

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)
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Company registered number	01269400
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Charity registered number	271833
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Registered office	Arundel Castle High Street Arundel BN18 9AB
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Company secretary	Mrs S Webber
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Castle Manager	Mr A Lewis
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Independent auditors	Kreston Reeves LLP Chartered Accountants 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ
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Bankers	Lloyds Bank Plc Brighton BN1 1GL
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Solicitors	Currey & Co 33 Queen Anne Street London W1G 9HY
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Investment advisers	Cazenove Capital Management 31 Gresham Street London EC2V 7QA
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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.

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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

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For the year ended 31 December 2023

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

Arundel Castle Trustees Limited

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Trustees' report

For the year ended 31 December 2023

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.

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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

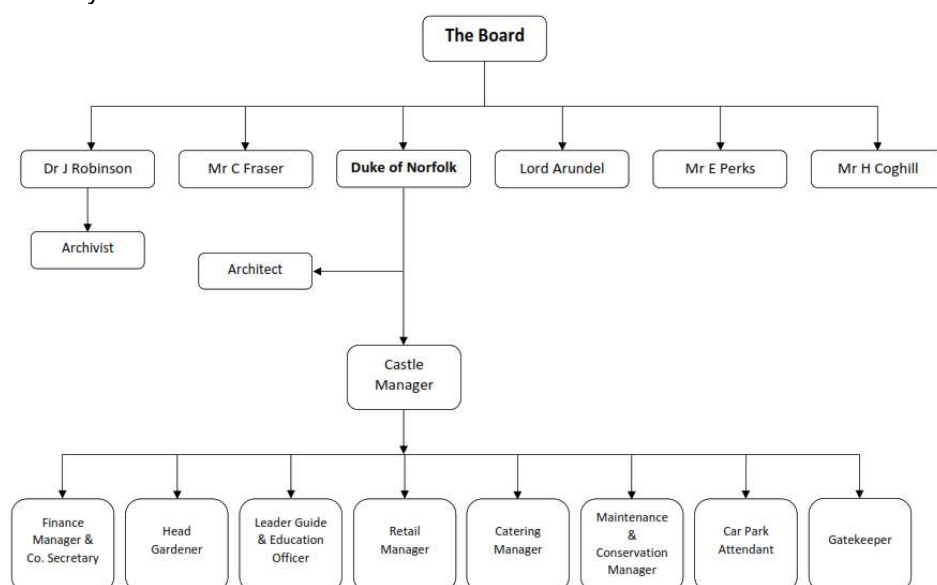
During the year under review the Trustees met in February, July and September.

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.



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For the year ended 31 December 2023

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.

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Trustees' report

For the year ended 31 December 2023

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

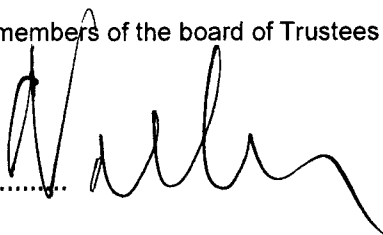
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- 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.



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
		<u>13,561,055</u>	<u>12,194,942</u>
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
		<u>2,607,551</u>	<u>2,234,826</u>
Creditors: amounts falling due within one year	19	(258,267)	(162,974)
Net current assets		<u>2,349,284</u>	<u>2,071,852</u>
Total assets less current liabilities		<u>15,910,339</u>	<u>14,266,794</u>
Total net assets		<u><u>15,910,339</u></u>	<u><u>14,266,794</u></u>
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	<u>11,947,936</u>	<u>10,638,145</u>
Total funds		<u><u>15,910,339</u></u>	<u><u>14,266,794</u></u>

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
		<u>13,523,789</u>	<u>12,129,429</u>
Current assets			
Debtors	18	790,546	1,314,795
Cash at bank and in hand		1,596,459	757,235
		<u>2,387,005</u>	<u>2,072,030</u>
Creditors: amounts falling due within one year	19	(252,344)	(155,847)
Net current assets		<u>2,134,661</u>	<u>1,916,183</u>
Total assets less current liabilities		<u>15,658,450</u>	<u>14,045,612</u>
Total net assets		<u><u>15,658,450</u></u>	<u><u>14,045,612</u></u>
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
		<u>11,696,047</u>	<u>10,416,963</u>
Total unrestricted funds	20	<u>11,696,047</u>	<u>10,416,963</u>
Total funds		<u><u>15,658,450</u></u>	<u><u>14,045,612</u></u>

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.

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

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.

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

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 to 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.

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

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.

