

Charity number: 1002278

The Godinton House Preservation Trust

Trustees' report and financial statements

for the year ended 31 October 2022

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 2022

Trustees

Mrs A A C Cottrell OBE (resigned 13 June 2022)
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 Audit Limited
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 2022

The trustees present their annual report together with the audited financial statements for the year to 31 October 2022.

Objectives, 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 2022

Objectives, 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 2022 were £14,556,226.

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 2022

Objectives, 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

Despite returning to some sort of normality during the 2021 open season, the end of the year was again affected by rising Covid-19 cases. The popular Christmas Wreath Workshop was held at the beginning of December, but the decision was made to cancel the remaining Christmas events. Thankfully a full lockdown was avoided, and all staff remained at work during the closed season, with safe working procedures remaining in place.

A full programme of events was planned for 2022 starting with the first of the National Garden Scheme open days in mid-March. The traditional Spring Week was popular, with families enjoying the Bee Trail around the gardens, and the Plant Fair in April was well attended. The hot, dry summer made planning for outdoor events easier, although Covid-19 cases amongst the cast and crew meant that one of the sold-out theatre productions was cancelled at the last minute. The annual Delphinium Festival took place in June, with music events raising money for St. John Ambulance and the Samaritans. The Sculpture Exhibition in the gardens was a great success this year, posting record sales. Further National Garden Scheme open days were held in May, June and September.

A new House Manager was appointed in March and replacement Housekeeper in October. Although capacity for house tours and the house tearoom returned to normal this year, visitor numbers were considerably lower than the years preceding the pandemic. Group bookings did pick up again this season, including groups visiting from overseas, but again numbers were less than half of pre-pandemic years. Feedback back from visitors and group organisers indicated that people were still exercising caution when planning visits.

The season ended with the Macmillan coffee morning in the tearoom, with staff baking cakes to raise money for this charity, and family Autumn Week during the October half term.

The trustees voluntarily agreed to pay back the Job Retention Scheme Grants.

Walkers and dog owners continued to take advantage of the wider estate using the footpaths and permissive paths. 215 Scouts camped in the park over the Spring Bank Holiday weekend.

The education programme continued to focus on art, nature and conservation with 429 children visiting the house and gardens, and a further 155 children attending the specialist Pupil Premium sessions focusing on small groups of 12 students over 3 weeks. A new horticultural specialist session developed over the winter was delivered to 12 key stage 2 students over 6 weeks. Students learned about the importance of soil, what plants need to grow and pollination. They tended their own seeds, developed an understanding about where their food is grown and enjoyed a session cooking, looking at how horticulture has an impact on their lives. To facilitate these new sessions, an outdoor area adjoining the Cart Shed was cleared and four raised planting beds with a seating area installed. The Outreach Project continued to deliver learning outside the classroom within the school environment benefiting 330 children this year.

An adult topiary garden workshop was held in May.

The two Professional Gardener's Guild trainees completed their training year at the end of August and moved on to their next placements at Chatsworth and the Garden House. A new PGG trainee and a House intern started their placements in September. An apprentice in the building and maintenance team completed their first year and will continue until the course is completed in Spring 2025.

The Godinton House Preservation Trust

Trustees' report (continued) for the year ended 31 October 2022

Achievements and performance (continued)

● Review of activities

A leaky radiator valve in the Garden Wing caused damage to carpets, and to a picture and a rare lambrequin in the study in the main house below. An insurance claim was submitted for repairs.

A condition report was commissioned to identify both immediate and long-term maintenance needs for the house and will form part of the overarching conservation management plan. Routine maintenance within the house was carried out by the in-house team, including minor roof repairs and lime pointing.

A recruitment campaign was launched following the departure of the head gardener in July. A new head gardener was appointed in October, with the objectives of improving and maintaining high maintenance standards throughout the gardens.

The Mid-Tier Stewardship Scheme work continued across the parkland and farmland to improve habitat, protect veteran trees and encourage wildlife on the estate. Windblown trees in the park that failed during winter storms were cleared. The long, dry summer resulted in high losses in the newly planted tree plantations. Woodland rides were repaired and ditches cleared. Felling works in Marble Wood were carried out and a new pond formed in the wet areas where old drains had silted up. A Tree Health Grant application was submitted for Marble Wood, tree surveys were completed and remedial work carried out.

Planned external decorating works were completed at Butlers Cottage, West Lodge, Gardeners Cottage and Worten Farmhouse. The major refurbishment of 7 Maple Close is in progress. Planning conditions were discharged for Ninn Farmhouse and works have now commenced on the refurbishment. A new parking area has been installed and demolition of the poorly constructed extension is complete.

