2023:

Vanguard S+P 500 ETF - 7.2%
JPMorgan America Equity Fund - 6.3%
Robeco GP Global Premium Equity - 5.5%
TwentyFour Absolute Return Credit - 5.0%

General Fund - Equities

The fund is represented by:

	Market Value 2023	Cost 2023	Market value 2022	Cost 2022
	£	£	£	£
UK listed investments	197,044	182,586	-	-
Overseas listed investments	2,210,511	2,081,616	-	-
Sub total	2,407,555	2,264,202	-	-
Investment deposit account	64,594	64,594	-	-
Total	2,472,149	2,328,796	-	-

The Trustees do not consider any individual investment to be material (over 5% of total investment fund) to the market value of the portfolio at 31 December 2023.

17. Stocks

	Group 2023 £	Group 2022 £
Gift shop goods for resale	102,612	87,541
Restaurant stock	4,604	2,117
	107,216	89,658

18. Debtors

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Due within one year				
Trade debtors	84,267	120,021	78,988	116,737
Amounts owed by group undertakings	-	-	166,310	733,283
Other debtors	57,445	68,149	57,445	68,149
Prepayments and accrued income	487,803	396,626	487,803	396,626
	629,515	584,796	790,546	1,314,795

19. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade creditors	159,464	55,436	159,090	54,985
Other taxation and social security	49	1,526	-	-
Other creditors	900	600	900	600
Accruals	97,854	105,412	92,354	100,262
	258,267	162,974	252,344	155,847

Notes to the financial statements
For the year ended 31 December 2023

20. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds					
Designated funds					
East Wing Sinking Fund	40,061	754	(280)	(2,753)	37,782
General funds					
General Funds	10,598,084	5,368,162	(4,433,230)	377,138	11,910,154
Total Unrestricted funds	10,638,145	5,368,916	(4,433,510)	374,385	11,947,936
Endowment funds					
Endowment Fund	3,628,649	62,513	(26,635)	297,876	3,962,403
Total of funds	14,266,794	5,431,429	(4,460,145)	672,261	15,910,339

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds					
Designated funds					
East Wing Sinking Fund	42,381	1,859	(305)	(3,874)	40,061
General funds					
General funds	10,615,761	4,693,772	(4,179,676)	(531,773)	10,598,084
Total Unrestricted funds	10,658,142	4,695,631	(4,179,981)	(535,647)	10,638,145
Endowment funds					
Endowment funds	3,986,781	56,034	(27,375)	(386,791)	3,628,649
Total of funds	14,644,923	4,751,665	(4,207,356)	(922,438)	14,266,794

Notes to the financial statements
For the year ended 31 December 2023

21. Summary of funds

Summary of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Designated funds	40,061	754	(280)	(2,753)	37,782
General funds	10,598,084	5,368,162	(4,433,230)	377,138	11,910,154
Endowment funds	3,628,649	62,513	(26,635)	297,876	3,962,403
	14,266,794	5,431,429	(4,460,145)	672,261	15,910,339

Summary of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Designated funds	42,381	1,859	(305)	(3,874)	40,061
General funds	10,615,761	4,693,772	(4,179,676)	(531,773)	10,598,084
Endowment funds	3,986,781	56,034	(27,375)	(386,791)	3,628,649
	14,644,923	4,751,665	(4,207,356)	(922,438)	14,266,794

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Tangible fixed assets	776,947	-	776,947
Fixed asset investments	8,346,022	3,962,403	12,308,425
Heritage assets	475,683	-	475,683
Current assets	2,607,551	-	2,607,551
Creditors due within one year	(258,267)	-	(258,267)
Total	11,947,936	3,962,403	15,910,339

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Tangible fixed assets	892,868	-	892,868
Fixed asset investments	7,197,742	3,628,649	10,826,391
Heritage assets	475,683	-	475,683
Current assets	2,234,826	-	2,234,826
Creditors due within one year	(162,974)	-	(162,974)
Total	10,638,145	3,628,649	14,266,794

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	Group 2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	1,643,545	(378,129)
Adjustments for:		
Depreciation charges	146,767	93,491
(Gains)/losses on investments	(672,261)	922,438
Dividends, interests and rents from investments	(212,772)	(160,097)
Loss/(profit) on the sale of fixed assets	-	(2,148)
Increase in stocks	(17,558)	(5,985)
(Increase)/decrease in debtors	(44,719)	112,252
Increase in creditors	95,293	41,242
Investment management fees paid by fund	81,103	73,395
Net cash provided by operating activities	1,019,398	696,459

24. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash in hand	1,870,820	1,560,372
Total cash and cash equivalents	1,870,820	1,560,372

25. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	1,560,372	310,448	1,870,820
	1,560,372	310,448	1,870,820

26. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund. £Nil (2022 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

27. Operating lease commitments

At 31 December 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Not later than 1 year	48,504	35,190	48,504	35,190
Later than 1 year and not later than 5 years	147,910	122,313	147,910	122,313
Later than 5 years	30,014	27,650	30,014	27,650
	226,428	185,153	226,428	185,153

28. Related party transactions

Dr John Martin Robinson, a trustee of Arundel Castle Trustees Limited and a director of Arundel Castle Enterprises Limited, is paid, on normal commercial terms, for his services to the castle library. During the year he has been paid a total of £21,140 (2022: £19,542) for these services. No amounts were unpaid at the year end.

The Duke of Norfolk, a trustee of Arundel Castle Trustees Limited, had a trade debtor balance at the year end of £48,199 (2022: £92,420). The total of recharged costs over the year has been £39,121 (2022: £93,754).

The 1958 Settlement Younger Beneficiaries - Henry's Fund, of which The Duke of Norfolk and Earl of Arundel are trustees, holds a lease of the East Wing of Arundel Castle. This was granted in November 1993 in consideration of the carrying out of essential works of repair and improvement at a cost in excess of £1,300,000 and an annual rent payable to Arundel Castle Trustees Limited, which was £1,398 for the year (2022: £1,334). There was an outstanding debtor balance at the year end of £1,398 (2022: £1,334).

Arundel Castle Trustees Limited leases the overflow car park from the 1958 Settlement Younger Beneficiaries - Henry's Fund, of which The Duke of Norfolk and Earl of Arundel are trustees. Lease expenditure and grounds maintenance costs in the year were £41,660 (2022: £34,772) and no amounts were unpaid at the year end.

29. Controlling party

The Trustees, as a body, administer the Company in accordance with the Memorandum and Articles of Assocation. Therefore there is no single controlling party.

ARUNDEL CASTLE TRUSTEES LIMITED

England & Wales - Charity number 271833

Accounts

Registered number: 1269400
Charity number: 271833

ARUNDEL CASTLE TRUSTEES LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

ARUNDEL CASTLE TRUSTEES LIMITED
(A company limited by guarantee)

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ARUNDEL CASTLE TRUSTEES LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees

The Duke of Norfolk
Dr John Martin Robinson
The Earl of Arundel
Mr N Powell
Mr C Fraser
Mr H Coghill

Company registered number

1269400

Charity registered number

271833

Registered office

Arundel Castle
High Street
Arundel
West Sussex
BN18 9AB

Castle Manager

Mr Andrew Lewis (appointed 21 February 2022)

Independent auditor

James Cowper Kreston Audit
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

Bankers

Lloyds Bank Plc
171-173 North Street
Brighton
BN1 1GL

Solicitors

Currey & Co
33 Queen Anne Street
London
W1G 9HY

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Investment advisers

Cazenove Capital Management
31 Gresham Street
London
EC2V 7QA

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the audited financial statements of the Charity for the period 1 January 2022 to 31 December 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

Policies and objectives

The primary objectives of the charity, as stated in its governing document, are to preserve the buildings, grounds and chattels of Arundel Castle for public benefit. The unrestricted income and capital of the company may be applied towards these objectives at the Trustees' discretion.

In order to achieve these objectives, members of the public are allowed reasonable access to the property on not less than 100 days during the year and in 2022 the Castle was open for 190 days.

Aims and intended impact

The Trustees have considered the Charity Commission's guidance on public benefit and fee charging when setting their objectives for the year.

For the public benefit the charity aims to educate people in the history of the buildings and contents of the Castle through public access to and experience of visiting the Castle. The Trustees employ an education officer and offer a range of learning activities at the Castle.

The Trustees also continually aim to maximise the enjoyment of all visitors by refurbishing and improving the displays and condition of artefacts within the Castle, as well as hosting special events portraying the history of the Castle.

Principal activities in the year

The principal activities of the charitable company in the year were the opening of Arundel Castle and its grounds to the public from 1 April – 30 October 2022 and preserving the building, grounds and chattels.

Strategic report

Achievements and performance

Operational performance

The Trustees are pleased with the admission figures for 2022 returning to similar visitor levels as prior to the pandemic and being able to open for the full season.

The Trustees were able to restore the full programme of events during the season for visitors. Whilst overseas visitor numbers were lower than pre-pandemic the number of United Kingdom visitors returning to the Castle and gardens for second or more visits increased.

The Trustees were not immune from the wider sector challenges particularly at the start of the season in recruiting and retaining catering staff but a successful season ensued in both the retail and catering outlets.

Strategic report (continued)

Achievements and performance (continued)

Operational performance (continued)

Admission statistics for the 2022 season compared with the previous 2 pandemic impacted seasons and the year prior to the pandemic are summarised as follows:

	2022	2021	2020	2019
Number of days castle open to the public	190	192	98	193
Number of visitors				
Castle	148,659	100,244	34,417	145,088
Grounds	30,786	49,924	18,934	44,818
Normal admission charge				
Adults	£25.00	£23.00	£15.00	£20.00
Senior Citizens	N/A	N/A	N/A	£17.50
Children	£10.00	£10.00	£5.00	£11.00

Trading performance

The charitable company's wholly owned trading subsidiary, Arundel Castle Enterprises Limited, carries out non charitable trading activities for the charity. The financial performance of Arundel Castle Enterprises Limited is shown in note 3 to the financial statements.

In 2022, Arundel Castle Enterprises Limited ran the castle shop, tea terrace and restaurant, and the Arundel Castle, and Arundel Festival events on behalf of the charity.

The subsidiary gifts its taxable profit to Arundel Castle Trustees Limited under Gift Aid.

Investment policy and performance

Investment powers and policy

The Trustees may invest funds of the Charity, not immediately required for its purpose, in such investment securities as they see fit subject to any conditions imposed or required by law.

The Trustees engage Cazenove Capital Management to manage the charity's portfolio of securities on a discretionary basis.

Performance review

The charitable company's investment performance is measured regularly against a benchmark of a combination of FTSE and Government Stock. The Trustees will keep the performance under constant review and work with their investment advisers to maximise opportunities and minimise investment losses to ensure investment stability while still providing income.

Total investment income received in the year, before fees, amounted to £160,097 per the Statement of Financial Activities (2021: £213,549), which accounted for 3.3% of the total charitable company's incoming resources in 2022. This income is wholly reinvested in order to sustain and enhance capital growth in the portfolio.

Strategic report (continued)

Financial review

Financial results

The consolidated Statement of Financial Activities (SOFA) for the year is set out on page 14. A summary of the financial results and the work of the charitable company is set out below.

The consolidated SOFA shows net surplus before overall investment losses of £544,309 in the year compared with £735,092 net gains in 2021.

Incoming resources

The charitable company has three principal sources of income. Firstly, it receives income from admissions to the Castle. The admissions income accounted for 87% of the Castle's total incoming resources in 2022 (2021: 82%). The total visitor numbers were up on 2021 by 20% (2021: up on 2020 by 181%).

Secondly, the charitable company receives a material revenue stream in dividends from its investments. More information on investments is given in the Investment Performance section above.

The third principal source of income is takings from the Mill Road car park. This is a public car park, which is open to the public all year round, not just during Castle opening. Takings from the car park are collected by the Castle and are a valuable source of income for the charity, accounting for 9% (2021: 9%) of the total charitable company's incoming resources in 2022.

Resources expended

The charity's funds have been applied to charitable purposes throughout the year. In this regard, the Trustees have been following a policy of investment in the fabric of the Castle with the result that £856,070 (2021: £395,965) has been spent on various renovation and repair projects in the year. The Trustees plan to continue to invest funds in the upkeep and enhancement of the Castle in 2023 as described in the 'Plans for Future Periods' section of this report.

Fixed assets

The movement in fixed assets during the year is set out in note 13 to the financial statements.

Interest in land and historic buildings

The executors of the XVI Duke of Norfolk conveyed Arundel Castle and its grounds to the charitable company as a gift in July 1976. The Trustees have excluded these assets from the balance sheet as reliable cost information is not available and conventional valuation approaches lack sufficient reliability due to the unique nature of the property. There is further information given on this in note 2 to the financial statements.

Reserves policy

The charity holds both endowment and unrestricted reserves in order to meet its charitable objectives. Details of each of the individual reserves can be found in note 20 to the financial statements.

The Trustees consider that they need to increase reserves in order to maintain the structure and grounds of the Castle in the long term. In some years the charity expends more money in meeting its charitable objectives than it receives from its principal sources of income. It therefore relies on reserves to fund long term capital projects such as the re wiring of the Castle interior, the re leading of the roof and those detailed in the 'Plans for Future Periods' section of this report.

In the long term, the endowment fund alone is considered insufficient to continue to meet the charitable objects, therefore it is the policy of the Trustees to supplement this fund by augmenting unrestricted reserves.

The Trustees also have an unrestricted designated fund for future expenditure on the East Wing of the Castle. The income from this fund is used to honour the landlord's commitments to maintain the East Wing.

The total reserve is £14,266,794 to include the unrestricted fund of £10,638,145 and the endowment fund of £3,628,649.

Structure, governance and management

Governing instrument

Arundel Castle Trustees Limited is a charitable company limited by guarantee and governed by its Memorandum and Articles of Association dated 19 July 1976 as amended on 27 April 1999. It was registered as a charity with the Charity Commission on 27 September 1976. The charity has one wholly owned trading subsidiary, Arundel Castle Enterprises Limited.

The members, who were the Trustees and directors of Arundel Castle Trustees Limited at 31 December 2022, have each undertaken to contribute £1 to the assets of the company in the event of the same being wound up while he / she is a member or within twelve months of his / her ceasing to be a member.

Arundel Castle Enterprises Limited is limited by shares and is governed by its Memorandum and Articles of Association dated 10 October 1980.

The report and consolidated financial statements for the year ended 31 December 2022 relate to the combined activities of the two legal entities.

Method of appointment or election of Trustees

The Board of Trustees has the power as laid out in the Articles of Association to appoint persons to be Trustees of the charitable company as it thinks fit provided that the majority of the Trustees are resident in the UK at any one time, and the majority shall be persons other than the Duke and Duchess of Norfolk, any relative of either of them, and the spouse of any such relative.

The Articles of Association specify a minimum of five Trustees and the Trustees, in practice, have a policy of maintaining a board of either five or six Trustees of the charitable company at any one time. The Board seeks to ensure that it continually comprises Trustees with the range of expertise necessary for the operation and governance of the charity. Should the need for additional expertise on the Board arise, the Trustees would each consider appropriate candidates and put the names of those most appropriate to the rest of the Board. The Board would then agree to whom an approach should be made.

Details of the Trustees who served during the year are listed on page 1.

Policies adopted for the induction and training of Trustees

New Trustees undertake a morning meeting with the Duke of Norfolk during which they are introduced to other Trustees and key members of staff, and are given a tour of the Castle. They are also briefed on their legal obligations under charity and company law and informed of the content of the Memorandum and Articles of Association.

During their induction meeting new Trustees are also briefed as to the history of the Castle and informed how the work of the Board fits with the charity's objectives. New Trustees are also given a copy of the latest available financial statements and the Charity Commission guidance booklet CC3 "The Essential Trustee" for their review.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

Organisational structure and decision making

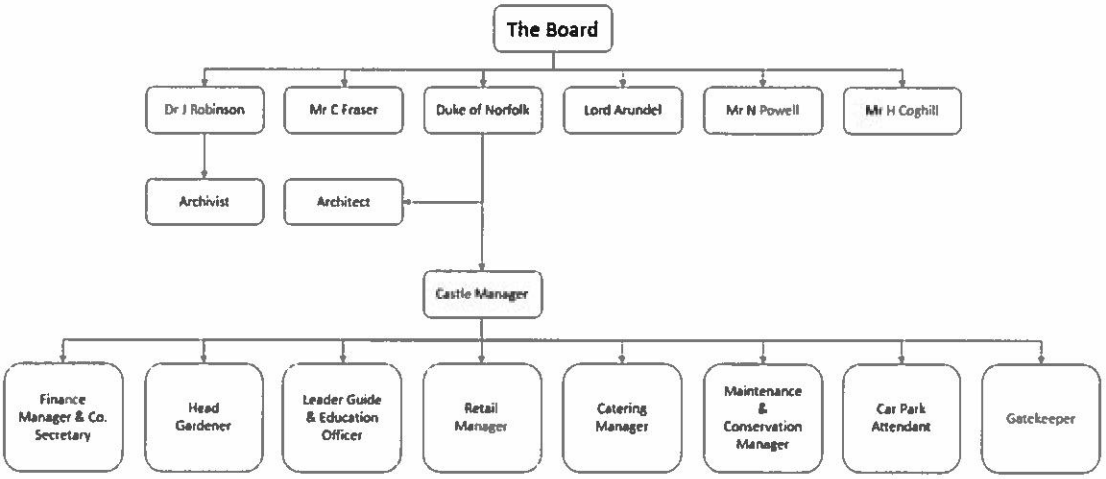
During the year under review the Trustees met in March, June and October.

