

# ANNUAL REPORT

2020/21



TUESDAY



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COMPANIES HOUSE

The English Heritage Trust is a charity, no. 1140351, and a company, no. 07447221, registered in England.

"I appreciate the commitment when it comes to heritage management."



"I am so pleased that I took out life membership with English Heritage when I retired."



English Heritage cares for over 400 historic monuments, buildings and places – from world-famous prehistoric sites to grand medieval castles, from Roman forts on the edge of an empire to a Cold War bunker. Through these, we bring the story of England to life for over 10 million visitors each year.

Cover image  
Avatar of Stonehenge Visitor Centre  
Middle front cover image (from left)  
Conservation work in the Roman Gosport Colchester Castle, West Park site during such history restoration, statue of Queen Mary, Knight's Equipment exhibit at Kenilworth Castle in education visit to 1066 Battle of Hastings Abbey and Battlefields, blue plaque commemorating Noor Inayat Khan, outdoor yoga at Marble Hill House, school visit at Old Sarum, award-winning exhibition telling the story of Afro-Caribbean soldiers imprisoned in the 18th century at Portchester Castle, learning about history at Farnham Hungerford Castle



Curator Sam Stones investigates conservation work at Carlisle Castle, the life of a Viking

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## REFLECTION ON 2020/21



2020/21 will go down in history as the year of the Covid-19 pandemic which has taken so many lives, destroyed so many livelihoods and disrupted so many of the everyday things we once took for granted.

I am proud and relieved to report that English Heritage has come through this year not completely unscathed but certainly undefeated. To misquote the poem 'Invictus', we are a little bloodied but completely unbowed.

There are many to thank for this, beginning with the very large number of Members who have stayed with us and flocked back to our sites whenever we have been able to open them. We are immensely grateful for this. Next, I must thank the Government, who have supported us through the furlough scheme, the Culture Recovery

Fund (CRF) and in other ways. As with so many other organisations, we would have been in severe difficulties without that help. Finally, I thank our staff and volunteers, led by a determined Senior Management Team and supported by an experienced Board who have offered wise counsel. Despite great pressures on everyone, they have not just held firm but risen to the challenge magnificently. The Board and I are enormously appreciative of what they have done.

In terms of fulfilling our charitable objectives, the highlight of this year has been the very large programme of conservation work carried out, aided by grants from the CRF, Historic England and the National Lottery Heritage Fund. The fact that for long periods there were no visitors on site made that work easier – a silver lining to a dark cloud. The overall spend of £39.4 million was a record and the Estates Department did a superb job in completing all selected projects by the end of March.

Meanwhile we found imaginative new ways to bring history to life. When the public could not come to us, we went to them. We developed an innovative digital 'history at home' programme of events and storytelling, including live question and answer sessions with our historians and other experts. There were online activities for children stuck at home and live broadcast re-enactments of historical events and of the summer solstice, the latter to an audience of five million. Many of the

new ideas which emerged will be carried forward into the future.

When we were permitted to reopen our sites in the summer of 2020, they were made safe for staff, volunteers and visitors with reduced capacities, advance ticketing and a wealth of other on-site measures. This was a huge and complicated task, but our committed regional and site teams overcame all challenges with great patience and professionalism.

The greatest conservation setback in the year was the collapse of part of the East Battery at Hurst Castle in the Solent following a succession of winter storms. It happened just a few days before we were to start work on strengthening that area and was a devastating blow for staff, locals and everyone with an interest in heritage. Hurst is our most exposed coastal site. We have already invested millions into protecting it but will now develop a more robust, long-term plan to secure its future.

In sum, English Heritage has made the most of this period of great turmoil. We have completed much vital conservation work, developed many new ideas and are a stronger, wiser organisation, ready to face whatever the next few years may throw at us.

*Tim Laurence*

Sir Tim Laurence,  
Chairman



## A LEGACY FOR THE FUTURE



We don't expect the coming year to be quite as challenging as the last, but it will, no doubt, have its fair share of twists and turns as England moves out of lockdown.

The start of the year will see us gradually reopening our sites in line with the Government's roadmap for easing restrictions. If all goes to plan, we are hoping that by the start of the summer holidays all our sites will be open once again, both inside and out. Our much-missed programme of events will also be making a welcome return. Whatever happens, many of our sites are set within beautiful landscapes and gardens which offer safe outdoor opportunities for respite, relaxation and reflection.

With increased numbers of people holidaying in the UK, we're expecting strong visitor numbers at sites in traditional holiday hotspots, such as Tintagel Castle in Cornwall. Our holiday cottages, which are wonderfully positioned inside our sites, should also be in high demand.

We're delighted to be launching two significant new visitor experiences. These have been in the pipeline

for some time, and they have benefitted from the involvement of their local communities.

Firstly, in Shropshire, the Civil War stories of Boscombe House and the Royal Oak are being brought back to life. New interpretation, including interactive displays in the house, shine a light on the crucial role it played in harbouring the fugitive future Charles II, and visitors can immerse themselves in the sights, sounds and smells of various periods of Boscombe's history thanks to restored planting in the gardens and rare breed animals in the recreated Victorian farmyard. The experience continues with a new play area inspired by Charles's endeavours.

Secondly, a major project is underway at Clifford's Tower, one of York's most significant heritage sites. Once vital conservation work has taken place we'll begin to transform the experience of visiting the site with new interpretation, reimagined interiors and a rooftop platform which will provide visitors with dramatic views over the city.

Two less-visited 'hidden gems' in our collection are also receiving attention this year. The Jacobean Kirby Hall in Northamptonshire and the medieval Gainsborough Old Hall in Lincolnshire will reopen in late spring with engaging new displays and exhibitions.

Our conservation work will continue at pace as we make strategic and sustainable interventions at sites across the country. Major masonry repairs will begin at Dover Castle, Lincoln Medieval Bishops' Palace and Temple Church in Bristol. At Hurst Castle we will work to stabilise walls and shore up sea defences. The challenges posed by climate change are ever more obvious at sites like Hurst, and we will soon be appointing a Head of Climate and Sustainability to lead our efforts in these areas.

We have created new learning materials for schools visiting Clifford's Tower and will be launching a new expert-led Discovery Visit at Gainsborough. Last year, when so many children were learning at home, we were delighted to be able to support teachers and parents with free resources and live-streamed learning sessions. But we are very much looking forward to welcoming school groups back to our sites; after all there are no better places to learn and be inspired.

Our national youth participation programme – Shout Out Loud – continues to flourish, with young people engaged in a range of creative activity, from theatre and photography to poetry and art. A highlight this year will be their performance of 'Freedom & Revolution', an exploration of 18th-century black lives, staged at Portchester Castle in partnership with the National Youth Theatre.

We'll be doing more this year to ensure we meet higher standards for equality, diversity and inclusion. I'm clear that if we're to live up to our aims of caring for our heritage for the benefit of the entire nation, we must do more to reflect and represent the complexity of that nation and its people, both in our role as an employer and in telling the stories of previously under-represented groups.

Although there will no doubt be challenges ahead, there's much to look forward to. But for all our longer term goals, I'm perhaps most excited by the simple prospect of going back to doing what we do best – bringing the story of England to life in the very places where events took place. I look forward to welcoming you to our sites soon.

Kate Mavor,  
Chief Executive



The new footbridge at Tintagel Castle, Cornwall

## OBJECTIVES AND ACTIVITIES

English Heritage started operating as an independent charity on 1 April 2015 and its objectives, set out in its Articles of Association, can be summarised as:

- to conserve the National Heritage Collection of over 400 unique sites, monuments and artefacts, in keeping with their status as part of England's national heritage.
- to bring history to life in the places where it happened by opening up the sites and monuments to public access, through exhibitions, events and educational programmes, supported through our online content.
- through the blue plaques scheme, to advance public appreciation of the history of buildings and landmarks in London by showing where men and women of historical, artistic, scientific and religious significance lived and worked.

As part of this new freedom to operate under licence outside of Government control, a financial model known as the New Model Contractual Framework was developed, whereby we received a grant of £80 million from Historic England on 31 March 2015 (the New Model grant). This enables us to invest in this unique portfolio of sites and monuments.

