

Registered Number: 02004021 (England and Wales)  
Charity Number: 517753

**HAREWOOD HOUSE TRUST LIMITED**  
**(A Company Limited by Guarantee)**

**Annual Report**

**and**

**Financial Statements**

**For the Year Ended 31 December 2023**



**HAREWOOD HOUSE TRUST LIMITED**

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

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**HAREWOOD HOUSE TRUST LIMITED**

**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 Arif Ahmad Michael Bates Iwona Blazwick Jeremy Burton Rachel Mapplebeck Andrea Nixon Nima Poovaya-Smith Emily Shard
<u>Chair</u>	Lady Emily Shard
<u>Chief Executive Officer</u>	Rachel Crewes
<u>Company Secretary</u>	Gemma Whitehead (resigned 1 September 2024) Rachel Crewes (appointed 1 September 2024)
<u>Registered Office</u>	Harewood House
<u>Principal Office</u>	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 3 Wellington Place Leeds LS1 4AP
<u>Auditors</u>	Saffery LLP 10 Wellington Place Leeds LS1 4AP
<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 2023.

#### **Directors and Trustees**

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

		<u>Committee Membership at 31 December 2023</u>
Arif Ahmad	<b>A F</b>	(Chair of Audit Committee)
Michael Bates	<b>F</b>	
Iwona Blazwick		
Jeremy Burton	<b>A F</b>	(Chair of Finance & General Purposes Committee)
David Lascelles, Earl of Harewood	<b>N</b>	
Diane Lascelles, Countess of Harewood		
Rachel Mapplebeck		
Andrea Nixon	<b>F</b>	
Nima Poovaya-Smith		
Lady Emily Shard	<b>F</b>	(Chair of Trustees)
Charles Sebag-Montefiore	<b>A F</b>	(Until May 2023)

**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 Iwona Blazwick, Nima Poovaya-Smith, David Lascelles, Earl of Harewood and Diane Lascelles, Countess of Harewood.

Michael Bates is Chair of the Trust's subsidiary Trading Company Board. David Lascelles, Earl of Harewood is also a member of the Trading Board (until November 2023).

Sir Hugh Roberts, a former Trustee, was a member of the Collections Committee (until June 2023).

#### **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 fifteen 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.



## **HAREWOOD HOUSE TRUST LIMITED**

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

#### **Structure, Governance and Management (continued)**

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.

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 37. During the year ended 31 December 2023, Harewood House Trading delivered the non-primary purpose trading activities of the group. Harewood House Trading is fully consolidated within the group accounts, which increases the level of turnover, assets and liabilities.

#### **Key Management Personnel**

Executive Team:

Chief Executive Officer	Rachel Crewes
Deputy Chief Executive Officer	Kath Knight
Chief Curator and Artistic Director	Darren Pih

In addition to the Executive Team, the Trust has a Senior Management Team comprising of: Head Gardener, Head of Public Engagement, Finance Director, Head of Commercial and Visitor Experience, Head of Development (from September 2023), Collections Manager and Registrar, and Head of Marketing and Audiences.

#### **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.



**HAREWOOD HOUSE TRUST LIMITED**

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

**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 7<sup>th</sup> 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 2023, the Charity undertook the following:

- maintaining the historic buildings and gardens and continuing to conserve and interpret the collections;
- maximising access and quality service to all visitors;
- 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**



### **Strategic Report**

#### **A–Achievements and Performance**

2023 was a year of considerable change at Harewood, with the first positive steps taken towards realising the Reimagining Harewood masterplan. In January 2023 it was announced that the ageing bird garden was to close; with the majority closing to the public in late February. The penguins remained until September, with the farm finally closing at the end of the year.

The Reimagining Harewood masterplan scheme was developed and included plans to develop a new playground, a new contemporary garden to replace the bird garden site, remodeling the listed Bakehouse into a visitor centre, vastly improving our welcome and orientation; and lastly a scheme to improve our car park capacity and all year usability.

The Trust continues to be regulated by the Fundraising Regulator, confirming our commitment to the Code of Fundraising Practice and the Fundraising Promise. A new Head of Development started in September, with a focus on capital development fundraising and further expansion of our fundraising goals.

The first phase of the Museum and Estate Development Fund funded repair of the south façade windows was completed in October, with the second phase due to be completed in spring 2024. Steady progress was made with the Digital Masterplan following on from the grant of £187k from the National Heritage Lottery Fund. The project aims to address new audience, digital interpretation and resource development, improvements to online retail/ ticketing and more significantly a new and much needed website.

We had great success with exhibitions and programming throughout the year; including the following:

#### **'Missing Portraits' series**

##### **Arthur France: Son of a Small Island**

This was the first in a series of commissioned portraits honouring the lives of people of African-Caribbean descent with links to Harewood House. The exhibition centred on a portrait of Arthur France made by the Leeds-based artist Ashley Karrell, which celebrated the sitter as a community activist and founder of the Leeds West Indian Carnival. The exhibition was a great success, attracting positive press coverage. The exhibition also featured on BBC TV's Look North. Following the exhibition, the portrait was integrated as part of the permanent collection displays on the State Floor.

#### **Faces of Britain and the Gaps in British History**

'Faces of Britain' was a panel discussion on 2 February 2023 which explored the capacity of portraiture to represent Britain's complex colonial history. The discussion was programmed to mark the launch of our 'Missing Portraits' series. The panelists were Thomas J. Price (artist), Nicholas Cullinan (Director, National Portrait Gallery), Moya Lothian-McLean (journalist), and David Lascelles, chaired by writer and campaigner Yassmin Abdel-Magied. Organised in partnership with Intelligence Squared, it was attended by a live audience of 45. A further 141 booked to view the live stream, which will be available to view via the Intelligence Squared platform.

**HAREWOOD HOUSE TRUST LIMITED****TRUSTEES' REPORT TO THE MEMBERS OF  
HAREWOOD HOUSE TRUST LIMITED (CONTINUED)****A–Achievements and Performance (Continued)****Reframing Reynolds**

Marking the 300th anniversary of the birth of Sir Joshua Reynolds, this collection-based exhibition examined six portraits of the Lascelles family. It offered new perspectives on the artist's work with new interpretations to disrupt centuries-old narratives, addressing themes relevant to contemporary audiences. The exhibition launched with fanfare on 16 March and was attended by key stakeholders from the National Heritage Lottery Fund, as well as representatives from the regional universities, museums, treasure houses, and galleries. *Reframing Reynolds* has received a broadly positive response from audiences with many complementing our fresh approach to interpreting Reynolds' work. It has also enjoyed good coverage in the local press, including a double-page spread in *The Yorkshire Post*.

**Crowning Glory: The Coronation of King Charles III**

Marking the coronation of King Charles III, the centrepiece of this display was the Lascelles family coronation robes which had been recently conserved using funds from the Patricia Harewood Will Trust. The display included a display of coronets, alongside archival documents and an illustrated timeline tracing the family's relationship to the ceremony.