Asbestos surveys have been carried out on all commercial units at Ninn Farm, as well as Ninn Farmhouse, and an asbestos register compiled for the site.

A planning application was approved for a new multipurpose commercial unit at Ninn Farm to replace the existing redundant pole buildings.

A programme of staff training took place throughout the year, including emergency first aid at work, conservation housekeeping for the house team, horticulture therapy in connection with the education programme, Key Accounts and Key Property, static and mobile booms. A specialist heritage brickwork contractor provided two days training to the in-house maintenance team. The trust subscribed to an on-line training service to facilitate staff training.

● Future developments

- Development of the Estate Master Plan will continue during the coming year, with a particular focus on natural assets.
- Progress the development of the new workshop unit at Ninn Farm Buildings.
- Stabilise existing pole buildings at Worten Farm.
- Continue with the refurbishment of Ninn Farmhouse and 7 Maple Close and re-let.
- Progress the conversion of the Cart Shed to a multi-purpose learning centre.
- Carry out works identified by the condition report on the main house.
- Replace dead trees lost during the dry summer.
- Submit an application to enter the trust's woodland into CS Higher Tier.
- Progress Woodland Management Plan.
- Progress Tree Health Grant application for Marble Wood and restock trees.
- Volunteers to carry out hedge and shrub planting along the edge of Marble Wood and Oakover boundary.
- Negotiate new insurance terms following the end of the trust's current agreement.
- Develop garden and implement garden plan.

The Godinton House Preservation Trust

Trustees' report (continued) for the year ended 31 October 2022

Achievements and performance (continued)

• 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.

Financial review

• 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.

• 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 (£1,471,246) (2021: increase of £1,571,963). Realised and unrealised gains from changes in market value of investments amounted to (£1,396,207). Total funds at 31 October 2022 amount to £17,506,881. An analysis of funds between designated and general funds and permanent and expendable endowments can be found in Note 19 to these 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 members of the board of trustees and signed on their behalf by:

The Godinton House Preservation Trust

Trustees' report (continued) for the year ended 31 October 2022

The Hon. J D Leigh-Pemberton

Trustee

Date: 2 June 2023

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 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and 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.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 October 2022 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

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 charity'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.

The Godinton House Preservation Trust

Independent auditors' report to the trustees as a body of The Godinton House Preservation Trust (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.

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.

The Godinton House Preservation Trust

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

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.

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:

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud. In particular, we looked at where management made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered potential financial or other pressures, opportunity and motivations for fraud. As part of this discussion we identified the internal controls established to mitigate risks related to fraud or noncompliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of manual journals and key estimates and judgements made by management.

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates, drawing on our broad sector experience, and considered the risk of acts by the charity that were contrary to these laws and regulations, including fraud.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011.

We made enquiries of management with regards to compliance with the above laws and regulations and corroborated any necessary evidence to relevant information.

Our tests included agreeing the financial statements disclosures to underlying supporting documentation and enquiries with management.

We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls including testing journals and evaluation whether there was evidence of bias by the management that represented a risk of material misstatement due to fraud. Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.

Chavereys Audit Limited

Statutory Auditors

Faversham

2 June 2023

Chavereys Audit Limited 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 2022

	Note	Endowment funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:						
Donations, legacies and grants	4	-	5,492	178,779	184,271	102,201
Charitable activities	5	-	-	650,714	650,714	577,901
Investments	6	-	-	490,817	490,817	603,655
Total income and endowments		-	5,492	1,320,310	1,325,802	1,283,757
Expenditure on:						
Raising funds	7	-	-	60,343	60,343	64,872
Charitable activities	8	152,256	5,492	1,182,750	1,340,498	1,127,203
Total expenditure		152,256	5,492	1,243,093	1,400,841	1,192,075
Net (expenditure)/income before net (losses)/gains on investments						
		(152,256)	-	77,217	(75,039)	91,682
Net (losses)/gains on investments		-	-	(1,396,207)	(1,396,207)	1,480,281
Net (expenditure)/income		(152,256)	-	(1,318,990)	(1,471,246)	1,571,963
Transfers between funds	19	21,047	-	(21,047)	-	-
Net movement in funds		(131,209)	-	(1,340,037)	(1,471,246)	1,571,963
Reconciliation of funds:						
Total funds brought forward		2,580,181	-	16,397,946	18,978,127	17,406,164
Net movement in funds		(131,209)	-	(1,340,037)	(1,471,246)	1,571,963
Total funds carried forward		2,448,972	-	15,057,909	17,506,881	18,978,127

The notes on pages 15 to 30 form part of these financial statements.

