

Report of the Trustees and Financial Statements

for the Year Ended 31 December 2021

for



## The Burton Constable Foundation

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## The Burton Constable Foundation

### Reference and Administrative Details for the year ended 31 December 2021

#### TRUSTEES

R C Straker MA (Cantab) MRICS  
N A C Hildyard DL FCA (resigned 28.6.2021)  
C J Nichol BSc PG Dip AMA FRGS  
Dr C L Ridgway BA D.Phil (resigned 28.6.2021)  
R A H Sword FRICS FAAV  
Y L Hardman MA AMA  
A C T Procter MA (resigned 28.6.2021)  
J C Straker MBA, MA (Oxon)  
C Ussher (appointed 28.6.2021)  
R B Baines (appointed 28.6.2021)  
J R Beadsworth-Shaw (appointed 28.6.2021)

#### COMPANY SECRETARY

C M Day

#### REGISTERED OFFICE

Burton Constable Hall  
Burton Constable  
Skirlaugh  
East Yorkshire  
HU11 4LN

#### REGISTERED COMPANY NUMBER

02614135 (England and Wales)

#### REGISTERED CHARITY NUMBER

1010121

#### AUDITORS

Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

#### SOLICITORS

Langleys  
Queens House  
Micklegate  
York  
YO1 6WG

#### ADVISERS

Investec Wealth and Investment  
30 Gresham Street  
London  
EC2V 7QN

## The Burton Constable Foundation

### Report of the Trustees for the year ended 31 December 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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).

#### OBJECTIVES AND ACTIVITIES

##### Statutory Information, Principal Activity and Public Benefit

The company is limited by guarantee and it and its officers are governed by the Memorandum and Articles of Association dated 23 May 1991, as amended by special resolutions dated 24 September 1991 and 23 March 1992.

The principal objectives are:

- to acquire and maintain the house known as Burton Constable Hall together with the contents thereof and the land and estate appurtenant thereto and to conserve the same and make them available to members of the public;
- the relief of poverty and the advancement of education and of religion; and
- such other purposes for the benefit of the community as shall be exclusively charitable.

There has been no change in this activity during the year. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundations' aims and objectives and in planning future activities.

#### Covid-19

The Covid-19 pandemic has continued to impact on the Burton Constable Foundation throughout 2021.

Government restrictions resulted in the Hall and Grounds being closed for significant periods during 2021. The Grounds opened on 12 April, having been closed for the first 14 weeks of the year and the Hall opened on 18 May, 7 weeks later than planned. The closed period included Easter, traditionally one of the busiest times for visitors to the Hall and Grounds.

The majority of the staff were furloughed during the weeks the grounds remained closed, with just the four members of staff who live on site and the Director remaining at work.

Visitor numbers in 2021 were 22,086, considerably below the target of 32,000 which was achieved in the last full year of trading, 2019. However, 8,000 of the 2019 numbers were visitors attending craft fairs in the Indoor Riding School, which were not held in 2021 due to the continuing Covid restrictions. Visitors to the grounds were higher in 2021 than in 2019 and visitor income was higher than in 2019 despite being unable to open at Easter.

## The Burton Constable Foundation

### Report of the Trustees for the year ended 31 December 2021

#### OBJECTIVES AND ACTIVITIES

##### **Exhibitions**

Our 2021 Exhibition, entitled 'Drink, Dance and Decadence', explored the social life and entertainments of the Victorian family at Burton Constable Hall. The Lamp Room also underwent a redisplay to make it more accessible and to improve the interpretation of the collection displayed there.



## The Burton Constable Foundation

### Report of the Trustees for the year ended 31 December 2021

#### OBJECTIVES AND ACTIVITIES

##### **Events**

The 2021 events calendar was particularly busy, given the climate. Throughout the year, a range of activities were offered to accommodate a wide range of audiences and interests. From 'Spray the Whale' to Jungle Book, our first 10k Trail Race and the continuation of the Classic Car Rally. Highlights can be seen below.



## The Burton Constable Foundation

### Report of the Trustees for the year ended 31 December 2021

#### OBJECTIVES AND ACTIVITIES

##### **Grants and Assistance**

The directors and trustees are grateful for the assistance given by, and for grants received from, the National Lottery Heritage Fund, Museums Development Yorkshire, Natural England, and the Friends of Burton Constable during the year. Grants were also received from East Riding of Yorkshire Council as part of the Covid recovery funding and from the Job Retention Scheme for the payment to staff on furlough.

##### **National Lottery Heritage Fund**

In February 2019 the Burton Constable Foundation received a grant of £85,000 from the National Lottery Heritage Fund's Resilient Heritage Grant scheme, to increase its organisational resilience and sustainability. The project aimed to secure the future of Burton Constable by reviewing the effectiveness of the organisation, building capacity through adopting new ways of working, testing out ideas, increasing the skills of staff, volunteers and trustees and becoming more financially sustainable.