During the March meeting the Trustees approve both the financial statements for the previous calendar year and the budgets for the coming year. They also monitor the progress of maintenance projects being undertaken during the period in which the Castle is closed to the public, from November to March each year.

At the June meeting the Trustees review how the first two months of opening (April and May) compare with the same period in the past two seasons and pre-pandemic. They use this information to re-forecast results for the year, plan projects and manage the opening business accordingly.

The October meeting is used to compare the performance of the whole season against the forecast and previous seasons, analyse as appropriate and make key decisions on the opening policy, pricing policy and advertising and marketing activity for the next year.

Once the Trustees have approved the budgets for the year, they delegate day to day operational decisions to the Castle Manager and Heads of Department within the Castle. The reporting and decision making hierarchy is shown below.



Related party relationships

Arundel Castle Trustees Limited has one wholly owned subsidiary, Arundel Castle Enterprises Limited. Arundel Castle Enterprises Limited operates the commercial activity within the Castle, which comprises the gift shop and restaurant businesses. It has also, from 2006, taken over the running of the Arundel Castle, Arundel Festival events.

For information on related party transactions please see note 27 to the financial statements.

Structure, governance and management (continued)

Risk management

Against the background of their desire to achieve and maintain best practice in corporate governance, and acknowledging their ultimate responsibility for safeguarding the assets in their ownership, the Trustees have appointed senior staff members (as detailed in the organisational chart above) to be responsible for the areas in which the charity and the group may be exposed to significant strategic, business and operational risks.

Systems have been established to mitigate the risks identified and procedures are in place to minimise the impact on the charity and the group should any of those risks materialise. This work has identified all significant risks, which the charity records on its risk register. Particular attention has been focused on non-financial risks arising from fire, and health and safety of visitors. The risks which the charity faces are under continual review.

Remuneration of key personnel

The Trustees are responsible for setting the pay and remuneration of all personnel, including key management personnel. This is reviewed and agreed at the March meeting each year.

Plans for future periods

Future developments

The Trustees will continue to preserve and maintain the Castle for the public benefit, following traditional lines, to give visitors an enjoyable experience of its history from the medieval keep to the Victorian rooms.

The Trustees have the following plans for the Castle:

- To continue to attract visitors to the Castle, gardens and events and maximise income.
- To enhance the visitor experience by continuing to develop the Castle, garden and grounds and improving access and facilities.

Projects for 2023 include:

- Continued maintenance of building fabric and care of the contents.
- Rehanging and displaying the 2nd 18th century tapestry on the grand staircase following its restoration in 2022.
- Completing and then opening to visitors the new wildlife pond beyond the lower lawn.
- Continuing the Castle's conversion to LED lighting together with associated electrical upgrades.
- Completing the restoration of the Chapel bells.
- Replacing the display cabinets used for the annual exhibition for visitors including enhanced UV protection to the displayed items whilst improving the lighting.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic 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 Trustees to prepare financial statements for each financial period. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditor

The auditor, James Cowper Kreston Audit, has indicated their willingness to continue in office. The designated Trustees will propose a motion to go out to tender for the audit of the year end 31 December 2023 at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....

The Duke of Norfolk
Chair of Trustees

Date: 28/2/23

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARUNDEL CASTLE TRUSTEES LIMITED

Opinion

We have audited the financial statements of Arundel Castle Trustees Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2022 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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's 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 AUDITOR'S REPORT TO THE MEMBERS OF ARUNDEL CASTLE TRUSTEES LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. 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 appears 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.

Opinion on 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 Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' 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 the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 9, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's 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 to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARUNDEL CASTLE TRUSTEES LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARUNDEL CASTLE TRUSTEES LIMITED (CONTINUED)

Use of our report

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

Michael Bath BSc FCA DChA (Senior statutory auditor)
for and on behalf of
James Cowper Kreston Audit
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

Date: 13 March 2023

ARUNDEL CASTLE TRUSTEES LIMITED

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:					
Charitable activities	4	**3,442,517**	**-**	**3,442,517**	2,606,803
Other trading activities	5	**1,149,051**	**-**	**1,149,051**	877,476
Investments	6	**104,063**	**56,034**	**160,097**	213,779
Other incoming resources	7	**-**	**-**	**-**	61,781
Total income and endowments		**4,695,631**	**56,034**	**4,751,665**	3,759,839
Expenditure on:					
Raising funds:	8				
Fundraising trading		**990,794**	**-**	**990,794**	637,490
Investment management and bank charges		**76,626**	**27,375**	**104,001**	101,988
Charitable activities:	9				
Upkeep of the castle		**2,176,033**	**-**	**2,176,033**	1,587,698
Costs of admissions and castle opening		**875,336**	**-**	**875,336**	651,253
Governance costs		**61,192**	**-**	**61,192**	46,318
Total expenditure		**4,179,981**	**27,375**	**4,207,356**	3,024,747
Net income before net (losses)/gains on investments		**515,650**	**28,659**	**544,309**	735,092
Net (losses)/gains on investments		**(535,647)**	**(386,791)**	**(922,438)**	620,649
Net movement in funds		**(19,997)**	**(358,132)**	**(378,129)**	1,355,741
Reconciliation of funds:					
Total funds brought forward		**10,658,142**	**3,986,781**	**14,644,923**	13,289,182
Net movement in funds		**(19,997)**	**(358,132)**	**(378,129)**	1,355,741
Total funds carried forward		**10,638,145**	**3,628,649**	**14,266,794**	14,644,923

The notes on pages 18 to 40 form part of these financial statements.

ARUNDEL CASTLE TRUSTEES LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 1269400

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	13		**892,868**		731,193
Heritage assets	15		**475,683**		475,683
Investments	16		**10,826,391**		10,363,480
			12,194,942		11,570,356
Current assets					
Stocks	17	**89,658**		83,673	
Debtors	18	**584,796**		697,048	
Cash at bank and in hand		**1,560,372**		2,415,578	
		2,234,826		3,196,299	
Creditors: amounts falling due within one year	19	**(162,974)**		(121,732)	
Net current assets			**2,071,852**		3,074,567
Total assets less current liabilities			**14,266,794**		14,644,923
Total net assets			**14,266,794**		14,644,923
Charity funds					
Endowment funds	20		**3,628,649**		3,986,781
Unrestricted funds	20		**10,638,145**		10,658,142
Total funds			**14,266,794**		14,644,923

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
The Duke of Norfolk
Chair of Trustees

Date: 28/2/23

The notes on pages 18 to 40 form part of these financial statements.

ARUNDEL CASTLE TRUSTEES LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 1269400

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	13		**827,255**		655,768
Heritage assets	15		**475,683**		475,683
Investments	16		**10,826,491**		10,363,580
			12,129,429		11,495,031
Current assets					
Debtors	18	**1,314,795**		1,267,056	
Cash at bank and in hand		**757,235**		1,899,755	
		2,072,030		3,166,811	
Creditors: amounts falling due within one year	19	**(155,847)**		(116,084)	
Net current assets			**1,916,183**		3,050,727
Total assets less current liabilities			**14,045,612**		14,545,758
Total net assets			**14,045,612**		14,545,758
Charity funds					
Endowment funds	20		**3,628,649**		3,986,781
Unrestricted funds	20		**10,416,963**		10,558,977
Total funds			**14,045,612**		14,545,758

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....

The Duke of Norfolk
Chair of Trustees

Date: 28/2/23

The notes on pages 18 to 40 form part of these financial statements.

ARUNDEL CASTLE TRUSTEES LIMITED

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	23	**696,459**	194,146
Cash flows from investing activities			
Bank interest		**1,353**	230
Proceeds from the sale of tangible fixed assets		**3,750**	-
Purchase of tangible fixed assets		**(256,768)**	(16,397)
Purchase of investments		**(1,300,000)**	-
Net cash used in investing activities		**(1,551,665)**	**(16,167)**
Change in cash and cash equivalents in the year		**(855,206)**	**177,979**
Cash and cash equivalents at the beginning of the year		**2,415,578**	2,237,599
Cash and cash equivalents at the end of the year	24	**1,560,372**	2,415,578

The notes on pages 18 to 40 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Arundel Castle Trustees Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

1.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

1. Accounting policies (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All expenditure is inclusive of irrecoverable VAT.

1.6 Basis of consolidation

The financial statements consolidate the accounts of Arundel Castle Trustees Limited and its subsidiary undertaking, Arundel Castle Enterprises Limited ('subsidiary').

Of the net expenditure after investment movement of £378,129 (2021: net income of £1,355,741), £536,028 (2021: £1,168,695) is attributable to the parent charitable company. The profit attributable to the subsidiary is shown in the notes to the financial statements.

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and included at purchase cost plus any incidental expenses of acquisition.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Consolidated Statement of Financial Activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

1. Accounting policies (continued)

1.7 Tangible fixed assets and depreciation (continued)

Freehold property, improvements & gardens	- 10 - 20% straight line
Motor vehicles & groundsmens' equipment	- 25% straight line
Restaurant & gift shop fixtures & fittings	- 10% - 33% straight line
Castle fixtures & fittings & groundsmens' equipment	- 10% - 33% straight line
Fixtures, fittings & computer equipment	- 25% - 33% straight line

No depreciation has been provided on freehold property. This represents the property at 11 London Road owned by the charity and, in the opinion of the Trustees, the amount of any depreciation would be immaterial. Annual impairment reviews of the property are performed based on published house price indices.

1.8 Arundel Castle

The charity maintains Arundel Castle and its grounds in support of the charity's objective to preserve the buildings, grounds and chattels for the benefit of current and future generations.

Arundel Castle and its grounds were conveyed to the charity by the Executors of the XVI Duke of Norfolk as a gift in July 1976 and have not been valued in these financial statements. Reliable cost information for these assets is not available and the Trustees consider that conventional valuation approaches lack sufficient reliability due the the unique nature of the property. Furthermore, if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the charity and users of the accounts. As a result, no value is reported for these assets in the charity's balance sheet.

Arundel Castle is a unique, inalienable building of historical significance and the Trustees are forbidden from disposing of the property, either in whole or in part. Each year, the Trustees are required to spend significant sums in maintaining the fabric of the building and enhancing the overall visitor experience, as directed by the charity's governing instrument. This expenditure is charged in the Statement of Financial Activities as incurred, rather than capitalised, because in the opinion of the Trustees it gives a more meaningful presentation of the charity's activities during the year.

The total of such expenditure was £856,070 in the year ended 31 December 2022 (2021: £395,965).

Chattels owned by the Duke of Norfolk

Certain chattels on display to the public at Arundel Castle, books kept in the library at Arundel Castle and certain chattels kept in the private chapel at Arundel Castle are owned by the Duke of Norfolk and his successors and made available to the Trustees of Arundel Castle under legal agreements dated 28 July 1981. Under these agreements it is undertaken that the chattels and books will be made available to the Trustees for public display at Arundel Castle, subject to a number of conditions and restrictions. It is considered that the effect of these conditions and restrictions is such that the chattels and books do not fall under the control of the Trustees of Arundel Castle Trustees Limited, as defined by Financial Reporting Standard 102 (FRS 102) Heritage Assets. As a result, no value is reported for these assets in the charity's balance sheet. Under the terms of the legal agreements these chattels and books remain generally on display to the public in accordance with the usual Castle opening arrangements.

1. **Accounting policies (continued)**

Chattels owned by the Charitable Company

Chattels comprise an oil painting of Elizabeth Stuart, a silver tripod, a silver salver, a Regency silver dinner service and a four poster bed. The chattels are all stated at cost and undergo annual impairment reviews. These financial statements do not reflect the value of chattels situated in Arundel Castle and owned by the Duke of Norfolk, which have been loaned to the charitable company.

Gardens

The grounds were gifted to the charity in 1976, as detailed previously in this note.
Significant capital expenditure to improve the gardens and enhance the visitor experience has been carried out and this expenditure is held on the balance sheet at cost less depreciation.

1.9 Investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries are valued at cost.

1.10 Interest receivable

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

1.11 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.13 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.14 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1. Accounting policies (continued)

1.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Tangible fixed assets (see note 13)
Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Heritage assets (see note 14)
Heritage assets are not included within the financial statements as the Trustees consider that conventional valuation techniques lack sufficient reliability over their valuation and that if valuations could be obtained the cost would be onerous compared with the additional benefit derived. The assessment is reviewed annually.

3. Net income from trading activities of subsidiary

The charity has a wholly owned trading subsidiary incorporated in the UK. Arundel Castle Enterprises Limited is used for trading activities at Arundel Castle, principally the gift shop and catering facilities and the hosting of the annual Arundel Festival. The company gifts its distributable income to Arundel Castle Trustees Limited under Gift Aid. All activities have been consolidated on a line by line basis in the Statement of Financial Activities. Audited financial statements are filed with the Registrar of Companies. A summary of its trading results is shown below:

Arundel Castle Enterprises Limited

	2022 £	2021 £
Profit and loss account		
Turnover	**796,532**	590,080
Cost of sales	**(300,093)**	(206,327)
Gross profit	**496,439**	383,753
Administrative expenses	**(339,178)**	(196,726)
Interest receivable	**638**	19
	(338,540)	(196,707)
Total	**157,899**	187,046

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Admissions	3,442,517	**3,442,517**	2,606,803

In both 2022 and 2021, all income from admissions was to unrestricted funds.

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Subsidiary income	796,522	**796,522**	590,080
Rental/car park income	312,529	**312,529**	287,396
Facility hire	40,000	**40,000**	-
Total 2022	1,149,051	**1,149,051**	877,476

In both 2022 and 2021, all income from other trading activities was to unrestricted funds.

6. Investment income

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment income	102,710	56,034	**158,744**	213,549
Bank interest	1,353	-	**1,353**	230
Total 2022	104,063	56,034	**160,097**	213,779

7. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Government grants	-	-	17,403
Insurance income	-	-	44,378
Total 2022	-	-	61,781

8. Finance costs

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment management fees and bank charges	76,626	27,375	**104,001**	101,988

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total 2022 £	Total 2021 £
Upkeep of the Castle	2,176,033	**2,176,033**	1,587,698
Cost of admissions and Castle opening	875,336	**875,336**	651,253
Governance costs	61,192	**61,192**	46,318
Total 2022	3,112,561	**3,112,561**	2,285,269

9. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2022 £	Depreciation 2022 £	Other costs 2022 £	Total 2022 £	Total 2021 £
Upkeep of the Castle	841,132	64,511	1,270,390	**2,176,033**	1,587,698
Cost of admissions and Castle opening	423,664	-	451,672	**875,336**	651,253
Governance costs	7,741	-	53,451	**61,192**	46,318
Total 2022	1,272,537	64,511	1,775,513	**3,112,561**	2,285,269

10. Net income/(expenditure)

This is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	**93,491**	93,442
Fees payable to the Charity's auditor in respect of:		
- Accountancy and audit	**16,000**	15,750
Operating lease rentals	**31,241**	18,337

During the year, no Trustees received any benefits in kind (2021: £Nil).

During the year, 1 Trustee received reimbursement of expenses of £185 (2021: £Nil).

11. Staff costs

Staff costs were as follows:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Wages and salaries	**1,384,025**	1,081,503	**1,211,226**	973,339
Social security costs	**75,286**	63,826	**68,234**	60,178
Contribution to defined contribution pension schemes	**51,644**	52,722	**49,244**	52,509
	1,510,955	1,198,051	**1,328,704**	1,086,026

11. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	Group 2022 No.	Group 2021 No.	Charity 2022 No.	Charity 2021 No.
Restaurant and shop staff	5	5	-	-
Administration	4	4	3	3
Castle opening staff (temporary)	76	56	70	63
	85	65	73	66

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £70,001 - £80,000	1	-
In the band £90,001 - £100,000	-	1

The key management personnel of the parent charity and the group comprise Trustees, the Castle Manager and the Finance Manager. The total employee benefits of the key management personnel were £154,817 (2021: £156,570).

12. Taxation

The parent company is a registered charity, and is entitled to certain tax exemptions on income and profits from investments. Surpluses are applied solely for charitable purposes.

To the extent that Arundel Castle Enterprises Limited makes a taxable profit it is conveyed to the parent charitable company under Gift Aid, resulting in no liability to corporation tax.

