

Registered Number: 02004021 (England and Wales)

HAREWOOD HOUSE TRUST LIMITED

(A Company Limited by Guarantee)

Annual Report

and

Financial Statements

For the Year Ended 31 December 2020

HAREWOOD HOUSE TRUST LIMITED
TRUSTEES' REPORT TO THE MEMBERS OF
HAREWOOD HOUSE TRUST LIMITED (CONTINUED)

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TRUSTEES' REPORT TO THE MEMBERS OF HAREWOOD HOUSE TRUST LIMITED (CONTINUED)

COMPANY INFORMATION

<u>Trustees</u>	David Lascelles, Earl of Harewood Diane Lascelles, Countess of Harewood Iwona Blazwick Jeremy Burton Paul Dolan Charles Sebag-Montefiore Emily Shard Rachel Mapplebeck Andrea Nixon Nima Poovaya-Smith
<u>Chair</u>	Lady Emily Shard
<u>Trust Director</u>	Jane Marriott
<u>Company Secretary</u>	Martin Horbury
<u>Registered Office & Principal Office</u>	Harewood House Harewood, Leeds, LS17 9LG
<u>Registered Company Number</u>	02004021
<u>Charity Registration Number</u>	517753
<u>Bankers</u>	NatWest Bank Plc Leeds City Office 8 Park Row, Leeds, LS1 1QS
<u>Solicitors</u>	Wrigleys Solicitors LLP 19 Cookridge Street, Leeds LS2 3AG
<u>Auditors</u>	Saffery Champness LLP Mitre House, North Park Road Harrogate HG1 5RX
<u>Investment Managers</u>	Cazenove Capital 1 London Wall Place, London EC2Y 5AU

HAREWOOD HOUSE TRUST LIMITED

TRUSTEES' REPORT TO THE MEMBERS OF HAREWOOD HOUSE TRUST LIMITED (CONTINUED)

The Trustees submit their annual report and accounts for the Harewood House Trust Limited (the Trust) for the year ended 31 December 2020.

Directors and Trustees

The Trustees, who are also the directors of the Charity and who served during the financial period were:

Committee Membership at 31 December 2020

Iwona Blazwick

Jeremy Burton	A F C	(Chair of Finance & General Purposes Committee)
Paul Dolan	A F	(Deputy Chair of the Board of Trustees, Chair of Audit Committee)
David Lascelles, Earl of Harewood	N	(Chair of Trustees retired December 2020)
Diane Lascelles, Countess of Harewood		
Lady Emily Shard	F	(Chair of Trustees, Elected December 2020)
Charles Sebag-Montefiore	A F C	(Chair of Collections Committee)
Rachel Mapplebeck		
Dr. Nima Poovaya-Smith OBE		
Andrea Nixon MBE		

A = member of Audit Committee
F = member of Finance & General Purposes Committee
N = member of Nominations Committee
C = member of Collections Committee

The Trustees who are also members of the Charity are Paul Dolan, Iwona Blazwick, David Lascelles, Earl of Harewood and Diane Lascelles, Countess of Harewood.

Michael Bates, Chair of the Trust's subsidiary Trading Company Board was appointed to the Finance and General Purposes Committee in March 2020. Sir Hugh Roberts is an advisor to the Collections Committee.

Governing Document

Harewood House Trust Limited is a registered Charity and a company limited by guarantee with each member's liability limited to £1,000. The Charity's governing document is contained in its Memorandum and Articles of Association dated 25 March 1986, last amended 15 January 2018. The Charity's principal legal advisers and auditors are shown on page 2.

Structure, Governance and Management

The Trustees may appoint any person as a Trustee provided that the maximum of twelve is not exceeded. Any Trustee so appointed shall retire at the next annual general meeting but shall be eligible for re-election. Trustees will then retire by rotation every three years but will be eligible for re-election.

The Trustees meet at least biannually; in addition, there are four committees of Trustees, being the Finance and General Purposes Committee, the Audit Committee, the Collections Committee and the Nominations Committee.

HAREWOOD HOUSE TRUST LIMITED

TRUSTEES' REPORT TO THE MEMBERS OF HAREWOOD HOUSE TRUST LIMITED (CONTINUED)

The Finance and General Purposes Committee meets at least biannually and its role is to supervise the assets, investments and all financial and administrative affairs of the Charity. It supervises budgetary matters and recommends approval of the annual budget to the Trustees, as well as reviewing the pay and remuneration of the Charity's key management personnel. The Audit Committee meets biannually; its role is to review the annual reports, accounts, auditors' reports and to report on them to the Trustees. It is also responsible for reviewing the effectiveness of internal controls and for the identification and management of risk. The Collections Committee manages any conflicts of interest arising in relation to the loan of collections to the Charity by the 7th Earl of Harewood's Will Trust, the Lascelles family or other family trusts. The Nominations Committee meets when required. The Trust Director is responsible for day-to-day management and implementing decisions of the Trustees.

The Charity owns all of the share capital of Harewood House Trading Limited, the activities and results of which are shown at note 22 on page 33. During the year ended 31 December 2020, Harewood House Trading delivered the non-primary purpose trading activities of the group. Harewood House Trading is fully consolidated within the group accounts, where applicable, which increases the level of turnover, assets and liabilities.

Recruitment, Induction and Training of Trustees

The Trust regularly reviews the balance of skills and experience of its Trustees. When required, due to Trustee retirements or the identification of skills and experience gaps, it seeks to identify and recruit suitable new Trustees through the Nominations Committee, from a diverse background.

On appointment, Trustees are given an induction to the work of the Charity and provided with the information necessary for them to perform their role successfully, including a copy of the governing document of the Charity, a copy of recent Annual Reports and the Charity Commission's guidance, "CC3a – The Essential Trustee: What you need to know" and its guidance on operating for the public benefit.

Objectives and Activities

In setting the objectives and planning activities, the Trustees have given careful consideration to the Charity Commission's guidance on public benefit. The Charity holds a lease for Harewood House and surrounding lands. The objectives of the Charity are:

- to preserve for the public benefit Harewood House, its ancillary buildings, gardens, arboreta, woodlands and park, which the Charity holds on long lease; and works of art that have been acquired by the Charity, or donated or loaned by the Earl of Harewood, the late 7th Earl of Harewood's estate or other family trusts;
- to promote the study of Harewood as a place of historic and cultural interest and natural beauty;
- to provide facilities for recreation and leisure time occupations;
- to advance the education of the public in the arts and sciences.

In order to achieve its objectives in the year ended 31 December 2020, the Charity undertook the following within the limits that were possible within the restrictions caused by COVID-19:

- maintaining the historic buildings and gardens and continuing to conserve and interpret the collections;
- maximising access and quality service to all visitors, including those with disabilities;
- developing exhibitions, programmes, publications and educational activities to promote engagement with the collections;
- providing a range of events which are in sympathy with the inherent qualities of Harewood;
- encouraging public funding, corporate partnerships through sponsorship and fundraising activities to support the charity;
- invested in development of membership.

HAREWOOD HOUSE TRUST LIMITED

TRUSTEES' REPORT TO THE MEMBERS OF HAREWOOD HOUSE TRUST LIMITED (CONTINUED)

Strategic Report

A - Achievements and Performance

2020 has been one of the most challenging years in Harewood's 250-year history, with the Trust managing the impact of a global pandemic and mitigating significant risk, in order to continue fulfilling its charitable objectives. The Trust has demonstrated that it can be nimble and agile in the face of uncertainty, with ever-changing government guidelines and continually differing operations for the site. However, without the support of Arts Council England's Cultural Recovery Fund, Historic England, ArtFund, The Heritage Lottery Fund, the Trust's own audience and others, Harewood could have faced graver times.

