

Charity number: 1140351
Company number: 7447221

The English Heritage Foundation
(A company limited by guarantee)

Trustees' Report and Financial Statements

Period 22 November 2010 to 31 March 2012

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TRUSTEES' REPORT AND FINANCIAL STATEMENTS

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(This page does not form part of the Audited Report and Financial Statements)	

REPORT OF THE TRUSTEES FOR THE PERIOD 22 NOVEMBER 2010 TO 31 MARCH 2012

The Trustees present their Report and Audited Financial Statements for the period 22 November 2010 to 31 March 2012

Reference and Administrative Information

The English Heritage Foundation was incorporated as a company limited by guarantee on 22 November 2010 and is registered as a charity

Charity Name	The English Heritage Foundation
Charity Registration Number	1140351
Company Registration Number	7447221
Registered Office	1 Waterhouse Square 138-142 Holborn London EC1N 2ST

Chairman

James Twining (appointed as Trustee 12 July 2011, appointed as Chair 25 March 2012)

Trustees

Emma Bridgewater (appointed as Chair and Trustee 22 November 2010, term of appointment as Chair ended 25 March 2012)

Professor Sir Barrington Cunliffe CBE (appointed 22 November 2010)

Johnny Hornby (appointed 12 July 2011)

Philip Mould OBE (appointed 22 November 2010)

Dr Simon Thurley (appointed 14 September 2011)

Company Secretary

Dr Simon Thurley

Auditors

Saffery Champness

Lion House

Red Lion Street

London

WC1R 4GB

**REPORT OF THE TRUSTEES FOR THE PERIOD 22 NOVEMBER 2010 TO 31 MARCH 2012
(continued)**

Bankers

Co-operative Bank Plc
Head Office
P O Box 101
1 Balloon Street
Manchester
M60 4EP

Solicitors

Farrer & Co
66 Lincoln's Inn Fields
London
WC2A 3LH

Structure, Governance and Management

- Governing Document

The English Heritage Foundation is a Charitable Company limited by Guarantee incorporated on 22 November 2010 and registered as a charity with the Charity Commission on 10 February 2011. The Company was established under a Memorandum of Association which established the objects and powers of the Company and is governed under its Articles of Association. In the event of the charity being dissolved, Trustees agree to pay up to £1 towards the costs of dissolution and the liabilities incurred by the charity whilst the Trustee was a member.

- Appointment of Trustees

The Directors of the Company are also Trustees of the Charity for the purposes of charity law.

As set out in the Articles of Association, the Trustees shall consist of at least three and not more than ten individuals, all of whom must be Members. Trustees shall be persons willing to act as both Trustees and Members of the charity.

**REPORT OF THE TRUSTEES FOR THE PERIOD 22 NOVEMBER 2010 TO 31 MARCH 2012
(continued)**

The Trustees will consist of Trustees appointed by English Heritage (English Heritage Trustees) and Independent Trustees. Up to four Trustees may be appointed by English Heritage, unless their appointment would result in the number of English Heritage Trustees equalling or exceeding the number of Independent Trustees. The Trustees should ensure to the best of their abilities that at any time the number of Independent Trustees exceeds the number of English Heritage Trustees.

Trustees shall hold office for three years. Any retiring Trustee who holds office may be re-appointed provided they have not been re-appointed for more than two consecutive terms of office. Any Trustee who has previously served two terms of office shall be eligible for re-election provided that at least one year has elapsed since the expiration of their previous term.

The Trustees shall elect a Chairman from amongst the independent Trustees. The Chairman will hold office for three years or as long as they remain a Trustee, whichever period is shorter, and will be eligible for re-appointment at the end of their term of office.

The Trustees have been selected for a variety of reasons including, their specialist expertise appropriate to the Heritage sector, relevant business skills and interest in fundraising for major projects.

- Trustees Induction and Training

All Trustees are inducted and given training appropriate to their knowledge and ability. In addition, all Trustees are issued guidelines on dealing with questions of benefit and conflict of interest. Trustees complete an annual Conflict of Interest Declaration Form, which is used to monitor and manage conflicts of interest.

- Organisation

The Board of Trustees administers the Charity and is responsible for its strategic direction and Policy, in addition to approving the contribution to English Heritage. The Board meets four times a year and comprises the members listed on page 1 of this report.