Arundel Castle Trustees Limited and Arundel Castle Enterprises Limited are registered for VAT, and consequently all of their income and expenditure is recorded net of VAT, with the exception of castle admissions income, which is subject to a VAT cultural exemption.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

13. Tangible fixed assets

Group

	Freehold property, improvements & gardens £	Coffee shop fixtures & fittings £	Motor vehicles & groundsmens' equipment £	Restaurant & gift shop fixtures & fittings £	Fixtures, fittings & computer equipment £	Total £
Cost or valuation						
At 1 January 2022	**2,545,857**	**63,508**	**161,722**	**182,063**	**434,736**	**3,387,886**
Additions	**-**	**5,388**	**29,500**	**13,780**	**208,100**	**256,768**
Disposals	**-**	**(611)**	**(13,755)**	**(2,746)**	**(29,969)**	**(47,081)**
At 31 December 2022	**2,545,857**	**68,285**	**177,467**	**193,097**	**612,867**	**3,597,573**
Depreciation						
At 1 January 2022	**2,023,902**	**49,469**	**138,503**	**120,677**	**324,142**	**2,656,693**
Charge for the year	**41,272**	**4,374**	**10,225**	**24,606**	**13,014**	**93,491**
On disposals	**-**	**(611)**	**(12,153)**	**(2,746)**	**(29,969)**	**(45,479)**
At 31 December 2022	**2,065,174**	**53,232**	**136,575**	**142,537**	**307,187**	**2,704,705**
Net book value						
At 31 December 2022	**480,683**	**15,053**	**40,892**	**50,560**	**305,680**	**892,868**
At 31 December 2021	521,955	14,039	23,219	61,386	110,594	731,193

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

13. Tangible fixed assets (continued)

Charity

	Freehold property £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation				
At 1 January 2022	**2,545,857**	**161,722**	**434,736**	**3,142,315**
Additions	**-**	**29,500**	**208,100**	**237,600**
Disposals	**-**	**(13,755)**	**(29,969)**	**(43,724)**
At 31 December 2022	**2,545,857**	**177,467**	**612,867**	**3,336,191**
Depreciation				
At 1 January 2022	**2,023,902**	**138,503**	**324,142**	**2,486,547**
Charge for the year	**41,272**	**10,225**	**13,014**	**64,511**
On disposals	**-**	**(12,153)**	**(29,969)**	**(42,122)**
At 31 December 2022	**2,065,174**	**136,575**	**307,187**	**2,508,936**
Net book value				
At 31 December 2022	**480,683**	**40,892**	**305,680**	**827,255**
At 31 December 2021	521,955	23,219	110,594	655,768

14. Heritage assets

Assets not recognised in the balance sheet

The charitable company maintains Arundel Castle and its grounds which were acquired in 1976 by way of gift from the Executors of the XVI Duke of Norfolk.

The Keep at Arundel Castle was built at the end of the 11th century by Roger de Montgomery Earl of Arundel. Since then it has been added to over the centuries, the last major remodelling taking place at the end of the 19th century. Apart from the occasional reversion to the Crown, Arundel Castle has descended directly from 1138 to the present day, carried by female heiresses from the d'Albinis to the Fitzalans in the 13th century and then from the Fitzalans to the Howards in the 16th century and it has been the seat of the Dukes of Norfolk and their ancestors for over 850 years.

The Castle houses a collection of fine furniture dating from the 16th century, tapestries, clocks and portraits by Van Dyck, Gainsborough, Mytens, Lawrence, Reynolds, Canaletto and others. Personal possessions of Mary, Queen of Scots and a selection of historical, religious and heraldic items from the Duke of Norfolk's collection are also on display.

These items, with the exception of certain chattels as described more fully below, are displayed under legal agreement with the Duke of Norfolk and his successors and are not included in the balance sheet of the charity.

There have been no acquisitions or disposals of heritage assets during the last five years.

The current building underwent a major restoration project that was completed in 1900. It was one of the first English country houses to be fitted with electric light, integral fire fighting equipment, service lifts and central heating.

The charity aims to maintain the condition of the Castle in a steady state of repair, and to improve the grounds to enhance the experience of visitors to the Castle. Annual surveys are undertaken to ensure that the fabric of the building is not deteriorating and repair and maintenance work is undertaken as required, according to budget. Examples of such expenditure in recent years include re-leading the castle roof and internal and external re-wiring to the Castle.

The total of such expenditure in 2022 was £856,070 (2021: £395,965).

The cost of major enhancement work to the grounds and gardens, and any capital work to the building that does not represent repair or maintenance, is capitalised on the balance sheet.

In accordance with the admission policy, public access to the Castle and grounds is permitted every day of the week except Monday during the opening season which is from Easter or 1 April to the end of October each year.

Chattels recognised on the balance sheet (Note 15)

Chattels comprising an oil painting of Elizabeth Stuart, a silver tripod, a silver salver, a Regency silver dinner service and a four poster bed are reported in the balance sheet at cost.

Public access to these assets is provided in accordance with the general castle admissions policy as described above.

Enhancement to gardens and grounds

The grounds, together with the keep and gatehouse have been open to the public since 1800 and the gardens since 1854.

On 14 May 2008 The Collector Earl's Garden was opened by HRH The Prince of Wales. This formal garden was conceived as a tribute to Thomas Howard, 14th Earl of Arundel, known as 'The Collector'.

The capital expenditure on this project and other projects for the enhancement of the gardens is held on the balance sheet at cost and was depreciated over 10 years.

Admission to The Collector Earl's Garden is included within the standard admission for the castle and grounds.

15. Charity heritage assets

Group and Charity

Assets recognised at cost

	Chattels owned by the charity	Total
	£	£
At 1 January 2020	475,683	**475,683**
At 31 December 2021	475,683	**475,683**

16. Fixed asset investments

Group	Endowment fund £	East Wing sinking fund £	General fund investments £	Total £
Cost or valuation				
At 1 January 2022	**3,986,781**	**42,381**	**6,334,318**	**10,363,480**
Investment income	**56,034**	**1,859**	**100,851**	**158,744**
Management fees	**(27,375)**	**(305)**	**(45,715)**	**(73,395)**
Realised and unrealised gains/(losses)	**(386,791)**	**(3,875)**	**(531,772)**	**(922,438)**
Additions	**-**	**-**	**1,300,000**	**1,300,000**
At 31 December 2022	**3,628,649**	**40,060**	**7,157,682**	**10,826,391**
Net book value				
At 31 December 2022	**3,628,649**	**40,060**	**7,157,682**	**10,826,391**
At 31 December 2021	3,986,781	42,381	6,334,318	10,363,480

16. **Fixed asset investments (continued)**

Charity	Shares in subsidiary £	Endowment fund £	East Wing sinking fund £	General fund investments £	Total £
Cost or valuation					
At 1 January 2022	100	3,986,781	42,381	6,334,318	10,363,580
Investment income	-	56,034	1,859	100,851	158,744
Management fees	-	(27,375)	(305)	(45,715)	(73,395)
Realised and unrealised gains/(losses)	-	(386,791)	(3,875)	(531,772)	(922,438)
Additions	-	-	-	1,300,000	1,300,000
At 31 December 2022	100	3,628,649	40,060	7,157,682	10,826,491
Net book value					
At 31 December 2022	100	3,628,649	40,060	7,157,682	10,826,491
At 31 December 2021	100	3,986,781	42,381	6,334,318	10,363,580

Investments held by the charity include an investment in the subsidiary company, Arundel Castle Enterprises Limited at cost.

Arundel Castle Trustees Limited owns 100% of the issued ordinary share capital of Arundel Castle Enterprises Limited, a company incorporated in England and Wales. Arundel Castle Enterprises Limited is the only subsidiary of Arundel Castle Trustees Limited. There are no other related companies.

All the fixed asset investments are held in the UK.

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Class of shares	Holding
Arundel Castle Enterprises Limited	01521264	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Arundel Castle Enterprises Limited	797,160	(639,271)	157,889	221,282

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Endowment Fund

This represents a permanent endowment to Arundel Castle Trustees Limited by the Executors of the XVI Duke of Norfolk. The fund is represented by:

	Market Value 2022 £	Cost 2022 £	Market Value 2021 £	Cost 2021 £
UK listed investments	**200,037**	**198,844**	288,117	237,099
Overseas listed investments	**1,845,660**	**1,340,278**	2,204,466	1,399,105
Other unlisted securities	**873,291**	**950,368**	752,784	775,961
Bonds and fixed interest	**491,341**	**474,591**	640,780	593,529
Sub total	**3,410,329**	**2,964,081**	3,886,147	3,005,694
Investment deposit account	**217,659**	**217,659**	100,634	100,634
Total	**3,627,988**	**3,181,740**	3,986,781	3,106,328

The Trustees consider the following investments to be material (over 5% of total investment fund) to the market value of the portfolio at 31 December 2022:

JP Morgan America Equity Fund - 6.3%
Vanguard S&P 500 UCITS ETF - 7.5%
Schroder Asian Alpha Plus Fund - 6.35%
Robeco BP Global Premium Equities - 5.4%
Vontobel Fund SICAV - TwentyFour - 5.0%

East Wing Sinking Fund

This represents funds invested in 1993 for future restoration of the East Wing. The fund is represented by:

	Market Value 2022 £	Cost 2022 £	Market Value 2021 £	Cost 2021 £
Other unlisted investments	**30,894**	**34,134**	34,768	34,134
Sub total	**30,894**	**34,134**	34,768	34,134
Investment deposit account	**9,167**	**9,167**	7,613	7,613
Total	**40,061**	**43,301**	42,381	41,747

As at 31 December 2022 the fund is made up of one investment, Schroder Diversified Alternative.

General Fund

The fund is represented by:

	Market Value 2022 £	Cost 2022 £	Market Value 2021 £	Cost 2021 £
UK listed investments	**315,669**	**340,594**	412,203	367,593
Overseas listed investments	**2,526,926**	**2,300,232**	2,656,958	2,144,458
Other unlisted securities	**1,439,077**	**1,601,348**	1,359,818	1,351,954
Bonds and fixed interest	**1,429,725**	**1,500,322**	1,482,990	1,433,144
Sub total	**5,711,397**	**5,742,496**	5,911,969	5,297,149
Investment deposit account	**1,445,013**	**1,445,013**	422,349	422,349
Total	**7,156,410**	**7,187,509**	6,334,318	5,719,498

The Trustees consider the following investment to be material (over 5% of total investment fund) to the market value of the portfolio at 31 December 2022:

Schroder Diversified Alternative - 5.8%

17. Stocks

	Group 2022 £	Group 2021 £
Gift shop goods for resale	**87,541**	81,382
Restaurant stock	**2,117**	2,291
	89,658	83,673

18. Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Due within one year				
Trade debtors	**120,021**	35,743	**116,737**	29,857
Amounts owed by group undertakings	**-**	-	**733,283**	575,896
Other debtors	**68,149**	320,646	**68,149**	320,646
Prepayments and accrued income	**396,626**	340,659	**396,626**	340,657
	584,796	697,048	**1,314,795**	1,267,056

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

19. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	**55,436**	8,237	**54,985**	8,013
Other taxation and social security	**1,526**	22,898	**-**	22,144
Other creditors	**600**	250	**600**	250
Accruals and deferred income	**105,412**	90,347	**100,262**	85,677
	162,974	121,732	**155,847**	116,084

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

20. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds					
Designated funds					
East Wing Sinking Fund	42,381	1,859	(305)	(3,874)	40,061
General funds					
General funds	10,615,761	4,693,772	(4,179,676)	(531,773)	10,598,084
Total Unrestricted funds	10,658,142	4,695,631	(4,179,981)	(535,647)	10,638,145
Endowment funds					
Endowment funds	3,986,781	56,034	(27,375)	(386,791)	3,628,649
Total of funds	14,644,923	4,751,665	(4,207,356)	(922,438)	14,266,794

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds					
Designated funds					
East Wing Sinking Fund	42,825	1,290	(306)	(1,428)	42,381
General funds					
General funds	9,556,167	3,627,914	(2,997,442)	429,122	10,615,761
Total Unrestricted funds	9,598,992	3,629,204	(2,997,748)	427,694	10,658,142
Endowment funds					
Endowment funds	3,690,190	130,635	(26,999)	192,955	3,986,781
Total of funds	13,289,182	3,759,839	(3,024,747)	620,649	14,644,923

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

21. Summary of funds

Summary of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Designated funds	42,381	1,859	(305)	(3,874)	40,061
General funds	10,615,761	4,693,772	(4,179,676)	(531,773)	10,598,084
Endowment funds	3,986,781	56,034	(27,375)	(386,791)	3,628,649
	14,644,923	4,751,665	(4,207,356)	(922,438)	14,266,794

Summary of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
Designated funds	42,825	1,290	(306)	(1,428)	42,381
General funds	9,556,167	3,627,914	(2,997,442)	429,122	10,615,761
Endowment funds	3,690,190	130,635	(26,999)	192,955	3,986,781
	13,289,182	3,759,839	(3,024,747)	620,649	14,644,923

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Tangible fixed assets	892,868	-	892,868
Fixed asset investments	7,197,742	3,628,649	10,826,391
Heritage assets	475,683	-	475,683
Current assets	2,234,826	-	2,234,826
Creditors due within one year	(162,974)	-	(162,974)
Total	10,638,145	3,628,649	14,266,794

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Tangible fixed assets	731,193	-	731,193
Fixed asset investments	6,376,699	3,986,781	10,363,480
Heritage assets	475,683	-	475,683
Current assets	3,196,299	-	3,196,299
Creditors due within one year	(121,732)	-	(121,732)
Total	10,658,142	3,986,781	14,644,923

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	Group 2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**(378,129)**	1,355,741
Adjustments for:		
Depreciation charges	**93,491**	93,442
(Gains)/losses on investments	**922,438**	(620,649)
Investment income	**(160,097)**	(213,779)
Loss/(profit) on the sale of fixed assets	**(2,148)**	3,706
Decrease/(increase) in stocks	**(5,985)**	29,782
Decrease/(increase) in debtors	**112,252**	(415,319)
Increase/(decrease) in creditors	**41,242**	(111,135)
Investment management fees paid by fund	**73,395**	72,357
Net cash provided by operating activities	**696,459**	194,146

24. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	1,560,372	2,415,578
Total cash and cash equivalents	1,560,372	2,415,578

25. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	2,415,578	(855,206)	1,560,372
	2,415,578	(855,206)	1,560,372

26. Operating lease commitments

At 31 December 2022 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Not later than 1 year	35,190	11,491	35,190	11,491
Later than 1 year and not later than 5 years	122,313	48,850	122,313	48,850
Later than 5 years	27,650	-	27,650	-
	185,153	60,341	185,153	60,341

27. Related party transactions

Dr John Martin Robinson, a trustee of Arundel Castle Trustees Limited and a director of Arundel Castle Enterprises Limited, is paid, on normal commercial terms, for his services to the castle library. During the year he has been paid a total of £19,542 (2021: £20,091) for these services.

The Duke of Norfolk, a trustee of Arundel Castle Trustees Limited, had a trade debtor balance at the year end of £92,420 (2021: £16,378). The total of recharged costs over the year has been £93,754 (2021: £16,378).

The 1958 Settlement Henry's Fund, of which the Duke of Norfolk is a Trustee, holds a lease of the East Wing of Arundel Castle. This was granted in November 1993 in consideration of the carrying out of essential works of repair and improvement at a cost in excess of £1,300,000 and an annual rent payable to Arundel Castle Trustees Limited, which was £1,334 for the year (2021: £1,142).

Arundel Castle Trustees Limited pays for use of the car park and grounds maintenance costs. Costs in the year were £34,772 (2021: £36,465) and no amounts were unpaid at the year end.

28. Controlling party

The Trustees, as a body, administer the Company in accordance with the Memorandum and Articles of Assocation. Therefore there is no single controlling party.

ARUNDEL CASTLE TRUSTEES LIMITED

England & Wales - Charity number 271833

Accounts

Registered number: 1269400
Charity number: 271833

ARUNDEL CASTLE TRUSTEES LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

ARUNDEL CASTLE TRUSTEES LIMITED
(A company limited by guarantee)

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ARUNDEL CASTLE TRUSTEES LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees

The Duke of Norfolk
Dr John Martin Robinson
The Earl of Arundel
Mr N Powell
Mr C Fraser
Mr H Coghill

Company registered number

1269400

Charity registered number

271833

Registered office

Arundel Castle
High Street
Arundel
West Sussex
BN18 9AB

Castle manager

Mr Stephen Manion (resigned 31 December 2021)

Mr Andrew Lewis (appointed 21 February 2022)

Independent auditor

James Cowper Kreston
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

Bankers

Lloyds Bank Plc
171-173 North Street
Brighton
BN1 1GL

Solicitors

Currey & Co
33 Queen Anne Street
London
W1G 9HY

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Investment advisers

Cazenove Capital Management
31 Gresham Street
London
EC2V 7QA

Ruffer LLP
80 Victoria Street
London
SW1E 5JL

ARUNDEL CASTLE TRUSTEES LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 January 2021 to 31 December 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

Policies and objectives

The primary objectives of the charity, as stated in its governing document, are to preserve the buildings, grounds and chattels of Arundel Castle for public benefit. The unrestricted income and capital of the company may be applied towards these objectives at the Trustees' discretion.

In order to achieve these objectives, members of the public are allowed reasonable access to the property on not less than 100 days during the year and in 2021 the Castle was open for 192 days.

Aims and intended impact

The Trustees have considered the Charity Commission's guidance on public benefit and fee charging when setting their objectives for the year.