With the Trust facing significant losses in income in the first phase of lockdown a Recovery Plan was put in place to control costs which included making eight posts redundant as well as taking full advantage of the furlough scheme. With these actions the Trust managed to significantly reduce the operational losses to £254k. Membership retention exceeded our revised forecast at an average of 70% versus an average pre-COVID annual budget rate of 77%. Online pre-booking has worked well, supported by the successful implementation of the first phase of a new CRM system (PatronBase). Trading performance over the summer was excellent with results exceeding pre-COVID targets. Kate MccGwire's exhibition Menagerie re-opened, sadly the only part of the 50th anniversary celebrations programme to mark 50 years, since the Bird Garden opened, that could continue. We also launched a new online shop, a series of exclusive, small-number tours and events were undertaken, and the Trust worked hard to support its new caterer, Harewood Food & Drink Project, which it appointed in January 2020 through the pandemic.

Investment in a new courtyard canopy, extending outdoor catering and events space, opened for winter and a new Bothy Teahouse launched at the Walled Garden. As part of its revised reopening plans in summer 2020, a new pop-up play offer was created on the North Lawn to complement the existing playground, proving such a success that another will be opened in 2021. The response from visitors and Members to reopening was overwhelmingly positive. People were delighted that the Trust managed to keep at least part of the site open for relaxation and escape from the daily pressures of COVID, whilst the feedback from post-visit surveys demonstrated the appreciation of on-site safety measures and the new initiatives such as pop-up play and a reinvigorated catering proposition.

By December, the Trust had raised in excess of £1.1million of emergency financial support through a combination of grants and individual giving. Some of this funding will be received in 2021. The Trust launched its first ever public appeal for the Bird Garden, whilst ArtFund supported a digital engagement strategy to ensure the Trust could continue building audience relationships. National Heritage Lottery Fund provided grants for PPE, CRM and reopening costs, covering essential investment in making Harewood safe throughout the pandemic. Projects that had previously been put on hold or mothballed were reignited, with Historic England supporting the much-needed Terrace Balustrade restoration whilst a significant gift from the government's Cultural Recovery Fund covered essential costs through to March 2021.

In recognition of the Trust's work in 2019, it was awarded the Museum and Heritage Award for Innovation for 2019's Christmas exhibition by Studio McGuire. At the White Rose Awards, hosted by Welcome to Yorkshire, the Trust won an Arts and Culture silver award for the Harewood Biennial, and also gained the much sought-after accolade of Large Visitor Attraction of the Year, with the judges praising Harewood for its programming, openness and rebranding, recognising that Harewood continues to be ambitious in its approach to re-imagining the country house.

HAREWOOD HOUSE TRUST LIMITED

TRUSTEES' REPORT TO THE MEMBERS OF HAREWOOD HOUSE TRUST LIMITED (CONTINUED)

During the summer the Trust also dedicated time and thought to its response to the Black Lives Matter movement, building on the work Lord and Lady Harewood have done in the Leeds city region, over the past 20 years. The Trust was swift in publishing a statement combating racism, lit up the entry arch in colours to support the movement, and hosted a BBC Look North special news programme. Central to this, the Trust has committed to a new Equality, Diversity and Inclusion strategy based on three pillars of people, place and programme, the results of which will be evident to all in 2021.

There remains no doubt that 2020 had a hugely challenging impact on the Trust's team, with people's mental health, confidence, and concerns over job security being consistent hurdles to overcome. It is testament to all the Trust's colleagues and volunteers that Harewood remains in a much more positive position than many might have thought, and that the charity can continue to be an open place where everyone is welcome.

B - Financial Review

The results for the year ended 31 December 2020 are shown on page 15 in the consolidated statement of financial activity (incorporating the income and expenditure account). Net assets have decreased to £17,698,087 from £18,038,606 a movement of £340,519, inclusive of all donations and unrealised losses on investments. The results for the year and the balance sheet of Harewood House Trading Limited are shown at note 22 (page 33), and the results are consolidated within these accounts.

Overall income from day visitor and membership admissions decreased by 25% from the prior year to a total of £1,322,046 (2019- £1,754,391). Within this number, visitor and membership admissions under gift aid was down on prior year at £743,959 (2019- £1,084,342). These reductions in income are entirely due to the restrictions imposed by COVID-19. Costs of generating voluntary income increased to £1,258,038 (2019- £1,118,060). Fundraising and trading costs decreased to £779,426 (2019- £1,224,334). Expenditure on charitable activities decreased to £1,553,818 (2019 - £1,697,248).

The Trust's trading activities (events, retail, catering and film work) generated a surplus of £18,069 for the year (2019- £261,123). As with Trust this decrease was entirely due to the restrictions imposed by COVID-19.

The overall consolidated deficit of the charity for the year was £340,519 (2019- surplus £532,857), which included non-admissions related grants and donations of £1,452,835 (2019 - £1,628,164) as shown in Note 4. This includes £192,631 of income from the Coronavirus Job Retention Scheme (CJRS).

The unrestricted endowment fund (comprised of Heritage Assets) at 31 December 2020 was valued at £10,088,916 (2019- £10,088,916). The Endowment Fund, established in 2015 was valued at £2,742,826 at 31/12/2020 (2019 - £2,829,335). A net value of £64,923 has been used from the restricted fund during the year leaving a balance at 31 December 2020 of £867,966 (2019- £932,889).

There are £11,501,050 (2018 - £11,501,050) of heritage works of art which are maintained and displayed for the public benefit. These were last valued during 2016. These assets represent a small proportion of the works of art made available by the Trust for the public benefit, the rest of which are loaned to the Trust from the estate of the 7th Earl of Harewood, other Lascelles family trusts and family members.

C – Investment Policy & Investment Performance

The power to appoint investment managers is reserved to the Board of Trustees on the recommendation of the Finance & General Purposes Committee. The latter has responsibility for monitoring investment managers and for conducting a review of investment performance.

HAREWOOD HOUSE TRUST LIMITED

TRUSTEES' REPORT TO THE MEMBERS OF HAREWOOD HOUSE TRUST LIMITED (CONTINUED)

Following the creation of the Endowment Fund in December 2015, Cazenove Capital Limited were appointed investment managers in 2016 and the funds were invested in accordance with the investment policy and objectives.

The investment objective for the Trust's Endowment Fund is to maximise income to support the ongoing activities of the Trust whilst maintaining the value of the capital. This involves an acceptance of medium to high risk and is likely to mean that the capital value will fluctuate.

The investment objective for the Trust's Capital & Projects fund is to ensure assets are readily available to meet planned, and any emergency, capital and project costs and is held in cash.

The investment objective for the Trust's short-term reserves, also held in cash, is to preserve the capital value with a minimum level of risk. Assets should be readily available to meet unanticipated cash flow requirements.

The Finance & General Purposes Committee regularly review performance with the investment managers. The Committee was satisfied overall with the performance of the investment portfolio during the year, taking account of the general market uncertainties.

In 2020 dividends and interest were received from the fund of £85,536 (2019 - £98,017).

D – Reserves policy

Harewood House Trust Limited is reliant on the following sources of income:

- Donations and admissions income from visitors and from Harewood members
- Investment income generated from the Endowment Fund (which currently has a capital value of £2.74m)
- Profits generated by Harewood House Trading through events facility fees, catering, retail and other non-primary purpose income.
- Other sponsorship, grant and donation income.

As at 31 December 2020, the Trust had total funds of £17,698,087. This includes a restricted Endowment Fund of £2,742,826. The reserves shown as an unrestricted endowment fund of £10,088,916 could only be realised by disposing of the Trust's tangible fixed assets (including heritage assets).

The Trustees have reviewed the circumstances of the Trust and consider that it has access to adequate resources to be able to fund its operations for the foreseeable future. However, to reduce reliance on related party support, the Trustees have a target to maintain free reserves of at least one fifth of budgeted visitor admissions income to enable the Trust to deal with fluctuations in income levels. At 31 December 2020, the Trust had no free reserves (2019- No free reserves), against a target of £380,494. The Trust has a clear objective to operate at a surplus in future years in order to get closer to the free reserves target.

E – Principal Risks and Uncertainties

The Trustees continually assess the risks to which the charity is exposed and are satisfied that systems are in place to mitigate those risks and also to minimise or manage any potential impact on the Trust should those risks materialise. The principal risks and uncertainties identified are shown below, with actions to address those risks. The Trust's Risk Register is reviewed as an ongoing agenda point for Senior Management Meetings and Trustee Committee meetings.