This New Model grant is being used over an eight-year period up to 2022/23 to address urgent conservation defects at our sites (£52 million); invest in new commercial programmes, such as visitor facilities and exhibitions (£18 million); and update the presentation and interpretation of smaller sites that would not normally qualify for

commercial investment (£10 million). This funding is being supplemented by tapering annual revenue subsidies until 2021/22 (£89 million in total) to support English Heritage in its transition to becoming financially self-sufficient.

In 2016 we launched our first Strategic Plan, Building for the Future 2016-2019. We achieved our most significant targets, notably growing visitor numbers, improving trading performance, and increasing the visitor experience score, and only missed our membership and volunteer targets by a small margin.

In 2018/19 we prepared a second Strategic Plan, Securing our Future 2019-2023, which sets out our goals and strategic priorities to the end of the current Property Licence. In the Financial Review on page 21 we report on our success in delivering that plan, although we were knocked off course, temporarily, by the Covid-19 pandemic.

Our four strategic priorities remain:

- **Inspiration:** we will create inspiring and enjoyable experiences for everyone at our sites, online and in print, enabling people of all ages to share in and pass on the story of England.
- **Conservation and Stewardship:** we will make sure our historic sites and artefacts are expertly cared for so that they can be enjoyed by future generations.
- **Involvement:** we will find new ways to involve more people in our work. Our heritage is for everyone and people are keen to participate in protecting and illuminating it.
- **Financial Sustainability:** we will ensure that we are financially independent by 2022/23. In the

light of Covid-19 that timetable has been reassessed. We report on our Future Plans on page 32.

In 2020/21, in order to offset the fall in revenue due to the Covid-19 crisis as our sites were closed and visitor numbers reduced, we cut expenditure significantly. We also benefited from generous Government support. We received rescue grants of £12.6 million for capital works and £7.1 million of resource funding. Funding was subject to a continuing demonstration of need and, as our financial performance during the pandemic was stronger than expected, the resource grant was not needed. We were also awarded a £2.9 million grant from the Heritage Stimulus Fund. We benefitted from the Government's furlough subsidy (at its peak, 86% of our eligible staff were on furlough at 80% of normal pay), from the business rates relief, from the retail, leisure and hospitality grants, and from reduced hospitality VAT rates. Additionally, on 12 March 2021 we agreed a £23.4 million loan under the Culture Recovery Fund scheme with the Arts Council of England and the Department for Digital, Media, Culture & Sport (DCMS).

**Public benefit**  
In shaping our objectives and planning the Charity's activities, the Trustees have considered the Charity Commission's guidance on public benefit and fee charging in compliance with their duty under section 4 of the Charities Act 2011.

In setting the level of charges and concessions, the Trustees have given careful consideration to the accessibility of the sites and monuments to all members of the public, whatever their means. Access to the majority of our sites is free, including to one of our most popular properties, Kenwood, and we offer free entry to pre-booked learning groups at all our pay-to-enter sites.

Due to the pandemic we have paused our strategy to convert, each year, a small number of pay-to-enter sites to free-to-enter sites and we will evaluate whether more sites should be converted over the coming years.

Chargeable activities include admission to our major sites such as Stonehenge, Dover Castle, Osborne, and Tintagel Castle. Concessionary and family tickets are available.

Our membership schemes provide a substantial discount for regular visitors and are competitive compared to similar organisations. Membership includes free entry for up to six accompanying children under the age of 18 per adult Member. During the first national lockdown in 2020/21, when all our pay-to-enter sites were closed for around three months, we offered a three

months' extension when annual memberships were renewed.

Our website contains a wealth of free materials including downloadable educational resources, histories of the sites and artefacts in our care and information about our conservation work. When access to our sites was restricted, we increased the amount of material available on our website and on our social media platforms. Our new suite of curriculum-linked teaching resources, designed for those engaged in remote teaching and home-schooling, has been shortlisted for an Education Resources Award. We found new ways of engaging with our educational audiences, including live-streamed History at Home programmes, hosted by CBBC presenter Ben Shires and Q&A sessions with schools via video conferencing platforms. During the Dunkirk 80th

Anniversary commemorations, we delivered curriculum-focused activities and challenges through our Twitter feed, which followed the evacuation timeline as it unfolded.

Shout Out Loud, our ground-breaking youth participation programme supported by the National Lottery Heritage Fund, flourished despite multiple lockdowns, with many activities transferring to digital settings. Our team of Young Producers ran a highly successful virtual programme of events for the Festival of Archaeology, as well as a national photographic competition for young people, held in partnership with Photoworks. The team also selected and supported 14 locally run projects, enabling young people to explore their own heritage. This programme, entitled Reverberate, has been shortlisted for a Museum and Heritage Award.



2020 Members' Magazines

## ACHIEVEMENTS AND PERFORMANCE: INSPIRATION

Whether at our sites or online, throughout the year we sought to inspire as many people as possible to explore and enjoy England's story.

Responses to our annual survey suggest that, after spending time with us, over one million people gained a greater understanding of the need to preserve the past, and a similar number felt as though they were 'part of something bigger'.

In May 2020 we celebrated two important Second World War anniversaries despite lockdown restrictions. We marked the 75th anniversary of VE day with a lindy hop dance tutorial on our social channels, and we hosted a toast to the heroes of the war. 2020 also marked 80 years since Operation Dynamo, which was coordinated from the tunnels beneath Dover Castle. We created a digital storytelling event to bring the events of May 1940 to life through posts, videos and an interactive codebreaking quiz. The videos in our Instagram TV series were seen over 130,000 times.

To help parents with home schooling we created a series of entertaining hour-long live history lessons featuring CBBC's Ben Shires and an array of our curators and historians, who explored subjects including castles, the Romans and Stonehenge. The shows were simulcast on Facebook, YouTube and Twitter. The first series was viewed over 120,000 times and

received nearly 3,500 comments. We produced a livestream of the summer solstice at Stonehenge, which attracted £40,000 in donations from viewers and has been watched by 5 million people. We added over 60 new videos to our YouTube channel and our podcast passed the 100-episode mark. We published a range of content for our Members and their children on our website, and traffic to the Kids' Area was nearly six times higher than in the previous year.

**Reopening our sites**  
Many free-to-enter sites remained open and were enjoyed and valued by visitors. Our ticketed sites reopened in the summer with robust safety measures in place, including advance booking, signage, screens and hand washing stations. Visitor ratings for staff rose this year, with 89% rating them as 'excellent' for being friendly and approachable.

Although we were able to reopen many sites, some indoor areas remained closed. We responded with an agile interpretation programme which created flexible visitor journeys at over 100 sites. Our events team devised and delivered a small-scale, Covid-19-secure programme to add to our offer and encourage repeat visits, with falconry displays, musical Sundays and seasonal Adventure Quests.

**Telling the stories of our sites**  
Our sites were recognised in various award schemes. Tintagel Castle won 'Permanent Exhibition of the Year'

in the Museums + Heritage Awards for its new footbridge. Birdoswald Roman Fort won 'Best Family Day Out' at the UK Heritage Awards, and Osborne won Bronze in the 'Best Large Visitor Attraction' category of the Beautiful South Tourism Awards.

New interpretation was installed at Great Witcombe Roman Villa, Landguard Fort, the Geddingdon Eleanor Cross, Hadleigh Castle and the Church of the Holy Sepulchre in Thetford.

A new painting of Sarah Forbes Bonetta, Queen Victoria's West Africa-born goddaughter, went on display at Osborne in the autumn. This was the first in a new series of portraits featuring figures from the African diaspora.

Blue plaques were installed to commemorate ten people in London, including special agent Noor Inayat Khan, anti-slavery campaigner Ottobah Cugoana and zoologist and writer Gerald Durrell.

**Learning through lockdown**  
We welcomed 3,717 schoolchildren to our sites. Over half of our Discovery Visits were able to continue thanks to carefully considered Covid-19-secure adaptations, which received positive feedback from students and teachers. We also expanded our online education content, offering schools the chance to join free virtual interactive tours of Stonehenge and Q&A sessions with our experts.