Focus Consultants created a detailed master plan that identifies what can be done in the future to develop Burton Constable as a visitor destination, based on thorough research and consultation, in order to maximise resilience and financial sustainability and to provide the robust basis and justification for future funding bids.

The project aimed to bring redundant or under used buildings (mainly the stables) back into use, maximise income generation potential and secure new sources of funding through commercial and fundraising activities.

The funding provided the opportunity to look at how to attract new audiences and develop new income streams to ensure that Burton Constable continues to fulfil the potential that the National Heritage Memorial Fund first realised in 1992 when the house and grounds were saved for the nation.

The work was originally due for completion in April 2020. The NLHF agreed to extend the grant deadline to February 2021 in light of the delay caused by the Covid-19 pandemic. The Trustees approved the direction of travel outlined in the Focus Report at their meeting held on 28 February 2021.

##### **Museum Development Yorkshire Culture Recovery Grant**

Museum Development Yorkshire awarded a grant of £7,500 to improve the interpretation offer in the Parkland and Hall. The panels were in place in time for reopening the grounds in April 2021. QR codes are being used on the panels for the first time, allowing visitors to easily access additional information and eventually to access voice recordings to make content more accessible to visitors with disabilities such as dyslexia or sight impairments. Comments on Social Media and Trip Advisor have shown just how much the panels are enjoyed by visitors of all ages.

The project also allowed us to develop the Little Explorer Trail to increase family engagement, as well as increasing our digital-access maps, guides and feedback forms. The work featured at the ICOM:DemHist International Conference, presented as a paper by Philippa Wood.



# The Burton Constable Foundation

Report of the Trustees  
for the year ended 31 December 2021

## OBJECTIVES AND ACTIVITIES

### Museum Development Yorkshire Culture Recovery Grant (continued)



### The Friends of Burton Constable

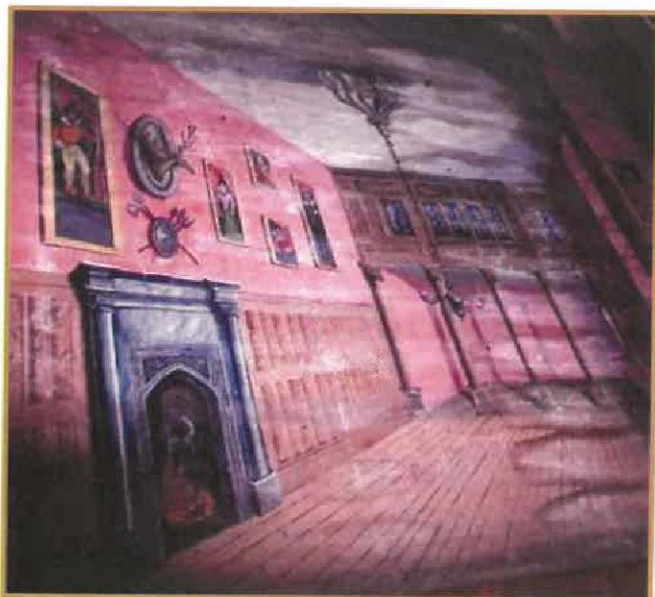
The Friends of Burton Constable provided donations totalling over £7,000 in 2021. These donations funded vital conservation work to the 18th Century wheelchair used by William Constable and an assessment of the condition and remedial conservation work needed the theatre backdrops and flats from the Victorian 'Theatre Royal - Burton Constable'. The Friends also funded new seating for visitors to the grounds and a report of the archaeological excavation on the East Front of the Hall that was carried out as part of drainage repairs



## The Burton Constable Foundation

### Report of the Trustees for the year ended 31 December 2021

#### OBJECTIVES AND ACTIVITIES



#### **The Friends of Burton Constable (continued)**

In April 2021 the Foundation took over the running of the annual pass scheme - Friends membership now no longer includes admission to the Hall and Grounds. This provides an opportunity for the Foundation to maximise this unrestricted income stream and to claim the gift aid on the sale of annual passes.

#### **Volunteers**

The Foundation is grateful for the unstinting efforts of its volunteers who assist the Curator with research into the history and collections, the Heritage Buildings Manager in the maintenance of the house and the Grounds and Parkland Officer in looking after the gardens and grounds. In addition, the Foundation has 77 house guides who add so much to the visitor experience. In 2021 a total of 7,795 volunteer hours were worked across the various roles. If the value of this to the Foundation is calculated based on the minimum wage, the volunteer contribution amounts to almost £70,000.