HAREWOOD HOUSE TRUST LIMITED

TRUSTEES' REPORT TO THE MEMBERS OF HAREWOOD HOUSE TRUST LIMITED (CONTINUED)

Risk of damage or loss to the House & Collections

The Trust has put in place and regularly reviews and updates: comprehensive security systems; systems designed to prevent and detect potential damage in particular to the House and its collections by fire, flood or other peril; emergency disaster and evacuation plans; expert advised care, maintenance and restoration plans. Insurance cover is in place and regularly reviewed to ensure that it remains appropriate.

Reputational and public liability risks

There are potentially serious reputational impacts (including reduced visitor numbers or event bookings; disruption to opening; prosecutions or fines) resulting from an incident, accident or general poor performance concerning either the Trust's own operations or a third party hosted event. The Trust's approach to addressing these risks includes: health & safety systems and procedures; staff training; a focus on the management and maintenance of the physical areas open to visitors; close monitoring of the outsourced catering partners; careful management of third party event contracts; proactive public relations plans in the event of an incident; seeking and monitoring feedback from visitors: and maintaining public liability insurance.

Economic risks

Income levels are strongly impacted by visitor and membership numbers, which in turn are affected by weather. The Trust will develop and improve the visitor offer and to seek ways to mitigate the risk of reliance on visitors by diversifying income streams from Trading and Fundraising. Financial risks from running events have been effectively transferred to third parties as the Trust receives a facility fee for externally organised events at Harewood. The establishment of the Endowment Fund in 2015 is helping to provide additional income to contribute towards the Trust's operational revenue. The Trust will increasingly seek opportunities for grant or loan funding in order to reduce reliance on support from the Harewood Estate and/or family members.

The Trust is also exposed to price or liquidity risk through changes in interest rates and to the credit risk of the securities it holds. Equity holdings within the investment portfolio are subject to market volatilities. The Trustees have appointed qualified investment managers to manage these risks.

Conflicts of interest risks

The necessarily close relationship of the Trust with the Harewood Estate and related family members brings risks of conflict of interest with family Trustees. Actions taken to address these risks include: formal agreements to govern the relationship and transactions between the Trust and Estate; maintaining a conflicts of interest register; maintaining detailed records of transactions between the Trust, Estate and family members which are reviewed by independent Trustees on the Finance & General Purposes Committee; an employee Whistleblowing Policy; ensuring independent Trustees take decisions on any matters with a potential conflict; and receiving ongoing guidance from legal advisers.

In order to indemnify the Trustees against the consequences of neglect or default on their part, the Charity has purchased indemnity insurance. The cost is shown on page 26, note 13.

Covid-19 Pandemic

The Covid-19 pandemic in 2020 presented a number of potential risks that were consistently reviewed by Trust management. A detailed reopening plan was implemented to make sure that all areas were compliant with best practice for safety for both visitors and employees. The potential economic impact was consistently reviewed and a Recovery Plan was implemented which included both plans to protect our income and seek new sources of income but also to manage our costs. This included a redundancy programme in August 2020.

HAREWOOD HOUSE TRUST LIMITED

TRUSTEES' REPORT TO THE MEMBERS OF HAREWOOD HOUSE TRUST LIMITED (CONTINUED)

F – Plans for future periods

Looking ahead in 2021, Harewood celebrates the 250th anniversary of the House being completed and Lady Emily Shard has been elected as the new Chair of the Trust. The focus is inevitably on the continued road to recovery, creating innovative new ways of generating income as well as ongoing cost management. COVID restrictions allowing, this will include a number of new initiatives. New winter opening hours will be introduced, followed by the launch of a new Three Parks Walk – the first ever three-mile circular walk around the Trust site. An outdoor installation by Anthony Burrill will focus health and wellbeing, alongside new pop-up woodland play space. The Trust's new Open History programme will launch with Black History Stories focusing on George 'Bertie' Robinson, with partners' DSRG and a new Black Heritage walking tour with partners' Heritage Corner, plus the first Craft Spotlight in the Church showcasing the work of Glassblower Chris Day. Whilst the difficult decision to postpone the next Harewood Biennial to 2022 was taken, the programming outdoors and in the House has been created in order to achieve the Trust's ambitions.

Harewood House Trust wants to enrich people's lives to benefit the communities around us, to be a leading light in the sector, to be bold in re-imagining the country house for the 21st century and uphold its values of together, adventurous, challenging and caring. Strategic priorities focus on the surrounding communities' health and wellbeing, using Harewood's spaces and collections to engender wellbeing, to encourage open conversations about mental health and entice our audiences to explore more of the site and history than ever before. Harewood's environment and ongoing commitment to conservation is at the heart of this.

In parallel to this, a key strategic priority is a positive engagement with equality, diversity and inclusion. It is vital that the Trust continues to call out racism and discrimination; that Harewood is a safe place in which to have open conversations; to lift up marginalised voices and to bring communities together, whilst simultaneously acknowledging Harewood's difficult past. The award-winning programme is therefore created specifically to use Harewood's collections to engage audiences, to engender an empathy and better understanding of the urgent issues of our time.

2020's pandemic provided opportunities as well as hardships. The effect of the virus on the business caused the Trust to explore projects it might not have done otherwise, and as such the Trust will continue to make significant investment in its IT infrastructure – to assist people's new working patterns but also to enable a better on-site experience with site-wide WiFi and greater opportunities for audience engagement – and also new online audiences discovered through its digital content programme throughout summer 2020. This catalyst effect will see two new online programmes in Autumn 2021, launching the Harewood Biennial online and celebrating Harewood House's 250th anniversary – both supported by the Cultural Recovery Fund.

Harewood House Trust is a complex organisation. It is simultaneously a visitor attraction and membership institution, a trading company and a charity, an accredited museum and a government-licensed zoo, sat within a Grade I listed House and landscape. The importance of this charitable status and national heritage must, therefore, always inform the Trust's programming, learning activities and collections management to the benefit of its communities.

2020 has enabled the Trust to be responsive, creative and nimble, making the charity even stronger and ready to embrace the opportunities for development and site-wide investment in a Masterplan over the coming years. With a continually difficult time ahead, particularly around fundraising, Harewood will fully embrace this dynamism to seek out avenues of support, and to further grow its engagement, being determined in its ambitions and ensuring Harewood's sustainable future.

HAREWOOD HOUSE TRUST LIMITED

**TRUSTEES' REPORT TO THE MEMBERS OF
HAREWOOD HOUSE TRUST LIMITED (CONTINUED)**

Statement of Trustees' Responsibility

The Trustees, who are also directors of Harewood House Trust Limited 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 regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the income and expenditure of the charitable company 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 in Charities SORP (FRS102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in business.

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

Statement as to Disclosure of Information to Auditors

So far as the Trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' report, including a strategic report, were approved by order of the Board of Trustees on 26th October 2021 and signed on their behalf by:



Chairman and Trustee

EMILY SHARD
26th October 2021

HAREWOOD HOUSE TRUST LIMITED

AUDITOR'S REPORT TO THE MEMBERS OF HAREWOOD HOUSE TRUST LIMITED

Opinion

We have audited the financial statements of Harewood House Trust (the “parent charitable company”) and its subsidiary (the “group”) for the year ended 31 December 2020 which comprise the statement of financial activities, balance sheet and the cash flow statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the group and charitable company’s state of affairs as at 31 December 2020 and of the group’s incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

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

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

HAREWOOD HOUSE TRUST LIMITED

AUDITOR'S REPORT TO THE MEMBERS OF HAREWOOD HOUSE TRUST LIMITED (CONTINUED)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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.