**Lucy + Jorge Orta, '70 x 7: The Meal, Act XLV', 8 July 2023****Seeds exhibition, 8 July to 22 October 2023**

On 8 July, we presented the 45th iteration of '70 x 7: The Meal, Act XLV', a large-scale art installation by Lucy + Jorge Orta. This brought together 200 people from communities across Leeds for a shared meal and to engage in conversations around environmental responsibility. The meals were prepared by students from Leeds City College, and served on artist-designed Royal Limoges plates and table runners. The project was co-created with communities across Leeds, including Rainbow Junction, Tea + Tolerance, and Zest. The project also featured an exhibition of Lucy + Jorge Orta's hand-blown Murano glass seed sculptures, which were presented in the historic kitchen. The delivery of this ambitious project aligns with Harewood's values, seeding a poetic metaphor for the need to care for nature, community and heritage. 29,359 people visited the exhibition and the visitor responses were positive. The project was generously supported by Leeds 2023 through the National Heritage Lottery Fund.

**Missing Portraits: David Harewood OBE****9 September to 29 October 2023**

Harewood House continued its Open History programme with a newly commissioned portrait of renowned actor David Harewood OBE, whose ancestors were enslaved by the 2<sup>nd</sup> Earl of Harewood on a sugar plantation in Barbados in the early 19<sup>th</sup> century. The 'Missing Portraits' series focuses on contemporary sitters of African-Caribbean heritage who have connections to Harewood, helping redress the lack of diversity across our historic collections. The new portrait was announced in early March and received widespread attention in the national press, including in *The Voice*, *The Times*, *The Guardian*, *Tatler* and *BBC Online*.

**HAREWOOD HOUSE TRUST LIMITED****TRUSTEES' REPORT TO THE MEMBERS OF  
HAREWOOD HOUSE TRUST LIMITED (CONTINUED)****A–Achievements and Performance (Continued)****Sonia Boyce*****Crop Over*, 11 September to 22 October 2023**

We were delighted to present *Crop Over* by British Afro-Caribbean artist Sonia Boyce. This video installation explores a Barbadian carnival which marks the end of the annual harvest, which originated in the 1780s on sugar cane plantations during slavery. Taking the form of a pseudo-documentary, Boyce's work celebrates the annual carnival while examining its relationship to the transatlantic trade in enslaved individuals. *Crop Over* was commissioned by Harewood House in 2007. Boyce is one of the most prominent artists working today. She represented Britain at the 2022 Venice Biennial and the exhibition at Harewood was presented in tandem with the artist's solo exhibition *Feeling Her Way* at Leeds Art Gallery.

**Harewood's Great Time Travelling Christmas**

We worked with Studio MUTT, a Liverpool based architect and design firm, who collaborated with us to create a surreal and playful interpretation of Christmases from 1950 to 2050, with a futuristic Christmas dinner, a 90s disco, a wall of 2000s Christmas lights, and a giant playable 60s snakes and ladder board game.

**Business performance**

Harewood experienced significant growth in the two years following the pandemic, experiencing a 33% increase in visitor numbers since 2019. Although 2023 was more challenging and unpredictable, the final visitors numbers of 231,000 were still 20% more than pre-Covid. Visitor numbers were strong during February half-term (+44% up on 2022), in May and in September but generally tracked below 2022, with the closure of the bird garden, poorer weather, including the wettest spring in over 40 years impacting negatively.

Venue hire has performed well this year, 34% up on 2022. Our large outdoor events, including the Great British Food Festival, VW Festival, Dog Fest and Winter Artisan Market were well attended, although the AEG concert series was unfortunately cancelled due to insufficient sales. Filming activity was strong in the first half of the year, with the film writers' strike impacting any further business growth in the latter half. The travel trade has performed well in 2023 with groups up 28% on last year and Christmas coach bookings up 53% on budget.

In October 2023, we took the decision to insource catering, to better control the offer and improve efficiencies.

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

**A—Achievements and Performance (Continued)**

**Collections Care and Conservation**

The painting of the Madonna and Child with St John and St Jerome attributed to Vivarini and Basaiti returned to Harewood in August after extensive conservation work by Simon Bobak and Anna Sande, and is now back on display in the Gallery. This work was funded by the Patricia Harewood Trust.

The Music Room pier tables were returned on 22 August, which had undergone conservation work at the Victoria and Albert Museums' furniture conservation studio. The conservators who worked on the tables also came to Harewood and worked on the Music Room pier glasses in situ, this work was also completed in August.

We currently have one Chippendale torchère undergoing conservation at the Carvers & Gilders studio. This is the first of six which will be conserved in a phased way over the next few years. This work was also funded by the Patricia Harewood Trust.

**B—Financial Review**

The results for the year ended 31 December 2023 are shown on page 19 in the consolidated statement of financial activity (incorporating the income and expenditure account). Net assets have increased to £17,951,656 from £17,880,568 a movement of £71,088 inclusive of all donations and unrealised gains on investments. The results for the year and the balance sheet of Harewood House Trading Limited are shown at note 22 (page 37), and the results are consolidated within these accounts.

Overall income from day visitor and membership admissions was £1,966,978 (2022 - £2,241,618). Within this number, visitor and membership admissions under gift aid was down on prior year at £875,106 (2022 - £897,482). Costs of generating voluntary income increased to £1,009,206 (2022 - £963,110). Fundraising and trading costs increased to £1,704,161 (2022 - £1,452,851). This increase in costs is due to the higher levels of activity across the Harewood House Trust site. Expenditure on charitable activities increased to £2,145,075 (2022 - £2,077,156) and was significantly impacted by rising costs in particular utilities and maintenance.

The Group's trading activities (events, retail, catering and film work) generated a surplus of £421,477 (2022 - £463,990) for the year.

The overall consolidated surplus of the charity for the year was £71,088 (2022 - deficit £232,492), which included non-admissions related grants and donations of £555,003 (2022 - £130,193) as shown in Note 4.

The unrestricted endowment fund (comprised of Heritage Assets) at 31 December 2023 was valued at £10,088,916 (2022 - £10,088,916). The Endowment Fund, established in 2015 was valued at £1,794,247 at 31 December 2023 (2022 - £2,764,198). Additions of £1,441,627 were made to and £396,264 has been used from the restricted fund during the year leaving a balance at 31 December 2023 of £2,010,197 (2022 - £964,834).

There are £11,501,050 (2022 - £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 7<sup>th</sup> Earl of Harewood, other Lascelles family trusts and family member.



## **HAREWOOD HOUSE TRUST LIMITED**

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

#### **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.

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 2023 dividends and interest were received from the fund of £101,084 (2022 - £106,742).

#### **D–Reserves Policy**

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

- Donations and admissions income from visitors and from Harewood House Trust members
- Investment income generated from the Endowment Fund (which had a capital value of £2.5m at 31 December 2023)
- 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 2023, the Trust had total funds of £17,951,656 (2022 - £17,880,568). This includes a restricted Endowment Fund of £1,794,247 (2022 - £2,764,198). 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 2023, the Trust had free reserves of £nil (2022 - £nil), against a target of £393,395 (2022 - £412,724).