#### **Fixed and Heritage Assets**

The movements in fixed assets during the year are set out in notes 15 and 16 to the accounts.

As a result of the disclosures required under the Charities Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2019), heritage assets are shown at either the valuation on acquisition by way of gift or donation, or at the original cost.

The house known as Burton Constable Hall, built c.1570, together with the stable block, certain ancillary buildings, and approximately 320 acres of surrounding parkland was originally transferred to the National Heritage Memorial Fund by John Raleigh Chichester-Constable. This was subsequently gifted to the company on 23 March 1992 by The National Heritage Memorial Fund together with the Heritage collection of 'curiosities' and scientific instruments and an endowment of £3,300,000, now valued at £8,433,828.

The furniture, paintings and decorative art collections were transferred to Leeds City Council to be retained on display at Burton Constable Hall.

The Chichester-Constable family have also loaned some contents including the Chippendale Furniture in the Great Drawing Room.

#### FINANCIAL REVIEW

##### **Investment Powers, Policy and Performance**

The Deed of Gift established the investment powers for the endowments received. The charity could invest the gift of the endowment of £3,300,000 in such manner as it saw fit and has therefore delegated the management of its investment portfolio to a specialist advisor, Investec Wealth and Investments. The objective of the advisors is to maximise the long-term capital return of the fund ahead of inflation.

## The Burton Constable Foundation

### Report of the Trustees for the year ended 31 December 2021

#### FINANCIAL REVIEW

##### **Reserves policy**

The Foundation's reserves policy is to hold sufficient reserves to continue to maintain and run Burton Constable Hall for the public benefit.

##### **Endowment Fund - Permanently Endowed Funds**

The Endowment Fund was established in 1992 with £3,300,000 endowed from The National Heritage Memorial Fund.

The aim was to provide the Foundation with sufficient investment income to fund the annual running costs of Burton Constable Hall and grounds. The endowment of £3,300,000 has restricted uses and must be used to generate investment income and cannot be used as income itself, except for the fact that the Foundation has been granted permission by the National Heritage Memorial Fund to draw down up to 1% per year of the capital of the endowment fund so long as the capital has grown ahead of inflation.

Since this fund was established, income from the investments has been used to cover the general running costs of the charitable company. The investment income has been supplemented by income generated from entrance fees to the Hall and grounds and donations received.

The initial endowment and any subsequent changes in market value of the investments it was used to purchase, are designated as the Main Fund within the total Endowment Fund.

The Endowment Fund was augmented at 1 January, 2001 by £1,845,188, being the reinstatement of Heritage assets which had previously been written off or which had been valued at nil, of £1,669,329 and reclassification of the riding school from investments of £175,859. These assets are designated as the Heritage Assets Fund within the total Endowment Fund. Since then, additional assets of £34,239 have been acquired and the total fund stands at £1,879,427.

The total balance of the Endowment Fund at 31 December 2021 amounted to £10,458,255 designated as the Main Fund £8,578,828 and the Heritage Assets Fund £1,879,427.

The Main Fund has increased by £637,523 as a result of realised gains on disposals and by the increase in the value of investments at the year end net of management charges.

##### **Total reserves**

The total reserves at 31 December 2021 amounted to £10,558,251. The high level of reserves is required in the Endowment Fund to generate sufficient investment income to cover the running costs of the Foundation. The directors and trustees are continually trying to increase and attract funding for curatorial and capital expenditure to continue with improvements to the Hall, contents and grounds.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### **Governing document**

The charity is controlled by its governing document, Memorandum and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

## The Burton Constable Foundation

### Report of the Trustees for the year ended 31 December 2021

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### **Directors and Trustees**

The charity operates a number of sub-committees reporting to the main board, as follows:

Curatorial Committee  
Development Committee  
Executive Committee  
Family Liaison Committee  
Finance, Risk and Remuneration Committee  
Working Group - established 28 June 2021

The trustees of the charity during the year, and their respective memberships of sub-committees, were as stated below:

##### **Committee Membership**

R A H Sword FRICS FAAV	Chair, Board of Trustees Finance, Risk & Remuneration (Acting Chair from 28 June 2021) Family Liaison Committee (Chair) Executive Committee (Chair)
R C Straker MA (Cantab), MRICS	Curatorial Committee (Chair) Family Liaison Committee Development Committee
N A C Hildyard DL FCA	Finance, Risk & Remuneration - resigned 28 June 2021
C J Nichol BSc, PG Dip, AMA, FRGS	Development Committee (Chair) Executive Committee Working Group (Chair)
Dr C L Ridgway BA, D.Phil	Executive Committee - resigned 28 June 2021
Y L Hardman MA, AMA	Curatorial Committee Development Committee Working Group
A C T Proctor MA (Cantab)	Finance Risk & Remuneration Committee (Chair) - resigned 28 June 2021 Family Liaison Committee - resigned 28 June 2021
J C Straker MBA, MA (Oxon)	Finance, Risk & Remuneration Committee Family Liaison Committee Working Group
J R Beardsworth-Shaw	Development Committee
C A Ussher	Finance Risk & Remuneration Committee Working Group

The first appointed trustees were named in the Memorandum and Articles of Association and were limited to eight. New trustees must be nominated by two existing trustees and their appointment unanimously agreed by those trustees holding office. All trustees must retire after three years but can then offer themselves for re-appointment.