For the public benefit the charity aims to educate people in the history of the buildings and contents of the Castle through public access to and experience of visiting the Castle. The Trustees employ an education officer and offer a range of learning activities at the Castle.

The Trustees also continually aim to maximise the enjoyment of all visitors by refurbishing and improving the displays and condition of artefacts within the Castle, as well as hosting special events portraying the history of the Castle.

The Trustees also continually aim to maximise the enjoyment for all visitors by refurbishing and improving the displays and conditions of artefacts within the Castle, as well as hosting history events throughout the season.

Principal activities in the year

The principal activities of the charitable company in the year were the opening of Arundel Castle and its grounds to the public from 1 April – 31 October 2021 and preserving the building, grounds and chattels.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Strategic report

Achievements and performance

Operational performance

The Trustees are pleased with the admission figures for 2021 given the ongoing pandemic and Government restrictions that were in place until 19 July 2021.

The Trustees were able to open the gardens as planned on 1 April 2021 and the castle buildings from 18 May 2021 with a programme of events during the season for visitors.

The year and the pandemic have proved to be less challenging for Trustees and the operation of the Castle, than last year. However, although able to open retail and catering in the current year the catering offering was restricted due to social distancing restrictions in place at the start of the season and challenges in recruiting staff in this sector.

Admission statistics for the 2021 season compared with the previous 2 seasons are summarised as follows:

	2021	2020	2019
Number of days castle open to the public	192	98	193
Number of visitors			
Castle	100,244	34,417	145,088
Grounds	49,924	18,934	44,818
Normal admission charge			
Adults	£23.00	£15.00	£20.00
Senior Citizens	N/A	N/A	£17.50
Children	£10.00	£5.00	£11.00

Trading performance

The charitable company's wholly owned trading subsidiary, Arundel Castle Enterprises Limited, carries out non charitable trading activities for the charity. The financial performance of Arundel Castle Enterprises Limited is shown in note 3 to the financial statements.

In 2021, Arundel Castle Enterprises Limited ran the castle shop, tea terrace and restaurant, and the Arundel Castle, Arundel Festival events on behalf of the charity.

The subsidiary gifts its taxable profit to Arundel Castle Trustees Limited under Gift Aid.

Strategic report (continued)

Achievements and performance (continued)

Investment policy and performance

Investment powers and policy

The Trustees may invest funds of the company, not immediately required for its purpose, in such investment securities as they see fit subject to any conditions imposed or required by law.

The Trustees engage Cazenove Capital Management and Ruffer LLP to manage the charity's portfolio of securities on a discretionary basis.

Performance review

The charitable company's investment performance is measured regularly against a benchmark of a combination of FTSE and Government Stock. The Trustees will keep the performance under constant review and work with their investment advisers to maximise opportunities and minimise investment losses to ensure investment stability while still providing income.

Total investment income received in the year, before fees, amounted to £213,549 (2020: £114,847), which accounted for 7% of the total charitable company's incoming resources in 2021. This income is wholly reinvested in order to sustain and enhance capital growth in the portfolio.

Strategic report (continued)

Financial review

Financial results

The consolidated Statement of Financial Activities (SOFA) for the year is set out on page 15. A summary of the financial results and the work of the charitable company is set out below.

The consolidated SOFA shows net surplus before overall investment gains of £735,092 the year compared with £1,423,100 net loss in 2020.

Incoming resources

The charitable company has three principal sources of income. Firstly, it receives income from admissions to the Castle. The admissions income accounted for 82% of the Castle's total incoming resources in 2021 (2020: 62%). The total visitor numbers were up on 2020 by 96% (2020: down on 2019 by 72%).

Secondly, the charitable company receives a material revenue stream in dividends from its investments. More information on investments is given in the Investment Performance section above.

The third principal source of income is takings from the Mill Road car park. This is a public car park, which is open to the public all year round, not just during Castle opening. Takings from the car park are collected by the Castle and are a valuable source of income for the charity, accounting for 9% (2020: 17%) of the total charitable company's incoming resources in 2021.

Resources expended

The charity's funds have been applied to charitable purposes throughout the year. In this regard, the Trustees have been following a policy of investment in the fabric of the Castle with the result that £395,965 (2020: £451,674) has been spent on various renovation and repair projects in the year. The Trustees plan to continue to invest funds in the upkeep and enhancement of the Castle in 2021 as described in the 'Plans for Future Periods' section of this report.

Fixed assets

The movement in fixed assets during the year is set out in note 13 to the financial statements.

Interest in land and historic buildings

The executors of the XVI Duke of Norfolk conveyed Arundel Castle and its grounds to the charitable company as a gift in July 1976. The Trustees have excluded these assets from the balance sheet as reliable cost information is not available and conventional valuation approaches lack sufficient reliability due to the unique nature of the property. There is further information given on this in note 2 to the financial statements.

Reserves policy

The charity holds both endowment and unrestricted reserves in order to meet its charitable objectives. Details of each of the individual reserves can be found in note 20 to the financial statements.

The Trustees consider that they need to increase reserves in order to maintain the structure and grounds of the Castle in the long term. In some years the charity expends more money in meeting its charitable objectives than it receives from its principal sources of income. It therefore relies on reserves to fund long term capital projects such as the re wiring of the Castle interior, the re leading of the roof and those detailed in the 'Plans for Future Periods' section of this report.

In the long term, the endowment fund alone is considered insufficient to continue to meet the charitable objects, therefore it is the policy of the Trustees to supplement this fund by augmenting unrestricted reserves.

The Trustees also have an unrestricted designated fund for future expenditure on the East Wing of the Castle. The income from this fund is used to honour the landlord's commitments to maintain the East Wing.

The total reserve is £14,644,923 to include the unrestricted fund of £10,658,142 and the endowment fund of £3,986,781.

Structure, governance and management

Governing instrument

Arundel Castle Trustees Limited is a charitable company limited by guarantee and governed by its Memorandum and Articles of Association dated 19 July 1976 as amended on 27 April 1999. It was registered as a charity with the Charity Commission on 27 September 1976. The charity has one wholly owned trading subsidiary, Arundel Castle Enterprises Limited.

The members, who were the Trustees and directors of Arundel Castle Trustees Limited at 31 December 2021, have each undertaken to contribute £1 to the assets of the company in the event of the same being wound up while he / she is a member or within twelve months of his / her ceasing to be a member.

Arundel Castle Enterprises Limited is limited by shares and is governed by its Memorandum and Articles of Association dated 10 October 1980.

The report and consolidated financial statements for the year ended 31 December 2021 relate to the combined activities of the two legal entities.

Method of appointment or election of Trustees

The Board of Trustees has the power as laid out in the Articles of Association to appoint persons to be Trustees of the charitable company as it thinks fit provided that the majority of the Trustees are resident in the UK at any one time, and the majority shall be persons other than the Duke and Duchess of Norfolk, any relative of either of them, and the spouse of any such relative.

The Articles of Association specify a minimum of five Trustees and the Trustees, in practice, have a policy of maintaining a board of either five or six Trustees of the charitable company at any one time. The Board seeks to ensure that it continually comprises Trustees with the range of expertise necessary for the operation and governance of the charity. Should the need for additional expertise on the Board arise, the Trustees would each consider appropriate candidates and put the names of those most appropriate to the rest of the Board. The Board would then agree to whom an approach should be made.

Details of the Trustees who served during the year are listed on page 1.

Policies adopted for the induction and training of Trustees

New Trustees undertake a morning meeting with the Duke of Norfolk during which they are introduced to other Trustees and key members of staff, and are given a tour of the Castle. They are also briefed on their legal obligations under charity and company law and informed of the content of the Memorandum and Articles of Association.

During their induction meeting new Trustees are also briefed as to the history of the Castle and informed how the work of the Board fits with the charity's objectives. New Trustees are also given a copy of the latest available financial statements and the Charity Commission guidance booklet CC3 "The Essential Trustee" for their review.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management (continued)

Organisational structure and decision making

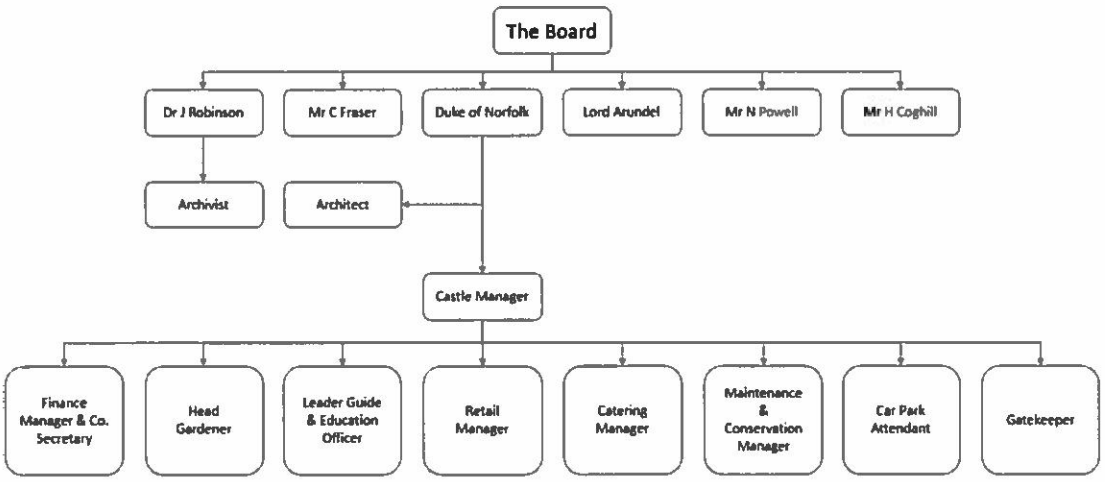
During the year under review the Trustees met in February, June and October.

During the February meeting the Trustees approve both the financial statements for the previous calendar year and the budgets for the coming year. They also monitor the progress of maintenance projects being undertaken during the period in which the Castle is closed to the public, from November to March each year.

At the June meeting the Trustees review how the first two months of opening (April and May) compare with the same period in the past two seasons. They use this information to re-forecast results for the year, plan projects and manage the opening business accordingly.

The October meeting is used to compare the performance of the whole season against the forecast and previous seasons, analyse as appropriate and make key decisions on the opening policy, pricing policy and advertising and marketing activity for the next year.

Once the Trustees have approved the budgets for the year, they delegate day to day operational decisions to the Castle Manager and Heads of Department within the Castle. The reporting and decision making hierarchy is shown below.



Related party relationships

Arundel Castle Trustees Limited has one wholly owned subsidiary, Arundel Castle Enterprises Limited. Arundel Castle Enterprises Limited operates the commercial activity within the Castle, which comprises of the gift shop and restaurant businesses. It has also, from 2006, taken over the running of the Arundel Castle, Arundel Festival events.

For information on related party transactions please see note 27 to the financial statements.

Structure, governance and management (continued)

Risk management

Against the background of their desire to achieve and maintain best practice in corporate governance, and acknowledging their ultimate responsibility for safeguarding the assets in their ownership, the Trustees have appointed senior staff members (as detailed in the organisational chart above) to be responsible for the areas in which the charity and the group may be exposed to significant strategic, business and operational risks.

Systems have been established to mitigate the risks identified and procedures are in place to minimise the impact on the charity and the group should any of those risks materialise. This work has identified all significant risks, which the charity records on its risk register. Particular attention has been focused on non-financial risks arising from fire and health and safety of visitors. The risks which the charity faces are under continual review.

Remuneration of key personnel

The Trustees are responsible for setting the pay and remuneration of all personnel, including key management personnel. This is reviewed and agreed at the February / March meeting each year.

Plans for future periods

Future developments

The Trustees will continue to preserve and maintain the Castle for the public benefit, following traditional lines, to give visitors an enjoyable experience of its history from the medieval keep to the Victorian rooms.

The Trustees have the following plans for the Castle:

- To continue to attract visitors to the Castle, gardens and events and maximise income.
- To enhance the visitor experience by continuing to develop the Castle, garden and grounds and improving access and facilities.

Projects for 2022 include:

- Continued maintenance of building fabric and care of the contents.
- Restoring the 2nd 18th century tapestry to display on the grand staircase.
- Replacing the gates at the High Street entrance.
- Replacing picture lighting and safety lighting within the castle.
- Creating a new wildlife pond beyond the lower lawn.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditor

The auditor, James Cowper Kreston, has indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....

The Duke of Norfolk
Chair of Trustees

Date: 11/5/2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARUNDEL CASTLE TRUSTEES LIMITED

Opinion

We have audited the financial statements of Arundel Castle Trustees Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2021 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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's 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 AUDITOR'S REPORT TO THE MEMBERS OF ARUNDEL CASTLE TRUSTEES LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. 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 appears 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.

Opinion on 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 Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' 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 the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 9, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's 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 to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARUNDEL CASTLE TRUSTEES LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for evidence of bias.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARUNDEL CASTLE TRUSTEES LIMITED (CONTINUED)

Use of our report

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

MNFarwell

Michael Farwell MA FCA DChA (Senior statutory auditor)
for and on behalf of
James Cowper Kreston
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB
Date: 31/5/2022

ARUNDEL CASTLE TRUSTEES LIMITED

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:					
Charitable activities	4	**2,606,803**	**-**	**2,606,803**	627,688
Other trading activities	5	**877,476**	**-**	**877,476**	180,219
Investments	6	**83,144**	**130,635**	**213,779**	119,457
Other incoming resources	7	**61,781**	**-**	**61,781**	90,526
Total income and endowments		**3,629,204**	**130,635**	**3,759,839**	1,017,890
Expenditure on:					
Raising funds:	8				
Fundraising trading		**637,490**	**-**	**637,490**	429,596
Investment management and bank charges		**74,989**	**26,999**	**101,988**	75,153
Charitable activities:	9				
Upkeep of the castle		**1,587,698**	**-**	**1,587,698**	1,458,646
Costs of admissions and castle opening		**651,253**	**-**	**651,253**	447,583
Governance costs		**46,318**	**-**	**46,318**	30,012
Total expenditure		**2,997,748**	**26,999**	**3,024,747**	2,440,990
Net income/(expenditure) before net gains on investments		**631,456**	**103,636**	**735,092**	(1,423,100)
Net gains on investments		**427,694**	**192,955**	**620,649**	941,310
Net movement in funds		**1,059,150**	**296,591**	**1,355,741**	(481,790)
Reconciliation of funds:					
Total funds brought forward		**9,598,992**	**3,690,190**	**13,289,182**	13,770,972
Net movement in funds		**1,059,150**	**296,591**	**1,355,741**	(481,790)
Total funds carried forward		**10,658,142**	**3,986,781**	**14,644,923**	13,289,182

The notes on pages 19 to 41 form part of these financial statements.

ARUNDEL CASTLE TRUSTEES LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 1269400

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	13		**731,193**		811,944
Heritage assets	15		**475,683**		475,683
Investments	16		**10,363,480**		9,601,639
			11,570,356		10,889,266
Current assets					
Stocks	17	**83,673**		113,455	
Debtors	18	**697,048**		379,044	
Cash at bank and in hand		**2,415,578**		2,237,599	
		3,196,299		2,730,098	
Creditors: amounts falling due within one year	19	**(121,732)**		(330,182)	
Net current assets			**3,074,567**		2,399,916
Total assets less current liabilities			**14,644,923**		13,289,182
Total net assets			**14,644,923**		13,289,182
Charity funds					
Endowment funds	20		**3,986,781**		3,690,190
Unrestricted funds	20		**10,658,142**		9,598,992
Total funds			**14,644,923**		13,289,182

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....

The Duke of Norfolk
Chair of Trustees

Date: 11/5/2022

The notes on pages 19 to 41 form part of these financial statements.

ARUNDEL CASTLE TRUSTEES LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 1269400

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	13		**655,768**		710,919
Heritage assets	15		**475,683**		475,683
Investments	16		**10,363,580**		9,601,739
			11,495,031		10,788,341
Current assets					
Debtors	18	**1,267,056**		744,679	
Cash at bank and in hand		**1,899,755**		2,169,142	
		3,166,811		2,913,821	
Creditors: amounts falling due within one year	19	**(116,084)**		(325,099)	
Net current assets			**3,050,727**		2,588,722
Total assets less current liabilities			**14,545,758**		13,377,063
Total net assets			**14,545,758**		13,377,063
Charity funds					
Endowment funds	20		**3,986,781**		3,690,190
Unrestricted funds			**10,558,977**		9,686,873
Total funds			**14,545,758**		13,377,063

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....

The Duke of Norfolk
Chair of Trustees

Date: 11/5/2022

The notes on pages 19 to 41 form part of these financial statements.

ARUNDEL CASTLE TRUSTEES LIMITED

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	23	**194,146**	(1,036,638)
Cash flows from investing activities			
Dividends and interests		**230**	4,610
Purchase of tangible fixed assets		**(16,397)**	(236,713)
Net cash used in investing activities		**(16,167)**	**(232,103)**
Change in cash and cash equivalents in the year		**177,979**	**(1,268,741)**
Cash and cash equivalents at the beginning of the year		**2,237,599**	3,506,340
Cash and cash equivalents at the end of the year	24	**2,415,578**	2,237,599

The notes on pages 19 to 41 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Arundel Castle Trustees Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

1.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

1. Accounting policies (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All expenditure is inclusive of irrecoverable VAT.