## **HAREWOOD HOUSE TRUST LIMITED**

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

#### **E-Going Concern**

The financial statements have been prepared on the going concern basis. The Trustees have reviewed cash flow forecasts for a period of at least one year from the date of signing these financial statements and considered appropriate downside sensitivities. Given the seasonal and economic challenges facing the organisation and sector, post year end confirmation has been received that the endowment fund can be drawn down as required. The release of the investment is in order to reduce reliance on expensive overdraft arrangements and to bridge any operational funding gaps whilst the organisation undergoes significant capital developments planned for the site. Having considered the forecasts, the Trustees are satisfied that liabilities can be met as they fall due and there is sufficient headroom in the forecasts that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

#### **F-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 Executive Team Meetings and Trustee Committee meetings.

##### **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 (until October 2023); 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



## **HAREWOOD HOUSE TRUST LIMITED**

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

#### **F–Principal Risks and Uncertainties (continued)**

##### **Economic risks**

Income levels are strongly impacted by visitor and membership numbers, which in turn are affected by weather and the economic climate. The Trust continues to develop, improve and monitor the visitor offer and 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 helps provide additional income to contribute towards the Trust's operational revenue. The Trust will increasingly seek opportunities for grant 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 and formal loan agreements for works of art placed on loan by the Lascelles family.

In order to indemnify the Trustees against the consequences of neglect or default on their part, the Charity has purchased indemnity insurance.

**HAREWOOD HOUSE TRUST LIMITED****TRUSTEES' REPORT TO THE MEMBERS OF  
HAREWOOD HOUSE TRUST LIMITED (CONTINUED)****G-Plans for future periods**

Priorities and highlights for 2024 include:

- Submitting planning permission for the new adventure play, which should have a significant impact on membership and income generation, with plenty of recent examples in the industry to reinforce that assumption. Following the completion of the new adventure play area, attention will shift to the new South Garden (former Bird Garden) and Bakehouse planning application.
- Our first Spring Artisan Market will kick-start the main season with 4000 visitors attending and will be closely followed with a collection-based, Colours Uncovered with an Easter family-friendly offer, part sponsored by ethical chocolate brand, Play by Choc.
- The Arts Council Harewood Biennial, Create/ Elevate will follow in June, with strong PR and critical appeal anticipated. The associated and externally funded Make It Harewood Festival will run concurrently over three summer holiday weekends, with a focus on craft, food and music.
- In anticipation of some disruption to the current adventure play during the build phase, we will be working with brilliant creatives, Wild Rumpus to create an interactive, temporary Playscape on the South Front of the house to run across the whole summer - <https://wildrumpus.org.uk/>
- The return of the award-winning Studio McGuire in a second iteration of Night at a Mansion at Christmas, will undoubtedly be universally popular and should bolster admission and membership income at the end of the year - <https://www.studiomcguire.com/harewoodhouse>
- Progress has been made against the Heritage Fund supported digital project, with web design agencies to be interviewed in March. The new website, with an improved UX, should lead to better ticket sales, member conversion and online experience overall.
- We continue to build the family offer with Under 5 Fridays and a rollout of parent drop-off school holiday clubs, following a successful trial at February half-term.

**2024 exhibition programme****David Harewood: What's in a Name?**

To 3 March 2024

Following the Christmas period, we reopened our exhibition which focuses on the celebrated actor and writer David Harewood.

**Colours Uncovered****22 March - 2 June 2024**

Harewood House commenced its 2024 programme with **Colours Uncovered**. This accessible new exhibition explores the history and science of colours. Using a selection of objects and artworks from the Harewood House collection, it examines what colours can tell us about the history of civilisation, scientific discovery and society from the 1500s to today.

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

**Statement of Trustees' Responsibilities**

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 which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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.

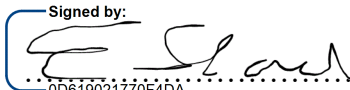
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group 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 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 31 October 2024 and signed on their behalf by:

Chair and Trustee

Signed by:  ..... EMILY SHARD  
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**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 Limited (the 'parent charitable company') and its subsidiary, Harewood House Trading Limited (the 'group'), for the year ended 31 December 2023 which comprise the consolidated statement of financial activities incorporating the income and expenditure account, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows 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 state of the affairs of the group and the parent charitable company as at 31 December 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006,

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

#### **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 require 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's 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 Statement of Trustees' Responsibilities set out on page 13, the trustees (who are also the 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 the 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 but 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 those Acts.

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 operate.

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.

**HAREWOOD HOUSE TRUST LIMITED****AUDITOR'S REPORT TO THE MEMBERS OF  
HAREWOOD HOUSE TRUST LIMITED (CONTINUED)****Auditor's responsibilities for the audit of the financial statements (continued)**

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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



**HAREWOOD HOUSE TRUST LIMITED**

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

**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 and trustees 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, the parent charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Saffery LLP*

Sally Appleton (Senior Statutory Auditor)

for and on behalf of Saffery LLP Chartered Accountants and Statutory Auditors

10 Wellington Place

Leeds

LS1 4AP

Date: 31 October 2024

Saffery 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 2023**

	<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>31.12.23</u> <u>£</u>	<u>Total</u> <u>31.12.22</u> <u>£</u>
<b><u>Income and endowments from:</u></b>						
<b><u>Donations and legacies</u></b>						
Admissions under gift aid, donations and grants	4	893,283	1,441,627	-	2,334,910	1,704,318
<b><u>Income from charitable activities</u></b>						
Conservation and education	5	1,104,163	-	-	1,104,163	1,368,128
<b><u>Other trading activities</u></b>						
Retail, events and catering	6	1,370,427	-	-	1,370,427	1,318,536
<b><u>Income from investments</u></b>						
	7	101,084	-	-	101,084	106,742
<b><u>Total income and endowments</u></b>		<u>3,468,957</u>	<u>1,441,627</u>	<u>-</u>	<u>4,910,584</u>	<u>4,497,724</u>
<b><u>Expenditure on:</u></b>						
<b><u>Raising funds</u></b>						
Costs of generating voluntary income	8	1,009,206	-	-	1,009,206	963,110
Fundraising trading costs	9	1,704,161	-	-	1,704,161	1,452,851
Charitable activities	11	1,766,114	378,961	-	2,145,075	2,077,156
<b><u>Total expenditure</u></b>		<u>4,479,481</u>	<u>378,961</u>	<u>-</u>	<u>4,858,442</u>	<u>4,493,117</u>
Net (expenditure)/income		(1,010,524)	1,062,666	-	52,142	4,607
<b><u>Net (gains / (losses) on investments</u></b>						
Unrealised gains / (losses) on revaluation of investment assets	18	-	(17,303)	36,249	18,946	(237,099)
<b><u>Net (expenditure)/income after gains/(losses) on investments</u></b>		<u>(1,010,524)</u>	<u>1,045,363</u>	<u>36,249</u>	<u>71,088</u>	<u>(232,492)</u>
Transfers	23	1,006,200	-	(1,006,200)	-	-
<b><u>Net movement in funds</u></b>		<u>(4,324)</u>	<u>1,045,363</u>	<u>(969,951)</u>	<u>71,088</u>	<u>(232,492)</u>
<b><u>Reconciliation of funds</u></b>						
Funds brought forward on January 1st		4,062,620	964,834	12,853,114	17,880,568	18,113,060
<b><u>Funds carried forward on December 31st</u></b>		<u>4,058,296</u>	<u>2,010,197</u>	<u>11,883,163</u>	<u>17,951,656</u>	<u>17,880,568</u>

The Statement of Financial Activity includes all gains and losses recognised in the year.