2021 saw the resignation of three members of the Board, Nicholas Hildyard, Dr Christopher Ridgway and Andrew Procter, all of whom stood down at the AGM in June 2021.

An open recruitment process was undertaken which resulted in the appointment of James Beardsworth-Shaw, Christopher Ussher and Rosanna Baines.

##### **Risk management**

The trustees have debated risk management issues and have developed a Risk Register which is reviewed by the Finance, Risk and Remuneration Committee and by the Board of Trustees.

##### **Principal Officer**

The principal officer of the company is the Director, Susan Hopkinson.

## The Burton Constable Foundation

### Report of the Trustees for the year ended 31 December 2021

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Burton Constable Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### AUDITORS

The auditors, Smailes Goldie, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 17 August 2022 and signed on its behalf by:



R A H Sword FRICS FAAV – Chair of Trustees

## **Report of the Independent Auditors to the Members of The Burton Constable Foundation**

### **Opinion**

We have audited the financial statements of The Burton Constable Foundation (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### **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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **Report of the Independent Auditors to the Members of The Burton Constable Foundation**

### **Matters on which we are required to report by exception**

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, tax legislation, data protection, anti-bribery, employment, environmental and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

## The Burton Constable Foundation

### Statement of Financial Activities for the year ended 31 December 2021

	Notes	Unrestricted funds £	Restricted fund £	Endowment fund £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Grants, donations and legacies	2	<b>60,682</b>	<b>22,720</b>	-	<b>83,402</b>	124,302
<b>Charitable activities</b>						
Historic house and grounds	6	<b>126,324</b>	-	-	<b>126,324</b>	78,047
Other trading activities	3	<b>64,922</b>	-	-	<b>64,922</b>	49,306
Investment income	4	<b>268,151</b>	-	-	<b>268,151</b>	242,034
Other income	5	<b>28,952</b>	-	-	<b>28,952</b>	23,873
<b>Total income</b>		<b>549,031</b>	<b>22,720</b>	-	<b>571,751</b>	517,562
<b>EXPENDITURE ON</b>						
Raising funds	7	<b>46,799</b>	-	<b>41,964</b>	<b>88,763</b>	74,685
<b>Charitable activities</b>						
Historic house and grounds	8	<b>559,994</b>	<b>14,854</b>	-	<b>574,848</b>	535,302
<b>Total expenditure</b>		<b>606,793</b>	<b>14,854</b>	<b>41,964</b>	<b>663,611</b>	609,987
<b>Net income/(expenditure) before investment gains/losses</b>		<b>(57,762)</b>	<b>7,866</b>	<b>(41,964)</b>	<b>(91,860)</b>	<b>(92,425)</b>
Net gains/(losses) on investments		-	-	<b>679,487</b>	<b>679,487</b>	<b>(227,121)</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(57,762)</b>	<b>7,866</b>	<b>637,523</b>	<b>587,627</b>	<b>(319,546)</b>
Transfers between funds	22	<b>1,183</b>	<b>(1,183)</b>	-	-	-
<b>Net movement in funds</b>		<b>(56,579)</b>	<b>6,683</b>	<b>637,523</b>	<b>587,627</b>	<b>(319,546)</b>
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		<b>137,978</b>	<b>11,914</b>	<b>9,820,732</b>	<b>9,970,624</b>	10,290,170
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>81,399</b>	<b>18,597</b>	<b>10,458,255</b>	<b>10,558,251</b>	<b>9,970,624</b>

The notes form part of these financial statements

## Report of the Independent Auditors to the Members of The Burton Constable Foundation

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with the company's legal advisors.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Bramall BSc FCA (Senior Statutory Auditor)  
for and on behalf of Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