The Godinton House Preservation Trust

Balance sheet as at 31 October 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	1,460,102	1,562,581
Heritage assets	15	1,821,893	1,886,017
Investments	16	13,104,001	14,496,468
Investment property	14	350,000	350,000
		<u>16,735,996</u>	<u>18,295,066</u>
Current assets			
Debtors	17	20,611	4,045
Cash at bank and in hand		832,692	765,940
		<u>853,303</u>	<u>769,985</u>
Creditors: Amounts falling due within one year	18	(82,418)	(86,924)
Net current assets		<u>770,885</u>	<u>683,061</u>
Total assets less current liabilities		<u>17,506,881</u>	<u>18,978,127</u>
Total net assets		<u>17,506,881</u>	<u>18,978,127</u>
Charity funds			
Endowment funds	19	2,448,972	2,580,181
Unrestricted funds			
Designated funds	19	501,683	501,683
General funds	19	14,556,226	15,896,263
		<u>15,057,909</u>	<u>16,397,946</u>
Total funds		<u>17,506,881</u>	<u>18,978,127</u>

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

The Hon. J D Leigh-Pemberton
Trustee
Date: 2 June 2023

The notes on pages 15 to 30 form part of these financial statements.

The Godinton House Preservation Trust

Statement of cash flows for the year ended 31 October 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities (note 22)	(385,569)	(302,318)
Cash flows from investing activities		
Dividends, interests and rents from investments	489,577	603,655
Purchase of tangible fixed assets	(33,517)	(10,881)
Proceeds from sale of investments	3,702,711	1,603,456
Purchase of investments	(3,706,450)	(1,618,768)
Net cash provided by investing activities	452,321	577,462
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	66,752	275,144
Cash and cash equivalents at the beginning of the year	765,940	490,796
Cash and cash equivalents at the end of the year (note 23)	832,692	765,940

The notes on pages 15 to 30 form part of these financial statements

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2022

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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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.

The financial statements are presented in pounds sterling and all values are rounded to the nearest pound (£).

2.2 Going concern

In the opinion of the trustees there is no material uncertainty about the ability of the trust to continue as a going concern.

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.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

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.

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

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2022

2. Accounting policies (continued)

2.4 Expenditure (continued)

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

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the statement of financial activities as the related expenditure is incurred.

2.6 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.

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.

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2022

2. Accounting policies (continued)

2.7 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

2.8 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.

2.9 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.

2.10 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.

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2022

2. Accounting policies (continued)

2.11 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 2022

4. Income from donations, legacies and grants

	2022 £	2021 £
Donations from Godinton Charitable Trust	92,000	70,400
Ronald Memory legacy	116,154	-
RPA grant for woodland improvement	5,492	-
Job Retention Scheme grant repayment	(29,375)	10,250
Government and local authority grants	-	21,551
	<u>184,271</u>	<u>102,201</u>

All income from donations and legacies in the current and prior period related to unrestricted funds except for £5,492 of grants for restricted purposes (2021: £nil). The trustees have made a voluntary repayment of Job Retention Scheme Grants received in the previous two accounting periods.

5. Income from charitable activities

	2022 £	2021 £
House rents	26,800	25,600
Farm and land rents	60,809	55,942
Cottage rents	213,163	180,756
Wayleaves	2,830	2,830
House admissions and events	120,172	103,318
Heat, PV and RHI	34,947	40,443
Commercial rents	166,957	150,994
Sundry	25,036	18,018
	<u>650,714</u>	<u>577,901</u>

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

6. Investment income

	2022 £	2021 £
Dividends from listed investments	486,437	583,252
Interest from listed investments and bank deposits	3,140	7,923
Investment property rent	1,240	12,480
	<u>490,817</u>	<u>603,655</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 2022

7. Investment management fees

	2022 £	2021 £
Investment management fees	60,343	64,872

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 2022 £	Support costs 2022 £	Total funds 2022 £
Charitable activities	1,162,815	177,683	1,340,498

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Charitable activities	976,967	150,236	1,127,203

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2022

9. Direct costs

	2022 £	2021 £
Maintenance	367,916	251,958
Irrecoverable VAT	24,448	15,572
Insurance	34,336	30,537
House opening expenses	34,611	22,778
Other estate costs	122,924	77,653
Wages and salaries	332,792	326,014
Bad debt	-	18,760
National insurance	34,181	29,506
Pension costs	11,488	10,909
Depreciation	200,119	193,280
	<u>1,162,815</u>	<u>976,967</u>

All direct costs, for both the current and prior year, related to unrestricted funds except £152,256 of depreciation (2021: £150,159) which related to endowment funds and £5,492 of maintenance expenses (2021: £nil) which related to restricted funds.