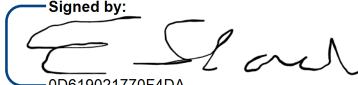
The notes at pages 24-43 form part of these financial statements.

**HAREWOOD HOUSE TRUST LIMITED**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2023**

	<b><u>NOTES</u></b>	<b><u>31.12.23</u></b>	<b><u>31.12.22</u></b>
		<b>£</b>	<b>£</b>
<b><u>Fixed assets</u></b>			
Tangible assets	17	1,689,527	1,279,605
Heritage assets	17	13,556,091	13,590,686
Investments	18	2,446,844	3,434,198
		<u>17,692,462</u>	<u>18,304,489</u>
<b><u>Current assets</u></b>			
Stocks	19	58,048	30,609
Debtors	20	445,139	424,256
Cash at bank and in hand		554,657	-
		<u>1,057,844</u>	<u>454,865</u>
<b><u>Liabilities</u></b>			
Creditors - amounts falling due within one year	21	(798,650)	(878,786)
		<u>(798,650)</u>	<u>(878,786)</u>
<b><u>Net current assets/(liabilities)</u></b>		<u>259,194</u>	<u>(423,921)</u>
<b><u>Total assets less current liabilities</u></b>		17,951,656	17,880,568
<b><u>Net assets</u></b>		<u>17,951,656</u>	<u>17,880,568</u>
Financed by:			
<b><u>Funds of the charity</u></b>			
Endowment funds	23	11,883,163	12,853,114
Restricted funds	23	2,010,197	964,834
Unrestricted funds	23	4,058,296	4,062,620
<b><u>Total funds</u></b>		<u>17,951,656</u>	<u>17,880,568</u>

Approved and authorised for issue by the Trustees on 31 October 2024 and signed on their behalf by:

Signed by:  
  
 .....00619Q21770F4DA.....

**EMILY SHARD - DIRECTOR**

Company registration number 02004021

The notes at pages 24-43 form part of these financial statements.

**HAREWOOD HOUSE TRUST LIMITED****HAREWOOD**

**CHARITY BALANCE SHEET**  
**AS AT 31 DECEMBER 2023**

	<u>NOTES</u>	<u>31.12.23</u>	<u>31.12.22</u>
		<u>£</u>	<u>£</u>
<b><u>Fixed assets</u></b>			
Tangible assets	17	1,605,364	1,199,408
Heritage assets	17	13,556,091	13,590,686
Investments	18	2,446,944	3,434,298
		<u>17,608,399</u>	<u>18,224,392</u>
<b><u>Current assets</u></b>			
Debtors	20	223,204	175,953
Cash at bank and in hand		460,393	-
		<u>683,597</u>	<u>175,953</u>
<b><u>Liabilities</u></b>			
Creditors - amounts falling due within one year	21	(716,662)	(639,115)
		<u>(716,662)</u>	<u>(639,115)</u>
<b><u>Net current liabilities</u></b>		<u>(33,065)</u>	<u>(463,162)</u>
<b><u>Total assets less current liabilities</u></b>		17,575,334	17,761,230
<b><u>Net assets</u></b>		<u>17,575,334</u>	<u>17,761,230</u>
Financed by:			
<b><u>Funds</u></b>			
Endowment fund	23	11,883,163	12,853,114
Restricted funds	23	2,010,197	964,834
Unrestricted funds	23	3,681,974	3,943,282
<b><u>Total funds</u></b>		<u>17,575,334</u>	<u>17,761,230</u>

Approved and authorised for issue by the Trustees on 31 October 2024 and signed on their behalf by:

Signed by:  
  
 OD619021770F4DA.....

**EMILY SHARD - DIRECTOR**

The notes at pages 24-43 form part of these financial statements.

**HAREWOOD HOUSE TRUST LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b><u>NOTES</u></b>	<b><u>31.12.23</u></b>		<b><u>31.12.22</u></b>	
		<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>
<b><u>Cash flows from operating activities</u></b>	<b>1</b>		351,946		240,576
<b><u>Cash flows from investing activities</u></b>					
Investment income received		101,084		106,742	
Purchase of investment		-		(670,000)	
Proceeds from sale of investment		1,006,200		-	
Net cash inflow/(outflow) from investing activities		<u>1,107,284</u>		<u>(563,258)</u>	
<b><u>Capital expenditure and financial investment</u></b>					
Payments to acquire tangible fixed assets		(698,472)		(294,391)	
Net cash used in investing activities			408,812		(857,649)
<b><u>Net Increase / (decrease) in cash and cash equivalents</u></b>	<b>2</b>		<u>760,758</u>		<u>(617,073)</u>

**HAREWOOD HOUSE TRUST LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES****1 Reconciliation of cash generated from operations**

	<b><u>31.12.23</u></b>	<b><u>31.12.22</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>
Net income	52,142	4,607
Investment income	<u>(101,084)</u>	<u>(106,742)</u>
	(48,942)	(102,135)
Depreciation	323,245	331,071
Increase in stocks	(27,439)	(952)
Increase in debtors	(20,883)	(102,849)
Increase in creditors	125,965	115,441
Net cash inflow from operating activities	<u>351,946</u>	<u>240,576</u>

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

	<b><u>31.12.23</u></b>	<b><u>31.12.22</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>
Cash at bank and in hand	<u>554,657</u>	<u>(206,101)</u>
	554,657	(206,101)

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

Balance as at 1 January 2023	(206,101)	410,972
Increase / (Decrease) in net cash and funds	<u>760,758</u>	<u>(617,073)</u>
Balance as at 31 December 2023	<u>554,657</u>	<u>(206,101)</u>

**HAREWOOD HOUSE TRUST LIMITED****NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2023****NOTES****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 in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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 FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

These financial statements consolidate the financial statement of financial activities 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 have 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 have reviewed cash flow forecasts for a period of at least one year from the date of signing these financial statements and considered appropriate downside sensitivities. Given the seasonal and economic challenges facing the organisation and sector, post year end confirmation has been received that the endowment fund can be drawn down as required. The release of the investment is in order to reduce reliance on expensive overdraft arrangements and to bridge any operational funding gaps whilst the organisation undergoes significant capital developments planned for the site. Having considered the forecasts, the Trustees are satisfied that liabilities can be met as they fall due and there is sufficient headroom in the forecasts that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

**HAREWOOD HOUSE TRUST LIMITED**

**NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES****2 Accounting policies****(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. The reducing balance method of depreciation had been used for some categories up to 2020:

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

Assets under construction are not depreciated

**HAREWOOD HOUSE TRUST LIMITED**

**NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES****2 Accounting policies*****(f) Stocks***

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

***(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 asset 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, 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 direct costs charged to those activities.