17 August 2022

## The Burton Constable Foundation

### Balance Sheet 31 December 2021

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	15	104,087	115,821
Heritage assets	16	1,879,427	1,879,427
Investments	17	8,433,828	7,796,305
		<u>10,417,342</u>	<u>9,791,553</u>
<b>CURRENT ASSETS</b>			
Stocks	18	6,913	5,411
Debtors	19	115,529	118,286
Cash at bank and in hand		117,029	152,718
		<u>239,471</u>	<u>276,415</u>
<b>CREDITORS</b>			
Amounts falling due within one year	20	(98,562)	(97,344)
		<u>140,909</u>	<u>179,071</u>
<b>NET CURRENT ASSETS</b>			
		<u>140,909</u>	<u>179,071</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>10,558,251</u>	<u>9,970,624</u>
<b>NET ASSETS</b>			
		<u>10,558,251</u>	<u>9,970,624</u>
<b>FUNDS</b>	22		
Unrestricted funds		81,399	137,978
Restricted funds		18,597	11,914
Endowment funds		10,458,255	9,820,732
		<u>10,458,255</u>	<u>9,820,732</u>
<b>TOTAL FUNDS</b>			
		<u>10,558,251</u>	<u>9,970,624</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 17 August 2022 and were signed on its behalf by:

  
 R A H Sword ERICS FAAV - Trustee

## The Burton Constable Foundation

### Cash Flow Statement for the year ended 31 December 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(298,845)</u>	<u>(251,985)</u>
Net cash used in operating activities		<u>(298,845)</u>	<u>(251,985)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(4,995)	(738)
Net movement in cash flows attributable to endowment investments		131,682	106,604
Expenditure attributable to endowment		(41,964)	(39,919)
Interest received		-	71
Dividends received		<u>268,151</u>	<u>241,963</u>
Net cash provided by investing activities		<u>352,874</u>	<u>307,981</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>54,029</b>	<b>55,996</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u><b>169,037</b></u>	<u><b>113,041</b></u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u><b>223,066</b></u></u>	<u><u><b>169,037</b></u></u>

The notes form part of these financial statements

The Burton Constable Foundation

Notes to the Cash Flow Statement  
for the year ended 31 December 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	587,627	(319,546)
<b>Adjustments for:</b>		
Depreciation charges	16,729	19,485
(Gain)/losses on investments	(679,487)	227,121
Interest received	-	(71)
Dividends received	(268,151)	(241,963)
Expenditure attributable to endowment	41,964	39,919
(Increase)/decrease in stocks	(1,502)	1,133
Decrease in debtors	2,757	19,446
Increase in creditors	1,218	2,491
<b>Net cash used in operations</b>	<b><u>(298,845)</u></b>	<b><u>(251,985)</u></b>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.12.21 £
<b>Net cash</b>			
Cash at bank and in hand	152,718	(35,689)	117,029
Cash held in investment portfolio	16,319	89,718	106,037
<b>Total</b>	<b><u>169,037</u></b>	<b><u>54,029</u></b>	<b><u>223,066</u></b>

## 1. ACCOUNTING POLICIES

### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### **Company status**

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

### **Income recognition**

Income is measured at the fair value of the consideration received or receivable. The policies adopted for the recognition of income are as follows:

#### Charitable activities

Income from charitable activities is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured reliably.

#### Investment income

Income from listed investments is recognised as the charity's right to receive payment is established.

#### Sale of goods

Income from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the charity and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on dispatch of the goods.

#### Donations and grants

Income from donations, government and other grants, whether capital or revenue, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

### **Allocation and apportionment of costs**

Support costs have been allocated between administration and governance costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice such as costs related to statutory audit and legal fees.

There has been no apportionment of costs.

1. ACCOUNTING POLICIES - continued

**Intangible fixed assets**

Intangible assets are amortised on a straight line basis over their useful lives of five years.

**Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Plant and machinery	- 5% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost

**Heritage assets**

Heritage assets are recognised on the balance sheet and initially measured at cost when purchased or if donated, their valuation. Assets are subsequently stated at cost or valuation less any provisions for impairment. Fair values for donated assets are estimated by reference to market prices.

Heritage assets stated at cost are not depreciated on the basis they have a very long useful life, thus making any depreciation charge immaterial.

Where information on the cost or valuation of heritage assets is not available or the cost of providing such information significantly outweighs any benefit to the users of the accounts then heritage assets are not recognised on the balance sheet.

**Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used, at the discretion of the trustees, in accordance with the charitable objectives.

Restricted funds can only be used for particular purposes within the objects of the charity.

Endowment funds represent those assets that must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income, in addition, up to 1% of the capital of the endowment fund may be used on outstanding repairs. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

## The Burton Constable Foundation

### Notes to the Financial Statements - continued for the year ended 31 December 2021

#### 1. ACCOUNTING POLICIES - continued

##### Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value through the statement of financial activities if the shares are publicly traded, using the closing quoted middle price, or their value can otherwise be measured reliably.

##### Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and are receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities allocated to the appropriate heading.

##### Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the statement of financial activities unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

#### 2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	7,480	2,439
Grants	75,922	121,863
	<u>83,402</u>	<u>124,302</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Resilient Heritage project	-	8,500
Job retention scheme	16,961	39,203
East Riding of Yorkshire Council	10,096	10,000
Rural Payments Agency	18,396	19,357
DEFRA – Parklands Management	19,857	40,956
Museum Development Yorkshire Culture Recovery Scheme	7,500	-
Other grants	3,112	3,847
	<u>75,922</u>	<u>121,863</u>

#### 3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Gift shop sales	14,016	9,044
Special event income	26,725	19,464
Rents received	20,056	20,798
Wedding income	4,125	-
	<u>64,922</u>	<u>49,306</u>

## The Burton Constable Foundation

### Notes to the Financial Statements - continued for the year ended 31 December 2021

#### 4. INVESTMENT INCOME

	2021 £	2020 £
Listed securities	268,151	241,963
Deposit account interest	-	71
	<u>268,151</u>	<u>242,034</u>

#### 5. OTHER INCOME

	2021 £	2020 £
Renewables Heat Incentive payment	27,694	23,379
Sundry income	1,258	494
	<u>28,952</u>	<u>23,873</u>

#### 6. INCOME FROM CHARITABLE ACTIVITIES

	2021 £	2020 £
Hall and grounds admissions	124,968	77,194
Sale of guidebooks	1,356	853
	<u>126,324</u>	<u>78,047</u>

#### 7. RAISING FUNDS

##### Raising donations and legacies

	2021 £	2020 £
Advertising	7,581	8,892
Marketing	200	400
	<u>7,781</u>	<u>9,292</u>

##### Other trading activities

	2021 £	2020 £
Purchases	13,286	5,949
Special event costs	25,772	18,641
Bad debts	-	884
	<u>39,018</u>	<u>25,474</u>

##### Investment management costs

	2021 £	2020 £
Portfolio management	41,964	39,919
	<u>41,964</u>	<u>39,919</u>
Aggregate amounts	<u>88,763</u>	<u>74,685</u>

## The Burton Constable Foundation

### Notes to the Financial Statements - continued for the year ended 31 December 2021

#### 8. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 9) £	Totals £
Historic house and grounds	<u>392,795</u>	<u>182,053</u>	<u>574,848</u>

#### 9. SUPPORT COSTS

	Administration £	Governance costs £	Totals £
Historic house and grounds	<u>155,238</u>	<u>26,815</u>	<u>182,053</u>

Support costs, included in the above, are as follows:

##### Administration

	2021	2020
	Historic house and grounds £	Total activities £
Rates and water	5,094	5,692
Insurance	47,759	42,835
Light and heat	46,607	40,948
Telephone	3,711	3,566
Postage and stationery	839	449
Sundry expenses	7,526	3,361
Motor and travel	5,969	5,466
Bank charges	5,269	5,776
Volunteer expenses	8,598	4,025
Training	1,518	248
Health and safety expenses	1,995	4,252
Consultancy	2,862	-
Subscriptions	762	797
Amortisation of intangible fixed assets	-	332
Depreciation of tangible and heritage assets	<u>16,729</u>	<u>19,153</u>
	<u>155,238</u>	<u>136,900</u>

##### Governance costs

	2021	2020
	Historic house and grounds £	Total activities £
Travel and subsistence	1,503	456
Auditors' remuneration	5,500	5,250
Accountancy fees	2,756	1,623
Legal fees	<u>17,056</u>	<u>12,783</u>
	<u>26,815</u>	<u>20,112</u>

## The Burton Constable Foundation

### Notes to the Financial Statements - continued for the year ended 31 December 2021

#### 10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Auditors' remuneration	5,500	5,250
Depreciation - owned assets	16,729	19,153
Intangible fixed assets amortisation	-	332
	<u>          </u>	<u>          </u>

#### 11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

##### Trustees' expenses

	2021	2020
	£	£
Trustees' expenses	1,503	456
	<u>          </u>	<u>          </u>

#### 12. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	275,215	272,647
Social security costs	15,660	17,614
Other pension costs	8,939	9,607
	<u>          </u>	<u>          </u>
	<u>299,814</u>	<u>299,868</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Full time	7	7
Part time	5	5
Seasonal	9	10
	<u>          </u>	<u>          </u>
	<u>21</u>	<u>22</u>

No employees received emoluments in excess of £60,000.

The total cost of employing key management personnel was £93,812 (2020: £92,299).