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 Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

HAREWOOD HOUSE TRUST LIMITED

AUDITOR'S REPORT TO THE MEMBERS OF HAREWOOD HOUSE TRUST LIMITED (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 10 the trustees (who are also directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operates.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

HAREWOOD HOUSE TRUST LIMITED

AUDITOR'S REPORT TO THE MEMBERS OF HAREWOOD HOUSE TRUST LIMITED (CONTINUED)

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above 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 would become aware of it. Also, 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 or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent 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 parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

Sally Appleton (Senior Statutory Auditor) for
and on behalf of Saffery Champness LLP
Mitre House, North Park Road, Harrogate
HG1 5RX

Chartered Accountants

Statutory Auditors

Date: 29 October 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

HAREWOOD HOUSE TRUST LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITY (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2020

<u>NOTES</u>	<u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>£</u>	<u>Endowment</u> <u>Fund</u> <u>£</u>	<u>Total</u> <u>31.12.20</u> <u>£</u>	<u>Total</u> <u>31.12.19</u> <u>£</u>
<u>Income and endowments from:</u>					
<u>Donations and legacies</u>					
4 Admissions under gift aid, donations and grants	1,254,814	941,980	-	2,196,794	2,712,506
<u>Income from charitable activities</u>					
5 Conservation and education	578,717	-	-	578,717	698,392
<u>Other trading activities</u>					
6 Retail, events and catering	476,174	-	-	476,174	813,280
7 <u>Income from investments</u>	85,587	-	-	85,587	98,068
<u>Total income and endowments</u>	2,395,292	941,980	-	3,337,272	4,322,246
<u>Expenditure on:</u>					
<u>Raising funds</u>					
8 Costs of generating voluntary income	1,047,281	210,757	-	1,258,038	1,118,060
9 Fundraising trading costs	682,154	97,272	-	779,426	1,224,334
11 Charitable activities	1,051,245	502,573	-	1,553,818	1,697,248
<u>Total expenditure</u>	2,780,680	810,602	-	3,591,282	4,039,642
Net (expenditure)/income	(385,388)	131,378	-	(254,010)	282,604
<u>Net (losses) /gains on investments</u>					
18 Unrealised (losses)/gains on revaluation of investment assets	-	-	(86,509)	(86,509)	250,253
<u>Net (expenditure)/income after (losses)/gains on investments</u>	(385,388)	131,378	(86,509)	(340,519)	532,857
Transfers	196,301	(196,301)	-	-	-
<u>Net movement in funds</u>	(189,087)	(64,923)	(86,509)	(340,519)	532,857
<u>Reconciliation of funds</u>					
Funds brought forward on January 1st	4,187,466	932,889	12,918,251	18,038,606	17,505,749
<u>Funds carried forward on December 31st</u>	3,998,379	867,966	12,831,742	17,698,087	18,038,606

The statement of financial activity includes all gains and losses recognised in the year.

The notes at pages 20-38 form part of these financial statements.

HAREWOOD HOUSE TRUST LIMITED

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	<u>NOTES</u>	<u>31.12.20</u>	<u>31.12.19</u>
		<u>£</u>	<u>£</u>
<u>Fixed assets</u>			
Tangible assets	17	1,592,809	1,553,127
Heritage assets	17	13,233,122	13,269,782
Investments	18	<u>2,742,826</u>	<u>2,829,335</u>
		<u>17,568,757</u>	<u>17,652,244</u>
<u>Current assets</u>			
Stocks	19	47,313	43,981
Debtors	20	637,218	183,441
Cash at bank and in hand		<u>211,498</u>	<u>464,581</u>
		896,029	692,003
<u>Liabilities</u>			
Creditors - amounts falling due within one year	21	(766,699)	(305,641)
		<u>(766,699)</u>	<u>(305,641)</u>
<u>Net current assets</u>		<u>129,330</u>	<u>386,362</u>
<u>Total assets less current liabilities</u>		17,698,087	18,038,606
<u>Net assets</u>		<u>17,698,087</u>	<u>18,038,606</u>
Financed by:			
<u>Funds of the charity</u>			
Endowment funds	23	12,831,742	12,918,251
Restricted funds	23	867,966	932,889
Unrestricted funds	23	3,998,379	4,187,466
<u>Total funds</u>		<u>17,698,087</u>	<u>18,038,606</u>

Approved and authorised for issue by the Trustees on 26th October 2021 and signed on their behalf by:



.....

EMILY SHARD - DIRECTOR

Company registration number 02004021

The notes at pages 20-38 form part of these financial statements.

HAREWOOD HOUSE TRUST LIMITED

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2020

	<u>NOTES</u>	<u>31.12.20</u>	<u>31.12.19</u>
		<u>£</u>	<u>£</u>
<u>Fixed assets</u>			
Tangible assets	17	1,526,053	1,541,071
Heritage assets	17	13,233,122	13,269,782
Investments	18	2,742,926	2,829,435
		<u>17,502,101</u>	<u>17,640,288</u>
<u>Current assets</u>			
Debtors	20	620,671	263,728
Cash at bank and in hand		133,188	407,987
		<u>753,859</u>	<u>671,715</u>
<u>Liabilities</u>			
Creditors - amounts falling due within one year	21	(580,075)	(319,654)
		<u>(580,075)</u>	<u>(319,654)</u>
<u>Net current assets</u>			
		<u>173,784</u>	<u>352,061</u>
<u>Total assets less current liabilities</u>			
		17,675,885	17,992,349
<u>Net assets</u>			
		<u>17,675,885</u>	<u>17,992,349</u>
Financed by:			
<u>Funds</u>			
Endowment fund	23	12,831,742	12,918,251
Restricted funds	23	867,966	932,889
Unrestricted funds	23	3,976,177	4,141,209
		<u>17,675,885</u>	<u>17,992,349</u>

Approved and authorised for issue by the Trustees on 26th October 2021 and signed on their behalf by:



.....
EMILY SHARD - DIRECTOR

The notes at pages 20-38 form part of these financial statements.

HAREWOOD HOUSE TRUST LIMITED

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	<u>NOTES</u>	<u>31.12.20</u>		<u>31.12.19</u>	
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Cash flows from operating activities</u>	1		35,533		871,015
<u>Cash flows from investing activities</u>					
Investment income received		85,587		98,068	
Interest received		-		-	
Payments to acquire tangible fixed assets		(374,203)		(331,283)	
Net cash used in investing activities			(288,616)		(233,215)
<u>Net (decrease) / increase in cash and cashequivalents</u>	2		<u>(253,083)</u>		<u>637,800</u>

HAREWOOD HOUSE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTES

1 **Reconciliation of cash generated from operations**

	<u>31.12.20</u>	<u>31.12.19</u>
	£	£
Net (outgoing) / incoming resources	(254,010)	282,604
Investment income	(85,587)	(98,068)
	<u>(339,597)</u>	<u>184,536</u>
Depreciation	371,181	448,540
Increase in stocks	(3,332)	(25,153)
(Increase) / Decrease in debtors	(453,777)	506,860
Increase / (Decrease) in creditors	461,058	(243,768)
	<u>35,533</u>	<u>871,015</u>

2 **Analysis of cash and cash equivalents and changes during the year**

a) **Analysis of cash and cash equivalents**

	<u>31.12.20</u>	<u>31.12.19</u>
	£	£
Cash at bank and in hand	211,498	464,581
	<u>211,498</u>	<u>464,581</u>

b) **Analysis of change in cash and cash equivalents**

Balance as at 1 January 2020	464,581	(173,219)
(Decrease) / Increase in net cash and funds	(253,083)	637,800
Balance as at 31 December 2020	<u>211,498</u>	<u>464,581</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1 **Company information**

The company is a registered charity, number 517753 and a company limited by guarantee (registered number 02004021) which is incorporated and domiciled in the UK. The address of the registered office is Harewood House, Harewood, Leeds, LS17 9LG.

2 **Accounting policies**

(a) **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with 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 (FRS102) (effective 1 January 2015) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006 as modified by the inclusion of fixed assets at market value.

Harewood House Trust Limited meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

These financial statements consolidate the statement of financial activity and the balance sheet of the charity and its group undertakings. The results are consolidated on a line-by-line basis. No separate statement of financial activity has been presented for the charity alone as permitted by section 408 Companies Act 2006. The group accounts comply with the Charities Act 2011.

(b) **Going concern**

The financial statements have been prepared on the going concern basis. The Trustees do not consider that any material uncertainties exist regarding the charity's ability to continue its operations. The Trust has prepared a detailed forecast and cash flow through to the end of 2022 which projects significant head room inside the overdraft facility in place.