60

new videos on  
YouTube channel



100+

sites with  
agile interpretation



10

new  
blue plaques



Agile interpretation at Stonehenge, Wiltshire

## ACHIEVEMENTS AND PERFORMANCE: CONSERVATION & STEWARDSHIP

Despite the many challenges we faced in spring 2020, our Estates team continued to carry out urgent maintenance work and kept our sites safe and secure.

Our conservation efforts were redoubled in the summer, with a wide range of work being carried out across the country, including at Bishop's Waltham Palace, where teams repointed the medieval precinct wall and 'soft capped' the top with wildflower turf.

At Pevensey Castle we completed a three-year project to repair the Roman and medieval walls, and a new maintenance programme of vegetation removal is now being supported by volunteers. New services were installed at Marble Hill House and the original colour of the building was identified and restored with the help of historical paint analysis.

Heritage Stimulus Grant  
In the autumn a grant from the Heritage Stimulus Fund, which was administered by Historic England, enabled us to carry out around 50 small, crucial maintenance projects which may otherwise have been cancelled or postponed. Fire and security systems were upgraded at Apsley House, lead was replaced on the roof of St Peter's Church in Barton-on-Humber, repairs were carried out on the glazing of the chapel

at Tilbury Fort, the old footbridge at Tintagel was refurbished and fire safety was improved at Boscobel House.

The Heritage Stimulus Grant also provided the funds to investigate and solve issues with leaks in Bolsover's Little Castle, and we completed a three-year project of stonework repair at Furness Abbey, where high wall tops were soft capped and invasive vegetation removed.

We began major conservation work at Clifford's Tower to improve the condition of the structure in advance of the relaunch of its visitor experience in 2021. We repaired and consolidated the medieval walls and carried out conservation on intricate stonework displaying the coats of arms of Charles I and Henry Clifford.

Hurst Castle  
The East Battery of Hurst Castle collapsed after repeated heavy storms and high tides in February. We were carrying out preventative work at the time, but our intervention came too late to prevent major structural failure. Our priority now is to prevent further damage. Hurst Castle has always been one of our most difficult sites to manage, but as the effects of climate change intensify, so do the challenges we face.

Smart sensors  
It's never been more important to find ways to minimise our adverse impact on the planet. This year we partnered with Ecclesiastical Insurance and Shepherd to install

smart sensors at our top ten energy-consuming sites. Used to monitor and control heating, lighting and humidity, these sensors bring cutting-edge technology to historic buildings, and are contributing to significant reductions in our energy usage.

Ranger's House conservation and heritage science facility  
We completed the refurbishment of our conservation and heritage science facility at Ranger's House thanks to a £620,000 grant from the Arts and Humanities Research Council's Capability for Collections Fund. Our sector-leading research in this field focuses on understanding the response of objects and interiors to environmental conditions.

Caring for our collections  
At Bolsover Castle we stabilised and cleaned wall paintings in the Heaven Room, Ante Room and Hall. These urgent works were identified in the first phase of the national condition survey of all 77 wall paintings in our care, and were funded by donations to our Save our Wall Paintings campaign.

We surveyed the condition of historic objects at over 136 sites. The results will be used to determine how we care for our collections over the next decade.

We acquired a portrait of Sir John Griffin Griffin, the 18th-century owner of Audley End. This was made possible thanks to some curatorial detective work and support from the Friends of Audley End.



### 50

small, crucial  
maintenance projects



### 10

high energy-consuming sites  
had smart sensors installed



### 136+

sites surveyed in our second  
ten-year collections plan

Meet the Experts at Goodrich Castle, Herefordshire



## ACHIEVEMENTS AND PERFORMANCE: INVOLVEMENT

Despite the difficulties presented by the pandemic, we still involved a wide range of people in England's heritage this year. Importantly, we also worked to ensure a more equal, diverse and inclusive future for our charity.

Thanks to our volunteers Our volunteers rose to the challenges of the pandemic with extraordinary enthusiasm, and they have supported the charity through every step of an enormously difficult year. Even at the peak of lockdown, we still managed to keep over 200 of our free-to-enter sites open, and this would not have been possible without the numerous volunteers who opened and closed these sites every day, kept us informed about their condition and put up additional signage.

Volunteers helped maintain our historic gardens during lockdown, and they were indispensable in helping us to safely reopen our pay-to-enter sites when restrictions eased. They offered tours of Pendennis Castle, and house volunteers at Osborne and Brodsworth Hall were repositioned around the grounds to support social distancing and give directions to visitors.

Meanwhile, the team at Marble Hill House re-established historic orchards and meadows, organised events for the local community and carried out research into the role

of the house during the two World Wars. A new volunteer photography team contributed some stunning photographs to our image library and at Hadrian's Wall, a new team of 22 translation volunteers began working with curators to create valuable multilingual content.

Perspectives on the past Highlights of Shout Out Loud, our ground-breaking youth programme, included 'Drawn from History', a collaboration between young volunteers and young artists; 'Reverberate', a scheme to fund local grassroots heritage projects led by young people; a competition for young photographers; and a creative writing and research project based on York Cold War Bunker.

We explored the history of black people in Britain through art and poetry. In the autumn our Poet in Residence Jacob Sam-La Rose curated 'Untold Stories', a poetry programme which explored the presence and absence of black people at our sites. The programme also included an open poetry competition, workshops and a public panel discussion.

### Involving our visitors

We carried out our annual visitor survey online rather than in person this year. Visitors were emailed within seven days of coming to one of our sites, and rather than focusing only on the peak season, we were able to continue the survey throughout the year to inform our onsite operations as they were modified throughout the year. We also added

questions around Covid-19 safety and social distancing measures. The pandemic resulted in a significant increase in the number of people enjoying our free-to-enter sites. We worked closely with a wide range of individuals and local partner organisations to ensure that the experience of visitors and residents was not adversely affected. We also completed hundreds of surveys at 22 free-to-enter sites which helped us gain a better understanding of our visitors and their needs. This will inform our future work.

Equality, diversity and inclusion We worked with a specialist consultancy to carry out research and develop recommendations which have informed our Equality, Diversity and Inclusion (EDI) strategy. As a charity that cares for over 400 historic sites on behalf of the entire nation, it's vital that we involve everyone in England's heritage. Although we have had notable achievements in recent years, these have tended to be tactical. Our work with Seriously Inclusive involved focus groups, interviews and data analysis. Their findings have helped us to understand the challenges we face and to decide how best to tackle them.

This work took place against the backdrop of widespread debate over who is commemorated in our public spaces. On our website we worked to explain and contextualise those of our London statues and blue plaques which commemorate people with contested or controversial histories. We also ensured that every plaqueholder of colour has an online history.



Garden volunteers at Marble Hill House, Twickenham



350

volunteers caring for our free-to-enter sites



200+

free-to-enter sites remained open during lockdown



14

projects supported by Shout Out Loud

## ACHIEVEMENTS AND PERFORMANCE: FINANCIAL SUSTAINABILITY

This year provided an enormous challenge to our financial sustainability.

However, we were able to end the year in a relatively strong position, with a trading surplus of £14.4 million. We took decisive cost-cutting action at the beginning of the pandemic and made the most of available Government support. We also retained much of our Member base, with more people renewing their membership than ever before.

**Government grants and loans**  
We applied for a range of financial assistance from the Government's £1.57 billion Culture Recovery Fund, which was established to help protect the UK's arts, cultural and heritage institutions.

In July we received a £12.6 million rescue grant to help us deliver a range of Capital Investment Programme projects, upgrade our IT equipment and systems and enhance the visitor experience and commercial performance of 29 of our sites.

In October we were awarded a £2.9 million grant from the Heritage Stimulus Fund for major conservation and building services projects at over 50 sites across the country.

We also secured a £23.4 million Culture Recovery Fund Repayable Finance loan via a scheme administered by Arts Council England, which will support our efforts to reopen our sites and, in the longer term, to become self-funding.

### Investing in our sites

The £12.6 million rescue grant was used to make a range of investments at 29 sites. It helped to support projects at sites including Boscombe House, Clifford's Tower, Marble Hill House, Eltham Palace, Belsay Hall, Stonehenge and Mount Grace Priory. It also enabled us to make crucial improvements to IT infrastructure, including to our hardware and public Wi-Fi at 14 sites, and upgrading our online shop. Holiday cottages were refurbished at Walmer Castle and Dover Castle, and a new holiday cottage added at Wrest Park. We also used the grant to improve toilet facilities at 18 sites.