## The Burton Constable Foundation

### Notes to the Financial Statements - continued for the year ended 31 December 2021

#### 13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Endowment fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	114,930	9,372	-	124,302
<b>Charitable activities</b>				
Historic house and grounds	78,047	-	-	78,047
Other trading activities	49,306	-	-	49,306
Investment income	242,034	-	-	242,034
Other income	23,873	-	-	23,873
<b>Total income</b>	<u>508,190</u>	<u>9,372</u>	<u>-</u>	<u>517,562</u>
<b>EXPENDITURE ON</b>				
Raising funds	34,766	-	39,919	74,685
<b>Charitable activities</b>				
Historic house and grounds	514,182	21,120	-	535,302
<b>Total expenditure</b>	<u>548,948</u>	<u>21,120</u>	<u>39,919</u>	<u>609,987</u>
Net income/(expenditure) before investment gains/losses	(40,758)	(11,748)	(39,919)	(92,425)
Net gains/(losses) on investments	-	-	(227,121)	(227,121)
<b>NET INCOME/(EXPENDITURE)</b>	(40,758)	(11,748)	(267,040)	(319,546)
<b>Transfers between funds</b>	<u>65,817</u>	<u>1,183</u>	<u>(67,000)</u>	<u>-</u>
<b>Net movement in funds</b>	25,059	(10,565)	(334,040)	(319,546)
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	<u>112,919</u>	<u>22,479</u>	<u>10,154,772</u>	<u>10,290,170</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>137,978</u>	<u>11,914</u>	<u>9,820,732</u>	<u>9,970,624</u>

#### 14. INTANGIBLE FIXED ASSETS

	Intangible fixed assets £
<b>COST</b>	
At 1 January 2021 and 31 December 2021	<u>11,745</u>
<b>AMORTISATION</b>	
At 1 January 2021 and 31 December 2021	<u>11,745</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u>-</u>
At 31 December 2020	<u>-</u>

## The Burton Constable Foundation

### Notes to the Financial Statements - continued for the year ended 31 December 2021

#### 14. INTANGIBLE FIXED ASSETS - continued

Intangible fixed assets comprise entitlement rights to receive income under the Single Payment Scheme.

#### 15. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 January 2021	146,663	123,380	21,844	291,887
Additions	-	4,995	-	4,995
At 31 December 2021	<u>146,663</u>	<u>128,375</u>	<u>21,844</u>	<u>296,882</u>
<b>DEPRECIATION</b>				
At 1 January 2021	46,442	118,004	11,620	176,066
Charge for year	7,333	4,285	5,111	16,729
At 31 December 2021	<u>53,775</u>	<u>122,289</u>	<u>16,731</u>	<u>192,795</u>
<b>NET BOOK VALUE</b>				
At 31 December 2021	<u>92,888</u>	<u>6,086</u>	<u>5,113</u>	<u>104,087</u>
At 31 December 2020	<u>100,221</u>	<u>5,376</u>	<u>10,224</u>	<u>115,821</u>

#### 16. HERITAGE ASSETS

	Total £
<b>MARKET VALUE</b>	
At 1 January 2021 and 31 December 2021	<u>1,879,427</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u>1,879,427</u>
At 31 December 2020	<u>1,879,427</u>

Burton Constable Hall, together with the stable block, certain ancillary buildings and approximately 320 acres of surrounding parkland, was gifted to the Foundation by the National Heritage Memorial Fund (NHMF) on 23 March 1992. It is included in the accounts at the value of £1,070,000 for which the NHMF acquired the Hall in 1992. In 1992 the NHMF also gifted a collection of scientific instruments, dating from the 18th century, valued at £72,650. Further collections and artefacts have been acquired, details of which can be obtained at Burton Constable Hall, increasing the value of the assets to £1,879,427. The hall and stable block are insured for £50,536,199. The collections are insured for £16,953,500. The furniture, paintings and decorative art collections were transferred to Leeds City Council to be retained on display at Burton Constable Hall.

## The Burton Constable Foundation

### Notes to the Financial Statements - continued for the year ended 31 December 2021

#### 17. FIXED ASSET INVESTMENTS

	Listed investments £	Cash and settlements pending £	Totals £
<b>MARKET VALUE</b>			
At 1 January 2021	7,779,986	16,319	7,796,305
Additions	1,090,120	(1,090,120)	-
Disposals	(1,221,802)	1,221,802	-
Realised and unrealised gains /(losses) net of management fees	679,487	-	679,487
Management fees	-	(41,964)	(41,964)
	<u>8,327,791</u>	<u>106,037</u>	<u>8,433,828</u>
At 31 December 2021	<u>8,327,791</u>	<u>106,037</u>	<u>8,433,828</u>

There were no investment assets outside the UK.