10. Support and governance costs

	2022 £	2021 £
Legal and professional	57,588	41,149
Wages and salaries	106,463	95,416
Auditors' fees - audit fees	9,082	8,817
Auditors' fees - non audit fees	4,550	4,854
	<u>177,683</u>	<u>150,236</u>

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

11. Trustees

During the year one trustee received reimbursed expenses of £99 (2021: £Nil). No trustees received remuneration or benefits in kind (2021: £Nil).

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2022

12. Staff costs

	2022 £	2021 £
Wages and salaries	439,255	421,430
National insurance	34,181	29,506
Pension costs	11,488	10,910
	<u>484,924</u>	<u>461,846</u>

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

	2022 No.	2021 No.
Estate	16	16
Management	2	2
	<u>18</u>	<u>18</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 2021	2,062,968	747,436	2,810,404
Additions	21,047	12,470	33,517
At 31 October 2022	<u>2,084,015</u>	<u>759,906</u>	<u>2,843,921</u>
Depreciation			
At 1 November 2021	867,119	380,704	1,247,823
Charge for the year	88,133	47,863	135,996
At 31 October 2022	<u>955,252</u>	<u>428,567</u>	<u>1,383,819</u>
Net book value			
At 31 October 2022	<u>1,128,763</u>	<u>331,339</u>	<u>1,460,102</u>
At 31 October 2021	<u>1,195,849</u>	<u>366,732</u>	<u>1,562,581</u>

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2022

13. Tangible fixed assets (continued)

Included in freehold land and buildings is freehold land at a cost of £208,067 (2021: £208,067) which is not depreciated.

14. Investment property

	Freehold investment property £
Valuation	
At 1 November 2021	350,000
At 31 October 2022	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 2022

15. Heritage assets

Assets recognised at cost

	House and estate renovation costs 2022 £	Furniture and artworks 2022 £	Total 2022 £
Carrying value at 1 November 2021	1,672,401	213,616	1,886,017
Depreciation	(64,124)	-	(64,124)
Carrying value at 31 October 2022	1,608,277	213,616	1,821,893

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 £35.1m and other dwelling houses and estate buildings for £12.7m. The house contents and the collection have been insured for £2.4m.

The only addition to heritage assets in the past five years has been £20,600 expended in the 2019 accounting 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 2021	13,290,030	1,206,438	14,496,468
Additions	3,706,450	-	3,706,450
Disposals	(3,262,864)	(788,537)	(4,051,401)
Revaluations	(1,047,516)	-	(1,047,516)
At 31 October 2022	12,686,100	417,901	13,104,001
Net book value			
At 31 October 2022	12,686,100	417,901	13,104,001
At 31 October 2021	13,290,030	1,206,438	14,496,468

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2022

17. Debtors

	2022 £	2021 £
Sundry debtors	20,611	4,045
	<u>20,611</u>	<u>4,045</u>

18. Creditors: Amounts falling due within one year

	2022 £	2021 £
Taxation and social security	19,702	20,498
Other creditors	13,101	16,514
Accruals and deferred income	49,615	49,912
	<u>82,418</u>	<u>86,924</u>

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2022

19. Statement of funds

Statement of funds - current year

	Balance at 1 November 2021 £	Income £	Expenditure £	Transfers in/(out) £	(Losses) £	Balance at 31 October 2022 £
Unrestricted funds						
Designated funds						
The Godinton Estate and collection	501,683	-	-	-	-	501,683
General funds						
General funds	15,896,263	1,320,310	(1,243,093)	(21,047)	(1,396,207)	14,556,226
Total unrestricted funds	16,397,946	1,320,310	(1,243,093)	(21,047)	(1,396,207)	15,057,909
Endowment funds						
Permanent endowment	2,087,541	-	(95,221)	12,441	-	2,004,761
Expendable endowment	492,640	-	(57,035)	8,606	-	444,211
	2,580,181	-	(152,256)	21,047	-	2,448,972
Restricted funds						
RPA woodland improvement grant	-	5,492	(5,492)	-	-	-
Total of funds	18,978,127	1,325,802	(1,400,841)	-	(1,396,207)	17,506,881

The designated fund The Godinton Estate and Collection represents the book value of parts of the Godinton Estate and its collection that do not form part of the endowment which, nevertheless, the trustees do not regard as readily realisable as forming part of the historic estate and its collections.