HAREWOOD HOUSE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2 Accounting policies continued

(c) Income

Income represents income receivable in the period comprising admissions, donations, special events, retail sales and catering income along with other income arising from the charity's principal activities.

Income from commercial trading is recognised on an accruals basis.

Investment income and income tax recovered on gift aid donations is recognised on a receivable basis.

Voluntary income including donations and grants are recognised where there is entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Grant income is deferred when the donor specifies that the grant can only be used in a future accounting period or has imposed conditions to be met before unconditional entitlement.

(d) Volunteers

The value of services provided by volunteers has not been incorporated in the financial statements.

(e) Tangible fixed assets and heritage assets

Expenditure on assets less than £500 is not capitalised.

Heritage assets are recognised in the Financial Statements where reliable cost or valuation information is available.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Motor vehicles and tractors	-	20% reducing balance
Plant and machinery	-	10% - 20% reducing balance
Playground equipment	-	10% reducing balance
Heritage works of art	-	not depreciated
Heritage buildings & refurbishment	-	2% - 5% straight line
Biomass and other site improvements	-	4% - 10% reducing balance

(f) Stocks

Stocks are valued at the lower of cost or net realisable value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2 **Accounting policies continued**

(g) **Investments**

Realised and unrealised surpluses and deficits on any investments are recognised in the statement of financial activities. Any income from investments is accounted for on a receivable basis. Where held, investments are stated at market value.

Cash and cash equivalents held on deposit with a maturity date of less than one year which are held for investment purposes rather than to meet short term cash commitments are classified as current asset investments. Such investments are measured at the value of the deposit at the balance sheet date.

(h) **Pensions**

The charity operates a defined contribution scheme under auto-enrolment, the assets of which are held separately to those of the charity. Contributions are charged in the income and expenditure account in the year in which they are paid.

(i) **Expenditure and allocation of support costs**

All expenditure is accounted for on an accruals basis inclusive of any VAT which cannot be recovered and classified under activity headings that aggregate all costs related to the category.

Costs of generating voluntary funds are the costs incurred in attracting voluntary income and the costs of the commercial trading operation.

Charitable activity costs include expenditure on repairs and maintenance of Harewood House, grounds and gardens, conservation of the bird collection, curatorial and conservation costs relating to works of art, and costs associated with exhibitions and educational programmes intended to advance public knowledge and enhance scholarly use of the collections. Governance costs are included in charitable activity costs, as are those associated with the statutory and constitutional requirements of the charity.

Support costs comprise the costs of management, the finance office, depreciation, site management and finance costs which cannot be directly attributed to an activity of the charity but nevertheless support those activities. Support costs are allocated to the activity costs on a basis which is consistent with the use of resources.

(j) **Irrecoverable VAT**

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

HAREWOOD HOUSE TRUST LIMITED

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTES

3 **Lease of Harewood House**

On 4 June 1986, the charity took an assignment of a short lease of Harewood House and surrounding land and on 12 December 1996 took a further assignment of a lease of the same property for a period of 99 years from December 1996. This lease was further extended on 30 November 2016 to run for 99 years and two days from that date.

4 **Donations and legacies**

<u>Admissions under gift aid, donations and grants</u>	<u>31.12.20</u>	<u>31.12.19</u>
	<u>£</u>	<u>£</u>
Admissions and Harewood Card and gift aid	743,959	1,084,342
Donation from Executors of the 7th Earl of Harewood and subsequent will trust	500,000	1,551,930
Other donations	10,855	29,784
Other grant income	941,980	46,450
	<u>2,196,794</u>	<u>2,712,506</u>

Income from donations and legacies amounted to £1,254,814 (2019- £2,666,056) of which £Nil (2019- £1,581,714) was restricted and £1,254,814 (2019 - £1,084,342) was unrestricted.

Other Grant income includes £192,631 from the Coronavirus Job Retention Scheme (CJRS) and £749,349 from the Cultural Recovery Fund (CRF). Both have been accounted for as restricted income in line with the related expenditure. The CJRS income has been spent in full during the year with £63,335 of the CRF carried forward to 2021.

The funds donated in the year ended 31 December 2020 included £500,000 (2019 - £1,500,000) donated by the Executors of the 7th Earl of Harewood Will Trust. In 2020 these were unrestricted to cover operational costs.

The Trust benefits greatly from the involvement and contributions of volunteers. In accordance with FRS102 and the Charities SORP (FRS102), the economic contribution of volunteers is not recognised in the accounts.

5 **Income from charitable activities**

<u>Conservation and education</u>	<u>31.12.20</u>	<u>31.12.19</u>
	<u>£</u>	<u>£</u>
Admissions and Harewood Card (non-gift aid)	578,087	670,049
Guide books and education	630	27,925
Bird adoption	-	418
	<u>578,717</u>	<u>698,392</u>

HAREWOOD HOUSE TRUST LIMITED

**NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

NOTES

6 **Other trading activities**

<u>Retail, events and catering</u>	<u>31.12.20</u>	<u>31.12.19</u>
	<u>£</u>	<u>£</u>
Retail shops and cafes	252,438	319,289
Catering and courtyard events	74,713	173,327
Other events	35,936	217,729
Rents and filming income	48,315	47,129
Sundry	64,772	55,806
	<u>476,174</u>	<u>813,280</u>

7 **Income from investments**

	<u>31.12.20</u>	<u>31.12.19</u>
	<u>£</u>	<u>£</u>
Dividends	85,536	98,017
Interest	51	51
	<u>85,587</u>	<u>98,068</u>

Costs of raising funds (notes 8, 9 & 10)

8 **Costs of generating voluntary income**

	<u>31.12.20</u>	<u>31.12.19</u>
	<u>£</u>	<u>£</u>
Marketing and promotion	95,044	93,476
Operating costs	536,062	519,204
Support (see note 12)	621,749	498,693
Governance Costs (see note 13)	5,183	6,686
	<u>1,258,038</u>	<u>1,118,060</u>

The above includes £210,757 of restricted costs (2019 - £64,539).

9 **Fundraising trading costs**

	<u>31.12.20</u>	<u>31.12.19</u>
	<u>£</u>	<u>£</u>
Commercial trading operation	293,977	497,150
House and event operation	64,335	99,881
Development	51,416	87,067
Support (see note 12)	366,640	505,416
Governance Costs (see note 13)	3,058	6,776
	<u>779,426</u>	<u>1,196,290</u>

The above includes £97,272 of restricted costs (2019 - £28,044). For 2019, in addition to the above costs restricted expenditure of £28,044 was also incurred and included within the statement of financial activities.

10 **Investment Management Costs**

	<u>31.12.20</u>	<u>31.12.19</u>
	<u>£</u>	<u>£</u>
Investment management fees	12,718	13,058
	<u>12,718</u>	<u>13,058</u>

These fees are deducted from the investment portfolio through cash generated.

HAREWOOD HOUSE TRUST LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****NOTES****11 Analysis of expenditure on charitable activities**

	<u>Conservation of Harewood House and gardens</u>	<u>Conservation of Bird Garden and collection</u>	<u>Conservation of art and educational projects</u>	<u>Total 2020</u>	<u>Total 2019</u>
	£	£	£	£	£
Maintaining property open to the public	243,134	-	-	243,134	252,641
Exhibitions and educational programmes	-	-	119,121	119,121	210,996
Conserving collections	225,111	197,163	-	422,274	385,645
Marketing and events	31,681	15,840	15,840	63,361	62,317
Support (see note 12)	417,837	175,938	106,297	700,072	627,455
Governance costs (see note 13)	3,495	1,472	889	5,856	8,412
Total 2020	<u>921,258</u>	<u>390,413</u>	<u>242,147</u>	<u>1,553,818</u>	<u>1,547,466</u>
Total 2019	<u>830,962</u>	<u>331,954</u>	<u>384,550</u>		

All of the above expenditure includes £502,573 of restricted funds and is for the purpose of conservation of the House, gardens and collections which generate voluntary income and income from charitable activities. For 2019, in addition to the above costs, restricted expenditure of £149,873 was also incurred.