***(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 2023**

**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****Admissions under gift aid, donations and grants**

	<u>31.12.23</u>	<u>31.12.23</u>	<u>31.12.23</u>	<u>31.12.22</u>	<u>31.12.22</u>	<u>31.12.22</u>
	<u>£</u>	<u>£</u>	<u>£</u>			<u>£</u>
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Admissions and Harewood Card and gift aid	875,106	-	875,106	897,482	-	897,482
Donation from Patricia Harewood Trust Fund	-	59,461	59,461	-	676,643	676,643
Donation from Executors of the 7th Earl of Harewood and subsequent Will Trust	-	845,339	845,339	-	-	-
Leeds 2023 Funding	-	69,500	69,500	-	-	-
Arts Council (MEND)	-	467,327	467,327	-	25,104	25,104
Museums and Galleries Exhibition Tax Relief	-	-	-	69,016	-	69,016
Other donations	18,176	-	18,176	36,073	-	36,073
	<u>893,282</u>	<u>1,441,627</u>	<u>2,334,909</u>	<u>1,002,571</u>	<u>701,747</u>	<u>1,704,318</u>

In the year ended 31 December 2023 funds totalling £59,461 (2022: £676,643) were received from the Patricia Harewood Trust Fund. The funds were specifically received for the conservation of the collection and investment therefore these funds have been restricted.

The income from Arts Council (MEND) relates to the conservation of Harewood and therefore these funds have been restricted.

The income from the Executors of the 7th Earl of Harewood and subsequent Will trust relates to the conservation of Harewood (£585,339) and ongoing programming (£250,000) and therefore these funds have been restricted.

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****Conservation and education**

	<u>31.12.23</u>	<u>31.12.22</u>
	<u>£</u>	<u>£</u>
Admissions and Harewood Card (non-gift aid)	1,091,872	1,344,136
Guide books and education	12,291	23,992
	<u>1,104,163</u>	<u>1,368,128</u>

**HAREWOOD HOUSE TRUST LIMITED**

**NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES****6 Other trading activities**

<b><u>Retail, events and catering</u></b>	<b><u>31.12.23</u></b>	<b><u>31.12.22</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>
Retail shops and cafes	536,793	486,516
Catering and courtyard events	486,635	262,188
Other events	228,810	424,490
Rents and filming income	69,210	109,167
Sundry	48,979	36,175
	<u>1,370,427</u>	<u>1,318,536</u>

**7 Income from investments**

	<b><u>31.12.23</u></b>	<b><u>31.12.22</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>
Dividends	101,084	106,742
	<u>101,084</u>	<u>106,742</u>

**8 Costs of generating voluntary income**

	<b><u>31.12.23</u></b>	<b><u>31.12.22</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>
Marketing and promotion	115,047	104,020
Operating costs	354,550	354,057
Support (see note 12)	532,356	499,253
Governance Costs (see note 13)	7,253	5,780
	<u>1,009,206</u>	<u>963,110</u>

The above costs are all unrestricted.

**9 Fundraising trading costs**

	<b><u>31.12.23</u></b>	<b><u>31.12.22</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>
Commercial trading operation	713,403	543,355
House and event operation	108,623	153,690
Development	35,289	45,135
Support (see note 12)	835,463	702,537
Governance Costs (see note 13)	11,383	8,134
	<u>1,704,161</u>	<u>1,452,851</u>

The above costs are all unrestricted.

**10 Investment Management Costs**

	<b><u>31.12.23</u></b>	<b><u>31.12.22</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>
Investment management fees	5,005	6,810
	<u>5,005</u>	<u>6,810</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 2023**

**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 2023</u> £	<u>Total 2022</u> £
Maintaining property open to the public	277,492	-	-	277,492	196,741
Exhibitions and educational programmes	-	-	459,456	459,456	560,400
Conserving collections	7,145	296,453	-	303,598	268,538
Marketing and events	38,346	19,173	19,173	76,692	69,347
Support (see note 12)	277,380	288,897	447,745	1,014,022	970,889
Governance costs (see note 13)	3,779	3,936	6,100	13,815	11,241
<b>Total 2023</b>	<b>604,142</b>	<b>608,459</b>	<b>932,474</b>	<b>2,145,075</b>	<b>2,077,156</b>
<b>Total 2022</b>	<b>434,235</b>	<b>528,577</b>	<b>1,114,344</b>		

All of the above expenditure includes £378,961 of restricted funds (2022 - £31,747) and is for the purpose of conservation of the House, gardens and collections which generate voluntary income and income from charitable activities.

**12 Analysis of support costs**

	<u>Security &amp; Site Services</u> £	<u>Head office and Finance Office</u> £	<u>Depreciation</u> £	<u>Bank charges and interest</u> £	<u>Total 2023</u> £	<u>Total 2022</u> £
Costs of voluntary income	431,691	25,179	72,225	3,261	532,356	499,252
Fundraising trading costs	677,484	39,514	113,347	5,118	835,463	702,537
Charitable activities:						
Harewood House and Gardens	224,932	13,117	37,632	1,699	277,380	193,210
Bird Garden conservation	234,269	13,663	39,195	1,770	288,897	247,214
Art conservation and education	363,080	21,176	60,746	2,743	447,745	530,465
	822,281	47,956	137,573	6,212	1,014,022	970,889
<b>Total 2023</b>	<b>1,931,456</b>	<b>112,649</b>	<b>323,145</b>	<b>14,591</b>	<b>2,381,841</b>	<b>2,172,678</b>
<b>Total 2022</b>	<b>1,728,537</b>	<b>112,223</b>	<b>330,041</b>	<b>1,877</b>		

**HAREWOOD HOUSE TRUST LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES**

<b>13</b>	<b><u>Governance costs</u></b>	<b><u>31.12.23</u></b>	<b><u>31.12.22</u></b>
		<b><u>£</u></b>	<b><u>£</u></b>
	Trustees' meeting expenditure	4,811	3,115
	Trustees' indemnity insurance	2,940	2,940
	Auditor's remuneration	24,700	19,100
		<u>32,451</u>	<u>25,155</u>
<b>14</b>	<b><u>Staff costs</u></b>	<b><u>31.12.23</u></b>	<b><u>31.12.22</u></b>
		<b><u>£</u></b>	<b><u>£</u></b>
	Wages and salaries	1,662,943	1,553,481
	National insurance	129,698	133,072
	Pension costs	54,726	58,740
		<u>1,847,367</u>	<u>1,745,293</u>

The Trust had three (2022: four) employees with remuneration and benefits in excess of £60,000 as follows:

	<b>2023</b>	<b>2022</b>
£60,000 to £70,000	2	3
£90,000 - £100,000	1	-
£110,000 to £120,000	-	1
Total	<u>3</u>	<u>4</u>

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, Harewood House Trust Limited, and the group comprise the Trustees, Trust Director, Director of People and Environment, Director of Finance and Operations, Director of Engagement, Commercial Director, Chief Curator and Artistic Director, Head Gardener, Head of Learning and Access, Head of Commercial Operations, Development Manager, Operations Manager, Artistic Producer, Finance Manager, Visitor Experience Manager, Collections Manager and Registrar, Event Manager, Bird Garden & Animal Experience Manager, Membership & Marketing Campaigns Manager.

The total employee remuneration and benefits of the key management personnel of the Trust were £483,094 (2022 - £700,772).

The Trust made redundancy payments of £17,746 (2022 - £nil).