1.6 Basis of consolidation

The financial statements consolidate the accounts of Arundel Castle Trustees Limited and its subsidiary undertaking, Arundel Castle Enterprises Limited ('subsidiary').

Of the net income after investment movement of £1,355,741 (2020: net expenditure of £481,790), £1,168,695 (2020: £(140,917)) is attributable to the parent charitable company. The profit attributable to the subsidiary is shown in the notes to the financial statements.

1.7 Government grants

Government grants are credited to other incoming resources within the Consolidated statement of financial activities as the related expenditure is incurred.

1.8 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and included at purchase cost plus any incidental expenses of acquisition.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Consolidated Statement of Financial Activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

1. Accounting policies (continued)

1.8 Tangible fixed assets and depreciation (continued)

Property improvements & gardens	- 10 - 20% straight line
Motor vehicles	- 25% straight line
Gift shop, coffee shop & restaurant fixtures & fittings	- 10% - 33% straight line
Castle fixtures & fittings & groundsmens' equipment	- 10% - 33% straight line
Computer equipment	- 33% straight line

No depreciation has been provided on freehold property. This represents the property at 11 London Road owned by the charity and, in the opinion of the Trustees, the amount of any depreciation would be immaterial. Annual impairment reviews of the property are performed based on published house price indices.

1.9 Arundel Castle

The charity maintains Arundel Castle and its grounds in support of the charity's objective to preserve the buildings, grounds and chattels for the benefit of current and future generations.

Arundel Castle and its grounds were conveyed to the charity by the Executors of the XVI Duke of Norfolk as a gift in July 1976 and have not been valued in these financial statements. Reliable cost information for these assets is not available and the Trustees consider that conventional valuation approaches lack sufficient reliability due the the unique nature of the property. Furthermore, if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the charity and users of the accounts. As a result, no value is reported for these assets in the charity's balance sheet.

Arundel Castle is a unique, inalienable building of historical significance and the Trustees are forbidden from disposing of the property, either in whole or in part. Each year, the Trustees are required to spend significant sums in maintaining the fabric of the building and enhancing the overall visitor experience, as directed by the charity's governing instrument. This expenditure is charged in the Statement of Financial Activities as incurred, rather than capitalised, because in the opinion of the Trustees it gives a more meaningful presentation of the charity's activities during the year.

The total of such expenditure was £395,965 in the year ended 31 December 2021 (2020: £451,674).

Chattels owned by the Duke of Norfolk

Certain chattels on display to the public at Arundel Castle, books kept in the library at Arundel Castle and certain chattels kept in the private chapel at Arundel Castle are owned by the Duke of Norfolk and his successors and made available to the Trustees of Arundel Castle under legal agreements dated 28 July 1981. Under these agreements it is undertaken that the chattels and books will be made available to the Trustees for public display at Arundel Castle, subject to a number of conditions and restrictions. It is considered that the effect of these conditions and restrictions is such that the chattels and books do not fall under the control of the Trustees of Arundel Castle Trustees Limited, as defined by Financial Reporting Standard 102 (FRS 102) Heritage Assets. As a result, no value is reported for these assets in the charity's balance sheet. Under the terms of the legal agreements these chattels and books remain generally on display to the public in accordance with the usual Castle opening arrangements.

1. **Accounting policies (continued)**

Chattels owned by the Charitable Company

Chattels comprise an oil painting of Elizabeth Stuart, a silver tripod, a silver salver, a Regency silver dinner service and a four poster bed. The chattels are all stated at cost and undergo annual impairment reviews. These financial statements do not reflect the value of chattels situated in Arundel Castle and owned by the Duke of Norfolk, which have been loaned to the charitable company.

Gardens

The grounds were gifted to the charity in 1976, as detailed previously in this note.
Significant capital expenditure to improve the gardens and enhance the visitor experience has been carried out and this expenditure is held on the balance sheet at cost less depreciation.

1.10 Investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries are valued at cost.

1.11 Interest receivable

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

1.12 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs.

1.13 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.14 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.15 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Tangible fixed assets (see note 13)
Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Heritage assets (see note 14)
Heritage assets are not included within the financial statements as the Trustees consider that conventional valuation techniques lack sufficient reliability over their valuation and that if valuations could be obtained the cost would be onerous compared with the additional benefit derived. The assessment is reviewed annually.

3. Net income from trading activities of subsidiary

The charity has a wholly owned trading subsidiary incorporated in the UK. Arundel Castle Enterprises Limited is used for trading activities at Arundel Castle, principally the gift shop and catering facilities and the hosting of the annual Arundel Festival. The company gifts its distributable income to Arundel Castle Trustees Limited under Gift Aid. All activities have been consolidated on a line by line basis in the Statement of Financial Activities. Audited financial statements are filed with the Registrar of Companies. A summary of its trading results is shown below:

Arundel Castle Enterprises Limited

	2021 £	2020 £
Profit and loss account		
Turnover	**590,080**	8,661
Cost of sales	**(206,327)**	(14,893)
Gross profit	**383,753**	(6,232)
Administrative expenses	**(196,726)**	(152,444)
Interest receivable	**19**	163
Government Grants	**-**	17,596
	(196,707)	(134,685)
Total	**187,046**	(140,917)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Admissions	2,606,803	**2,606,803**	627,688

In both 2021 and 2020, all income from admissions was to unrestricted funds.

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Subsidiary income	590,080	**590,080**	8,661
Rental/car park income	287,396	**287,396**	171,558
Total 2021	877,476	**877,476**	180,219

In both 2021 and 2020, all income from other trading activities was to unrestricted funds.

6. Investment income

	Unrestricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	82,914	130,635	**213,549**	114,847
Bank interest	230	-	**230**	4,610
Total 2021	83,144	130,635	**213,779**	119,457

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

7. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Government grants	17,403	**17,403**	90,526
Insurance income	44,378	**44,378**	-
Total 2021	61,781	**61,781**	90,526

8. Finance costs

	Unrestricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment management fees and bank charges	74,989	26,999	**101,988**	75,153

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Upkeep of the Castle	1,587,698	**1,587,698**	1,459,078
Cost of admissions and Castle opening	651,253	**651,253**	443,843
Governance costs	46,318	**46,318**	33,320
Total 2021	2,285,269	**2,285,269**	1,936,241

9. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2021 £	Depreciation 2021 £	Other costs 2021 £	Total funds 2021 £	Total funds 2020 £
Upkeep of the Castle	698,888	63,508	825,302	**1,587,698**	1,459,078
Cost of admissions and Castle opening	324,000	-	327,253	**651,253**	443,843
Governance costs	8,762	-	37,556	**46,318**	33,320
Total 2021	1,031,650	63,508	1,190,111	**2,285,269**	1,936,241

10. Net income/(expenditure)

This is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	**93,442**	69,628
Fees payable to the Charity's auditor in respect of:		
- Accountancy and audit	**15,750**	15,220
Operating lease rentals	**18,337**	19,359

During the year, no Trustees received any benefits in kind (2020: £Nil).

During the year, no Trustees received reimbursement of expenses (2020: £Nil).

11. Staff costs

Staff costs were as follows:

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Wages and salaries	**1,085,364**	867,189	**973,339**	832,238
Social security costs	**60,178**	56,521	**60,178**	53,365
Contribution to defined contribution pension schemes	**52,509**	49,514	**52,509**	49,514
	1,198,051	973,224	**1,086,026**	935,117

11. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	Group 2021 No.	Group 2020 No.	Charity 2021 No.	Charity 2020 No.
Restaurant and shop staff	5	-	-	-
Administration	4	4	3	3
Castle opening staff (temporary)	56	56	63	56
	65	60	66	59

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	Group 2020 No.
In the band £70,001 - £80,000	-	1
In the band £90,001 - £100,000	1	-

The key management personnel of the parent charity and the group comprise Trustees, the Castle Manager and the Finance Manager. The total employee benefits of the key management personnel were £156,570 (2020: £137,585).

12. Taxation

The parent company is a registered charity, and is entitled to certain tax exemptions on income and profits from investments. Surpluses are applied solely for charitable purposes.

To the extent that Arundel Castle Enterprises Limited makes a taxable profit it is conveyed to the parent charitable company under Gift Aid, resulting in no liability to corporation tax.

Arundel Castle Trustees Limited and Arundel Castle Enterprises Limited are registered for VAT, and consequently all of their income and expenditure is recorded net of VAT, with the exception of castle admissions income, which is subject to a VAT cultural exemption.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

13. Tangible fixed assets

Group

	Freehold property, improvements & gardens £	Coffee shop fixtures & fittings £	Motor vehicles & groundsmens' equipment £	Restaurant & gift shop fixtures & fittings £	Fixtures, fittings & computer equipment £	Total £
Cost or valuation						
At 1 January 2021	2,545,857	63,327	160,637	183,124	427,464	3,380,409
Additions	-	550	1,085	7,490	7,272	16,397
Disposals	-	(369)	-	(8,551)	-	(8,920)
At 31 December 2021	2,545,857	63,508	161,722	182,063	434,736	3,387,886
Depreciation						
At 1 January 2021	1,982,630	45,163	128,326	100,263	312,083	2,568,465
Charge for the year	41,272	4,541	10,177	25,393	12,059	93,442
On disposals	-	(235)	-	(4,979)	-	(5,214)
At 31 December 2021	2,023,902	49,469	138,503	120,677	324,142	2,656,693
Net book value						
At 31 December 2021	521,955	14,039	23,219	61,386	110,594	731,193
At 31 December 2019	563,227	18,164	32,311	82,861	115,381	811,944

13. Tangible fixed assets (continued)

Charity

	Freehold property £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation				
At 1 January 2021	**2,545,857**	**160,637**	**427,464**	**3,133,958**
Additions	**-**	**1,085**	**7,272**	**8,357**
At 31 December 2021	**2,545,857**	**161,722**	**434,736**	**3,142,315**
Depreciation				
At 1 January 2021	**1,982,630**	**128,326**	**312,083**	**2,423,039**
Charge for the year	**41,272**	**10,177**	**12,059**	**63,508**
At 31 December 2021	**2,023,902**	**138,503**	**324,142**	**2,486,547**
Net book value				
At 31 December 2021	**521,955**	**23,219**	**110,594**	**655,768**
At 31 December 2020	563,227	32,311	115,381	710,919

14. Heritage assets

Assets not recognised in the balance sheet

The charitable company maintains Arundel Castle and its grounds which were acquired in 1976 by way of gift from the Executors of the XVI Duke of Norfolk.

The Keep at Arundel Castle was built at the end of the 11th century by Roger de Montgomery Earl of Arundel. Since then it has been added to over the centuries, the last major remodelling taking place at the end of the 19th century. Apart from the occasional reversion to the Crown, Arundel Castle has descended directly from 1138 to the present day, carried by female heiresses from the d'Albinis to the Fitzalans in the 13th century and then from the Fitzalans to the Howards in the 16th century and it has been the seat of the Dukes of Norfolk and their ancestors for over 850 years.

The Castle houses a collection of fine furniture dating from the 16th century, tapestries, clocks and portraits by Van Dyck, Gainsborough, Mytens, Lawrence, Reynolds, Canaletto and others. Personal possessions of Mary, Queen of Scots and a selection of historical, religious and heraldic items from the Duke of Norfolk's collection are also on display.

These items, with the exception of certain chattels as described more fully below, are displayed under legal agreement with the Duke of Norfolk and his successors and are not included in the balance sheet of the charity.

There have been no acquisitions or disposals of heritage assets during the last five years.

The current building underwent a major restoration project that was completed in 1900. It was one of the first English country houses to be fitted with electric light, integral fire fighting equipment, service lifts and central heating.

The charity aims to maintain the condition of the Castle in a steady state of repair, and to improve the grounds to enhance the experience of visitors to the Castle. Annual surveys are undertaken to ensure that the fabric of the building is not deteriorating and repair and maintenance work is undertaken as required, according to budget. Examples of such expenditure in recent years include re-leading the castle roof and internal and external re-wiring to the Castle.

The total of such expenditure in 2021 was £395,965 (2020: £451,674).

The cost of major enhancement work to the grounds and gardens, and any capital work to the building that does not represent repair or maintenance, is capitalised on the balance sheet.

In accordance with the admission policy, public access to the Castle and grounds is permitted every day of the week except Monday during the opening season which is from Easter or 1 April to the end of October each year.

Chattels recognised on the balance sheet (Note 15)

Chattels comprising an oil painting of Elizabeth Stuart, a silver tripod, a silver salver, a Regency silver dinner service and a four poster bed are reported in the balance sheet at cost.

Public access to these assets is provided in accordance with the general castle admissions policy as described above.

Enhancement to gardens and grounds

The grounds, together with the keep and gatehouse have been open to the public since 1800 and the gardens since 1854.

On 14 May 2008 The Collector Earl's Garden was opened by HRH The Prince of Wales. This formal garden was conceived as a tribute to Thomas Howard, 14th Earl of Arundel, known as 'The Collector'.

The capital expenditure on this project and other projects for the enhancement of the gardens is held on the balance sheet at cost and was depreciated over 10 years.

Admission to The Collector Earl's Garden is included within the standard admission for the castle and grounds.

15. Charity heritage assets

Group and Charity

Assets recognised at cost

	Chattels owned by the charity	Total
	£	£
At 1 January 2020	475,683	**475,683**
At 31 December 2021	475,683	**475,683**

16. Fixed asset investments

Group	Endowment fund £	East Wing sinking fund £	General fund investments £	Total £
Cost or valuation				
At 1 January 2021	**3,686,254**	**42,775**	**5,872,610**	**9,601,639**
Investment income	**130,635**	**1,290**	**81,624**	**213,549**
Management fees	**(26,999)**	**(306)**	**(45,052)**	**(72,357)**
Realised and unrealised gains/(losses)	**196,891**	**(1,378)**	**425,136**	**620,649**
At 31 December 2021	**3,986,781**	**42,381**	**6,334,318**	**10,363,480**
Net book value				
At 31 December 2021	**3,986,781**	**42,381**	**6,334,318**	**10,363,480**
At 31 December 2020	3,686,254	42,775	5,872,610	9,601,639

16. Fixed asset investments (continued)

Charity	Shares in subsidiary £	Endowment fund £	East Wing sinking fund £	General fund investments £	Total £
Cost or valuation					
At 1 January 2021	**100**	**3,686,254**	**42,775**	**5,872,610**	**9,601,739**
Investment income	**-**	**130,635**	**1,290**	**81,624**	**213,549**
Management fees	**-**	**(26,999)**	**(306)**	**(45,052)**	**(72,357)**
Realised and unrealised gains/(losses)	**-**	**196,891**	**(1,378)**	**425,136**	**620,649**
At 31 December 2021	**100**	**3,986,781**	**42,381**	**6,334,318**	**10,363,580**
Net book value					
At 31 December 2021	**100**	**3,986,781**	**42,381**	**6,334,318**	**10,363,580**
At 31 December 2020	100	3,686,254	42,775	5,872,610	9,601,739

Investments held by the charity include an investment in the subsidiary company, Arundel Castle Enterprises Limited at cost.

Arundel Castle Trustees Limited owns 100% of the issued ordinary share capital of Arundel Castle Enterprises Limited, a company incorporated in England and Wales. Arundel Castle Enterprises Limited is the only subsidiary of Arundel Castle Trustees Limited. There are no other related companies.

All the fixed asset investments are held in the UK.

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Class of shares	Holding
Arundel Castle Enterprises Limited	01521264	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Arundel Castle Enterprises Limited	**590,099**	**(403,053)**	**187,046**	**99,265**

Endowment Fund

This represents a permanent endowment to Arundel Castle Trustees Limited by the Executors of the XVI Duke of Norfolk. The fund is represented by:

	Market Value 2021 £	Cost 2021 £	Market Value 2020 £	Cost 2020 £
UK listed investments	**288,117**	**237,099**	130,106	123,946
Overseas listed investments	**2,204,466**	**1,399,105**	1,878,427	1,384,920
Other unlisted securities	**752,784**	**775,961**	747,905	675,823
Bonds and fixed interest	**640,780**	**593,529**	637,910	616,043
Sub total	**3,886,147**	**3,005,694**	3,394,348	2,800,732
Investment deposit account	**100,634**	**100,634**	291,906	291,906
Total	**3,986,781**	**3,106,328**	3,686,254	3,092,638

The Trustees consider the following investment to be material (over 5% of total investment fund) to the market value of the portfolio at 31 December 2021:

JP Morgan America Equity Fund - 6.28%
Vanguard S&P 500 UCITS ETF - 7.57%
Schroder Asian Alpha Plus Fund - 6.35%

East Wing Sinking Fund

This represents funds invested in 1993 for future restoration of the East Wing. The fund is represented by:

	Market Value 2021 £	Cost 2021 £	Market Value 2020 £	Cost 2020 £
Other unlisted investments	**34,768**	**34,134**	32,718	22,615
Sub total	**34,768**	**34,134**	32,718	22,615
Investment deposit account	**7,613**	**7,613**	10,059	10,059
Total	**42,381**	**41,747**	42,777	32,674

As at 31 December 2021 the fund is made up of one investment, Schroder Diversified Alternative.

