

Charity number: 1002278

The Godinton House Preservation Trust

Trustees' report and financial statements

for the year ended 31 October 2020

The Godinton House Preservation Trust

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The Godinton House Preservation Trust

Reference and administrative details of the charity, its trustees and advisers for the year ended 31 October 2020

Trustees

Mrs A A C Cottrell OBE
Rt Hon. D H Green MP
M F Jennings
Mrs G Jennings
The Hon. J D Leigh-Pemberton
The Hon. W G Plumptre

Charity registered number

1002278

Principal office

Godinton House
Godinton Park
Ashford
Kent
TN23 3BP

Independent auditors

Chavereys
Chartered Accountants
and Statutory Auditors
2 Jubilee Way
Faversham
Kent
ME13 8GD

Bankers

Lloyds Bank plc
81 High Street
Ashford
Kent
TN24 8SS

Solicitors

Charles Russell Speechlys LLP
5 Fleet Place
London
EC4M 7RD

Investment managers

Waverton Investment Management Limited
16 Babmaes Street
London
SW1Y 6AH

The Godinton House Preservation Trust

Trustees' report for the year ended 31 October 2020

The trustees present their annual report together with the audited financial statements for the year to 31 October 2020.

Structure, governance and management

• Constitution and objectives

By a trust deed dated 17 January 1991 the late Alan Wyndham Green ("the settlor") settled Godinton House, its grounds and surrounding parkland, together with various chattels, upon charitable trusts to preserve them for the public benefit.

The objects for which the charity was established are:

- 1) to preserve for the public benefit the whole or such part or parts of Godinton as are of national, scenic, historical, architectural, aesthetic, scientific, educational or artistic interest or importance.
- 2) to protect and improve the amenities of Godinton for the public benefit.
- 3) to preserve for the public benefit, as an adjunct to Godinton, the chattels kept there.
- 4) to facilitate and encourage access to, and the study and appreciation of, Godinton and the chattels at Godinton.
- 5) such other charitable purposes as the trustees shall from time to time decide.

• Trustees

The current trustees are named on page 1. Appointment of trustees is governed by the trust deed of the charity. The board of trustees is authorised to appoint new trustees to fill vacancies arising through resignation or death of existing trustees. Management and administration of the charity is delegated to the Trust Administrator and House Manager, the Estate Manager and the Head Gardener who report to the trustees.

• Policies adopted for the induction and training of trustees

New trustees undergo an orientation day to brief them on their legal obligations under charity law, the content of the trust deed, the decision making processes, current plans and recent financial performance of the trust. During the induction day they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

• Pay policy for key management personnel

Senior staff pay is set by the board of trustees having consideration to the experience and qualification of the staff member concerned and available information as to industry average pay for similarly qualified individuals holding a similar position.

The Godinton House Preservation Trust

Trustees' report (continued) for the year ended 31 October 2020

Structure, governance and management (continued)

● Investment policy and performance

The trustees have delegated the management of their investments to Waverton Investment Management (Waverton) at its discretion, which will be exercised in the best interests of the charity.

(i) Investment objective

The aim of the charity is to achieve for the foreseeable future a reliable and growing income stream - which, over time, will at least keep pace with inflation - at the best yield consistent with the appreciation in the value of the invested capital necessary to achieve that income growth.

This aim should be pursued via a prudent and balanced exposure to the best stocks and funds worldwide as Waverton believes to be appropriate in the interest of long term growth.

(ii) Investment restrictions

The trustees have wide powers of investment. There are no specific restrictions other than that the investments should be suitable for trustees.

● Reserves policy

The charity's primary object is to preserve Godinton for the benefit of the public. The trustees must therefore ensure as far as possible that they have sufficient funds to enable them to fulfil that and the charity's other objects for at least the foreseeable future.

The charity has no permanent endowment of investment assets and issues no appeals for funding. As its unrestricted funds are in place to sustain it for its long term future they are not regarded by the trustees as fully expendable. As well as let properties on the Godinton Estate the charity has a portfolio of investments which comprises an unrestricted capital fund which will generate income with which to sustain the charity over the long term. The trustees endeavour to restrict spending to the income derived mainly from the investments and the estate. Budgeted expenditure falls within two broad categories:

(i) Essential spending on staffing, utilities, general maintenance of the house and its contents, the park and other properties on the estate, and insurance and professional fees.