12 Analysis of support costs

	<u>Security & Site Services</u>	<u>Head office and Finance Office</u>	<u>Depreciation</u>	<u>Bank charges and interest</u>	<u>Total 2020</u>	<u>Total 2019</u>
	£	£	£	£	£	£
Costs of voluntary income	240,359	242,865	136,481	2,044	621,749	498,691
Fundraising trading costs	141,809	143,288	80,521	1,022	366,640	505,415
Charitable activities:						
Harewood House and Gardens	162,063	163,752	92,022	-	417,837	337,906
Bird Garden conservation	68,240	68,951	38,747	-	175,938	133,665
Art conservation and education	41,229	41,658	23,410	-	106,297	155,885
	<u>271,531</u>	<u>274,361</u>	<u>154,179</u>	<u>-</u>	<u>700,072</u>	<u>627,456</u>
Total 2020	<u>653,699</u>	<u>660,514</u>	<u>371,181</u>	<u>3,066</u>	<u>1,688,461</u>	<u>1,631,562</u>
Total 2019	<u>636,290</u>	<u>549,748</u>	<u>445,525</u>	<u>-</u>		

HAREWOOD HOUSE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTES

13	<u>Governance costs</u>	<u>31.12.20</u>	<u>31.12.19</u>
		<u>£</u>	<u>£</u>
	Trustees' meeting expenditure	214	3,075
	Trustees' indemnity insurance	1,583	1,474
	Auditor's remuneration	12,300	17,325
		<u>14,097</u>	<u>21,874</u>
14	<u>Staff costs</u>	<u>31.12.20</u>	<u>31.12.19</u>
		<u>£</u>	<u>£</u>
	Wages and salaries	1,444,491	1,362,833
	National insurance	116,762	113,817
	Pension costs	51,900	44,232
		<u>1,613,153</u>	<u>1,520,882</u>

The Trust had one employee with remuneration and benefits in excess of £60,000 (2019- One).

Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The trustees receive no remuneration for their services. Meeting expenses are shown in note 13 above.

The key management personnel of the parent charity, the Harewood House Trust Limited, and the group comprise the Trustees, Trust Director, Deputy Director, Director of Finance, Director of Collections, Director of Engagement, Facilities Manager, Head of Trading, Head Gardener and Head of Bird Garden & Animal Experience. Both the Deputy Director and Facilities Manager were made redundant in August 2020.

The total employee remuneration and benefits of the key management personnel of the Trust were £473,894 (2019- £476,100).

The Trust made redundancy payments of £18,535 to four members of staff in 2020 (2019 – NIL).

HAREWOOD HOUSE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTES

14 **Staff costs (continued)**

The average monthly headcount was 82 staff, 51 permanent and 31 casual (2019- 94) and the average monthly number of full time equivalent employees (including casual and part time staff) during the year were as follows:

	<u>31.12.20</u>	<u>31.12.19</u>
	<u>No</u>	<u>No</u>
House & admissions	19	19
Bird Garden	5	5
Gardens	9	9
Retail & catering	4	5
Events	2	2
Support & management	16	14
Full time and full-time equivalents	<u>55</u>	<u>54</u>

15 **Operating deficit**

The operating deficit is stated after charging:

	<u>31.12.20</u>	<u>31.12.19</u>
	<u>£</u>	<u>£</u>
Auditor's remuneration	12,300	17,325
Depreciation	371,181	448,540
Trustees' meeting expenses	214	3,075
Trustees' indemnity insurance	1,583	1,474

16 **Taxation**

- (a) Charity - The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.
- (b) Subsidiary undertakings - No liability to UK corporation tax arose on ordinary activities for the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTES

17 <u>Group tangible fixed assets</u>	<u>Heritage works of art</u> (note 17 (a))	<u>Heritage buildings & refurbishment</u> (note 17 (a))	<u>Biomass installation</u>	<u>Plant and machinery</u>	<u>Playground equipment</u>	<u>Tractors & Grounds Equipment</u>	<u>Assets under construction</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Cost</u>								
as at 1 January 2020	11,501,050	2,684,192	352,047	3,455,514	185,059	209,014	183,004	18,569,480
Additions	-	13,723	-	211,252	32,561	-	116,667	374,203
Disposals	-	-	-	(575,904)	-	(32,035)	-	(607,939)
as at 31 December 2020	<u>11,501,050</u>	<u>2,697,915</u>	<u>352,047</u>	<u>3,090,462</u>	<u>217,620</u>	<u>176,979</u>	<u>299,671</u>	<u>18,335,744</u>
<u>Depreciation</u>								
as at 1 January 2020	-	915,460	60,922	2,415,829	168,804	185,557	-	3,746,572
Disposals	-	-	-	(575,904)	-	(32,035)	-	(607,939)
Charge for the year	-	50,383	18,452	259,342	19,511	23,493	-	371,181
as at 31 December 2020	<u>-</u>	<u>965,843</u>	<u>79,374</u>	<u>2,099,267</u>	<u>188,315</u>	<u>177,015</u>	<u>-</u>	<u>3,509,814</u>
<u>Net book value</u>								
as at 31 December 2020	<u>11,501,050</u>	<u>1,732,072</u>	<u>272,673</u>	<u>991,195</u>	<u>29,305</u>	<u>(36)</u>	<u>299,671</u>	<u>14,825,930</u>
as at 31 December 2019	<u>11,501,050</u>	<u>1,768,732</u>	<u>291,125</u>	<u>1,039,285</u>	<u>16,255</u>	<u>23,457</u>	<u>183,004</u>	<u>14,822,908</u>

HAREWOOD HOUSE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTES

17 Cont'd <u>Charity tangible fixed assets</u>	<u>Heritage</u> <u>works of</u> <u>art</u> <small>(note 17 (a))</small>	<u>Heritage</u> <u>buildings &</u> <u>refurbishment</u> <small>(note 17 (a))</small>	<u>Biomass</u> <u>installation</u>	<u>Plant and</u> <u>machinery</u>	<u>Playground</u> <u>equipment</u>	<u>Tractors &</u> <u>Grounds</u> <u>Equipment</u>	<u>Assets</u> <u>under</u> <u>construction</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Cost</u>								
as at 1 January 2020	11,501,050	2,684,192	352,047	3,241,632	185,059	209,014	183,004	18,355,998
Additions	-	13,723	-	138,812	32,561	-	116,667	301,763
Disposals	-	-	-	(436,976)	-	(32,035)	-	(469,011)
as at 31 December 2020	<u>11,501,050</u>	<u>2,697,915</u>	<u>352,047</u>	<u>2,943,468</u>	<u>217,620</u>	<u>176,979</u>	<u>299,671</u>	<u>18,188,750</u>
<u>Depreciation</u>								
as at 1 January 2020	-	915,460	60,922	2,214,403	168,804	185,557	-	3,545,146
Disposals	-	-	-	(436,976)	-	(32,035)	-	(469,011)
Charge for the year	-	50,383	18,452	241,602	19,511	23,493	-	353,441
as at 31 December 2020	<u>-</u>	<u>965,843</u>	<u>79,374</u>	<u>2,019,029</u>	<u>188,315</u>	<u>177,015</u>	<u>-</u>	<u>3,429,576</u>
<u>Net book value</u>								
as at 31 December 2020	<u>11,501,050</u>	<u>1,732,072</u>	<u>272,673</u>	<u>924,439</u>	<u>29,305</u>	<u>(36)</u>	<u>299,671</u>	<u>14,759,174</u>
as at 31 December 2019	<u>11,501,050</u>	<u>1,768,732</u>	<u>291,125</u>	<u>1,027,229</u>	<u>16,255</u>	<u>23,457</u>	<u>183,004</u>	<u>14,810,852</u>

HAREWOOD HOUSE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

NOTES

17 (a) Heritage Assets

The charity holds two categories of heritage assets in support of its charitable objectives, to preserve Harewood House, its ancillary buildings, surroundings and collections for the public benefit.

Heritage building refurbishment

Costs of £2,633,511 are included in the balance sheet, largely relating to the refurbishment of the "Courtyard" stables block in 2005 and 2006. These are recorded at the cost incurred by the charity and are depreciated over periods of 20 and 50 years. The Courtyard is open to visitors to Harewood House, as a café and retail outlet, with an education facility and with function rooms which are available to hire.