General Fund

The fund is represented by:

	Market Value 2021 £	Cost 2021 £	Market Value 2020 £	Cost 2020 £
UK listed investments	**412,203**	**367,593**	1,410,942	1,278,535
Overseas listed investments	**2,656,958**	**2,144,458**	2,146,995	1,622,128
Other unlisted securities	**1,359,818**	**1,351,954**	1,146,881	1,217,696
Bonds and fixed interest	**1,482,990**	**1,433,144**	752,706	726,904
Sub total	**5,911,969**	**5,297,149**	5,457,524	4,845,263
Investment deposit account	**422,349**	**422,349**	415,082	415,082
Total	**6,334,318**	**5,719,498**	5,872,606	5,260,345

The Trustees consider the following investment to be material (over 5% of total investment fund) to the market value of the portfolio at 31 December 2021:

JP Morgan America Equity Fund - 5.27%
MU Lyxor Core US TIPS (DR)UCITS ETF - 7.50%
Schroder Diversified Alternative - 7.32%

17. Stocks

	Group 2021 £	Group 2020 £
Gift shop goods for resale	**81,382**	109,858
Restaurant stock	**2,291**	3,278
Cafe stock	**-**	319
	83,673	113,455

18. Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Due within one year				
Trade debtors	**35,743**	34,804	**29,857**	34,804
Amounts owed by group undertakings	**-**	-	**575,896**	366,747
Other debtors	**320,646**	83,612	**320,646**	83,612
Prepayments and accrued income	**340,659**	260,628	**340,657**	259,516
	697,048	379,044	**1,267,056**	744,679

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

19. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade creditors	**8,237**	304,348	**8,013**	303,765
Other taxation and social security	**22,898**	-	**22,144**	-
Other creditors	**250**	250	**250**	250
Accruals and deferred income	**90,347**	25,584	**85,677**	21,084
	121,732	330,182	**116,084**	325,099

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

20. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds					
Designated funds					
East Wing Sinking Fund	42,825	1,290	(306)	(1,428)	42,381
General funds					
General funds	9,556,167	3,627,914	(2,997,442)	429,122	10,615,761
Total Unrestricted funds	9,598,992	3,629,204	(2,997,748)	427,694	10,658,142
Endowment funds					
Endowment funds	3,690,190	130,635	(26,999)	192,955	3,986,781
Total of funds	13,289,182	3,759,839	(3,024,747)	620,649	14,644,923

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
Designated funds					
East Wing Sinking Fund	40,942	1,480	(243)	646	42,825
General funds					
General funds	10,381,266	962,203	(2,421,054)	633,752	9,556,167
Total Unrestricted funds	10,422,208	963,683	(2,421,297)	634,398	9,598,992
Endowment funds					
Endowment funds	3,348,764	54,207	(19,693)	306,912	3,690,190
Total of funds	13,770,972	1,017,890	(2,440,990)	941,310	13,289,182

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

21. Summary of funds

Summary of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
Designated funds	42,825	1,290	(306)	(1,428)	42,381
General funds	9,556,167	3,627,914	(2,997,442)	429,122	10,615,761
Endowment funds	3,690,190	130,635	(26,999)	192,955	3,986,781
	13,289,182	3,759,839	(3,024,747)	620,649	14,644,923

Summary of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Designated funds	40,942	1,480	(243)	646	42,825
General funds	10,381,266	962,203	(2,421,054)	633,752	9,556,167
Endowment funds	3,348,764	54,207	(19,693)	306,912	3,690,190
	13,770,972	1,017,890	(2,440,990)	941,310	13,289,182

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Tangible fixed assets	731,193	-	731,193
Fixed asset investments	6,376,699	3,986,781	10,363,480
Heritage assets	475,683	-	475,683
Current assets	3,196,299	-	3,196,299
Creditors due within one year	(121,732)	-	(121,732)
Total	10,658,142	3,986,781	14,644,923

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Tangible fixed assets	811,944	-	811,944
Fixed asset investments	5,911,449	3,690,190	9,601,639
Heritage assets	475,683	-	475,683
Current assets	2,730,098	-	2,730,098
Creditors due within one year	(330,182)	-	(330,182)
Total	9,598,992	3,690,190	13,289,182

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	Group 2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**1,355,741**	(481,790)
Adjustments for:		
Depreciation charges	**93,442**	69,628
(Gains)/losses on investments	**(620,649)**	(941,310)
Dividends and interest	**(213,779)**	(119,457)
Loss on the sale of fixed assets	**3,706**	8,640
Decrease/(increase) in stocks	**29,782**	(55,154)
Decrease/(increase) in debtors	**(415,319)**	151,098
Increase/(decrease) in creditors	**(111,135)**	263,894
Investment management fees paid by fund	**72,357**	67,813
Net cash provided by/(used in) operating activities	**194,146**	(1,036,638)

24. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash in hand	**2,415,578**	2,237,599
Total cash and cash equivalents	**2,415,578**	2,237,599

25. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	**2,237,599**	**177,979**	**2,415,578**
	2,237,599	**177,979**	**2,415,578**

26. Operating lease commitments

At 31 December 2021 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Not later than 1 year	**11,491**	18,337	**11,491**	18,337
Later than 1 year and not later than 5 years	**48,850**	64,905	**48,850**	64,905
	60,341	83,242	**60,341**	83,242

27. Related party transactions

Dr John Martin Robinson, a trustee of Arundel Castle Trustees Limited and a director of Arundel Castle Enterprises Limited, is paid, on normal commercial terms, for his services to the castle library. During the year he has been paid a total of £20,091 (2020: £18,190) for these services.

The Duke of Norfolk, a trustee of Arundel Castle Trustees Limited, had a debtor balance at the year end of £16,378 (2020: £20,902). The total of recharged costs over the year has been £16,378 (2020: £20,902).

The Earl of Arundel, a trustee of Arundel Castle Trustees Limited, was paid £Nil for the provision of services during the year (2020: £1,103).

The 1958 Settlement Henry's Fund, of which the Duke is a Trustee, holds a lease of the East Wing of Arundel Castle. This was granted in November 1993 in consideration of the carrying out of essential works of repair and improvement at a cost in excess of £1,300,000 and an annual rent payable to Arundel Castle Trustees Limited, which was £1,142 for the year (2020: £1,089).

The balance owed to Arundel Castle Trustees Limited at the year end was £Nil (2020: £1,089). Arundel Castle Trustees Limited also pays for use of the car park and grounds maintenance costs. Costs in the year were £36,465 (2020: £40,487).

28. Controlling party

The Trustees, as a body, administer the Company in accordance with the Memorandum and Articles of Assocation. Therefore there is no single controlling party.

ARUNDEL CASTLE TRUSTEES LIMITED

England & Wales - Charity number 271833

Accounts

Registered number: 1269400
Charity number: 271833

ARUNDEL CASTLE TRUSTEES LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

ARUNDEL CASTLE TRUSTEES LIMITED
(A company limited by guarantee)

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ARUNDEL CASTLE TRUSTEES LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees

The Duke of Norfolk
Dr John Martin Robinson
The Earl of Arundel
Mr N Powell
Mr C Fraser
Mr H Coghill

Company registered number

1269400

Charity registered number

271833

Registered office

Arundel Castle
High Street
Arundel
West Sussex
BN18 9LH

Castle manager

Mr Stephen Manion

Independent auditor

James Cowper Kreston
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

Bankers

Lloyds Bank Plc
171-173 North Street
Brighton
BN1 1GL

Solicitors

Currey & Co
33 Queen Anne Street
London
W1G 9HY

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Investment advisers

Cazenove Capital Management
31 Gresham Street
London
EC2V 7QA

Ruffer LLP
80 Victoria Street
London
SW1E 5JL

ARUNDEL CASTLE TRUSTEES LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 January 2020 to 31 December 2020. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

Policies and objectives

The primary objectives of the charity, as stated in its governing document, are to preserve the buildings, grounds and chattels of Arundel Castle for public benefit. The unrestricted income and capital of the company may be applied towards these objectives at the Trustees' discretion.

In order to achieve these objectives, members of the public are allowed reasonable access to the property on not less than 100 days during the year. However, 2020 has been an extraordinary year with the coronavirus pandemic and government restrictions only enabling the castle to open for 98 days.

Aims and intended impact

The Trustees have considered the Charity Commission's guidance on public benefit and fee charging when setting their objectives for the year.

For the public benefit the charity aims to educate people in the history of the buildings and contents of the Castle through public access to and experience of visiting the Castle. The Trustees employ an education officer and offer a range of learning activities at the Castle. This was scheduled to take place from April 2020, however all school visits were cancelled due to the pandemic.

The Trustees also continually aim to maximise the enjoyment for all visitors by refurbishing and improving the displays and conditions of artefacts within the Castle, as well as hosting history events throughout the season.

The refurbishment of the Civil War room was due for final installation in the Inner Gatehouse, when the lockdown came into force. The Grand Staircase's major clean and the removal of two important tapestries for restoration, the new flooring in the Keep and shop refurbishment were completed prior to lockdown. All events in 2020 were cancelled due to the pandemic and the social distance rules.

Principal activities in the year

The principal activities of the charitable company in the year were the opening of Arundel Castle and its grounds to the public from 1 April – 1 November. This was the aim and the operational planning was in place until the national lockdown was announced and came into force. The preserving of the building, grounds and chattels continued as far as possible under the restrictions.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Strategic report

Achievements and performance

Operational performance

The Trustees appreciate and accept the difficulties for 2020 with the major effect of the pandemic on the Castle and all aspects of life.

The Trustees aimed to open Arundel Castle from the 1 April to 1 November, with a full programme of events and complete visitor experience for visitors.

The year and the pandemic have proved to be challenging for Trustees and the operation of the Castle, with no ticket sales until July and no catering or retail all season.

The government's announcement of a national lockdown on 23 March 2020 ensured that the Trustees would be unable to open as scheduled. Permanent staff were asked to work from home, some were furloughed and a core team worked on site to maintain the gardens, building and contents. The season's events were cancelled.

The year's budget had been prepared prior to any coronavirus issues, but it was accepted that this would be revised as and when the circumstances changed and the situation on opening and operating became clearer. The lockdown conditions discouraged all but essential travel for work, with the resultant effect of a considerably reduced car park income.

To keep existing, and potential, visitors engaged with the Castle and gardens, a programme of virtual experiences were developed. The first video was released on 1 April using the website, Facebook and Instagram, coinciding with our scheduled opening. Additional virtual tours of the Castle, gardens and events were released throughout the season.

The relaxation of restrictions enabled Trustees to open the gardens from 8 July 2020, under the strict COVID-19 guidance and regulations. This included pre-booked, timed tickets, daily limits on numbers, social distancing and hygiene procedures. The guidance precluded any catering or retail offers.

Further changes in the government's policy allowed the partial opening of the castle buildings from 5 August, but still with limits on daily numbers. There was a degree of uncertainty as to how long these measures would stay in place and Trustees were pleased that we reached the planned closing date of 1 November.

The modified and reduced visitor experience was reflected in lower entrance charges of £15 for adults and £5 for children, with the original prices being £23 and £11 respectively.

Admission statistics for the 2020 season compared with the previous 2 seasons are summarised as follows:

	2020	2019	2018
Number of days castle open to the public	98	193	190
Number of visitors			
Castle	34,417	145,088	145,624
Grounds	18,934	44,818	37,516
Normal admission charge			
Adults	£15.00	£20.00	£20.00
Senior Citizens	N/A	£17.50	£17.50
Children	£5.00	£11.00	£11.00

Strategic report (continued)

Achievements and performance (continued)

Trading performance

The charitable company's wholly owned trading subsidiary, Arundel Castle Enterprises Limited, carries out non charitable trading activities for the charity. The financial performance of Arundel Castle Enterprises Limited is shown in note 3 to the financial statements.

The restaurant, shop and coffee shop were unable to trade during 2020 and the Arundel Festival event was cancelled due to coronavirus restrictions.

The subsidiary gifts its taxable profit to Arundel Castle Trustees Limited under Gift Aid.

Investment policy and performance

Investment powers and policy

The Trustees may invest funds of the company, not immediately required for its purpose, in such investment securities as they see fit subject to any conditions imposed or required by law.

The Trustees engage Cazenove Capital Management and Ruffer LLP to manage the charity's portfolio of securities on a discretionary basis.

Performance review

The charitable company's investment performance is measured regularly against a benchmark of a combination of FTSE and Government Stock. The Trustees will keep the performance under constant review and work with their investment advisers to maximise opportunities and minimise investment losses to ensure investment stability while still providing income.

Total investment income received in the year, before fees, amounted to £114,848 (2019: £145,827), which accounted for 11.28% of total incoming resources in 2020. This income is wholly reinvested in order to sustain and enhance capital growth in the portfolio.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Strategic report (continued)

Financial review

Financial results

The consolidated Statement of Financial Activities (SOFA) for the year is set out on page 15. A summary of the financial results and the work of the charity is set out below.

The consolidated SOFA shows net loss before investment gains and losses of £1,423,100 the year compared with £668,769 net income in 2019.

Incoming resources

The charitable company has three principal sources of income. Firstly, it receives income from admissions to the Castle. The admissions income accounted for 67% of the Castle's total incoming resources in 2020 (2019: 91%). The total visitor numbers were down on 2019 by 72%.

Secondly, the charitable company receives a material revenue stream in dividends from its investments. More information on investments is given in the Investment Performance section above.

The third principal source of income is takings from the Mill Road car park. This is a public car park, which is open to the public all year round, not just during Castle opening. Takings from the car park are collected by the Castle and are a valuable source of income for the charity, accounting for 17% (2019: 7%) of total incoming resources in 2020.

Resources expended

The charity's funds have been applied to charitable purposes throughout the year. In this regard, the Trustees have been following a policy of investment in the fabric of the Castle with the result that £451,674 (2019: £527,600) has been spent on various renovation and repair projects in the year. The Trustees plan to continue to invest funds in the upkeep and enhancement of the Castle in 2021 as described in the 'Plans for Future Periods' section of this report.

Fixed assets

The movement in fixed assets during the year is set out in note 13 to the financial statements.

Interest in land and historic buildings

The executors of the XVI Duke of Norfolk conveyed Arundel Castle and its grounds to the charitable company as a gift in July 1976. The Trustees have excluded these assets from the balance sheet as reliable cost information is not available and conventional valuation approaches lack sufficient reliability due to the unique nature of the property. There is further information given on this in note 2 to the financial statements.

Reserves policy

The charity holds both endowment and unrestricted reserves in order to meet its charitable objectives. Details of each of the individual reserves can be found in note 20 to the financial statements.

The Trustees consider that they need to increase reserves in order to maintain the structure and grounds of the Castle in the long term. In some years the charity expends more money in meeting its charitable objectives than it receives from its principal sources of income. It therefore relies on reserves to fund long term capital projects such as the re wiring of the Castle interior, the re leading of the roof and those detailed in the 'Plans for Future Periods' section of this report.

In the long term, the endowment fund alone is considered insufficient to continue to meet the charitable objects, therefore it is the policy of the Trustees to supplement this fund by augmenting unrestricted reserves.

The Trustees also have an unrestricted designated fund for future expenditure on the East Wing of the Castle. The income from this fund is used to honour the landlord's commitments to maintain the East Wing.

The total reserve is £13,289,182 to include the unrestricted fund of £9,598,992 and the endowment fund of £3,690,190.

Structure, governance and management

Governing instrument

Arundel Castle Trustees Limited is a charitable company limited by guarantee and governed by its Memorandum and Articles of Association dated 19 July 1976 as amended on 27 April 1999. It was registered as a charity with the Charity Commission on 27 September 1976. The charity has one wholly owned trading subsidiary, Arundel Castle Enterprises Limited.

The members, who were the Trustees and directors of Arundel Castle Trustees Limited at 31 December 2020, have each undertaken to contribute £1 to the assets of the company in the event of the same being wound up while he / she is a member or within twelve months of his / her ceasing to be a member.

Arundel Castle Enterprises Limited is limited by shares and is governed by its Memorandum and Articles of Association dated 10 October 1980.

The report and consolidated financial statements for the year ended 31 December 2020 relate to the combined activities of the two legal entities.

Method of appointment or election of Trustees

The Board of Trustees has the power as laid out in the Articles of Association to appoint persons to be Trustees of the charitable company as it thinks fit provided that the majority of the Trustees are resident in the UK at any one time, and the majority shall be persons other than the Duke and Duchess of Norfolk, any relative of either of them, and the spouse of any such relative.

The Articles of Association specify a minimum of five Trustees and the Trustees, in practice, have a policy of maintaining a board of either five or six Trustees of the charitable company at any one time. The Board seeks to ensure that it continually comprises Trustees with the range of expertise necessary for the operation and governance of the charity. Should the need for additional expertise on the Board arise, the Trustees would each consider appropriate candidates and put the names of those most appropriate to the rest of the Board. The Board would then agree to whom an approach should be made.

Details of the Trustees who served during the year are listed on page 1.