In March 2021, The National Lottery Heritage Fund provided two much-needed grant uplifts of £1.5 million for Belsay Awakes and £640,000 for Marble Hill Revived.

### Members and visitors

Visitor numbers fell to 1.9 million from around 6.2 million in the previous year. Members made up a large proportion of these visits at 53% of the total, compared with 29% the year before. Although reduced recruitment led to a fall in the Member base of 131,000, recruitment bounced back strongly once sites reopened and we welcomed 182,000 new Members over the course of the year. We ended the year with a base of just over one million Members, and the total income from Membership was £37.4 million.

### Development

Our Members donated over £500,000 to an emergency appeal

launched in May. We saw an increase in gifts through our Guardians scheme, and new corporate sponsors came on board. We received several grants from trusts and foundations, including an unrestricted gift of £150,000 from the Wolfson Foundation, as well as generous grant increases from the National Lottery Heritage Fund for Belsay Awakes and Marble Hill Revived.

### Filming and lettings

We hosted more than 30 commercial film and photography shoots, including period crime drama *The Serpent* at Wrest Park, Joanna Lumley's ITV travel documentary *Home Sweet Home* at Whitby Abbey, and a fashion editorial shoot for *British Vogue*. This year also saw the release of Netflix's successful period drama *Bridgerton*, which was filmed at Rangers House.

**Investment in the office space**  
at Wrest Park, and particularly the transformation of the old Social Club, ensured that commercial estate income remained steady at £408,000. We also secured tenants for properties at Kenwood and Eltham Palace.

### Retail

Our online shop came into its own this year. We refreshed our product ranges to capitalise on growing interest in gardens, interiors and wellbeing, and income from the online shop was at its highest ever at £832,000 – £300,000 higher than the previous year. Our food and drink was recognised at the Great Taste Awards, and we were awarded a rare three-star accolade for our all-butter lemon curd.



Filming of *Bridgerton* at Rangers House, London



18

sites received improvements to toilet facilities



30+

commercial film and photography shoots



£832,000

online shop income

## OUR CHARITABLE IMPACT

We believe that our work has a positive impact on people, communities and society. We measure this impact against a range of indicators, and gather data through surveys.

Because our charitable impact is primarily delivered through public access, our impact metrics reflect visitor volumes and the quality of the experiences those visitors have on site.

Public access was severely restricted on multiple occasions during the Covid-19 pandemic, and sites were closed for long periods of time. When they reopened, they did so with limited capacities. At many sites, the visitor experience was compromised by the need to keep some indoor areas closed. We also had to carry out our visitor survey online for the first time, rather than in-person and on-site, as in previous years.

This year, metrics indicate that the pandemic significantly reduced the scale of our charitable impact.

SOCIAL COHESION	EDUCATION	SHARED INHERITANCE	SHARED IDENTITY
When we connect with other people past and present, we feel valued and part of something greater than ourselves.	When we learn more we increase our ability to connect with others and to better understand ourselves.	When we increase society's collective respect and responsibility for our heritage, we help ensure that our nation's past will be preserved for future generations.	Connecting to a common over-arching story helps us to understand who we are and where we come from, and gives us a sense of belonging.

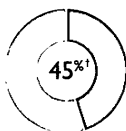
### 2020/21 RESULTS

Measured through on-going research with visitors, Members and other supporters\*



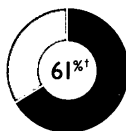
0.67 MILLION VISITORS  
Provided with a stronger sense of how England came to be.

† This figure is 34% lower than 2019/20



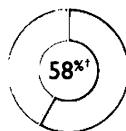
0.86 MILLION VISITORS  
Allowed to walk in someone else's shoes and reconnect with the past.

† This figure is 24% lower than 2019/20



1.16 MILLION VISITORS  
Have a greater understanding of the need to preserve the past.

† This figure is 22% lower than 2019/20



1.09 MILLION VISITORS  
Felt like they were part of something bigger.

† This figure is 19% lower than 2019/20

\* Number of people impacted is an estimate modelled on our annual visitor figures to our paid-for sites and to our temporary online Visitor Survey data of c.3,000 adults.



Carisbrooke Castle on the Isle of Wight

## FINANCIAL REVIEW

English Heritage was established as an independent charity with effect from 1 April 2015, underpinned by the New Model Contractual Framework (New Model) between English Heritage and Historic England. Under the New Model, English Heritage was given a licence for eight years to operate the National Heritage Collection (the Collection) with the freedom to pursue its own strategy in order to achieve financial self-sufficiency by March 2023. The Collection remains in the guardianship of Historic England.

The funding arrangement of the New Model is twofold. First the one-off payment of a Government grant of £80 million in March 2015. This grant is structured as restricted funds, meaning it can only be used for the specific purposes for which it has been designated, which are:

- £52 million to address the most urgent top three categories

of conservation defects in the Collection as identified in the Charity's Asset Management Plan.

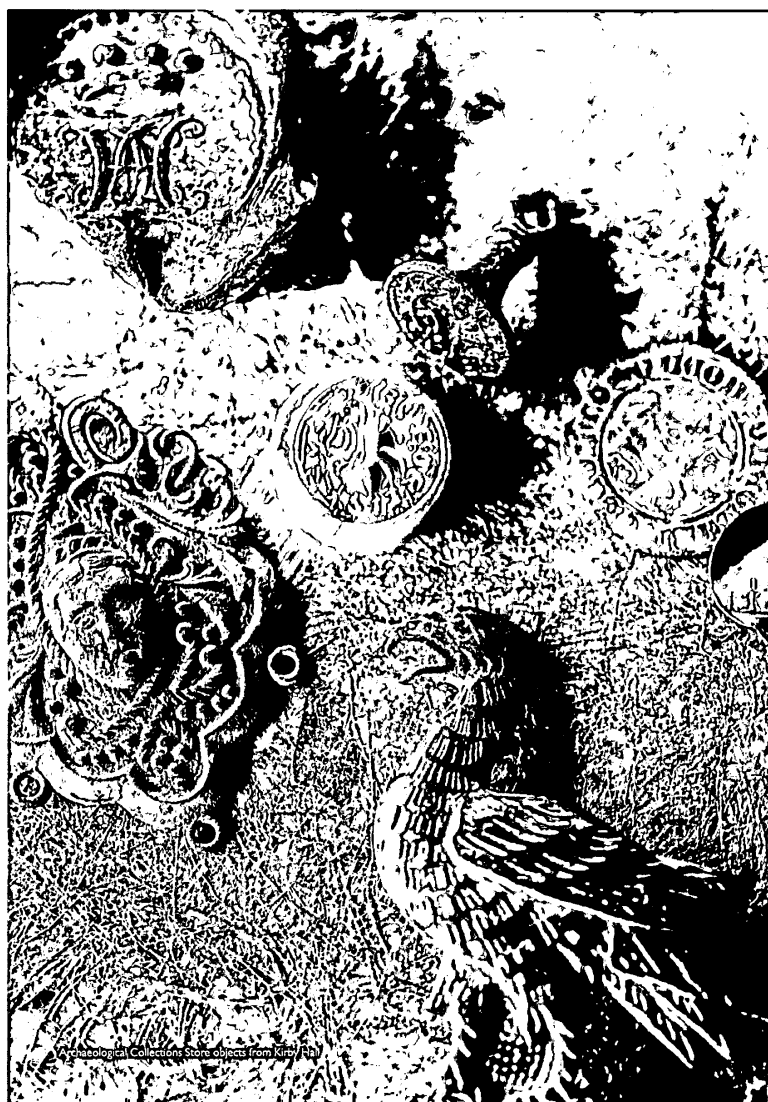
- £28 million on new commercial capital investments such as visitor facilities and infrastructure (£18 million), as well as on updating the presentation and interpretation of small and medium-sized sites that would not normally qualify for commercial investment (£10 million).

Secondly, tapering annual revenue subsidies amounting to £89 million spread over the seven years to 2021/22. Under the New Model, the commercial and operational risks and rewards of running the Collection were transferred to English Heritage.