All buildings managed by the charity are subject to regular inspection and assessment of maintenance requirements.

The charity was assigned a 99 year lease of Harewood House and the surrounding land from December 1996 which was extended until 2115 in November 2016, but the value of this lease has not been capitalised because of the difficulty in providing a reliable valuation.

Works of art

These consist of certain works of art, furniture and mirrors, most of which were donated to the charity by the 7th Earl of Harewood. The charity also made some purchases. These items are of national significance due to their association with Harewood House.

There have been no Trust purchases or disposals in the last five years.

The Charity holds heritage works of art valued by Christies in 2016 at £11,501,050. The items are deemed to have indeterminate lives and a high residual value so the Trustees do not consider it appropriate to charge depreciation.

The Charity's works of art are displayed within the collections in Harewood House, which are open to the public, and are cared for by the Charity's curatorial team.

HAREWOOD HOUSE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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18 **Group Investments**

At 31 December 2020 the Charity held listed investments with a valuation of £2,742,826.

During the year ended 31 December 2020, no increases or withdrawals were made to the externally managed portfolio. Movements shown below represent a fair value movement as reported by the fund manager.

Charity investments

Non listed investments held by the Charity relate to £100 investment in the wholly owned subsidiary company, Harewood Harewood House Trading Ltd, at market value (2019: £100).

	<u>Charity</u> <u>31.12.20</u> £	<u>Charity</u> <u>31.12.19</u> £
Investment in subsidiary	100	100

Listed investments

	<u>Charity</u> <u>31.12.20</u> £	<u>Charity</u> <u>31.12.19</u> £
Cost or valuation		
as at 1 January 2020	2,829,335	2,579,082
Additions	-	-
Disposals	-	-
Unrealised (losses) / gains on revaluation of investment assets	(86,509)	250,253
as at 31 December 2020	<u>2,742,826</u>	<u>2,829,335</u>
Carrying amount		
as at 1 January 2020	<u>2,829,335</u>	<u>2,579,082</u>
as at 31 December 2020	<u>2,742,826</u>	<u>2,829,335</u>

All investments shown above are held at valuation. Investments at fair value comprise:

Equities	1,572,505	1,576,734
Bonds	491,607	424,982
Multi asset funds	114,388	229,344
Alternatives	510,175	597,119
Cash held within the investment portfolio	54,151	1,156
	<u>2,742,826</u>	<u>2,829,335</u>

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are on a net asset value basis. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTES

19	<u>Stocks</u>	<u>Group</u> <u>31.12.20</u> <u>£</u>	<u>Group</u> <u>31.12.19</u> <u>£</u>	<u>Charity</u> <u>31.12.20</u> <u>£</u>	<u>Charity</u> <u>31.12.19</u> <u>£</u>
	Retail, catering and guide books	47,313	43,981	-	-
		<u>47,313</u>	<u>43,981</u>	<u>-</u>	<u>-</u>
20	<u>Debtors</u>	<u>Group</u> <u>31.12.20</u> <u>£</u>	<u>Group</u> <u>31.12.19</u> <u>£</u>	<u>Charity</u> <u>31.12.20</u> <u>£</u>	<u>Charity</u> <u>31.12.19</u> <u>£</u>
	Trade debtors	217,150	60,892	200,603	46,114
	Other Debtors	-	-	-	113,846
	Prepayments	420,068	122,549	420,068	103,768
		<u>637,218</u>	<u>183,441</u>	<u>620,671</u>	<u>263,728</u>
21	<u>Creditors:</u> <u>amounts falling due within one year</u>	<u>Group</u> <u>31.12.20</u> <u>£</u>	<u>Group</u> <u>31.12.19</u> <u>£</u>	<u>Charity</u> <u>31.12.20</u> <u>£</u>	<u>Charity</u> <u>31.12.19</u> <u>£</u>
	Trade creditors	442,793	204,830	277,607	189,795
	Other creditors including social security and other taxes	62,544	43,477	14,633	340
	Amounts owed to trading subsidiary	-	-	144,192	72,185
	Accruals	143,643	57,334	143,643	57,334
	Event deposits in advance	117,719	-	-	-
		<u>766,699</u>	<u>305,641</u>	<u>580,075</u>	<u>319,654</u>

HAREWOOD HOUSE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTES

22 **Subsidiary Company - Harewood House Trading Limited**

The charity owns the whole of the issued ordinary share capital (100 shares of £1 each) of Harewood House Trading Limited, a company registered in England and Wales. The subsidiary is used for non-primary purpose trading activities.

All activities have been consolidated on a line by line basis in the statement of financial activity.

A summary of the results of the subsidiary is shown below.

Summary profit & loss account

	<u>31.12.20</u>	<u>31.12.19</u>
	<u>£</u>	<u>£</u>
Turnover	366,337	712,695
Expenditure	(376,348)	(451,572)
Other income	28,080	-
Net profit	<u>18,069</u>	<u>261,123</u>
Gift aid donation	<u>(42,060)</u>	<u>(270,000)</u>
Loss after gift aid to parent company	<u>(23,991)</u>	<u>(8,877)</u>

Summary balance sheet

	<u>31.12.20</u>	<u>31.12.19</u>
	<u>£</u>	<u>£</u>
Fixed assets	66,756	12,056
Current assets	288,780	240,414
Current liabilities	(333,172)	(206,116)
Liabilities due after more than one year	-	-
Net assets	<u>22,364</u>	<u>46,354</u>
Shareholders' funds	<u>22,364</u>	<u>46,354</u>

HAREWOOD HOUSE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTES

23 Group funds

Reconciliation and analysis of movement in funds

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Permanent</u>	<u>Unrestricted</u>	<u>Total</u>	<u>Total</u>
	<u>Fund</u>	<u>Fund</u>	<u>Endowment</u>	<u>Endowment</u>	<u>31.12.20</u>	<u>31.12.19</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Opening value of funds	4,187,466	932,889	2,829,335	10,088,916	18,038,606	17,505,749
Income for the year	2,395,292	941,980	-	-	3,337,272	4,322,246
Expenditure for the year	(2,780,680)	(810,602)	-	-	(3,591,282)	(4,039,642)
Investment (losses) / gains	-	-	(86,509)	-	(86,509)	250,253
Transfer	196,301	(196,301)	-	-	-	-
Closing value of funds	<u>3,998,379</u>	<u>867,966</u>	<u>2,742,826</u>	<u>10,088,916</u>	<u>17,698,087</u>	<u>18,038,606</u>

Comparative 2019	<u>Unrestricted</u>	<u>Restricted</u>	<u>Permanent</u>	<u>Unrestricted</u>	<u>Total</u>	<u>Total</u>
	<u>Fund</u>	<u>Fund</u>	<u>Endowment</u>	<u>Endowment</u>	<u>31.12.19</u>	<u>31.12.18</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Opening value of funds	4,837,751	-	2,579,082	10,088,916	17,505,749	17,725,346
Income for the year	2,723,866	1,598,380	-	-	4,322,246	3,420,506
Expenditure for the year	(3,797,276)	(242,366)	-	-	(4,039,642)	(3,447,767)
Investment gains / (losses)	-	-	250,253	-	250,253	(192,336)
Transfer	423,125	(423,125)	-	-	-	-
Closing value of funds	<u>4,187,466</u>	<u>932,889</u>	<u>2,829,335</u>	<u>10,088,916</u>	<u>18,038,606</u>	<u>17,505,749</u>

The permanent endowment fund of £2,500,000 was donated by the Trustees of the 7th Earl of Harewood Will Trust in the year ended 31 December 2015 and must be invested with the aim of generating the greatest possible income return, without unduly putting the capital at risk. Any income generated from the permanent endowment fund may be used for the general purposes of Harewood House Trust Limited, including to cover general running costs, and as such has been shown as unrestricted income. Capital must be invested with the aim of maximising income whilst maintaining the value of the capital.