(ii) Discretionary spending on longer term projects. The trustees have rolling programmes for projects such as those noted in the review of activities, all intended to improve the charity's assets, financial security for the future or greater public benefit.

As it is the charity's policy not to be dependent upon public or other charitable subscriptions for the maintenance of its operations, the trustees have not thought it appropriate to maintain formal reserves, though, as noted, they are careful to restrict their expenditure to within available year on year income. The trustees monitor the level of funds invested at least half yearly in conjunction with their advisers and they believe that it is neither excessive nor deficient having regard to the returns earned by it. The free reserves of the charity (unrestricted funds excluding designated funds) as at 31 October 2020 were £14,185,021.

The charity is fortunate to have the support of its associated grant making charity, the Godinton Charitable Trust, which has provided funding for projects for the long term benefit of Godinton. However, the trustees do not regard the occasional funding by the Godinton Charitable Trust as being integral to their budgeting. Instead, they firmly believe that the charity's land and invested capital are to be regarded as the long term providers of income with a view to matching inflation and preferably outpacing it.

The Godinton House Preservation Trust

Trustees' report (continued) for the year ended 31 October 2020

Structure, governance and management (continued)

- **Risk management**

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks

Achievements and performance

- **Review of activities**

2020 has been largely dominated by the Coronavirus pandemic, requiring the closure of the house and gardens during lockdown and the furloughing of front of house staff. Budget revisions were made to account for the reduced income from ticket and catering sales, financial difficulties experienced by both commercial and residential tenants and the reduction in investment income. The charity implemented changes to safe working procedures for all staff and made alterations to the site under the "Good to Go" scheme to ensure visitor safety once restrictions were lifted. The situation continues to be challenging, but the charity and its staff are able to quickly adapt to ever-changing guidelines and restrictions in the hope of the return of some sort of normality in the not too distant future.

Public Access

Ashford Visual Artists held their annual Art Fair in the house at the end of November 2019, Great Chart Church, Hothfield Church and Pilgrims Hospices held fund-raising events in the Great Hall at Christmas and the annual Longbow Shoot took place in February run by a local society, the Fraternity of St George.

The gardens opened on 1st March as usual with a well-attended National Garden Scheme charity open day on 15th March, but were required to close on 18th March in line with Government guidelines. On 1st June the gardens re-opened to garden season ticket holders, Royal Horticultural Society and Historic House members and, on 30th June, to the general public. The decision was made to close the house and indoor tearoom for the remainder of the season due to concerns about the safety of staff, volunteer guides (the majority of whom are in the vulnerable group) and the general public. At the end of open season 5,504 people had visited the gardens.

The charity held its annual Garden Sculpture Exhibition for three weeks starting on 25th July. This was very well received by the artists and visitors alike.

The staff raised money for Macmillan by baking cakes for a coffee morning in the gardens at the end of September.

Walkers and dog owners took advantage of the wider estate using the footpaths and permissive paths. Although no system is currently in place to keep a record of these, it was noticeable that numbers increased dramatically during lockdown, with many more families accessing the estate. Sadly, this resulted in an increase in anti-social behaviour.

The Godinton House Preservation Trust

Trustees' report (continued) for the year ended 31 October 2020

Achievements and performance (continued)

● Review of activities

Education and training

In early March the charity piloted its first specialist music sessions for disadvantaged children, with students having the opportunity to play a range of musical instruments including the violin, guitar and keyboard. Following these sessions, the plan was for the trust to fund three private music lessons for these students, with further lessons available for those wishing to continue with their studies. This programme was curtailed during lockdown, but it is hoped that it can be completed early next year.

All education visits were cancelled after 18th March, but the charity offered an outreach programme to a local Ashford School by funding a provider to deliver outdoor learning sessions within the school environment, including pond dipping and camp fire skills. A total of 141 students benefited from the charity's education programme, unfortunately far short of expected numbers.

The popular Rose Pruning workshop took place on 29th February, but all adult education workshops were cancelled from 18th March.

During the October half term, the charity offered family workshops for small groups, as well as an activity trail around the garden.

The house intern completed their training year in August. The charity decided not to recruit another house intern this year because most permanent house staff were furloughed due to the prolonged closure of the house and cancellation of the events programme. However, two garden trainees from the Professional Gardeners' Guild training programme started their placements in September.