**HAREWOOD HOUSE TRUST LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES****14 Staff costs (continued)**

The average monthly headcount was 111 staff, 68 permanent and 43 casual (2022 - 95) and the average monthly number of full time equivalent employees (including casual and part time staff) during the year were as follows:

	<b><u>31.12.23</u></b>	<b><u>31.12.22</u></b>
	<b><u>No</u></b>	<b><u>No</u></b>
House & admissions	17	16
Bird Garden	3	3
Gardens	6	6
Retail & catering	8	8
Events	3	2
Support & management	22	21
Full time and full-time equivalents	<u>59</u>	<u>56</u>

**15 Operating deficit**

The operating surplus/deficit is stated after charging:

	<b><u>31.12.23</u></b>	<b><u>31.12.22</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>
Auditor's remuneration	24,700	19,100
Depreciation	323,145	331,071
Trustees' meeting expenses	4,811	3,115
Trustees' indemnity insurance	2,940	2,940

**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.

**HAREWOOD HOUSE TRUST LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES**

<b>17 Group tangible fixed assets</b>	<u>Heritage works of art</u> (note 17 (a))	<u>Heritage buildings &amp; refurbishment</u> (note 17 (a))	<u>Modern &amp; contemporary works of art</u> (note 17 (a))	<u>Biomass installation</u>	<u>Plant and machinery</u>	<u>Playground equipment</u>	<u>Tractors &amp; Grounds Equipment</u>	<u>Assets under construction</u>	<u>Total</u>
	£	£	£	£	£	£	£	£	£
<b><u>Cost</u></b>									
as at 1 January 2023	11,501,050	3,133,545	40,124	352,047	3,338,585	258,395	189,601	236,555	19,049,901
Additions	-	-	24,500	-	37,982	-	-	635,990	698,472
as at 31 December 2023	<u>11,501,050</u>	<u>3,133,545</u>	<u>64,624</u>	<u>352,047</u>	<u>3,376,567</u>	<u>258,395</u>	<u>189,601</u>	<u>872,545</u>	<u>19,748,373</u>
<b><u>Depreciation</u></b>									
as at 1 January 2023	-	1,084,033	-	116,276	2,584,381	212,893	182,028	-	4,179,611
Charge for the year	-	59,095	-	18,452	228,407	14,667	2,524	-	323,145
as at 31 December 2023	<u>-</u>	<u>1,143,128</u>	<u>-</u>	<u>134,728</u>	<u>2,812,788</u>	<u>227,560</u>	<u>184,552</u>	<u>-</u>	<u>4,502,756</u>
<b><u>Net book value</u></b>									
as at 31 December 2023	<u>11,501,050</u>	<u>1,990,417</u>	<u>64,624</u>	<u>217,319</u>	<u>563,779</u>	<u>30,835</u>	<u>5,049</u>	<u>872,545</u>	<u>15,245,618</u>
as at 31 December 2022	<u>11,501,050</u>	<u>2,049,512</u>	<u>40,124</u>	<u>235,771</u>	<u>754,204</u>	<u>45,502</u>	<u>7,573</u>	<u>236,555</u>	<u>14,870,291</u>

**HAREWOOD HOUSE TRUST LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES**

<b>17 Cont'd <u>Charity tangible fixed assets</u></b>	<u>Heritage works of art</u> <b>(note 17 (a))</b>	<u>Heritage buildings &amp; refurbishment</u> <b>(note 17 (a))</b>	<u>Modern &amp; contemporary works of art</u> <b>(note 17 (a))</b>	<u>Biomass installation</u>	<u>Plant and machinery</u>	<u>Playground equipment</u>	<u>Tractors &amp; 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>£</u>
<b><u>Cost</u></b>									
as at 1 January 2023	11,501,050	3,133,545	40,124	352,047	3,118,700	258,395	189,601	236,555	18,830,017
Additions	-		24,500	-	12,633		-	624,138	661,271
as at 31 December 2023	<u>11,501,050</u>	<u>3,133,545</u>	<u>64,624</u>	<u>352,047</u>	<u>3,131,333</u>	<u>258,395</u>	<u>189,601</u>	<u>860,693</u>	<u>19,491,288</u>
<b><u>Depreciation</u></b>									
as at 1 January 2023	-	1,084,033		116,276	2,444,693	212,893	182,028	-	4,039,923
Charge for the year	-	59,095	-	18,452	195,172	14,667	2,524	-	289,910
as at 31 December 2023	<u>-</u>	<u>1,143,128</u>	<u></u>	<u>134,728</u>	<u>2,639,865</u>	<u>227,560</u>	<u>184,552</u>	<u>-</u>	<u>4,329,833</u>
<b><u>Net book value</u></b>									
as at 31 December 2023	<u>11,501,050</u>	<u>1,990,417</u>	<u>64,624</u>	<u>217,319</u>	<u>491,468</u>	<u>30,835</u>	<u>5,049</u>	<u>860,693</u>	<u>15,161,455</u>
as at 31 December 2022	<u>11,501,050</u>	<u>2,049,512</u>	<u>40,124</u>	<u>235,771</u>	<u>674,007</u>	<u>45,502</u>	<u>7,573</u>	<u>236,555</u>	<u>14,790,094</u>

**HAREWOOD HOUSE TRUST LIMITED****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023****NOTES****17 (a) Heritage Assets**

The charity holds three 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.

**Modern and contemporary works of art**

This is a category of heritage fixed asset set up in 2022 following the acquisition of works of art for the modern and contemporary collection at Harewood House Trust. The items in this collection are deemed to be part of the heritage assets of the Trust due to their artistic qualities and contributions to knowledge and culture.

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**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES****18 Group Investments**

At 31 December 2023 the Charity held listed investments with a valuation of £2,446,944

During the year ended 31 December 2023, a withdrawal of £1,006,200 was made from the portfolio through a transfer from the endowment fund. No other increases or withdrawals were made to the externally managed portfolio during the year. 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. (2022: £100).

	<b><u>Charity</u></b> <b><u>31.12.23</u></b> £	<b><u>Charity</u></b> <b><u>31.12.22</u></b> £
Investment in subsidiary	<u>100</u>	<u>100</u>

**Listed investments**

<b><u>Cost or valuation</u></b>	<b><u>Charity</u></b> <b><u>31.12.23</u></b> £	<b><u>Charity</u></b> <b><u>31.12.22</u></b> £
as at 1 January 2023	3,434,198	3,001,297
Additions	-	670,000
Disposals	(1,006,200)	-
Unrealised gains / (losses) on revaluation of investment assets	18,946	(237,099)
as at 31 December 2023	<u>2,446,944</u>	<u>3,434,198</u>
<b><u>Carrying amount</u></b>		
as at 1 January 2023	<u>3,434,198</u>	<u>3,001,297</u>
as at 31 December 2023	<u>2,446,944</u>	<u>3,434,198</u>

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

Equities	1,670,833	2,167,221
Bonds	281,941	365,124
Alternatives	356,650	470,377
Cash held within the investment portfolio	137,520	431,476
	<u>2,446,944</u>	<u>3,434,198</u>

**HAREWOOD HOUSE TRUST LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES****18 Investments (Continued)**

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.