Policies adopted for the induction and training of Trustees

New Trustees undertake a morning meeting with the Duke of Norfolk during which they are introduced to other Trustees and key members of staff, and are given a tour of the Castle. They are also briefed on their legal obligations under charity and company law and informed of the content of the Memorandum and Articles of Association.

During their induction meeting new Trustees are also briefed as to the history of the Castle and informed how the work of the Board fits with the charity's objectives. New Trustees are also given a copy of the latest available financial statements and the Charity Commission guidance booklet CC3 "The Essential Trustee" for their review.

Structure, governance and management (continued)

Organisational structure and decision making

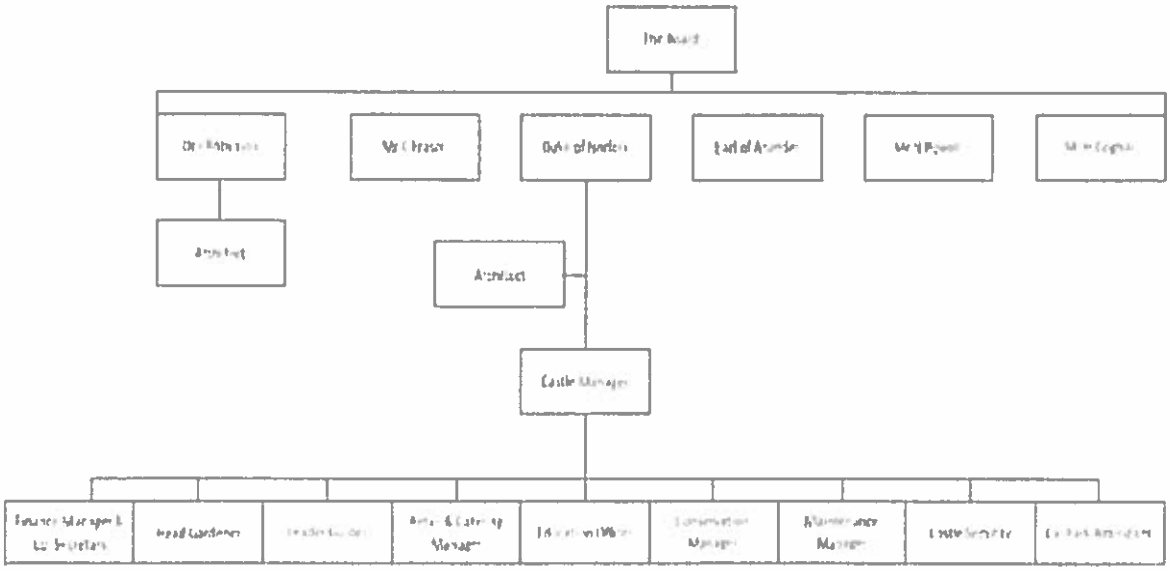
During the year under review the Trustees met in March, July and September.

During the March meeting the Trustees approve both the financial statements for the previous calendar year and the budgets for the coming year. They also monitor the progress of maintenance projects being undertaken during the period in which the Castle is closed to the public, from November to March each year.

At the July meeting the Trustees review how the first two months of opening (April and May) compare with the same period in the past two seasons. They use this information to re-forecast results for the year, plan projects and manage the opening business accordingly.

The September/October meeting is used to compare the performance of the whole season against the forecast and previous seasons, analyse as appropriate and make key decisions on the opening policy, pricing policy and advertising and marketing activity for the next year.

Once the Trustees have approved the budgets for the year, they delegate day to day operational decisions to the Castle Manager and Heads of Department within the Castle. The reporting and decision making hierarchy is shown below.



Related party relationships

Arundel Castle Trustees Limited has one wholly owned subsidiary, Arundel Castle Enterprises Limited. Arundel Castle Enterprises Limited operates the commercial activity within the Castle, which comprises of the gift shop and restaurant businesses. It has also, from 2006, taken over the running of the Arundel Castle, Arundel Festival events.

For information on related party transactions please see note 27 to the financial statements.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management (continued)

Risk management

Against the background of their desire to achieve and maintain best practice in corporate governance, and acknowledging their ultimate responsibility for safeguarding the assets in their ownership, the Trustees have appointed senior staff members (as detailed in the organisational chart above) to be responsible for the areas in which the charity and the group may be exposed to significant strategic, business and operational risks.

Systems have been established to mitigate the risks identified and procedures are in place to minimise the impact on the charity and the group should any of those risks materialise. This work has identified all significant risks, which the charity records on its risk register. Particular attention has been focused on non-financial risks arising from fire and health and safety of visitors. The risks which the charity faces are under continual review.

Remuneration of key personnel

The Trustees are responsible for setting the pay and remuneration of all personnel, including key management personnel. This is reviewed and agreed at the February / March meeting each year.

Plans for future periods

Future developments

The Trustees will continue to preserve and maintain the Castle for the public benefit, following traditional lines, to give visitors an enjoyable experience of its history from the medieval keep to the Victorian rooms.

The Trustees have the following plans for the Castle:

- To continue to attract visitors to the Castle, gardens and events and maximise income.
- To enhance the visitor experience by continuing to develop the Castle, garden and grounds and improving access and facilities.

Projects for 2021 include:

- Continued maintenance of building fabric and care of the contents.
- Returning restored 18th century tapestry to display on the grand staircase.
- The water gardens based on the old stew ponds were made accessible to the public in July 2020. Further enhancements will continue.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditor

The auditor, James Cowper Kreston, has indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....

The Duke of Norfolk, Chairman
(Chair of Trustees)

Date: 23.2.2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARUNDEL CASTLE TRUSTEES LIMITED

Opinion

We have audited the financial statements of Arundel Castle Trustees Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2020 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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's or 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 AUDITOR'S REPORT TO THE MEMBERS OF ARUNDEL CASTLE TRUSTEES LIMITED (CONTINUED)

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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 appears 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.

Opinion on 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 Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' 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 the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- adequate and sufficient 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARUNDEL CASTLE TRUSTEES LIMITED (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 9, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's 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 to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 report in accordance with this Act.

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

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 is detailed below:

- Enquiry of management, those charged with governance and the entity's solicitors (or in-house legal team) around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARUNDEL CASTLE TRUSTEES LIMITED (CONTINUED)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

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

Use of our report

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

MN Farwell

Michael Farwell MA FCA DChA (Senior statutory auditor)
for and on behalf of
James Cowper Kreston
Chartered Accountants and Statutory Auditor
2 Communications Road

Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

Date: 09/04/2021

ARUNDEL CASTLE TRUSTEES LIMITED

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income and endowments from:					
Charitable activities	4	**627,688**	**-**	**627,688**	2,912,883
Other trading activities	5	**180,219**	**-**	**180,219**	1,024,845
Investments	6	**65,250**	**54,207**	**119,457**	150,290
Other incoming resources	7	**90,526**	**-**	**90,526**	-
Total income and endowments		**963,683**	**54,207**	**1,017,890**	4,088,018
Expenditure on:					
Raising funds:	8				
Fundraising trading		**429,596**	**-**	**429,596**	1,066,294
Investment management and bank charges		**55,460**	**19,693**	**75,153**	102,523
Charitable activities:	9				
Upkeep of the castle		**1,458,646**	**-**	**1,458,646**	1,572,635
Costs of admissions and castle opening		**447,583**	**-**	**447,583**	633,360
Governance costs		**30,012**	**-**	**30,012**	44,437
Total expenditure		**2,421,297**	**19,693**	**2,440,990**	3,419,249
Net gains on investments		**634,398**	**306,912**	**941,310**	949,156
Net movement in funds		**(823,216)**	**341,426**	**(481,790)**	1,617,925
Reconciliation of funds:					
Total funds brought forward		**10,422,208**	**3,348,764**	**13,770,972**	12,153,047
Net movement in funds		**(823,216)**	**341,426**	**(481,790)**	1,617,925
Total funds carried forward		**9,598,992**	**3,690,190**	**13,289,182**	13,770,972

The notes on pages 19 to 41 form part of these financial statements.

ARUNDEL CASTLE TRUSTEES LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 1269400

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note		2020 £		2019 £
Fixed assets					
Tangible assets	13		**811,944**		653,499
Heritage assets	15		**475,683**		475,683
Investments	16		**9,601,639**		8,613,294
			10,889,266		9,742,476
Current assets					
Stocks	17	**113,455**		58,301	
Debtors	18	**379,044**		530,142	
Cash at bank and in hand		**2,237,599**		3,506,340	
		2,730,098		4,094,783	
Creditors: amounts falling due within one year	19	**(330,182)**		(66,287)	
Net current assets			**2,399,916**		4,028,496
Total assets less current liabilities			**13,289,182**		13,770,972
Total net assets			**13,289,182**		13,770,972
Charity funds					
Endowment funds	20		**3,690,190**		3,348,764
Unrestricted funds	20		**9,598,992**		10,422,208
Total funds			**13,289,182**		13,770,972

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....

The Duke of Norfolk
(Chair of Trustees)

Date: 23.2.21

The notes on pages 19 to 41 form part of these financial statements.

ARUNDEL CASTLE TRUSTEES LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 1269400

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note		2020 £		2019 £
Fixed assets					
Tangible assets	13		**710,919**		587,175
Heritage assets	15		**475,683**		475,683
Investments	16		**9,601,739**		8,613,394
			10,788,341		9,676,252
Current assets					
Debtors	18	**744,679**		1,128,386	
Cash at bank and in hand		**2,169,142**		2,888,854	
		2,913,821		4,017,240	
Creditors: amounts falling due within one year	19	**(325,099)**		(59,196)	
Net current assets			**2,588,722**		3,958,044
Total assets less current liabilities			**13,377,063**		13,634,296
Total net assets			**13,377,063**		13,634,296
Charity funds					
Endowment funds	20		**3,690,190**		3,348,764
Unrestricted funds	20		**9,686,873**		10,285,532
Total funds			**13,377,063**		13,634,296

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....

The Duke of Norfolk
(Chair of Trustees)

Date: 23.2.21

The notes on pages 19 to 41 form part of these financial statements.

ARUNDEL CASTLE TRUSTEES LIMITED
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	23	**(1,036,474)**	356,195
Cash flows from investing activities			
Dividends and interests		**4,446**	4,463
Purchase of tangible fixed assets	13	**(236,713)**	(61,213)
Withdrawal of investment funds		**-**	2,342,308
Net cash (used in)/provided by investing activities		**(232,267)**	**2,285,558**
Cash flows from financing activities			
Net cash provided by financing activities		**-**	**-**
Change in cash and cash equivalents in the year		**(1,268,741)**	**2,641,753**
Cash and cash equivalents at the beginning of the year		**3,506,340**	864,587
Cash and cash equivalents at the end of the year	24	**2,237,599**	3,506,340

The notes on pages 19 to 41 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Arundel Castle Trustees Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

1.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

1. Accounting policies (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All expenditure is inclusive of irrecoverable VAT.

1.6 Basis of consolidation

The financial statements consolidate the accounts of Arundel Castle Trustees Limited and its subsidiary undertaking, Arundel Castle Enterprises Limited ('subsidiary').

Of the net expenditure after investment movement of £481,790 (2019: net income of £1,617,925), £340,873 (2019: £1,638,314) is attributable to the parent charitable company. The profit attributable to the subsidiary is shown in the notes to the financial statements.

1.7 Government grants

Government grants are credited to other incoming resources within the Consolidated statement of financial activities as the related expenditure is incurred.

1.8 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised and included at purchase cost plus any incidental expenses of acquisition.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Consolidated Statement of Financial Activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

1. Accounting policies (continued)

1.8 Tangible fixed assets and depreciation (continued)

Property improvements & gardens	- 10% straight line
Motor vehicles	- 25% straight line
Gift shop, coffee shop & restaurant fixtures & fittings	- 10% - 33% straight line
Castle fixtures & fittings & groundsmens' equipment	- 10% - 33% straight line
Computer equipment	- 33% straight line

No depreciation has been provided on freehold property. This represents the property at 11 London Road owned by the charity and, in the opinion of the Trustees, the amount of any depreciation would be immaterial. Annual impairment reviews of the property are performed based on published house price indices.

1.9 Arundel Castle

The charity maintains Arundel Castle and its grounds in support of the charity's objective to preserve the buildings, grounds and chattels for the benefit of current and future generations.

Arundel Castle and its grounds were conveyed to the charity by the Executors of the XVI Duke of Norfolk as a gift in July 1976 and have not been valued in these financial statements. Reliable cost information for these assets is not available and the Trustees consider that conventional valuation approaches lack sufficient reliability due the the unique nature of the property. Furthermore, if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the charity and users of the accounts. As a result, no value is reported for these assets in the charity's balance sheet.

Arundel Castle is a unique, inalienable building of historical significance and the Trustees are forbidden from disposing of the property, either in whole or in part. Each year, the Trustees are required to spend significant sums in maintaining the fabric of the building and enhancing the overall visitor experience, as directed by the charity's governing instrument. This expenditure is charged in the Statement of Financial Activities as incurred, rather than capitalised, because in the opinion of the Trustees it gives a more meaningful presentation of the charity's activities during the year.

The total of such expenditure was £451,674 in the year ended 31 December 2020 (2019: £527,600).

Chattels owned by the Duke of Norfolk

Certain chattels on display to the public at Arundel Castle, books kept in the library at Arundel Castle and certain chattels kept in the private chapel at Arundel Castle are owned by the Duke of Norfolk and his successors and made available to the Trustees of Arundel Castle under legal agreements dated 28 July 1981. Under these agreements it is undertaken that the chattels and books will be made available to the Trustees for public display at Arundel Castle, subject to a number of conditions and restrictions. It is considered that the effect of these conditions and restrictions is such that the chattels and books do not fall under the control of the Trustees of Arundel Castle Trustees Limited, as defined by Financial Reporting Standard 102 (FRS 102) Heritage Assets. As a result, no value is reported for these assets in the charity's balance sheet. Under the terms of the legal agreements these chattels and books remain generally on display to the public in accordance with the usual Castle opening arrangements.

1. **Accounting policies (continued)**

Chattels owned by the Charitable Company

Chattels comprise a William IV Coronation cup, an oil painting of Elizabeth Stuart, a silver tripod, a silver salver, a Regency silver dinner service and a four poster bed. The chattels are all stated at cost and undergo annual impairment reviews. These financial statements do not reflect the value of chattels situated in Arundel Castle and owned by the Duke of Norfolk, which have been loaned to the charitable company.

Gardens

The grounds were gifted to the charity in 1976, as detailed previously in this note.
Significant capital expenditure to improve the gardens and enhance the visitor experience has been carried out and this expenditure is held on the balance sheet at cost less depreciation.

1.10 Investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries are valued at cost.

1.11 Interest receivable

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

1.12 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs.

1.13 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.14 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.15 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Tangible fixed assets (see note 13)
Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Heritage assets (see note 14)
Heritage assets are not included within the financial statements as the Trustees consider that conventional valuation techniques lack sufficient reliability over their valuation and that if valuations could be obtained the cost would be onerous compared with the additional benefit derived. The assessment is reviewed annually.

3. Net income from trading activities of subsidiary

The charity has a wholly owned trading subsidiary incorporated in the UK. Arundel Castle Enterprises Limited is used for trading activities at Arundel Castle, principally the gift shop and catering facilities and the hosting of the annual Arundel Festival. The company gifts its distributable income to Arundel Castle Trustees Limited under Gift Aid. All activities have been consolidated on a line by line basis in the Statement of Financial Activities. Audited financial statements are filed with the Registrar of Companies. A summary of its trading results is shown below:

Arundel Castle Enterprises Limited

	2020 £	2019 £
Profit and loss account		
Turnover	8,661	747,292
Cost of sales	(14,893)	(276,628)
Gross profit	(6,232)	470,664
Administrative expenses	(152,444)	(383,990)
Interest receivable	163	371
Government Grants	17,596	-
Total	(134,685)	(383,619)
	(140,917)	87,045

4. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Admissions	627,688	**627,688**	2,912,883

In both 2020 and 2019, all income from admissions was to unrestricted funds.

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Subsidiary income	8,661	**8,661**	747,292
Rental/car park income	171,558	**171,558**	277,553
Total 2020	180,219	**180,219**	1,024,845

In both 2020 and 2019, all income from other trading activities was to unrestricted funds.

6. Investment income

	Unrestricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	60,640	54,207	**114,847**	145,827
Bank interest	4,610	-	**4,610**	4,463
Total 2020	65,250	54,207	**119,457**	150,290

7. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Government grant income	90,526	**90,526**	-

8. Investment management costs

	Unrestricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment management fees and bank charges	55,460	19,693	**75,153**	102,523

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Upkeep of the Castle	1,459,078	**1,459,078**	1,572,635
Cost of admissions and Castle opening	443,843	**443,843**	633,360
Governance costs	33,320	**33,320**	44,437
Total 2020	1,936,241	**1,936,241**	2,250,432

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

9. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2020 £	Depreciation 2020 £	Other costs 2020 £	Total funds 2020 £	Total funds 2019 £
Upkeep of the Castle	672,758	32,205	754,115	**1,459,078**	1,572,635
Cost of admissions and Castle opening	216,655	-	227,188	**443,843**	633,360
Governance costs	6,913	-	26,407	**33,320**	44,437
Total 2020	896,326	32,205	1,007,710	**1,936,241**	2,250,432

10. Net income/(expenditure)

This is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets:		
-owned by the charitable group	**69,628**	60,238
Accountancy and audit	**15,220**	17,200
Operating lease rentals	**19,359**	16,487

During the year, no Trustees received any benefits in kind (2019: £nil).