The apprentice in the building and maintenance team completed their course in August and found employment with a local building firm. All staff attended a first aid course in February, which included training in the use of the on-site defibrillator. Key staff completed a Fire Warden course in November. Staff received training on scaffold systems, abrasive wheels and use of pesticides.

Environment

Volunteers and staff members carried out a substantial amount of weed clearing from the river during the summer, improving winter flow rates and protecting valuable habitat.

The charity's Woodland Management Plan is in place; regular coppicing of the chestnut woodland is not only good for the habitat but provides the fuel source for the charity's biomass boiler.

The Mid-Tier Stewardship Scheme across the parkland and farmland improves habitat, protects veteran trees and encourages wildlife on the estate.

Maintenance and conservation

The programme of maintaining fences, hedges and trees continued. The external woodwork of the mansion house and adjoining buildings was painted and timber repairs carried out while scaffolding was in place.

The charity carried out improvements to the Worten Farm holding, including the repair and replacement of significant areas of stock fencing. Materials for a water supply network and herbicides were provided to the tenant farmer.

Roadside tree works identified in a recent survey were completed. A survey of the footpath and boundary trees is to be completed this Autumn. Felling work is underway to remove the diseased Ash trees in Balls Wood. Replanting is due to take place this winter.

After lockdown, work continued to restore the painted plaster panels and woodwork in the Dining Room. Horologist Duncan Greig continued servicing the clocks in the collection. Lighting was upgraded in some of the display cabinets in the

The Godinton House Preservation Trust

Trustees' report (continued) for the year ended 31 October 2020

Achievements and performance (continued)

show rooms of the mansion house.

Electrical testing of the mansion house was completed.

The programme of general maintenance to the cottages was disrupted by lockdown. The charity is in the process of refurbishing The Old Kitchen to be let to a residential tenant.

The charity continues to work with its health and safety consultants, NFU Risk Management Services, to review health and safety policies, risk assessments, safe systems of work etc. with a focus on staff training. A new Site Risk Assessment has been prepared.

Several different versions of the estate map have been produced, including HMLR titles, ownership boundaries, tenancies and rights of way.

An additional craft unit has been converted within the Swinford complex and is let to two artists.

A Fire Safety Audit was undertaken and included the adjoining residential buildings.

A valuation was undertaken to determine the reinstatement cost of the house and associated dwellings. The charity's insurance policy was amended accordingly.

● Future developments

Future plans include;

- complete the Master Plan for the Estate.
- The trust's long-term tenant of Ninn Farmhouse vacated the property in October and plans are underway for its refurbishment.
- Plans are progressing for a new multi-purpose learning centre to further develop the charity's education programme.
- Progress plans for a new commercial unit at Worten Lower Yard, re-using a former agricultural building.
- Continue progression of the charity's environmental plans.
- Continue the programme of staff training and development.
- Decoration of the tearoom.

● Volunteers

The charity relies on the support of its volunteer tour guides. No attempt has been made to place a value on their services but the charity is very grateful for their generous and unstinting efforts.

The Godinton House Preservation Trust

Trustees' report (continued) for the year ended 31 October 2020

Financial review

• Results for the year

The results for the year are set out in the attached financial statements. The net decrease in funds for the year amounted to £1,146,209 (2019: increase of £493,250). Realised and unrealised gains from changes in market value of investments and investment property amounted to (£1,139,966). Total funds at 31 October 2020 amount to £17,406,164. An analysis of funds between designated and general funds and permanent and expendible endowments can be found in Note 19 to these financial statements.

• 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.

Statement of trustees' responsibilities

The trustees 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).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its 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 charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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)'.

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

M F Jennings
Trustee
Date: 18 June 2021

The Godinton House Preservation Trust

Independent auditors' report to the Trustees as a body of The Godinton House Preservation Trust

Opinion

We have audited the financial statements of The Godinton House Preservation Trust (the 'charity') for the year ended 31 October 2020 which comprise the statement of financial activities, the balance sheet, the 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 October 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

The Godinton House Preservation Trust

Independent auditors' report to the Trustees as a body of The Godinton House Preservation Trust (continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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 are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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 auditors' report.