- Related Parties

English Heritage is considered a related party due to its ability to appoint up to four Trustees. In addition, The English Heritage Foundation is strongly reliant on the English Heritage infrastructure and procedures, especially in relation to staff and risk management.

REPORT OF THE TRUSTEES FOR THE PERIOD 22 NOVEMBER 2010 TO 31 MARCH 2012 (continued)

- Risk Management

To date there has not been a formal risk management strategy. Over the next year, the Trustees will be considering a risk management strategy, including the creation of a risk register.

Objectives and Activities

The objectives of the charity as set out in the Articles of Association are, for the benefit of the public to

- Secure the preservation of Heritage Assets managed by English Heritage,
- Advance the public's knowledge and enjoyment of Heritage Assets managed by English Heritage,
- Provide educational facilities and services, instruction and information to the public in relation to Heritage Assets managed by English Heritage, and
- Secure the preservation and enhancement of the English Heritage Collections

The aims of the Charity are to maximise income and support for English Heritage properties and collections. The main focus of the Foundation is to provide input into which projects it feels are most suitable for support, and co-ordinate and drive a range of fundraising activities that are above and beyond current English Heritage activities.

How English Heritage Foundation's Activities Deliver Public Benefit

The English Heritage Foundation's main activities and who it aims to help are described above. All charitable activities focus on supporting English Heritage in securing the preservation and enhancing public knowledge and enjoyment of the heritage assets and collections managed by English Heritage and are undertaken to further charitable purposes for the public benefit.

During the period 22 November 2010 to 31 March 2012 those benefiting from English Heritage's services, which receive direct financial support from the The English Heritage Foundation included the 6.2 million visitors to English Heritage properties and 9.2 million unique visitors to the English Heritage website.

REPORT OF THE TRUSTEES FOR THE PERIOD 22 NOVEMBER 2010 TO 31 MARCH 2012
(continued)

Plans for the Future

English Heritage Foundation plans to build on the fundraising activities commenced in its inaugural year and grow its annual income to support agreed priority projects

English Heritage Foundation will continue to represent the interest of donors by appointing Trustees of the Foundation who are best qualified to offer advice and support on the fulfilment of English Heritage Foundation's strategic objectives. This includes significant projects at the following English Heritage sites: Stonehenge, Kenwood House, Kirby Hall, Audley End House and Osborne House.

Financial Review

The Charity has received donations totalling £702,000 during the period ended 31 March 2012. Total funds held at 31 March 2012 stood at £557,000. The restricted element of these funds will be utilised for works to the following English Heritage sites and monuments:

Kenwood House	£31,000
Other Sites	£13,000

In the period ended 31 March 2012, the Trustees released fund raised monies of £15,000 to English Heritage, for use on projects at the Royal Artillery Memorial at Hyde Park Corner and Wroxeter Roman City.

Investments

As this is the inaugural year of the Foundation, initial year focus has been on fundraising activities. Income has been held in an interest bearing instant access cash account with no funds invested. An investment policy will be developed for the Foundation in 2012/13.

Reserves

Reserves are held in expectation of future donations to English Heritage to support capital projects. The significant planned future projects are Stonehenge, Kenwood House, Kirby Hall, Audley End House and Osborne House. None of these projects are planned to be completed before 2014.

REPORT OF THE TRUSTEES FOR THE PERIOD 22 NOVEMBER 2010 TO 31 MARCH 2012
(continued)

Auditors

Saffery Champness were appointed as the Charitable Company's Auditors during the year and have expressed their willingness to continue in that capacity

Approved by the Board of Trustees on 8 August 2012

A handwritten signature in black ink, appearing to read 'Simon Thurley'.

Signed on their behalf by Dr Simon Thurley (Trustee and Director)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of The English Heritage Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records that 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as the trustees are aware

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

THE ENGLISH HERITAGE FOUNDATION INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**THE ENGLISH HERITAGE FOUNDATION INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS (continued)**

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the charitable company's state of affairs as at 31 March 2012 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Companies Act 2006

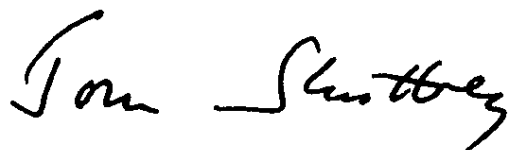
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial period for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



John Shuffrey (Senior Statutory Auditor)