No Trustees received reimbursement of expenses in the current year, (2019: 2 Trustees - £1,684).

11. Staff costs

Staff costs were as follows:

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Wages and salaries	**867,189**	1,214,407	**832,238**	997,089
Social security costs	**56,521**	59,433	**53,365**	50,938
Contribution to defined contribution pension schemes	**49,514**	41,650	**49,514**	40,257
	973,224	1,315,490	**935,117**	1,088,284

11. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	Group 2020 No.	Group 2019 No.	Charity 2020 No.	Charity 2019 No.
Restaurant and shop staff	-	12	-	-
Administration	4	4	3	3
Castle opening staff (temporary)	56	92	56	92
	60	108	59	95

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2020 No.	Group 2019 No.
In the band £70,001 - £80,000	1	1

The key management personnel of the parent charity and the group comprise Trustees, the Castle Manager and the Finance Manager. The total employee benefits of the key management personnel were £137,585 (2019: £137,351).

12. Taxation

The parent company is a registered charity, and is entitled to certain tax exemptions on income and profits from investments. Surpluses are applied solely for charitable purposes.

To the extent that Arundel Castle Enterprises Limited makes a taxable profit it is conveyed to the parent charitable company under Gift Aid, resulting in no liability to corporation tax.

Arundel Castle Trustees Limited and Arundel Castle Enterprises Limited are registered for VAT, and consequently all of their income and expenditure is recorded net of VAT, with the exception of castle admissions income, which is subject to a VAT cultural exemption.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13. Tangible fixed assets

Group

	Freehold property, improvements & gardens £	Coffee shop fixtures & fittings £	Motor vehicles & groundsmens' equipment £	Restaurant & gift shop fixtures & fittings £	Fixtures, fittings & computer equipment £	Total £
Cost or valuation						
At 1 January 2020	2,384,809	63,327	181,442	111,000	423,923	3,164,501
Additions	161,048	-	-	72,124	3,541	236,713
Disposals	-	-	(20,805)	-	-	(20,805)
At 31 December 2020	2,545,857	63,327	160,637	183,124	427,464	3,380,409
Depreciation						
At 1 January 2020	1,955,049	33,487	130,422	74,516	317,528	2,511,002
Charge for the year	9,457	11,676	10,069	25,747	12,679	69,628
On disposals	-	-	(12,165)	-	-	(12,165)
At 31 December 2020	1,964,506	45,163	128,326	100,263	330,207	2,568,465
Net book value						
At 31 December 2020	581,351	18,164	32,311	82,861	97,257	811,944
At 31 December 2019	429,760	29,840	51,020	36,484	106,395	653,499

13. **Tangible fixed assets (continued)**

Charity

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2020	2,384,809	181,442	423,923	2,990,174
Additions	161,048	-	3,541	164,589
Disposals	-	(20,805)	-	(20,805)
At 31 December 2020	2,545,857	160,637	427,464	3,133,958
Depreciation				
At 1 January 2020	1,955,049	130,422	317,528	2,402,999
Charge for the year	9,457	10,069	12,679	32,205
On disposals	-	(12,165)	-	(12,165)
At 31 December 2020	1,964,506	128,326	330,207	2,423,039
Net book value				
At 31 December 2020	581,351	32,311	97,257	710,919
At 31 December 2019	429,760	51,020	106,395	587,175

14. Heritage assets

Assets not recognised in the balance sheet

The charitable company maintains Arundel Castle and its grounds which were acquired in 1976 by way of gift from the Executors of the XVI Duke of Norfolk.

The Keep at Arundel Castle was built at the end of the 11th century by Roger de Montgomery Earl of Arundel. Since then it has been added to over the centuries, the last major remodelling taking place at the end of the 19th century. Apart from the occasional reversion to the Crown, Arundel Castle has descended directly from 1138 to the present day, carried by female heiresses from the d'Albinis to the Fitzalans in the 13th century and then from the Fitzalans to the Howards in the 16th century and it has been the seat of the Dukes of Norfolk and their ancestors for over 850 years.

The Castle houses a collection of fine furniture dating from the 16th century, tapestries, clocks and portraits by Van Dyck, Gainsborough, Mytens, Lawrence, Reynolds, Canaletto and others. Personal possessions of Mary, Queen of Scots and a selection of historical, religious and heraldic items from the Duke of Norfolk's collection are also on display.

These items, with the exception of certain chattels as described more fully below, are displayed under legal agreement with the Duke of Norfolk and his successors and are not included in the balance sheet of the charity.

There have been no acquisitions or disposals of heritage assets during the last five years.

The current building underwent a major restoration project that was completed in 1900. It was one of the first English country houses to be fitted with electric light, integral fire fighting equipment, service lifts and central heating.

The charity aims to maintain the condition of the Castle in a steady state of repair, and to improve the grounds to enhance the experience of visitors to the Castle. Annual surveys are undertaken to ensure that the fabric of the building is not deteriorating and repair and maintenance work is undertaken as required, according to budget. Examples of such expenditure in recent years include re-leading the castle roof and internal and external re-wiring to the Castle.

The total of such expenditure in 2020 was £451,674 (2019: £527,600).

The cost of major enhancement work to the grounds and gardens, and any capital work to the building that does not represent repair or maintenance, is capitalised on the balance sheet.

In accordance with the admission policy, public access to the Castle and grounds is permitted every day of the week except Monday during the opening season which is from Easter or 1 April to the end of October each year.

Chattels recognised on the balance sheet (Note 15)

Chattels comprising a William IV Coronation cup, an oil painting of Elizabeth Stuart, a silver tripod, a silver salver, a Regency silver dinner service and a four poster bed are reported in the balance sheet at cost.

Public access to these assets is provided in accordance with the general castle admissions policy as described above.

Enhancement to gardens and grounds

The grounds, together with the keep and gatehouse have been open to the public since 1800 and the gardens since 1854.

On 14 May 2008 The Collector Earl's Garden was opened by HRH The Prince of Wales. This formal garden was conceived as a tribute to Thomas Howard, 14th Earl of Arundel, known as 'The Collector'.

The capital expenditure on this project and other projects for the enhancement of the gardens is held on the balance sheet at cost and was depreciated over 10 years.

Admission to The Collector Earl's Garden is included within the standard admission for the castle and grounds.

15. Charity heritage assets

Group and Charity

Assets recognised at cost

	Chattels owned by the charity 2020 £	Total 2020 £
At 1 January 2020 and 31 December 2020	475,683	**475,683**
At 31 December 2019	475,683	**475,683**

16. Fixed asset investments

Group	Endowment fund £	East Wing sinking fund £	General fund investments £	Total £
Cost or valuation				
At 1 January 2020	**3,348,765**	**40,943**	**5,223,587**	**8,613,295**
Investment income	**54,208**	**1,478**	**59,161**	**114,847**
Management fees	**(23,631)**	**(292)**	**(43,890)**	**(67,813)**
Realised and unrealised gains/(losses)	**306,912**	**646**	**633,752**	**941,310**
At 31 December 2020	**3,686,254**	**42,775**	**5,872,610**	**9,601,639**
Net book value				
At 31 December 2020	**3,686,254**	**42,775**	**5,872,610**	**9,601,639**
At 31 December 2019	3,348,765	40,943	5,223,587	8,613,295

16. Fixed asset investments (continued)

Charity	Shares in subsidiary £	Endowment fund £	East Wing sinking fund £	General fund investments £	Total £
Cost or valuation					
At 1 January 2020	**100**	**3,348,765**	**40,943**	**5,223,587**	**8,613,395**
Investment income	**-**	**54,208**	**1,478**	**59,161**	**114,847**
Management fees	**-**	**(23,631)**	**(292)**	**(43,890)**	**(67,813)**
Realised and unrealised gains/(losses)	**-**	**306,912**	**646**	**633,752**	**941,310**
At 31 December 2020	**100**	**3,686,254**	**42,775**	**5,872,610**	**9,601,739**
Net book value					
At 31 December 2020	**100**	**3,686,254**	**42,775**	**5,872,610**	**9,601,739**
At 31 December 2019	100	3,348,765	40,943	5,223,587	8,613,395

Investments held by the charity include an investment in the subsidiary company, Arundel Castle Enterprises Limited at cost.

Arundel Castle Trustees Limited owns 100% of the issued ordinary share capital of Arundel Castle Enterprises Limited, a company incorporated in England and Wales. Arundel Castle Enterprises Limited is the only subsidiary of Arundel Castle Trustees Limited. There are no other related companies.

All the fixed asset investments are held in the UK.

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Class of shares	Holding
Arundel Castle Enterprises Limited	01521264	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Arundel Castle Enterprises Limited	**26,420**	**(167,337)**	**(140,917)**	**(87,781)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Endowment Fund

This represents a permanent endowment to Arundel Castle Trustees Limited by the Executors of the XVI Duke of Norfolk. The fund is represented by:

	Market Value 2020 £	Cost 2020 £	Market Value 2019 £	Cost 2019 £
UK listed investments	**130,106**	**123,946**	582,369	446,077
Overseas listed investments	**1,878,427**	**1,384,920**	1,313,587	941,630
Other unlisted securities	**747,905**	**675,823**	940,473	763,129
Bonds and fixed interest	**637,910**	**616,043**	462,621	632,983
Sub total	**3,394,348**	**2,800,732**	3,299,050	2,783,819
Investment deposit account	**291,906**	**291,906**	49,714	49,714
Total	**3,686,254**	**3,092,638**	3,348,764	2,833,533

The Trustees consider the following investments to be material to the market value of the portfolio at 31 December 2020:

Vanguard S&P 500 UCITS ETF: £202,032

East Wing Sinking Fund

This represents funds invested in 1993 for future restoration of the East Wing. The fund is represented by:

	Market Value 2020 £	Cost 2020 £	Market Value 2019 £	Cost 2019 £
Other unlisted investments	**32,718**	**22,615**	32,072	22,615
Sub total	**32,718**	**22,615**	32,072	22,615
Investment deposit account	**10,059**	**10,059**	8,870	8,870
Total	**42,777**	**32,674**	40,942	31,485

As at 31 December 2020 the fund is made up of two investments with HICL Infrastructure Company Ltd and International Public Partnerships, both of which are material to the fund.

General Fund

The fund is represented by:

	Market Value 2020 £	Cost 2020 £	Market Value 2019 £	Cost 2019 £
UK listed investments	**1,410,942**	**1,278,535**	712,600	640,744
Overseas listed investments	**2,146,995**	**1,622,128**	1,902,299	1,637,523
Other unlisted securities	**1,146,881**	**1,217,696**	1,218,725	1,636,225
Bonds and fixed interest	**752,706**	**726,904**	128,527	1,029,734
Sub total	**5,457,524**	**4,845,263**	3,962,151	4,944,226
Investment deposit account	**415,082**	**415,082**	107,437	107,437
Total	**5,872,606**	**5,260,345**	4,069,588	5,051,663

The Trustees consider the following investment to be material to the market value of the portfolio at 31 December 2020:

Ruffer SICAV Fixed Income Z GBP: £498,671

17. Stocks

	Group 2020 £	Group 2019 £
Gift shop goods for resale	**109,858**	56,212
Restaurant stock	**3,278**	1,839
Cafe stock	**319**	250
	113,455	58,301

18. Debtors

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Due within one year				
Trade debtors	**34,804**	89,430	**34,804**	75,201
Amounts owed by group undertakings	**-**	-	**366,747**	612,473
Other debtors	**83,612**	127,503	**83,612**	127,503
Prepayments and accrued income	**260,628**	313,209	**259,516**	313,209
	379,044	530,142	**744,679**	1,128,386

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

19. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade creditors	304,348	15,668	303,765	14,017
Other taxation and social security	-	22,111	-	22,111
Other creditors	250	-	250	-
Accruals and deferred income	25,584	28,508	21,084	23,068
	330,182	66,287	325,099	59,196

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

20. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
Designated funds					
East Wing Sinking Fund	40,942	1,480	(243)	646	42,825
General funds					
General funds	10,381,266	962,203	(2,421,054)	633,752	9,556,167
Total Unrestricted funds	10,422,208	963,683	(2,421,297)	634,398	9,598,992
Endowment funds					
Endowment funds	3,348,764	54,207	(19,693)	306,912	3,690,190
Total of funds	13,770,972	1,017,890	(2,440,990)	941,310	13,289,182

20. **Statement of funds (continued)**

Statement of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2019 £
Unrestricted funds					
Designated funds					
East Wing Sinking Fund	37,250	1,453	(275)	2,514	40,942
General funds					
General funds	9,204,102	4,023,975	(3,396,592)	549,781	10,381,266
Total Unrestricted funds	9,241,352	4,025,428	(3,396,867)	552,295	10,422,208
Endowment funds					
Endowment funds	2,911,695	62,590	(22,382)	396,861	3,348,764
Total of funds	12,153,047	4,088,018	(3,419,249)	949,156	13,770,972

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

21. Summary of funds

Summary of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Designated funds	40,942	1,480	(243)	646	42,825
General funds	10,381,266	962,203	(2,421,054)	633,752	9,556,167
Endowment funds	3,348,764	54,207	(19,693)	306,912	3,690,190
	13,770,972	1,017,890	(2,440,990)	941,310	13,289,182

Summary of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2019 £
Designated funds	37,250	1,453	(275)	2,514	40,942
General funds	9,204,102	4,023,975	(3,396,592)	549,781	10,381,266
Endowment funds	2,911,695	62,590	(22,382)	396,861	3,348,764
	12,153,047	4,088,018	(3,419,249)	949,156	13,770,972

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Tangible fixed assets	811,944	-	811,944
Fixed asset investments	5,911,449	3,690,190	9,601,639
Heritage assets	475,683	-	475,683
Current assets	2,730,098	-	2,730,098
Creditors due within one year	(330,182)	-	(330,182)
Total	9,598,992	3,690,190	13,289,182

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £
Tangible fixed assets	653,499	-	653,499
Fixed asset investments	5,264,530	3,348,764	8,613,294
Heritage assets	475,683	-	475,683
Current assets	4,094,783	-	4,094,783
Creditors due within one year	(66,287)	-	(66,287)
Total	10,422,208	3,348,764	13,770,972

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	Group 2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	**(481,790)**	1,617,925
Adjustments for:		
Depreciation charges	**69,628**	60,238
(Gains)/losses on investments	**(941,310)**	(949,156)
Dividends and interest	**(119,457)**	(150,290)
Loss on the sale of fixed assets	**1,463**	1,369
Decrease/(increase) in stocks	**(55,154)**	52,362
Decrease/(increase) in debtors	**151,098**	(60,891)
Increase/(decrease) in creditors	**263,895**	(294,462)
Investment management fees paid by fund	**75,153**	79,100
Net cash provided by/(used in) operating activities	**(1,036,474)**	356,195

24. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash in hand	**2,237,599**	1,161,142
Notice deposits (less than 3 months)	**-**	2,345,198
Total cash and cash equivalents	**2,237,599**	3,506,340

25. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	**3,506,340**	**(1,268,741)**	**2,237,599**
	3,506,340	**(1,268,741)**	**2,237,599**

26. Operating lease commitments

At 31 December 2020 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Not later than 1 year	**12,918**	12,918	**12,918**	12,918
Later than 1 year and not later than 5 years	**-**	6,441	**-**	6,441
	12,918	19,359	**12,918**	19,359

27. Related party transactions

Dr John Martin Robinson, a trustee of Arundel Castle Trustees Limited and a director of Arundel Castle Enterprises Limited, is paid, on normal commercial terms, for his services to the castle library. During the year he has been paid a total of £18,190 (2019: £17,187) for these services.

The Duke of Norfolk, a trustee of Arundel Castle Trustees Limited, had a debtor balance at the year end of £20,902 (2019: £21,469). The total of recharged costs over the year has been £20,902 (2019: £21,469).

The Earl of Arundel, a trustee of Arundel Castle Trustees Limited, was paid £1,103 for the provision of services during the year (2019: £405).

The 1958 Settlement Henry's Fund, of which the Duke is a Trustee, holds a lease of the East Wing of Arundel Castle. This was granted in November 1993 in consideration of the carrying out of essential works of repair and improvement at a cost in excess of £1,300,000 and an annual rent payable to Arundel Castle Trustees Limited, which was £1,089 for the year (2019: £1,077).

The balance owed to Arundel Castle Trustees Limited at the year end was £1,089 (2019: £1,077). Arundel Castle Trustees Limited also pays the Fund for use of the car park and grounds maintenance costs. Costs in the year were £40,487 (2019: £33,231).

28. Controlling party

The Trustees, as a body, administer the Company in accordance with the Memorandum and Articles of Assocation. Therefore there is no single controlling party.