The Godinton House Preservation Trust

Independent auditors' report to the Trustees as a body of The Godinton House Preservation Trust (continued)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Chartered Accountants
and Statutory Auditors

Faversham

18 June 2021

Chavereys are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

The Godinton House Preservation Trust

Statement of financial activities for the year ended 31 October 2020

	Note	Endowment funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income and endowments from:					
Donations, legacies and grants	4	-	99,525	99,525	175,800
Charitable activities	5	-	487,967	487,967	548,950
Investments	6	-	454,427	454,427	547,169
Total income and endowments		-	1,041,919	1,041,919	1,271,919
Expenditure on:					
Raising funds	7	-	60,039	60,039	63,687
Charitable activities	8	150,159	837,964	988,123	1,253,268
Total expenditure		150,159	898,003	1,048,162	1,316,955
Net (losses)/gains on investments		-	(1,139,966)	(1,139,966)	538,286
Net expenditure		(150,159)	(996,050)	(1,146,209)	493,250
Transfers between funds	19	107,349	(107,349)	-	-
Net movement in funds		(42,810)	(1,103,399)	(1,146,209)	493,250
Reconciliation of funds:					
Total funds brought forward		2,762,270	15,790,103	18,552,373	18,059,123
Net movement in funds		(42,810)	(1,103,399)	(1,146,209)	493,250
Total funds carried forward		2,719,460	14,686,704	17,406,164	18,552,373

The notes on pages 14 to 28 form part of these financial statements.

The Godinton House Preservation Trust

Balance sheet as at 31 October 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	1,680,857	1,671,219
Heritage assets	15	1,950,141	2,014,264
Investments	16	13,000,876	14,145,766
Investment property	14	350,000	350,000
		<u>16,981,874</u>	<u>18,181,249</u>
Current assets			
Debtors	17	19,937	13,079
Cash at bank and in hand		490,796	456,343
		<u>510,733</u>	<u>469,422</u>
Creditors: Amounts falling due within one year	18	(86,443)	(98,298)
Net current assets		<u>424,290</u>	<u>371,124</u>
Total assets less current liabilities		<u>17,406,164</u>	<u>18,552,373</u>
Total net assets		<u>17,406,164</u>	<u>18,552,373</u>
Charity funds			
Endowment funds	19	2,719,460	2,762,270
Unrestricted funds			
Designated funds	19	501,683	501,683
General funds	19	14,185,021	15,288,420
Total unrestricted funds	19	<u>14,686,704</u>	<u>15,790,103</u>
Total funds		<u>17,406,164</u>	<u>18,552,373</u>

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

M F Jennings

Trustee

Date: 18 June 2021

The notes on pages 14 to 28 form part of these financial statements.

The Godinton House Preservation Trust

Statement of cash flows for the year ended 31 October 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	(270,127)	(389,439)
Cash flows from investing activities		
Dividends, interests and rents from investments	441,947	547,169
Proceeds from the sale of tangible fixed assets	-	1,250
Purchase of tangible fixed assets	(142,291)	(62,696)
Proceeds from sale of investments	2,794,454	2,753,730
Purchase of investments	(2,789,530)	(2,787,762)
Net cash provided by investing activities	304,580	451,691
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	34,453	62,252
Cash and cash equivalents at the beginning of the year	456,343	394,091
Cash and cash equivalents at the end of the year	490,796	456,343

The notes on pages 14 to 28 form part of these financial statements

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2020

1. General information

The charity is a Charitable Trust (charity number 1002278). The registered office is Godinton House, Godinton Park, Ashford, Kent TN23 3BP.

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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Godinton House Preservation Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 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.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.3 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 benefit will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

2.4 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2020

2. Accounting policies (continued)

2.4 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 0 to 20 years
Estate machinery and equipment	- 5 to 10 years

Residential freehold property is not depreciated as the depreciation charge is not considered material as the assets have a very long useful life and the residual value of the assets is not materially different from the carrying amount of the assets. Freehold land is not depreciated.

2.5 Heritage assets

Heritage assets comprise assets held for the objectives of the charity for which the charity has a policy of long term retention. These assets do not represent a store of financial resources for the charity, moreover the charity has a long term obligation for maintaining these assets in perpetuity.

The heritage assets held by the charity comprise the Godinton Estate, its house, gardens, contents, parkland, farms and cottages. The bulk of these assets were gifted to the trust by the late Alan Wyndham Green by way of a settlement dated 17 January 1991. This gift included some assets currently used for administrative or fund generating purposes. No value has been placed on these assets and, in the opinion of the trustees, the costs involved in obtaining such a valuation would be disproportionate to any benefit obtained therefrom.