In March 2015, we published our Launch Plan, which covers the eight-year period from 2015/16 until 2022/23 (derived from the New Model) and demonstrates how we

will achieve financial sustainability. We exceeded the projections in the plan in our first four years. The fifth and sixth years, 2019/20 and 2020/21, were adversely impacted by the Covid-19 pandemic, with our sites being closed to the public from 19 March 2020 for three months, and with a phased reopening from mid-June until almost all our sites were open again by August, with just a few remaining closed where social distancing measures made reopening impractical. However, the sites that were open operated at a much reduced visitor capacity in order to keep our visitors, Members and staff safe in accordance with Government guidelines. However, our sites continued to be affected by changing restrictions throughout the remainder of the financial year. All sites were open again by Easter 2021, although with capacity restrictions in place so as to comply with the Government's social distancing guidelines.

2020/21 ACTUAL VERSUS LAUNCH PLAN	Actual £'000	Launch Plan £'000	Variance £'000
<b>INCOME FROM:</b>			
Donations and Legacies	6,218	7,400	(1,182)
Licensing and Sponsorships	568	1,886	(1,318)
	<b>6,786</b>	<b>9,286</b>	<b>(2,500)</b>
Conserving Our Properties	1,677	-	1,677
Running Our Properties	9,584	27,214	(17,630)
	<b>11,261</b>	<b>27,214</b>	<b>(15,953)</b>
Membership and Admissions	46,132	67,100	(20,968)
New Model tapering annual revenue subsidy	11,033	10,100	933
Covid-19 Financial Assistance	24,400	-	24,400
Investments	155	-	155
<b>Total</b>	<b>99,767</b>	<b>113,700</b>	<b>(13,933)</b>
Expenditure	(91,807)	(103,300)	11,493
<b>Net income/(expenditure) before use of New Model £52m grant</b>	<b>7,960</b>	<b>10,400</b>	<b>(2,440)</b>
Use of New Model £52m grant	(4,407)	(6,500)	2,093
<b>Net income/(expenditure)</b>	<b>3,553</b>	<b>3,900</b>	<b>(347)</b>



Archaeological Collections shown objects from 19th

In 2020/21, we delivered income of £99.8 million, compared to the Launch Plan of £113.7 million. This shortfall was the result of a significant reduction in income due to site closures, which was partially offset by Covid-19 financial assistance of £24.4 million provided by the Government.

Revenue expenditure amounted to £91.8 million. This was below the Launch Plan £103.3 million as we introduced major cost-reduction measures in response to the pandemic. As a result, we achieved net income of £8.0 million. Although this was £2.4 million below the Launch Plan net income of £10.4 million it was significantly better than we feared might be achieved at the start of the pandemic in early 2021.

Additionally, we spent £4.4 million of the £52 million New Model grant on conservation and restoration projects (Launch Plan spend: £6.5 million), bringing total revenue expenditure to £96.2 million). Cumulative spend of the £52 million grant over our first six years was £36.3 million (Launch Plan spend: £39.0 million). We spent a grant of £2.9 million

on conservation works, awarded under the Culture Recovery Fund, administered by Historic England.

In addition to the above, we spent £0.6 million of the £28 million New Model grant in 2020/21 (Launch Plan spend: £3.5 million). Cumulatively, spend of the £28 million grant over our first six years was £24.2 million. The £18 million grant was fully spent by the end of 2019/20. Spend of the £28 million grant is capital in nature.

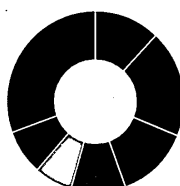
The pandemic has knocked us off course but the ability of English Heritage to respond quickly and decisively to the Covid-19 crisis, secure the financial position of the Charity during the last year, and start the recovery to getting back on track to financial sustainability, demonstrates that the underlying business model is sound.

Our performance in each of the first six years of trading is set out below. This shows us delivering a financial performance that exceeds the Launch Plan in the first 4 years, with the fifth and sixth impacted by the Covid-19 crisis. Net income relates to total

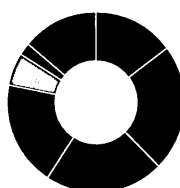
restricted and unrestricted income less expenditure, excluding use of the £52 million New Model grant.

The cumulative spend over the first six years of the £80m New Model grant is shown below and our plans will utilise the full £80m by March 2023.

#### USE OF £52M CONSERVATION MAINTENANCE GRANT



#### USE OF £28M CAPITAL INVESTMENT, INTERPRETATION & PRESENTATION GRANT



#### Statement of Financial Activities (SOFA)

The SOFA is the Charity's Income and Expenditure account.

##### Income

Income was severely affected by the Covid-19 pandemic, due to site closures and capacity restrictions when they were open, with visitor numbers of 1.9 million (2019/20: 6.2million).

Income in 2020/21 was £99.8 million (2019/20: £126.9 million) as follows:

- Donations and Legacies, and Licensing, Sponsorship and Advertising, raised £6.8 million (2019/20: £7.9 million).
- Conserving our Properties generated £1.7 million (2019/20: £1.8 million), and comprises mainly rental and service charge income from our properties.
- Memberships and Admissions income fell to £46.1 million (2019/20: £76.0 million), and consists of a decrease in membership income to £37.4 million (2019/20: £41.9 million) and admissions income of £8.7 million (2019/20: £34.1 million).
- We received £10.8 million (2019/20: £13.1 million) of grant-in-aid funding from Historic England under the New Model arrangement, whereby English Heritage receives tapering funding until 2021/22. In addition, we received £0.2 million (2019/20: £0.2 million) for the provision of services to Historic England in respect of maintenance,

customer services and specialist advice throughout the year.

- We received £24.4 million in Covid-19 financial assistance income from Government, comprising a capital grant of £12.6 million under the Culture Recovery Fund to enable investment at sites and in technology projects to continue; a £2.9 million grant under the Heritage Stimulus Fund via Historic England to invest in conservation projects at sites. Additionally, we benefitted from £8.0 million in furlough grants and £0.9 million in retail, leisure and hospitality grants.
- Running our Properties generated income of £9.6 million (2019/20: £27.6 million), which covers our commercial activities, notably retail and catering (£8.3 million, 2019/20: £24.4 million), and hospitality, filming, weddings, holiday cottages and other trading income (together £1.3 million, 2019/20: £3.2 million).

##### Expenditure

Expenditure was severely restricted as we introduced tight financial controls to ensure spend was incurred only on those areas essential to secure the future of the Charity.

Expenditure was £96.2 million (2019/20: £121.3 million) including £4.4 million (2019/20: £3.8 million) in respect of the £52 million New Model grant, as follows:

- Fundraising and Licensing, Sponsorship and Advertising costs of £1.7 million (2019/20: £2.0

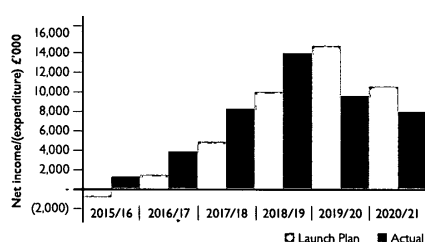
million). The cost of fundraising for 2020/21 was 25p (2019/20: 24p) spent for every £1 raised, which is in line with the sector average of 22p (UK Civil Society Almanac 2020).

- Running our Properties costs of £14.9 million (2019/20: £24.1 million) covering commercial activities including the retail and catering operations as well as hospitality, filming, weddings, and holiday cottages.

- Conserving our Properties costs of £39.4 million (2019/20: £44.0 million) including New Model spend of £5.0m (2019/20: £5.2m), comprising maintenance, curatorial works and conservation. This includes major ongoing expenditure to conserve the monuments and sites in the Collection. As some of this expenditure is funded by the £52 million New Model grant, which was fully recognised on 31 March 2015, the position in subsequent years as this income is spent results in a net expenditure position in the restricted column of the SOFA. The unspent balance of this grant is held in restricted reserves and it is expected to be fully utilised in 2022/23.