#### 18. STOCKS

	2021 £	2020 £
Gift shop stock and guide books	<u>6,913</u>	<u>5,411</u>

#### 19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	7,468	8,368
Other debtors	57,761	44,503
VAT	4,643	6,576
Prepayments	<u>45,657</u>	<u>58,839</u>
	<u>115,529</u>	<u>118,286</u>

#### 20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	58,861	61,565
Social security and other taxes	5,960	6,014
Other creditors	21,823	19,665
Accruals	<u>11,918</u>	<u>10,100</u>
	<u>98,562</u>	<u>97,344</u>

#### 21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted fund £	Endowment fund £	2021 Total funds £	2020 Total funds £
Fixed assets	104,087	-	1,879,427	1,983,514	1,995,248
Investments	-	-	8,433,828	8,433,828	7,796,305
Current assets	220,874	18,597	-	239,471	276,415
Current liabilities	(98,562)	-	-	(98,562)	(97,344)
Loan between funds	<u>(145,000)</u>	-	<u>145,000</u>	-	-
	<u>81,399</u>	<u>18,597</u>	<u>10,458,255</u>	<u>10,558,251</u>	<u>9,970,624</u>

The Burton Constable Foundation

Notes to the Financial Statements - continued  
for the year ended 31 December 2021

22. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
Unrestricted fund	137,978	(57,762)	1,183	81,399
<b>Restricted funds</b>				
Restricted fund	11,914	7,866	(1,183)	18,597
<b>Endowment funds</b>				
Endowment fund	9,820,732	637,523	-	10,458,255
<b>TOTAL FUNDS</b>	<u>9,970,624</u>	<u>587,627</u>	<u>-</u>	<u>10,558,251</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
Unrestricted fund	560,007	(617,769)	-	(57,762)
<b>Restricted funds</b>				
Restricted fund	22,720	(14,854)	-	7,866
<b>Endowment funds</b>				
Endowment fund	-	(41,964)	679,487	637,523
<b>TOTAL FUNDS</b>	<u>582,727</u>	<u>(674,587)</u>	<u>679,487</u>	<u>587,627</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
Unrestricted fund	112,919	(40,758)	65,817	137,978
<b>Restricted funds</b>				
Restricted fund	22,479	(11,748)	1,183	11,914
<b>Endowment funds</b>				
Endowment fund	10,154,772	(267,040)	(67,000)	9,820,732
<b>TOTAL FUNDS</b>	<u>10,290,170</u>	<u>(319,546)</u>	<u>-</u>	<u>9,970,624</u>

## The Burton Constable Foundation

### Notes to the Financial Statements - continued for the year ended 31 December 2021

#### 22. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
Unrestricted fund	508,190	(548,948)	-	(40,758)
<b>Restricted funds</b>				
Restricted fund	9,372	(21,120)	-	(11,748)
<b>Endowment funds</b>				
Endowment fund	-	(39,919)	(227,121)	(267,040)
<b>TOTAL FUNDS</b>	<u>517,562</u>	<u>(609,987)</u>	<u>(227,121)</u>	<u>(319,546)</u>

#### Main endowment fund

The endowment fund was established in order to provide investment income to fund the annual running costs of the house and grounds. In addition the foundation has been granted permission to spend up to 1% of the capital of the fund per year so long as capital has grown ahead of inflation.

#### Heritage assets endowment fund

The heritage assets fund was established with the reinstatement of fixed assets previously included in the accounts at no value. These were the assets donated to the charity on commencement of its activities. The balance on this fund represents the value of the Hall and various collections and artefacts reinstated in 2001 together with subsequent additions.

	Main Fund £	Heritage assets £	Total £
Opening balance at 01.01.21	7,941,305	1,879,427	9,820,732
Net movement in fund	743,610	-	743,610
Transfer of capital for outstanding repairs	-	-	-
Closing balance at 31.12.21	<u>8,684,915</u>	<u>1,879,427</u>	<u>10,564,342</u>

In 2014, the foundation obtained permission to withdraw £145,000 from the main endowment to fund a major capital project. It is the intention of the foundation to repay this amount over a period of not more than 15 years.

#### Heritage resilience fund

Funding received from the National Lottery is being used to increase organisational resilience and financial sustainability.

**23. CONTINGENT LIABILITIES**

Over the years, the Foundation has received some grants that may be partly repayable should the historic assets to which they relate ever be sold. There is no intention that any such assets will be sold and the last grant with such conditions attaching was received in 2007.

**24. RELATED PARTY DISCLOSURES**

Burton Constable Hall is subject to a 250 year lease on the South Wing in favour of R C Straker. The lease was issued prior to the donation of the building by the National Heritage Memorial Fund to the Foundation. The lease is a full repairing lease with an annual rent of £260 per annum.

**25. SHARE CAPITAL**

The company is limited by members' guarantees and therefore has no share capital. The members' liability on a winding up is limited to £1 each. The company currently has eight members.