Additions to the heritage assets, comprising major renovation costs to the house, gardens and estate, are capitalised and written off to the statement of financial activities over a period of 50 years on a straight line basis. In the opinion of the trustees a 50 year period reflects the actual anticipated life of the renovation programme. Artworks and furniture acquired as additions to the collection held at Godinton House are capitalised at cost. These assets are not depreciated as, in the opinion of the trustees, they have a very long useful life and the residual value of the assets is not materially different from the carrying amount of the assets.

Depreciation is provided on the following bases:

House and estate renovation costs	- 2%
Furniture and artworks	- not depreciated

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'gains/(losses) on investments' in the statement of financial activities.

2.7 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2020

2. Accounting policies (continued)

2.8 Pensions

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

2.9 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 charity 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.

Endowment funds are capital gifts where the income is to be applied to the charity's purposes. With an expendable endowment trustees have the power to convert the capital to income at their discretion, this is not the case with a permanent endowment. The house, garden and park (north of River Spinney) are a permanent endowment under the terms of the trust deed. Those parts of the historic estate that fall outside the area defined above that formed part of the original gift are treated as an expendable endowment.

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

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are reported below.

Tangible fixed assets

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. In assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the assets and projected disposal values.

Investment property

Such properties are included in these accounts at fair value, these values are obtained from a qualified valuer however there is significant uncertainty in estimating the values.

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2020

4. Income from donations, legacies and grants

	2020 £	2019 £
Donations from Godinton Charitable Trust	70,400	175,800
Job retention scheme grant	19,125	-
Small business scheme grant	10,000	-
	<u>99,525</u>	<u>175,800</u>

All income from donations and legacies in the current and prior period related to unrestricted funds.

5. Income from charitable activities

	2020 £	2019 £
House rents	24,900	24,400
Farm and land rents	56,080	56,098
Cottage rents	164,536	147,416
Wayleaves	2,797	2,753
House admissions and events	37,916	123,346
Heat, PV and RHI	31,633	31,665
Commercial rents	147,504	147,586
Sundry	22,601	15,686
	<u>487,967</u>	<u>548,950</u>

All income from charitable activities in the current and prior period related to unrestricted funds.

6. Investment income

	2020 £	2019 £
Dividends from listed investments	432,469	506,057
Interest from listed investments and bank deposits	9,478	28,632
Investment property rent	12,480	12,480
	<u>454,427</u>	<u>547,169</u>

All investment income in the current and prior period related to unrestricted funds.

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2020

7. Investment management fees

	2020 £	2019 £
Investment management fees	60,039	63,687

All investment management fee expenditure in both the current and prior period related to unrestricted funds.

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Charitable activities	852,389	135,734	988,123

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Charitable activities	1,089,087	164,182	1,253,269

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2020

9. Direct costs

	2020 £	2019 £
Maintenance	223,722	330,891
Irrecoverable VAT	2,894	14,354
Insurance	23,997	17,405
House opening expenses	31,326	63,747
Other estate costs	67,548	124,149
Loss on sale of fixed assets	-	184
Wages and salaries	268,288	302,406
National insurance	28,305	35,429
Pension costs	9,534	13,305
Depreciation	196,775	187,217
	<u>852,389</u>	<u>1,089,087</u>

All direct costs, for both the current and prior year, related to unrestricted funds except £150,159 of depreciation (2019: £144,770) which related to endowment funds.

10. Support and governance costs

	2020 £	2019 £
Legal and professional	36,313	31,079
Wages and salaries	84,642	120,437
Auditors' fees - audit fees	8,560	8,311
Auditors' fees - non audit fees	6,219	4,355
	<u>135,734</u>	<u>164,182</u>

All support and governance costs for the current and prior year related to unrestricted funds.

11. Trustees

During the year trustees received no reimbursed expenses (2019: £Nil) and no remuneration or benefits in kind (2019: £Nil).

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2020

12. Staff costs

	2020 £	2019 £
Wages and salaries	352,930	422,843
Social security costs	28,305	35,429
Contribution to defined contribution pension schemes	9,534	13,305
	<u>390,769</u>	<u>471,577</u>

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

	2020 No.	2019 No.
Estate	13	15
Management	2	2
	<u>15</u>	<u>17</u>

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration of key management personnel is given within the support and governance cost note above.