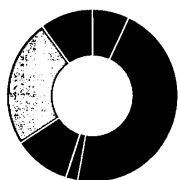
- Membership and Admissions costs of £40.2 million (2019/20: £51.2 million), include costs for marketing, events and on-site visitor services staff, all of which promotes footfall to the sites and supports the acquisition and retention of Members.

#### NET INCOME: ACTUAL COMPARED TO LAUNCH PLAN FOR THE FIRST SIX YEARS



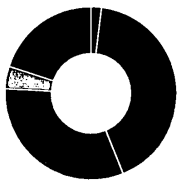
Our income and expenditure derived from the SOFA is summarised in the chart below.

**INCOME BY ACTIVITY**  
2020/21 (£99.8 MILLION)



7% Donations and Legacies and Licensing, Sponsorship and Advertising  
46% Membership and Admissions  
2% Conserving our Properties  
11% New Model (tapering subsidy)  
10% Running our Properties

**EXPENDITURE BY ACTIVITY**  
2020/21 (£96.2 MILLION)



2% Fundraising, Licensing and Sponsorships  
41% Membership and Admissions  
36% Conserving our Properties  
5% New Model (use of £52 million New Model grant)  
16% Running our Properties

English Heritage comprises two legal entities. Our charitable activities, notably operating the sites and monuments for public benefit, including hospitality, and our conservation work, are carried out through The English Heritage Trust.

Non-primary purpose trading and activities chargeable to corporation tax are carried out by the wholly-owned subsidiary English Heritage Trading Limited. Non-primary purpose activities include retail and catering as well as sponsorship, filming and licensing. The results from the subsidiary are consolidated on a line-by-line basis in the consolidated results of English Heritage (the results are shown in Note 5).

The unrestricted SOFA delivered net expenditure of £7.1 million (2019/20: net income of £7.7 million). The restricted SOFA generated net income of £10.5 million (2019/20: net expenditure of £2.8 million), representing the receipt and spend of Covid-19 related Government funding restricted to specific purposes, the spend of £52 million New Model grant and other restricted funds, which are available for use in accordance with the grantors' and donors' directions. There are over 20 of these funds (see Note 30). Endowment funds delivered net income of £0.1 million for the year (2019/20: £0.7 million). Overall net income is therefore £3.6 million (2019/20: £5.6 million).

Below the net income/(expenditure) line, the SOFA reflects adjustments of £15.2 million (2019/20: £4.3 million), representing a transfer between restricted and unrestricted reserves relating to:

1. the reclassification of capital expenditure from the £28 million New Model grant and other restricted capital funding to unrestricted to reflect the nature of the assets that have been created.

2. the release of restricted reserves against qualifying spend during the year, primarily in relation to Covid-19 related Government funding, again to reflect the nature of the assets that have been created, and also to offset expenditure incurred in the unrestricted SOFA that is funded by restricted income.

The overall net movement in funds is therefore a surplus of £8.1 million (2019/20: £9.4 million) on unrestricted reserves, a deficit of £4.7 million (2019/20: £6.0 million) on restricted reserves, and a surplus on endowment reserves of £0.1 million (2019/20: £1.1 million), which, combined, amount to a surplus of £3.6 million (2019/20: £4.5 million surplus).

As a result, total charity funds increased from £81.6 million on 1 April 2020 to £85.2 million on 31 March 2021. The net asset position of English Heritage continues to grow despite the challenges of the pandemic as a result of decisive cost-cutting action at the beginning of the pandemic, generous Government support, and successful Member retention.

**Balance sheet**  
Total charity funds at 31 March 2021 of £85.2 million (2020: £81.6 million) can be analysed as follows:

■ £24.6 million of restricted reserves. The reduction in restricted reserves from £29.2 million at the start of the year is due to expenditure on conservation and capital investment during the year, in accordance with the terms of the New Model grant and other restricted funding terms. The year-end position consists of the balance remaining of the New Model grant of £19.5 million (2020: £24.5 million), the Elizabeth Wagland Fund of £1.2 million (2020: £1.2 million), and over 30 (2020: over 20) further restricted funds, covering individual sites, specific activities and the blue

plaques scheme, which total £2.3 million (2020: £2.2 million). For details, see Note 31. Also included in restricted reserves is a £1.5 million reserve in respect of endowment funds (2020: £1.4 million).

■ Unrestricted reserves amount to £60.6 million (2020: £52.4 million). The increase in unrestricted reserves by £8.1 million, as explained in the previous section, is the effect of:  
– our trading activities resulting in net expenditure of £7.1 million  
– the transfer from restricted reserves of £15.2 million relating to the utilisation of restricted funds

During the pandemic we have focused particularly on preserving cash. This is because there was, and remains, enormous uncertainty as to how long the crisis will last and we needed to ensure that we retained sufficient liquidity to enable the Charity to continue to fulfil its charitable purposes throughout the pandemic and beyond whilst we rebuilt the organisation's financial resilience. We ended 2020/21 with total cash of £84.4 million (2019/20: £42.7 million), comprising restricted cash of £29.1 million (2019/20: £31.7 million) and unrestricted cash of £55.3 million (2019/20: £11.0 million).

**Basis of preparation**  
In adopting the going concern basis for preparing the financial statements, the Trustees have considered the business activities and principal risks set out on page 28. The Trustees have reviewed the latest financial projections and are satisfied that English Heritage continues to adopt the going concern basis in preparing its financial statements.

**Financial Projections**  
With income from Admissions and Membership and Running our Properties comprising 82%

of our income, site closures and continued social distancing measures have significantly reduced our ability to generate income during 2020/21, and will continue to do so for several years to come, with a consequent impact on the Charity's medium term financial strength.

In order to manage the immediate impact of this we restricted spend to essential areas only, principally to continue safety critical activity and essential maintenance at our properties, as well as keeping our collections secure; retaining and recruiting Members; supporting the successful reopening of our sites after each period of lockdown; continuing with projects funded by the New Model £80 million grant; and ensuring compliance with finance, legal, and employment obligations. We have also taken advantage of the generous Government support measures such as the Coronavirus Job Retention Scheme, VAT reduction, business rates relief, and Eat Out To Help Out. We were also awarded a Government rescue grant of up to £19.7 million, a grant of up to £2.9m, and a loan of £23.4 million from the Culture Recovery Fund.

Our current forecasts assume a recovery in visitor numbers and the Member base to pre-Covid-19 levels by 2024/25. However, we are in an unprecedented economic situation, so there is significant uncertainty as to the accuracy of these forecasts at this stage.

If these forecasts are achieved, we expect to get back on track to achieve financial sustainability with only a three-year delay, to 2025/26 and we expect to remain a going concern for the foreseeable future. If our projections prove to be too ambitious, we will adapt our business model accordingly. We are regularly modelling and updating alternative scenarios.

Our financial projections are driven by detailed forecasts of visitor numbers and the member base. For 21/22 we prepared a base case budget and then sensitised visitor numbers upwards and downwards by up to 20%, resulting in four separate scenarios, for each of which we identified mitigating actions in order to demonstrate that we would be able to operate within reasonable cash flow tolerances and remain a going concern. For 22/23 we have prepared a new base case and visitor numbers have been sensitised downwards by 20%, resulting in two scenarios. The most cautious approach results in visitor numbers that are similar to the 21/22 base case budget, which remains our current anticipated outcome for 21/22.

**Reserves policy**  
After the end of the Charity's fifth year of trading (2019/20), the Trustees reviewed the reserves policy to determine a realistic and appropriate policy, which:

■ helps safeguard the continuity of the Charity's operations in the event of a significant unexpected disaster

■ is not too restrictive, in order that we continue to maximise the resources we invest in our charitable activities.

In determining a realistic level of reserves, the Trustees assessed the level of risk associated with the main income and expenditure streams, the adequacy of the controls in place to mitigate those risks and other likely sources of funds available in an emergency. This is balanced by the obligations to continue to invest in order to pursue the objectives of the Charity within a reasonable period of receiving funds. The size of the Charity's reserves is an inherent part of the risk management process and the need for reserves is

dependent on our financial position and our assessment of the risks we face at a particular time.