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

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	<u>(330,734)</u>	<u>(300,093)</u>
Gross profit	568,153	496,439
Administrative expenses	(380,674)	(339,178)
Interest receivable	4,881	638
	<u>(375,793)</u>	<u>(338,540)</u>
Total profit before taxation	<u><u>192,360</u></u>	<u><u>157,899</u></u>

Arundel Castle Trustees Limited
(A company limited by guarantee)

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
	<u> </u>	<u> </u>
	Unrestricted funds 2022 £	Total funds 2022 £
Admissions	3,442,517	3,442,517
	<u> </u>	<u> </u>

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

Arundel Castle Trustees Limited
(A company limited by guarantee)

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

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

Arundel Castle Trustees Limited
(A company limited by guarantee)

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

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
	<u>104,063</u>	<u>56,034</u>	<u>160,097</u>
Total 2022	<u>104,063</u>	<u>56,034</u>	<u>160,097</u>

8. Finance costs

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

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

Arundel Castle Trustees Limited
(A company limited by guarantee)

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

Arundel Castle Trustees Limited
(A company limited by guarantee)

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

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
	<u>1,272,537</u>	<u>64,511</u>	<u>1,775,513</u>	<u>3,112,561</u>

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	<u>33,958</u>	<u>31,241</u>

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
	<u>1,697,208</u>	<u>1,510,955</u>	<u>1,489,053</u>	<u>1,328,704</u>

Arundel Castle Trustees Limited
(A company limited by guarantee)

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

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
	<u>116</u>	<u>85</u>	<u>99</u>	<u>73</u>

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 reimbursement 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.

Arundel Castle Trustees Limited
(A company limited by guarantee)

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	<u>2,545,857</u>	<u>68,285</u>	<u>177,467</u>	<u>194,501</u>	<u>642,309</u>	<u>3,628,419</u>
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	<u>2,106,446</u>	<u>57,338</u>	<u>149,565</u>	<u>168,082</u>	<u>370,041</u>	<u>2,851,472</u>
Net book value						
At 31 December 2023	<u>439,411</u>	<u>10,947</u>	<u>27,902</u>	<u>26,419</u>	<u>272,268</u>	<u>776,947</u>
At 31 December 2022	<u>480,683</u>	<u>15,053</u>	<u>40,892</u>	<u>50,560</u>	<u>305,680</u>	<u>892,868</u>

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

14. Tangible fixed assets (continued)

Group (continued)

Charity

	Freehold property, improvements & gardens £	Motor vehicles & groundsmen's 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.

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

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.

Arundel Castle Trustees Limited
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Notes to the financial statements
For the year ended 31 December 2023

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

Arundel Castle Trustees Limited
(A company limited by guarantee)

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

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

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.

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

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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		Market value	
	2023	Cost 2023	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	<u>2,472,149</u>	<u>2,328,796</u>	<u>3,627,988</u>	<u>3,181,740</u>

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		Market Value	
	2023	Cost 2023	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	<u>37,781</u>	<u>37,436</u>	<u>40,061</u>	<u>43,301</u>

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

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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	<u>1,647,607</u>	<u>1,642,787</u>	<u>1,429,725</u>	<u>1,500,322</u>
Sub total	5,771,191	5,449,573	5,711,397	5,742,496
Investment deposit account	<u>64,902</u>	<u>64,902</u>	<u>1,445,013</u>	<u>1,445,013</u>
Total	<u><u>5,836,093</u></u>	<u><u>5,514,475</u></u>	<u><u>7,156,410</u></u>	<u><u>7,187,509</u></u>

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	<u>2,210,511</u>	<u>2,081,616</u>	-	-
Sub total	2,407,555	2,264,202	-	-
Investment deposit account	<u>64,594</u>	<u>64,594</u>	-	-
Total	<u><u>2,472,149</u></u>	<u><u>2,328,796</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

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.

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17. Stocks

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

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
	<u>629,515</u>	<u>584,796</u>	<u>790,546</u>	<u>1,314,795</u>

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
	<u>258,267</u>	<u>162,974</u>	<u>252,344</u>	<u>155,847</u>

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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
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
General funds					
General Funds	10,598,084	5,368,162	(4,433,230)	377,138	11,910,154
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Unrestricted funds	10,638,145	5,368,916	(4,433,510)	374,385	11,947,936
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Endowment funds					
Endowment Fund	3,628,649	62,513	(26,635)	297,876	3,962,403
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	14,266,794	5,431,429	(4,460,145)	672,261	15,910,339
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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

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
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
General funds					
General funds	10,615,761	4,693,772	(4,179,676)	(531,773)	10,598,084
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Unrestricted funds	10,658,142	4,695,631	(4,179,981)	(535,647)	10,638,145
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Endowment funds					
Endowment funds	3,986,781	56,034	(27,375)	(386,791)	3,628,649
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	14,644,923	4,751,665	(4,207,356)	(922,438)	14,266,794
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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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
	<u>14,266,794</u>	<u>5,431,429</u>	<u>(4,460,145)</u>	<u>672,261</u>	<u>15,910,339</u>

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
	<u>14,644,923</u>	<u>4,751,665</u>	<u>(4,207,356)</u>	<u>(922,438)</u>	<u>14,266,794</u>

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	<u>11,947,936</u>	<u>3,962,403</u>	<u>15,910,339</u>

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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

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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
	<u>1,560,372</u>	<u>310,448</u>	<u>1,870,820</u>

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
	<u>226,428</u>	<u>185,153</u>	<u>226,428</u>	<u>185,153</u>

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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 Association. Therefore there is no single controlling party.