13. Tangible fixed assets

	Freehold property £	Estate machinery and equipment £	Total £
Cost or valuation			
At 1 November 2019	1,944,738	712,494	2,657,232
Additions	107,349	34,942	142,291
At 31 October 2020	<u>2,052,087</u>	<u>747,436</u>	<u>2,799,523</u>
Depreciation			
At 1 November 2019	695,048	290,966	986,014
Charge for the year	86,036	46,616	132,652
At 31 October 2020	<u>781,084</u>	<u>337,582</u>	<u>1,118,666</u>

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2020

13. Tangible fixed assets (continued)

	Freehold property £	Estate machinery and equipment £	Total £
Net book value			
At 31 October 2020	1,271,003	409,854	1,680,857
At 31 October 2019	1,249,690	421,529	1,671,219

Included in freehold land and buildings is freehold land at a cost of £208,067 (2019: £208,067) which is not depreciated.

14. Investment property

	Freehold investment property £
Valuation	
At 1 November 2019	350,000
At 31 October 2020	350,000

Investment property was valued by L Nesfield MRICS FAAV on an open market value for existing use basis.

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2020

15. Heritage assets

Assets recognised at cost

	House and estate renovation costs 2020 £	Furniture and artworks 2020 £	Total 2020 £
Carrying value at 1 November 2019	1,800,648	213,616	2,014,264
Depreciation	(64,123)	-	(64,123)
	1,736,525	213,616	1,950,141
	1,736,525	213,616	1,950,141

The heritage assets held by the charity comprise the Godinton Estate, its house, gardens, contents, parkland, farms and cottages. No value has been placed on these assets except for the house renovation costs and, in the opinion of the trustees, the costs involved in obtaining such a valuation would be disproportionate to any benefit obtained therefrom. However furniture and artworks added to the collection subsequent to the original gift of the estate are included at cost but are not depreciated. Major renovations to the fabric of Godinton House have been capitalised at cost and are depreciated at a rate to write off these costs over their estimated useful lives.

The house is valued for insurance at £23.5m and other dwelling houses and estate buildings for £12m. The house contents and the collection have been insured for £2.8m.

The only addition to heritage assets in the past five years has been £20,600 expended in the previous year period. There have been no disposals in this period.

16. Fixed asset investments

	Listed investments £	Cash at brokers £	Total £
Cost or valuation			
At 1 November 2019	13,166,275	979,490	14,145,765
Additions	2,769,581	19,949	2,789,530
Disposals	(2,950,885)	-	(2,950,885)
Revaluations	(983,534)	-	(983,534)
At 31 October 2020	12,001,437	999,439	13,000,876
	12,001,437	999,439	13,000,876
Net book value			
At 31 October 2020	12,001,437	999,439	13,000,876
<i>At 31 October 2019</i>	13,166,275	979,490	14,145,765
	13,166,275	979,490	14,145,765

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2020

17. Debtors

	2020 £	2019 £
Sundry debtors	19,937	13,079
	<u>19,937</u>	<u>13,079</u>
	<u><u>19,937</u></u>	<u><u>13,079</u></u>

18. Creditors: Amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	18,278	20,297
Other creditors	21,244	11,205
Accruals and deferred income	46,921	66,796
	<u>86,443</u>	<u>98,298</u>
	<u><u>86,443</u></u>	<u><u>98,298</u></u>

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2020

19. Statement of funds

Statement of funds - current year

	Balance at 1 November 2019 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 October 2020 £
Unrestricted funds						
Designated funds						
The Godinton Estate and collection	501,683	-	-	-	-	501,683
General funds						
General funds - all funds	15,288,420	1,041,919	(898,003)	(107,349)	(1,139,966)	14,185,021
Total Unrestricted funds	15,790,103	1,041,919	(898,003)	(107,349)	(1,139,966)	14,686,704
Endowment funds						
Permanent endowment	2,270,511	-	(94,316)	-	-	2,176,195
Expendable endowment	491,759	-	(55,843)	107,349	-	543,265
	2,762,270	-	(150,159)	107,349	-	2,719,460
Total of funds	18,552,373	1,041,919	(1,048,162)	-	(1,139,966)	17,406,164