For and on behalf of

Saffery Champness

Chartered Accountants

Statutory Auditors

Lion House

Red Lion Street

London

WC1R 4GB

12 August 2012

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE
ACCOUNT) FOR THE PERIOD 22 NOVEMBER 2010 TO 31 MARCH 2012**

		Restricted Funds 2012	Unrestricted Funds 2012	Total Funds 2012
	Note	£	£	£
Incoming Resources				
Income from Generated Funds				
Voluntary Income	2	59,368	642,251	701,619
Investment Income	3	-	390	390
Total Incoming Resources		59,368	642,641	702,009
Resources Expended				
Cost of Generating Funds				
Cost of Generating Voluntary Income	4	-	75,435	75,435
Charitable Activities	5	15,000	-	15,000
Governance Costs	6	-	54,489	54,489
Total Resources Expended		15,000	129,924	144,924
Net Incoming Resources		44,368	512,717	557,085
Net Movement in Funds in Year	13	44,368	512,717	557,085
Reconciliation of Funds:				
Total Funds brought forward	13	-	-	-
Total Funds carried forward	13	44,368	512,717	557,085

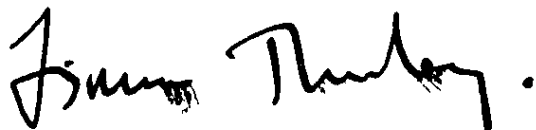
The Statement of Financial Activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

BALANCE SHEET AS AT 31 MARCH 2012

	Note	As at 31 March 2012
		£
CURRENT ASSETS		
Debtors	10	2,454
Cash at Bank and in Hand	11	684,555
NET CURRENT ASSETS		<u>687,009</u>
CREDITORS: Amounts falling due within One Year	12	(129,924)
TOTAL NET ASSETS		<u>557,085</u>
FUNDS		
Restricted Funds	13	44,368
Unrestricted Funds		
General Funds	13	512,717
TOTAL FUNDS		<u>557,085</u>

Approved by the Board of Trustees on 8 August 2012

Signed on their behalf by Dr Simon Thurley (Trustee and Director)



NOTES TO THE FINANCIAL STATEMENTS

I Statement of Accounting Policies

The principle accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

(a) Accounting Convention

The Financial Statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005, and UK GAAP.

(b) Going Concern

The Financial Statements have been prepared on a going concern basis.

(c) Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of The English Heritage Foundation.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(d) Incoming Resources

All incoming resources are included in the Statement of Financial Activities when The English Heritage Foundation is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific categories of income are applied to particular income:

- Voluntary income is receivable by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable.
- Donated services and facilities are included at the value to The English Heritage Foundation where this can be quantified.
- Investment income is included when receivable.

(e) Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by The English Heritage Foundation in the delivery of its activities and services for its beneficiaries. It includes costs that can be allocated directly to such activities and support those costs of an indirect nature to them.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

I Statement of Accounting Policies (Continued)

(e) Resources Expended (Continued)

- Governance costs includes those costs associated with meeting the constitutional and statutory requirements of The English Heritage Foundation and include the audit fees
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis

(f) Support Given by Third Parties

Where support is given to The English Heritage Foundation that would normally be purchased from third parties and where the value to The English Heritage Foundation is reasonably quantifiable, this is included in the financial statements at an estimate based on the value to The English Heritage Foundation

(g) Value Added Tax

The English Heritage Foundation is not VAT registered. Output tax is not charged on income. Expenditure is shown inclusive of all input tax which is non-recoverable

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Voluntary Income	Restricted 2012 £	Unrestricted 2012 £	2012 £
Legacies	18,052	628,176	646,228
Unsolicited Donations	41,316	14,075	55,391
Total Donations	59,368	642,251	701,619

3. Investment Income	2012 £
Interest Receivable	<u>390</u>

4 Cost of Generating Voluntary Income	Restricted 2012 £	Unrestricted 2012 £	2012 £
Legacies	-	6,963	6,963
Unsolicited Donations	-	36,360	36,360
Promotional and Fundraising	-	32,112	32,112
	<u>-</u>	<u>75,435</u>	<u>75,435</u>

5 Charitable Activity Grants to English Heritage	Restricted 2012 £	Unrestricted 2012 £	2012 £
Wroxeter Roman City	5,000	-	5,000
Restoration of Royal Artillery Monument	10,000	-	10,000
	<u>15,000</u>	<u>-</u>	<u>15,000</u>