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2022

19. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 November 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/(out)</i>	<i>Gains</i>	<i>Balance at 31 October 2021</i>
	£	£	£	£	£	£
Unrestricted funds						
Designated funds						
The Godinton Estate and collection	501,683	-	-	-	-	501,683
General funds						
General funds	14,185,021	1,283,757	(1,041,916)	(10,880)	1,480,281	15,896,263
Total unrestricted funds	<u>14,686,704</u>	<u>1,283,757</u>	<u>(1,041,916)</u>	<u>(10,880)</u>	<u>1,480,281</u>	<u>16,397,946</u>
Endowment funds						
Permanent endowment	2,176,195	-	(94,316)	5,662	-	2,087,541
Expendable endowment	543,265	-	(55,843)	5,218	-	492,640
	<u>2,719,460</u>	<u>-</u>	<u>(150,159)</u>	<u>10,880</u>	<u>-</u>	<u>2,580,181</u>
Total of funds	<u><u>17,406,164</u></u>	<u><u>1,283,757</u></u>	<u><u>(1,192,075)</u></u>	<u><u>-</u></u>	<u><u>1,480,281</u></u>	<u><u>18,978,127</u></u>

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2022

20. Summary of funds

Summary of funds - current year

	Balance at 1 November 2021 £	Income £	Expenditure £	Transfers in/(out) £	(Losses) £	Balance at 31 October 2022 £
Designated funds	501,683	-	-	-	-	501,683
General funds	15,896,263	1,320,310	(1,243,093)	(21,047)	(1,396,207)	14,556,226
Endowment funds	2,580,181	-	(152,256)	21,047	-	2,448,972
Restricted funds	-	5,492	(5,492)	-	-	-
	<u>18,978,127</u>	<u>1,325,802</u>	<u>(1,400,841)</u>	<u>-</u>	<u>(1,396,207)</u>	<u>17,506,881</u>

Summary of funds - prior year

	Balance at 1 November 2020 £	Income £	Expenditure £	Transfers in/(out) £	Gains £	Balance at 31 October 2021 £
Designated funds	501,683	-	-	-	-	501,683
General funds	14,185,021	1,283,757	(1,041,916)	(10,880)	1,480,281	15,896,263
Endowment funds	2,719,460	-	(150,159)	10,880	-	2,580,181
	<u>17,406,164</u>	<u>1,283,757</u>	<u>(1,192,075)</u>	<u>-</u>	<u>1,480,281</u>	<u>18,978,127</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2022 £	Unrestrict'd funds 2022 £	Total funds 2022 £
Tangible fixed assets	840,694	619,408	1,460,102
Fixed asset investments	-	13,104,001	13,104,001
Investment property	-	350,000	350,000
Heritage assets	1,608,278	213,615	1,821,893
Current assets	-	853,303	853,303
Creditors due within one year	-	(82,418)	(82,418)
Total	<u>2,448,972</u>	<u>15,057,909</u>	<u>17,506,881</u>

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2022

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Endowment funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	907,779	654,802	1,562,581
Fixed asset investments	-	14,496,468	14,496,468
Investment property	-	350,000	350,000
Heritage assets	1,672,402	213,615	1,886,017
Current assets	-	769,985	769,985
Creditors due within one year	-	(86,924)	(86,924)
Total	<u>2,580,181</u>	<u>16,397,946</u>	<u>18,978,127</u>

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

	2022 £	2021 £
Net (expenditure)/income as per statement of financial activities	<u>(1,471,246)</u>	<u>1,571,963</u>
Adjustments for:		
Depreciation charges	200,119	193,280
Losses/(gains) on investments	1,396,207	(1,480,281)
Dividends, interest and rents from investments	(489,577)	(603,655)
(Increases)/decrease in debtors	(16,566)	15,894
(Decrease)/increase in creditors	(4,506)	481
Net cash used in operating activities	<u><u>(385,569)</u></u>	<u><u>(302,318)</u></u>

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	<u>832,692</u>	<u>765,940</u>
Total cash and cash equivalents	<u><u>832,692</u></u>	<u><u>765,940</u></u>

The Godinton House Preservation Trust

Notes to the financial statements for the year ended 31 October 2022

24. Analysis of changes in net debt

	At 1 November 2021	Cash flows	At 31 October 2022
	£	£	£
Cash at bank and in hand	765,940	66,752	832,692
	<u>765,940</u>	<u>66,752</u>	<u>832,692</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 £11,488 (2021: £10,910). Contributions totalling £Nil (2021: £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 Plumptre were trustees of this charity during the year.

During the year donations totalling £92,000 (2021: £70,400) 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 £24,794 (2021: £25,763).