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2020

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 November 2018 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 October 2019 £
Unrestricted funds						
Designated funds						
The Godinton Estate and collection	481,083	-	-	20,600	-	501,683
General funds						
General funds - all funds	14,699,726	1,271,919	(1,172,186)	(49,325)	538,286	15,288,420
Total Unrestricted funds	15,180,809	1,271,919	(1,172,186)	(28,725)	538,286	15,790,103
Endowment funds						
Permanent endowment	2,346,545	-	(94,316)	18,282	-	2,270,511
Expendable endowment	531,770	-	(50,454)	10,443	-	491,759
	2,878,315	-	(144,770)	28,725	-	2,762,270
Total of funds	18,059,124	1,271,919	(1,316,956)	-	538,286	18,552,373

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2020

20. Summary of funds

Summary of funds - current year

	Balance at 1 November 2019 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 October 2020 £
Designated funds	501,683	-	-	-	-	501,683
General funds	15,288,420	1,041,919	(898,003)	(107,349)	(1,139,966)	14,185,021
Endowment funds	2,762,270	-	(150,159)	107,349	-	2,719,460
	<u>18,552,373</u>	<u>1,041,919</u>	<u>(1,048,162)</u>	<u>-</u>	<u>(1,139,966)</u>	<u>17,406,164</u>

Summary of funds - prior year

	Balance at 1 November 2018 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 October 2019 £
Designated funds	481,083	-	-	20,600	-	501,683
General funds	14,699,726	1,271,919	(1,172,186)	(49,325)	538,286	15,288,420
Endowment funds	2,878,315	-	(144,770)	28,725	-	2,762,270
	<u>18,059,124</u>	<u>1,271,919</u>	<u>(1,316,956)</u>	<u>-</u>	<u>538,286</u>	<u>18,552,373</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Endowment funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	982,935	697,922	1,680,857
Fixed asset investments	-	13,000,876	13,000,876
Investment property	-	350,000	350,000
Heritage assets	1,736,525	213,616	1,950,141
Current assets	-	510,733	510,733
Creditors due within one year	-	(86,443)	(86,443)
Total	<u>2,719,460</u>	<u>14,686,704</u>	<u>17,406,164</u>

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2020

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Endowment funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	961,622	709,597	1,671,219
Fixed asset investments	-	14,145,766	14,145,766
Investment property	-	350,000	350,000
Heritage assets	1,800,648	213,616	2,014,264
Current assets	-	469,422	469,422
Creditors due within one year	-	(98,298)	(98,298)
Total	2,762,270	15,790,103	18,552,373

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

	2020 £	2019 £
Net income/expenditure for the period (as per statement of financial activities)	(1,146,209)	493,250
Adjustments for:		
Depreciation charges	196,776	187,217
Losses/(gains) on investments	1,139,966	(538,286)
Dividends, interests and rents from investments	(441,947)	(547,169)
Loss on sale of fixed assets	-	184
(Increase)/decrease in debtors	(6,858)	5,810
(Decrease)/increase in creditors	(11,855)	9,555
Net cash used in operating activities	(270,127)	(389,439)

23. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	490,796	456,343
Total cash and cash equivalents	490,796	456,343

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2020

24. Analysis of changes in net debt

	At 1 November 2019	Cash flows	At 31 October 2020
	£	£	£
Cash at bank and in hand	456,343	34,453	490,796
	<u>456,343</u>	<u>34,453</u>	<u>490,796</u>

25. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension charge represents contributions payable by the charity to the fund and amounted to £9,534 (2019: £13,305). Contributions totalling £Nil (2019: £Nil) were payable to the fund at the balance sheet date.

26. Connected charity and related party transactions

The Godinton Charitable Trust (registered charity number 268321)

This charity was settled by the late Alan Wyndham Green on 21 March 1974 for general charitable purposes.

M F Jennings, The Hon J D Leigh-Pemberton and The Hon W G Plumtre were trustees of this charity during the year.

During the year donations totalling £70,400 (2019: £175,800) were received from the Godinton Charitable Trust as described in note 4 and a management charge of £5,500 was levied on The Godinton Charitable Trust.

Mrs Gina Jennings, a trustee, holds a tenancy of the Garden Wing letting apartment in Godinton House on normal market terms and was charged rent (as advised to the charity independently) and charges for services and utilities during the year amounting to £25,518 (2019: £25,248).

During the period the charity has supplied timber to a business in which a trustee, J D Leigh-Pemberton, has an interest. The amount invoiced, £5,184, is in the opinion of the trustees, the amount that would have been charged to an unconnected third party.