<b>19 <u>Stocks</u></b>	<b><u>Group</u></b> <b><u>31.12.23</u></b> <b>£</b>	<b><u>Group</u></b> <b><u>31.12.22</u></b> <b>£</b>	<b><u>Charity</u></b> <b><u>31.12.23</u></b> <b>£</b>	<b><u>Charity</u></b> <b><u>31.12.22</u></b> <b>£</b>
Retail, catering and guide books	58,048	30,609	-	-
	<u>58,048</u>	<u>30,609</u>	<u>-</u>	<u>-</u>
<b>20 <u>Debtors</u></b>	<b><u>Group</u></b> <b><u>31.12.23</u></b> <b>£</b>	<b><u>Group</u></b> <b><u>31.12.22</u></b> <b>£</b>	<b><u>Charity</u></b> <b><u>31.12.23</u></b> <b>£</b>	<b><u>Charity</u></b> <b><u>31.12.22</u></b> <b>£</b>
Trade debtors	374,210	313,098	152,275	66,461
Prepayments	70,929	111,158	70,929	109,492
	<u>445,139</u>	<u>424,256</u>	<u>223,204</u>	<u>175,953</u>
<b>21 <u>Creditors:</u></b> <b><u>amounts falling due within one year</u></b>	<b><u>Group</u></b> <b><u>31.12.23</u></b> <b>£</b>	<b><u>Group</u></b> <b><u>31.12.22</u></b> <b>£</b>	<b><u>Charity</u></b> <b><u>31.12.23</u></b> <b>£</b>	<b><u>Charity</u></b> <b><u>31.12.22</u></b> <b>£</b>
Bank overdraft	-	206,101	-	320,350
Trade creditors	614,629	292,356	422,118	221,102
Other creditors including social security and other taxes	32,036	90,070	27,439	5,255
Amounts owed to trading subsidiary	-	-	190,817	-
Accruals	88,085	91,139	76,288	82,908
Event deposits in advance	63,900	199,120	-	9,500
	<u>798,650</u>	<u>878,786</u>	<u>716,662</u>	<u>639,115</u>

**HAREWOOD HOUSE TRUST LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**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**

	<b><u>31.12.23</u></b>	<b><u>31.12.22</u></b>
	£	£
Turnover	1,276,738	1,237,176
Expenditure	(855,261)	(773,186)
Net profit	<u>421,477</u>	<u>463,990</u>
Gift aid donation	<u>(164,386)</u>	<u>(375,000)</u>
Profit after gift aid to parent company	<u>257,091</u>	<u>88,990</u>

**Summary balance sheet**

	<b><u>31.12.23</u></b>	<b><u>31.12.22</u></b>
	£	£
Fixed assets	84,163	80,198
Current assets	565,174	393,578
Current liabilities	(272,805)	(354,337)
Net assets	<u>376,532</u>	<u>119,439</u>
<b>Capital and reserves</b>		
Called up share capital	100	100
Profit and loss reserves	376,432	119,339
Shareholders' funds	<u>376,532</u>	<u>119,439</u>

**HAREWOOD HOUSE TRUST LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES****23 Group funds****Reconciliation and analysis of movement in funds**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Endowment</u>	<u>Unrestricted</u>		
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Endowment</u>	<u>Total 31.12.23</u>	<u>Total 31.12.22</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Opening value of funds	4,062,620	964,834	2,764,198	10,088,916	17,880,568	18,113,060
Income for the year	3,468,957	1,441,627	-	-	4,910,584	4,497,724
Expenditure for the year	(4,479,481)	(378,961)	-	-	(4,858,442)	(4,493,117)
Investment (losses) / gains	-	(17,303)	36,249	-	18,946	(237,099)
Transfer	1,006,200	-	(1,006,200)	-	-	-
Closing value of funds	<u>4,058,296</u>	<u>2,010,197</u>	<u>1,794,247</u>	<u>10,088,916</u>	<u>17,951,656</u>	<u>17,880,568</u>
<b>Comparative 2022</b>						
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Endowment</u>	<u>Unrestricted</u>	<u>Total 31.12.22</u>	<u>Total 31.12.21</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Endowment</u>	<u>£</u>	<u>£</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Opening value of funds	4,459,662	563,185	3,001,297	10,088,916	18,113,060	17,698,087
Income for the year	3,795,977	701,747	-	-	4,497,724	4,166,255
Expenditure for the year	(4,461,370)	(31,747)	-	-	(4,493,117)	(4,009,753)
Investment (losses) / gains	-	-	(237,099)	-	(237,099)	258,471
Transfer	268,351	(268,351)	-	-	-	-
Closing value of funds	<u>4,062,620</u>	<u>964,834</u>	<u>2,764,198</u>	<u>10,088,916</u>	<u>17,880,568</u>	<u>18,113,060</u>

The 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 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.

During the year permission was granted to withdraw £1,006,200 from the portfolio through a transfer from the endowment fund. Subsequent to the year end permission was granted to drawdown from the endowment fund as required.

**HAREWOOD HOUSE TRUST LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES****23 Group Funds Continued****Summary of Restricted Funds**

	<u>Opening Value</u>	<u>Income in Year</u>	<u>Expenditure in Year</u>	<u>Capital Projects</u>	<u>Balance 31.12.23</u>
	£	£	£	£	£
Will Trust Projects Fund	294,834	845,339	(250,000)	-	890,173
Patricia Harewood Trust Fund	670,000	59,461	(59,461)	-	670,000
Arts Council (MEND)	-	467,327	-	-	467,327
Investment gains/(losses)	-	-	(17,303)	-	(17,303)
Other grant income	-	69,500	(69,500)	-	-
<b>Total</b>	<b>964,834</b>	<b>1,441,627</b>	<b>(396,264)</b>	<b>-</b>	<b>2,010,197</b>

<b>Comparative 2022</b>	<u>Opening Value</u>	<u>Income in Year</u>	<u>Expenditure in Year</u>	<u>Capital Projects</u>	<u>Balance 31.12.22</u>
	£	£	£	£	£
Will Trust Projects Fund	563,185	-	-	(268,351)	294,834
Patricia Harewood Trust Fund	-	676,643	(6,643)	-	670,000
Arts Council	-	25,104	(25,104)	-	-
<b>Total</b>	<b>563,185</b>	<b>701,747</b>	<b>(31,747)</b>	<b>(268,351)</b>	<b>964,834</b>

The funds received from the Executors of the 7th Earl of Harewood and subsequent Will Trust are restricted for annual programming costs and the conservation of Harewood. Of these amounts £250,000 has been spent in the year on programming, which is included within the SOFA, and the balance has been used to fund ongoing capital expenditure on projects which remain in progress at the year-end. As such, the balances are carried forward in restricted funds until the projects complete in subsequent financial years.

The funds received from the Arts Council Museum Estate and Development Fund (MEND) is restricted for agreed capital projects which remain in progress at the year-end. As such, the balances are carried forward in restricted funds until the projects complete in subsequent financial years.

The Leeds 2023 fund included under Other grant income is restricted for specific exhibitions and community engagement activities which took place in 2023.

The Patricia Harewood funds are restricted for the conservation of the Trust's collection.