At the point of its creation, the Charity had negative free reserves. The policy adopted in 2016/17 was for the Charity to build up an appropriate level of free reserves over the term of the Operating Licence, up to 31 March 2023. To do so, our long-term goal is to improve our operating performance and ensure that, as far as possible, restricted funds are used before unrestricted ones. Free reserves are defined as general funds less the net book value of fixed assets included within general funds (see Note 31). In 2016/17, the target level for free reserves was set at £5 million by March 2023. This was calculated by assessing the financial impact of significant adverse events in the recent past, notably the Foot and Mouth outbreak in 2001/02 and the severe weather in 2013/14, which led to extensive flooding in parts of the country, both of which necessitated the closure of a significant number of our sites.

As a result of strong performance in the subsequent three years, free reserves at 31 March 2020 were £20.7 million. Our Strategic Plan anticipated us utilising some of these reserves to help fund an intensive Capital Investment Programme to drive longer term revenue growth and, as had always been anticipated, to absorb the significant annual reduction in revenue subsidy from Historic England, before recovering to £5 million by March 2023. The significant free reserves position at 31 March 2020 gave us time to reposition the organisation for recovery when the pandemic struck, and to seek additional funding from Government. Without such relatively strong reserves, the Charity would have

faced far more serious consequences, with immediate cash flow difficulties early in 2020/21. As a result of decisive cost-cutting action at the beginning of the pandemic, generous Government support and successful Member retention, free reserves at 31 March 2021 were £18.3 million (31 March 2020: £20.7 million).

We were already reviewing our reserves policy to reflect the significant growth in the organisation in recent years when the Covid-19 crisis began, and have adopted a new policy representing 1/12th of annual revenue expenditure, which is calculated based on free reserves and the liquidity impact of the CRF loan. Although we are currently above that level, our financial projections indicate that free reserves and the liquidity impact of the CRF loan will be below 1/12th of annual revenue expenditure in the medium term, before reaching that level again in 2027/28. The loan of £23.4 million provides substantial additional liquidity in the event of a significant unexpected downturn in trading performance. Taking the above into account, the Trustees are comfortable that the reserves policy is proportionate and achievable.

**Pension**  
English Heritage makes contributions into a defined contribution pension scheme administered by Legal and General Assurance Society Limited, which was set up for new employees from 1 April 2015.

The Charity also contributes to the Principal Civil Service Pension Scheme (PCSPS) for employees who transferred under TUPE to the new Charity on 1 April 2015. Under the Government New Fair Deal agreement these employees retain eligibility for the PCSPS arrangements following

transfer. The arrangements comprise a number of different schemes, most of which are defined benefit and a small minority are defined contribution, with employer contributions varying depending on the specific scheme. Contribution levels are determined by the Cabinet Office, which, through the PCSPS, is responsible for the liabilities under the various schemes. The Charity has no liabilities to the scheme beyond the annual pension contributions made on behalf of its employees.

**Investments**  
Our investment policy is to place surplus funds on deposit with the larger London-based UK banks, with no more than £15 million deposited with any one institution. At the inception of the Charity in 2015, the maximum amount that could be placed with any single bank was £10 million but, as our cash reserves have grown as a result of strong trading performance, we have found that policy to be too restrictive, given the cyclical nature of our cash flows, with larger cash balances accumulating during the summer months when our sites are open, and reducing during the winter when many sites are closed and we are focusing on maintenance and conservation spend ahead of the next visitor season. The longest notice period for any deposit is 12 months.

Partly due to particularly careful cash management during 2020/21 and the receipt of generous Covid-19-linked Government grants and loans, as well as the establishment of an endowment fund, we have once again reviewed our investment policy in order to ensure we are maximising the opportunities to generate an appropriate return on these funds as well as providing sufficient flexibility to manage working capital carefully. We will continue to hold surplus unrestricted funds on deposit with

the larger London-based UK banks in order to retain maximum agility to draw on cash to protect the charity in the event of another unexpected economic downturn. However, as we recover from the pandemic we will develop a longer term investment strategy during 21/22.

With regard to restricted endowment funds, where the capital is tied-up for the medium to long term (medium: 3-5 years, long: 5+ years), our policy is for these to be invested and held in order to maintain the real value of the assets over time, that is, at least in line with inflation, whilst generating returns to be applied in accordance with the terms of the restrictions. A total return approach (that is, maximising the opportunities for capital growth and income generation within the parameters of this investment policy) will be adopted for the investment portfolio. The Charity's investment policy supports the social, environmental and ethical objectives of the Charity, whereby individual investments are excluded from the portfolio if they are perceived to be in conflict with these objectives, without compromising financial returns or increasing the financial risk.

The undrawn balance of the New Model grant (£20.3 million at 31 March 2021) is held by the Government Banking Service (GBS), does not earn interest, and can be drawn down on demand. The balance of unrestricted and other restricted funds at 31 March 2021 was £64.1 million, deposited with commercial banks (see Note 22).

**Supplier payments policy**  
English Heritage observes the principle of paying supplier invoices in accordance with contractual obligations or, where no such conditions exist, within 30 days of the later of the

receipt of goods and services or of a valid invoice. Our policy is to pay all invoices not in dispute in accordance with these arrangements. In 2020/21, 71% (2019/20: 92%) of invoices were paid within 30 days of date of invoice and 84% (2019/20: 98%) within 40 days.

This reduction was as a result of the frequency of payment runs being reduced from daily to weekly in order to control working capital more carefully during the pandemic and because invoice authorisation was restricted to a small group of senior managers, in accordance with our tighter expenditure controls and as colleagues who would normally authorise invoices were placed on furlough. In all cases, suppliers were contacted if these policy changes were likely to have a significant impact and we always considered requests for flexibility in specific cases.

Section 172 of the Companies Act 2006  
As required under section 172 (1) (a-f) of the Companies Act 2006 the Directors have described within the Strategic Report how they have had regard to their duties to promote the success of the company.

**Fundraising**  
English Heritage carries out all fundraising activities directly through our fundraising and marketing teams. We do not engage third party professional fundraisers or commercial participants. We do not send direct mail or email to members of the general public for the purposes of fundraising. Our fundraising activities are closely monitored by the Trustees who regularly review and approve the Fundraising Strategy. The Charity is registered with the Fundraising Regulator and abides by the Code of

Fundraising Practice, which outlines the standards expected of all charitable fundraising organisations across the UK. We are not aware of any complaints made in respect of our fundraising activities during the year.

## PRINCIPAL RISKS AND UNCERTAINTIES

Effective risk management is key to successfully delivering our strategy.

Our risk management strategy includes:

- a detailed review of the corporate risk register at each meeting of the Audit and Risk Committee, following a formal review at the preceding Senior Management Team meeting
- a review of the full corporate risk register at every meeting of the Board of Trustees
- the continuous development of systems and procedures by the Senior Management Team to mitigate identified risks and to minimise any potential impact should any risks materialise
- use of our internal auditors, PwC, to provide objective assurance that the major risks are being managed appropriately and that the key areas of risk management and the internal control framework are operating effectively
- a complete review of the risk register undertaken by the Senior Management Team at regular intervals, with the most recent taking place in early 2021 to reflect the lessons learned from the Covid-19 pandemic and ensure the register remains fit for purpose.

At each review session risks are updated as necessary, with the rating of existing risks adjusted, new risks added and obsolete risks removed to reflect the environment in which the Charity operates and to capture new threats that might prevent us from achieving our strategic goals. The risk appetite for each is determined alongside steps to be taken and timelines for achieving the agreed acceptable risk rating.

The impact of Covid-19 affected all our principal risks significantly.

The Senior Management Team swiftly implemented measures to mitigate the impact of the pandemic as much as possible in order to protect the Charity, minimise the financial loss, and maintain its reputation in the eyes of Members, visitors, employees, and volunteers, look after their wellbeing and protect the sites in our care. As a result of the heightened risks faced by the Charity, meetings of the Senior Management Team, the Audit and Risk Committee, and the Board occurred more frequently in 2020/21 in order to monitor the evolution of the risk environment and the control measures being applied.

The principal risks are as follows:

**Financial sustainability**  
The risk to achieving financial sustainability – defined as generating sufficient income to fulfil our charitable purpose over the long term, in line with our strategy and without Government support – is controlled by ensuring financial projections are regularly reviewed and updated to respond to the prevailing trading conditions and the wider economic environment. If performance deviates from the plan, corrective steps are swiftly agreed and implemented to bring performance back on course.