6 Governance Costs	2012 £
Governance Costs	
Finance and Administrative	15,316
Audit Fee	<u>8,400</u>
	23,716
Exceptional Items	
Charity Start-Up Costs	<u>30,773</u>
	54,489

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 Related Party Transactions and Trustee Remuneration & Expenses

No trustee or other person related to The English Heritage Foundation had any personal interest in any contract or transaction entered into by the The English Heritage Foundation during the year

The trustees received no remuneration for the period ended 31 March 2012 Trustees expenses for the period ended 31 March 2012 were £663

English Heritage charged The English Heritage Foundation £121,524 for the provision of services during the accounting period This balance was outstanding as at 31 March 2012

8 Taxation

As a charity, The English Heritage Foundation is exempt from taxation under the provisions of the Income and Corporation Taxes Act 1988 and the Taxation of Chargeable Gains Act 1992 No tax charges have arisen in the Charity

9 Employees

English Heritage supplies employees to English Heritage Foundation Staff costs are calculated and recharged to The English Heritage Foundation The charge for the period ended 31 March 2012 is £37,850

10 Debtors	2012
	£
Donations owed by English Heritage	<u>2,454</u>
11. Cash at Bank and in Hand	2012
	£
Cash at Bank	<u>684,555</u>
12. Creditors Due within One Year	2012
	£
Accruals	<u>129,924</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 Reconciliation of Movement in Funds

	At 22 Nov 2010	Incoming Resources	Outgoing Resources	At 31 Mar 2012
	£	£	£	£
Restricted Funds:				
Restoration of Royal Artillery Monument	-	10,000	(10,000)	-
Kenwood House	-	31,316	-	31,316
Other Restricted Reserves	-	18,052	(5,000)	13,052
Total Restricted Funds	-	59,368	(15,000)	44,368
Total Unrestricted Funds	-	642,641	(129,924)	512,717
Net Movement in Funds	-	702,009	(144,924)	557,085

Incoming resources includes an apportionment of interest receivable allocated to the unrestricted fund

Purpose of Unrestricted/Restricted Funds

Unrestricted funds will be utilised at the discretion of The English Heritage Foundation

All donations have been received to fund the stated aims of The English Heritage Foundation and are limited for this purpose. Where donors have requested that a donation be spent on a specific project or activity this has been noted above.

All restricted funds including those headed 'Other Restricted Reserves' are used to support specific projects and activities as requested by the donor within the stated aims of The English Heritage Foundation.

Explanation of Transfers between Funds

There were no transfers between funds in the period.

DONORS

The English Heritage Foundation is very grateful to all the benefactors who have contributed to its activities during the period to 31 March 2012.

The following individuals and organisations have provided donations:

Year end 31 March 2012

Mrs Jean Edith Adams	Mr David Walter Oakley
Mr Geoffrey Aldridge	Mr Nicholas Pantos
Miss Hester Mary Atkinson	Mr Gilbert Payne
Mrs Mary Beskeen	Miss Freda Foster Pratt
Mr Harold Cherry	Mrs Florence Margaret Regnart
Mrs Pamela Churchill	Mr Andrew Reicher
Mr William Allan Cook	Miss Marie H Smith
Mrs Margaret Annie Davies	Mr John Smith
Mr John Keith Dymond	Mr Michael Stuart
Mr Eric Gadsen	Miss Dulcie Ann Tickner
Mrs Stella Gore	Mr Richard Walduck
Mr Reginald Goyder MBE	Ms Mary Ward
Mr Ronald Edward Handley	Mr Edward George Warren
Mr Hunsworth	Miss Lucy May Watson
Mr Lionel Kaufman	Miss Moureen May White
Miss Joan Catherine Kent	
Mrs Rita Christine Lewis	The Bulldog Trust
Ms Wendy Olga Marriott	The Kennedy Leigh Charitable Trust
Miss Elizabeth Murray	Roding Valley U3A

In addition to the donors, legators, and contributors listed above, during the period ended 31 March 2012 we also received pledges of future support from many other individuals and we look forward to acknowledging them in our Annual Report in future years.

We also thank those not listed here - together their gifts constitute a significant sum - as well as all donors who prefer to remain anonymous.