**Analysis of group net assets between funds**

	<u>Unrestricted Fund</u>	<u>Restricted Fund</u>	<u>Endowment Fund</u>	<u>Unrestricted Endowment Fund</u>	<u>Total 31.12.23</u>
	£	£	£	£	£
Fixed assets	5,156,602	652,697	1,794,247	10,088,916	17,692,462
Net current assets / (liabilities)	(1,098,306)	1,357,500	-	-	259,194
<b>Total</b>	<b>4,058,296</b>	<b>2,010,197</b>	<b>1,794,247</b>	<b>10,088,916</b>	<b>17,951,656</b>

<b>Comparative 2022</b>	<u>Unrestricted Fund</u>	<u>Restricted Fund</u>	<u>Endowment Fund</u>	<u>Unrestricted Endowment Fund</u>	<u>Total 31.12.22</u>
	£	£	£	£	£
Fixed assets	4,781,375	670,000	2,764,198	10,088,916	18,304,489
Net current assets / (liabilities)	(718,755)	294,834	-	-	(423,921)
<b>Total</b>	<b>4,062,620</b>	<b>964,834</b>	<b>2,764,198</b>	<b>10,088,916</b>	<b>17,880,568</b>

**24 Financial instruments**

	<u>31.12.23</u>	<u>31.12.22</u>
	£	£
Financial assets measured at amortised cost	928,867	106,997
Financial liabilities measured at amortised cost	766,614	582,615

**HAREWOOD HOUSE TRUST LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES****25 Transactions with trustees and connected persons**

The Trust entered into transactions with a number of entities that members of the Lascelles family have a direct interest in. These transactions are with both Harewood House Trust and Harewood Trading Limited.

Harewood Estate is the trading name used by David & Diane Lascelles, Earl and Countess of Harewood, to manage the countryside surrounding Harewood House and a number of other commercial interests including property rentals.

David Lascelles, Earl of Harewood, and his son, the Hon. Benjamin George Lascelles, have direct interest in the following companies:

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

Diane Lascelles, Countess of Harewood also has a direct interest in the Harewood Provisions Company and is a Trustee of the Geraldine Connor Foundation.

The Hon. Edward David Lascelles, son of David Lascelles, Earl of Harewood, has a direct interest in the Harewood Provisions Company and Harewood Holistics.

Sophie Lascelles, wife of The Hon. Edward David Lascelles, has a direct interest in Harewood Holistics.

Details of transactions with businesses in which the Lascelles family have an interest:

(a) Transactions with Harewood Estate £1,200 (2022- £3,697)

The Charity was reimbursed by the Harewood Estate for recharges of office expenses and Corporate Membership cards.

(b) Purchases from Harewood Estate £265,875 (2022- £247,097)

Harewood Estate recharged the Charity, at cost of £210,896 (2022- £187,070) for its share of security services provided to the Charity by a third-party specialist security organisation. Charges were also made at cost for fuel and repairs provided by the Estate.

(c) Transactions with Harewood Provisions Company £27,672 (2022 - £6,069)

The Trust charged Harewood Provisions for produce from the Walled Garden used in their cafes.

(d) Purchases from Harewood Provisions Company Limited £17,653 (2022- £23,268)

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.

(e) Transactions with the Earl and Countess of Harewood £27,703 (2022- £42,980)

The Charity recharged the Earl and Countess of Harewood with rent for the private apartments and costs relating to an event.

(f) Purchases from Harewood Holistics £nil (2022 - £120)

Harewood Holistics provide services to the Charity at an approved commercial rate which is permitted by the Charity's Articles and Charity Law.

(g) Purchases from the Geraldine Conner Foundation £nil (2022 - £78)

The Geraldine Conner Foundation provided consultancy services to the charity.

**HAREWOOD HOUSE TRUST LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES****25 Transactions with trustees and connected persons (continued)**

(h) Purchases from Harewood Energy Supply Co Limited £76,461 (2022- £79,977)

Harewood Energy Supply Co Limited charged the Trust for biomass running costs. The charge per unit was based on cost, as assessed by an independent report.

(i) Purchases from Harewood Farming Company Limited £nil (2022- £210)

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.

(j) Transactions between Harewood Trading and Harewood Estate £nil (2022 – £184)

The trading company charged the Estate a commission for referrals for Harewood Holidays and room hire.

(k) Purchases by Harewood Trading from Harewood Estate £16,413 (2022 - £17,622)

Harewood Estate provides services to the Charity at an approved commercial rate which is permitted by the Charity's Articles and charity law.

(l) Transactions between Harewood Trading and Harewood Provisions £95,558 (2022 - £139,164)

The Trading company charged Harewood Provisions for commission due on income received from the catering facilities they operate at Harewood.

(m) Purchases by Harewood Trading from Harewood Provisions £117,944 (2022 – £162,595)

Harewood Trading charge the Trading company for catering services at an approved commercial rate which is permitted by the Charity's Articles and charity law.

(n) Purchases by Harewood Trading from Harewood Holistics £1,617 (2022 - £2,591)

Harewood Holistics provide services to Harewood Trading at an approved commercial rate which is permitted by the Charity's Articles and Charity Law.

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 £nil (2022 - £Nil).

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 £8,190 (2022 - £8,190)

Donations from the Executors of the 7th Earl of Harewood's Will Trust £845,339 (2022 - £Nil).

The Charity received donations 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.

Transactions with The Blue Barn £2,717 (2022 - £3,443)

Michael Bates is a director of The Blue Barn and a Trustee of the Charity and Director of the Trading subsidiary. The Charity purchased items throughout the year on standard commercial terms. The amount owed to The Blue Barn by Harewood House Trust at the year end was £nil (2022 - £238).

**HAREWOOD HOUSE TRUST LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES****25 Transactions with trustees and connected persons (continued)****Trustee expenses**

In addition to the above, meeting and travel expenses of £7,098 (2022 - £4,980) were incurred by the Board of Trustees in carrying out their duties. These items represent a reimbursement of expenses at cost and any meeting costs.

**At 31 December 2023 balances were as follows:****Owed to the Charity by:**

Harewood Estate	£1,321	(2022 - £122)
The Earl and Countess of Harewood	£7,855	(2022 - £3,717)
Harewood Provisions Company Limited	£27,672	(2022 - £6,069)
Harewood Holistics	£Nil	(2022 - £120)

**Owed to the Trading Company by:**

Harewood Estate	£Nil	(2022 - £184)
Harewood Provisions Company Limited	£83,940	(2022 - £18,623)

As the Charity and Trading company re-invoice 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 2023. In practice invoices are paid promptly, and these amounts were repaid shortly after the year end.

At the year end there was an outstanding intercompany trading balances between the Charity and Harewood Trading of £190,817 (2022 - £4,428).

**Owed by the Charity to:**

Harewood Estate	£48,969	(2022 - £24,169)
Harewood Energy Supply Co Limited	£20,947	(2022 - £25,790)
Harewood Provisions Company Limited	£17,242	(2022 - £403)

**Owed by the Trading Company to:**

Harewood Estate	£6,621	(2022 - £15,796)
Harewood Provisions Company	£109,757	(2022 - £21,221)

Harewood House Trust recharge some costs to Harewood Trading Limited and vice versa. These costs primarily relate to payroll costs and other central costs.

**Value of transactions between the companies**

Harewood House Trust to Trading	£42,276	(2022 - £276,519)
Harewood House Trading to Trust	£762	(2022 - £2,423)