The Restricted fund primarily relates to the 'Capital Works & Special Projects Fund' to fund special projects including capital works, maintenance projects, exhibitions, education programmes and other similar projects. A donation of £1,500,000 was received in 2019. As there are no ongoing restrictions over the use of the assets and projects funded by this donation the £128,258 spent on eligible items has been transferred from restricted to unrestricted reserves. A further £68,043 of the Cultural Recovery Fund Grant was also invested in Capital Assets and transferred to unrestricted reserves.

Summary of Restricted Funds

	<u>Opening</u>	<u>Income in</u>	<u>Expenditure</u>	<u>Capital</u>	<u>Balance</u>
	<u>Value</u>	<u>Year</u>	<u>in Year</u>	<u>Projects</u>	<u>30.12.20</u>
Will Trust Projects Fund	932,889	-	-	(128,258)	804,631
Cultural Recovery Fund	-	749,349	(617,971)	(68,043)	63,335
CJRS	-	192,631	(192,631)	-	-
Total	<u>932,889</u>	<u>941,980</u>	<u>(810,602)</u>	<u>(196,301)</u>	<u>867,966</u>

HAREWOOD HOUSE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTES

23 Group Funds Continued

Analysis of group net assets between funds

	<u>Unrestricted</u> <u>Fund</u>	<u>Restricted</u> <u>Fund</u>	<u>Permanent</u> <u>Endowment</u> <u>Fund</u>	<u>Unrestricted</u> <u>Endowment</u> <u>Fund</u>	<u>Total</u> <u>31.12.20</u>	<u>Total</u> <u>31.12.19</u>
	£	£	£	£	£	£
Fixed assets	-	-	2,742,826	14,825,931	17,568,757	17,652,244
Net current assets / (liabilities)	<u>3,998,379</u>	<u>867,966</u>	<u>-</u>	<u>(4,737,015)</u>	<u>129,330</u>	<u>386,362</u>
Total	<u>3,998,379</u>	<u>867,966</u>	<u>2,742,826</u>	<u>10,088,916</u>	<u>17,698,087</u>	<u>18,038,606</u>

Comparative 2019	<u>Unrestricted</u> <u>Fund</u>	<u>Restricted</u> <u>Fund</u>	<u>Permanent</u> <u>Endowment</u> <u>Fund</u>	<u>Unrestricted</u> <u>Endowment</u> <u>Fund</u>	<u>Total</u> <u>31.12.19</u>	<u>Total</u> <u>31.12.18</u>
	£	£	£	£	£	£
Fixed assets	-	-	2,829,335	14,822,909	17,652,244	17,519,248
Net current assets / (liabilities)	<u>4,187,466</u>	<u>932,889</u>	<u>-</u>	<u>(4,733,993)</u>	<u>386,362</u>	<u>(233,096)</u>
Total	<u>4,187,466</u>	<u>932,889</u>	<u>2,829,335</u>	<u>10,088,916</u>	<u>18,038,606</u>	<u>17,286,152</u>

24 Financial instruments

31.12.20 **31.12.19**

£ £

Financial assets measured at amortised cost 428,648 525,473

Financial liabilities measured at amortised cost 704,155 262,164

The Group's income, expense, gains and losses in respect of financial instruments are summarised below;

Total interest expense for financial liabilities held at
amortised cost - -

HAREWOOD HOUSE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

NOTES

25 Transactions with trustees and connected persons

David Lascelles, Earl of Harewood, entered into transactions with the Trust during the year, through the following businesses in which he had a direct interest:

Harewood Estate
Harewood Energy Supply Co Limited
Harewood Provisions Company Limited, t/a Harewood Food and Drink Project
Harewood Farming Company Limited

Diane Lascelles, Countess of Harewood also has a direct interest in the Harewood Provisions Company. The late Patricia Lascelles, The Dowager Countess of Harewood also had a direct interest in Harewood Energy Supply Co.

Details of transactions with David Lascelles, Earl of Harewood, and businesses in which he had an interest:

(a) Transactions with Harewood Estate £4,986 (2019- £33,336)

The Charity was reimbursed by the Harewood Estate for recharges of office expenses and for the provision of grounds staff.

(b) Transactions with the Earl and Countess of Harewood £63,574 (2019- £55,892)

The Charity recharged the Earl and Countess of Harewood with office and admin expenses and rent for the private apartments.

(c) Purchases from Harewood Estate £216,765 (2019- £181,657)

Harewood Estate recharged the Charity, at cost of £171,778 (2019- £165,153) for its share of security services provided to the Charity by a third party specialist security organisation. Charges were also made at cost for storage, winter maintenance, fuel and repairs provided by the Estate.

(d) Purchases from Harewood Energy Supply Co Limited £104,878 (2019- £76,335)

Harewood Energy Supply Co Limited charged the Trust £104,878 (2019- £76,355) for biomass running costs. The charge per unit was based on cost, as assessed by an independent report.

(e) Purchases from Harewood Provisions Company Limited £1,414 (2019- £10,816)

Harewood Provisions Company Limited sells a range of drinks to the Charity at an approved commercial rate which is permitted by the Charity's Articles and charity law.

(f) Purchases from Harewood Farming Company Limited £160 (2019- £5671)

Harewood Farming Company Limited provide services and products to the Charity at an approved commercial rate which is permitted by the Charity's Articles and charity law.

(g) Donations from the Earl of Harewood £nil (2019: £20,000)

The Charity received donations totalling £nil (2019: £20,000) from the Earl during the year.

HAREWOOD HOUSE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2020**

NOTES

25 Transactions with trustees and connected persons (continued)

David Lascelles, Earl of Harewood and Diane Lascelles, Countess of Harewood, are trustees of the late 7th Earl of Harewood's estate, which made donations to the Charity during the year of £500,000 (2019 - £1,500,000).

The lease of Harewood House and its surrounding lands was assigned at a peppercorn rent by David Lascelles, Earl of Harewood, and Diane Lascelles, Countess of Harewood.

Chair of Trustees, Lady Emily Shard is the daughter of David Lascelles, Earl of Harewood. She has a formal rental agreement for an apartment in the East wing of the house.

Transactions with Lady Emily Shard, £8,266 (2019 - £9,555)

Donations from the Executors of the 7th Earl of Harewood's Will Trust £500,000 (2019- £1,500,000)

The Charity received donations totalling £500,000 from the Executors of the 7th Earl of Harewood Will Trust during the year towards unrestricted operational costs.

The 7th Earl of Harewood Will Trust also has a direct interest in Harewood Energy Supply Co.

Trustee expenses

In addition to the above, meeting and travel expenses of £214 (2019- £3,075) were incurred by the Board of Trustees in carrying out their duties. These items represent a reimbursement of expenses at cost.

Awarding of catering contract

In February 2020 the Harewood Provisions Company Limited, t/a Harewood Food and Drink Project, were awarded the contract to run the catering outlets at Harewood House Trust. David Lascelles, Earl of Harewood and Diane Lascelles, Countess of Harewood are Directors of the Harewood Provisions Company. This contract was awarded after a thorough competitive tender process.

In 2020 Commission of £40,873 was invoiced to the Harewood Provisions Company.

HAREWOOD HOUSE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

NOTES

25 Transactions with trustees and connected persons (continued)

At 31 December 2020 balances were as follows:

Owed to the Charity by:

Harewood Estate	£45	(2019- £ nil)
Harewood Energy Supply Co Limited	£nil	(2019- £nil)
The Dowager Countess of Harewood	£nil	(2019- £ nil)
The Earl and Countess of Harewood	£nil	(2019- £ nil)
Harewood Provisions Company Limited	£14,197	(2019- £ nil)

As the Charity re-invoices other parties for services as described above, some invoices rendered near to the end of the Charity's financial year remain outstanding. These do not represent loans but are simply amounts outstanding as at 31 December 2020. In practice invoices are paid promptly to the Charity, and these amounts were repaid shortly after the year end.

Owed by the Charity to:

Harewood Estate	£4,435	(2019- £nil)
Harewood Energy Supply Co Limited	£58,275	(2019- £12,680)
Harewood Provisions Company Limited	£19	(2019- £9,813)
Harewood Farming Company	£nil	(2019- £200)