The Covid-19 pandemic has significantly affected our plans to achieve financial sustainability in 2022/23. Government restrictions, notably affecting capacity levels at our sites, will continue to have a significant impact on our financial performance. Reduced consumer confidence and lower inbound tourism may have a serious long term impact.

Our latest projections anticipate us recovering to pre-pandemic levels of visitor numbers in 2024/25. We received generous financial support from the Department for Digital, Culture, Media & Sport (DCMS)

in 2020/21, notably a rescue grant of £12.6 million to support capital projects, a £2.9 million conservation grant from the Heritage Stimulus Fund and a loan of £23.4 million to fund short term losses and provide a liquidity buffer. This funding is reflected in our latest forecasts. Assuming that we a) deliver our projected visitor and Member numbers, especially regarding the recovery in international visitors who are critical to the success of a number of our sites, and b) implement significant, planned efficiency savings in our cost base in areas not currently considered essential, we expect to achieve financial sustainability without the need for further Government support by 2024/25.

A particular challenge will be to ensure that sufficient financial resource is available to continue to invest in our sites, to conserve the Collection, and in technology in order to improve the quality of the visitor experience and so to increase numbers of visitors and Members.

We have developed a range of financial models to reflect different scenarios. We perform stress tests and sensitivity analysis on each of these to understand how the Charity would respond to differing severities of risk. We are focusing on preserving cash in order to provide a sufficient liquidity buffer to protect the Charity against a further Covid-19 wave or another major, unexpected, adverse event.

**Organisational stretch**  
Overstretched resources could adversely impact both the visitor experience and the wellbeing of our employees and volunteers. We focus on ensuring that we have the right combination and number of roles to support delivery of the business plan, and projects are carefully prioritised to support our strategic priorities, notably with regard to delivering the investment and conservation

programmes needed to attract visitors and grow our Member base. We recognise the additional challenge of continuing to deliver ambitious financial targets against the background of significant economic uncertainty.

Covid-19 has had a major impact on our workforce. We asked up to 1,900 employees (86% of those eligible) to accept being furloughed on 80% of their pay. We froze all recruitment, accepted the offer of a temporary pay sacrifice from the Senior Management Team and deferred pay increases due on 1 April 2020 (other than applying the increase in the National Living Wage in April 2020 and April 2021).

We are aware that the lack of pay increases might be demotivating and lead to the loss of key staff attracted by higher pay elsewhere, and also prevent us from attracting the best candidates to fill vacant roles. This would add to the challenge of delivering our financial targets. We intend the pay freeze to be temporary, subject to the need to demonstrate pay restraint under the terms of the Culture Recovery Fund Repayable Finance loan agreement.

We have imposed particularly tight expenditure controls across the organisation since early 2020, and we will relax these as soon as our trading performance indicates that we are back on track to achieve financial sustainability. We are keenly aware of the risk of organisational exhaustion with many of our workforce having worked diligently throughout 2020/21 to ensure the survival of the Charity during the pandemic, and the impact this may have on operational effectiveness.

The Remuneration and Appointments Committee focuses on succession planning for the Senior Management Team to ensure that gaps can be

filled quickly. Two vacancies on the Senior Management Team were filled on a permanent basis in early 2021: one role was filled by an internal appointment and the other by an external appointment.

**Workforce engagement**  
Keeping our employees closely engaged and informed is essential to fostering a collaborative and empowering working environment. Failing to attract, engage and develop our staff might lead to us being unable to achieve our strategic objectives. We use regular newsletters, team briefings, staff conferences and meetings with our two recognised trade unions in order to cascade information about business performance and plans for the future, and to invite feedback. We are especially grateful for the ongoing support of our unions.

Our digital app to improve workplace communications and access to online learning for over 1,500 staff members who have limited access to workplace technology has been well received.

Ensuring regular communications during the Covid-19 lockdown, particularly for furloughed employees, has been a priority, and we ensured that there are regular briefings to all staff and volunteers covering our operations, financial performance, site and office reopening plans and health and safety for our workforce. We took advantage of the flexible furlough arrangements to ensure that as many employees as possible were able to work at least part-time, with only an absolute minimum being furloughed throughout the crisis.

As our sites have reopened we have prioritised ensuring that our employees and volunteers are able to return to work in a safe and secure environment. We have carried out a similar exercise to ensure that our offices provide a welcoming, safe and secure environment for those

wishing to return. However, our staff surveys indicate that significant numbers prefer to continue to work at least part of the week from home, and we will be reflecting that in new working practices.

**Technology and digital**  
Insufficient focus on technology and digital may mean that our technology infrastructure will be unable to fully support the growth of the Charity. During the last year, we relied on our website and our social media platforms to engage with our visitors and Members. We are updating our IT strategy, first developed in 2018/19, to ensure that it incorporates key projects needed to support delivery of our second Strategic Plan. One of the priorities is a new customer management relationship system in order to improve engagement with our Members and visitors. The IT Investment Board oversees delivery of IT projects in support of this strategy. The Information Security Management Group ensures there is effective management of information risk, including defending our IT systems from unauthorised access, data breaches, and ensuring compliance with the General Data Protection Regulation. We are conscious that remote working has increased these risks.

Covid-19 has refocused our investment strategy to ensure that online services and remote working facilities are secure, fit for purpose and available to all who need them.

**Health and safety**  
English Heritage takes its duty of care to Members of the public and to its staff and volunteers extremely seriously and we have an excellent track record in preventing harm. Disaster recovery plans and health and safety policies are regularly reviewed. Robust training and safeguarding



programmes exist to minimise risk and ensure compliance with best practice. With regard to Covid-19, we have carried out detailed health and safety assessments for each of our sites and offices throughout the pandemic to ensure that we can safely welcome back visitors, Members and staff, and we have invested in appropriate safety measures and training.

External perils

We are conscious of the impact that external factors such as bad weather and public health incidents could have on our sites, most of which are outdoors in rural settings. Generally, we manage such risks by adapting our marketing strategies to weather forecasts and regularly updating our business continuity plans.

We had believed these external risks, overall, to be relatively low, as the expectation had been that no single event could affect all our sites, spread as they are across England. Covid-19 has, of course, been an unprecedented and catastrophic global phenomenon and all our free-to-enter sites were closed from the end of 2019/20 and for the first three months of 2020/21, and again during the last quarter of 2020/21.

Climate change brings the increased risk of the frequency of adverse weather conditions affecting our ability to open and conserve our sites: excessive rainfall, high temperatures, storm events, flooding, and coastal

erosion have the potential to cause damage to built structures, collections and landscapes – and may impact on operational management. We are assessing the vulnerability of our properties from climate change and will be focusing on those most at risk.

Like all tourist attractions, we are vulnerable to terrorism threats. We regularly review our security procedures, emergency response plans and staff training programmes. We also regularly liaise with the police at a local and national level, including the National Counter Terrorism Security Office, attend the Crowded Places Forum and share best practice with industry peers.

Visitor numbers

We are enormously dependent on the goodwill of our visitors. We are conscious of the need to make our sites appealing to as wide an audience as possible, including keeping pace with generational expectations, and we do this by considering opening hours, pricing, accessibility, activities, events and visitor feedback. Investment in the visitor experience is rigorously reviewed to ensure it is customer-led. In 2019/20, 60% of our income derived from visitors and Members and we attracted 6.2 million visitors to our pay-to-enter sites. In 2020/21, visitor numbers fell to 1.9 million. In order to become financially sustainable, we need return to the level of visitor numbers last seen in 2019/20 and continue to grow beyond that figure. The recovery in international visitors will be critical

to that, particularly at Stonehenge, where 75% of visitors are from overseas. Our current projections are that visitor numbers at Stonehenge will not return to pre-pandemic levels until 2025/26. We also recognise potential opportunities and risks at Stonehenge with the proposed development of the A303 tunnel in coming years. In order to mitigate this risk, we are adapting the visitor offer to have a broader appeal to domestic visitors.

We remain acutely aware of the need to facilitate the safe return of visitors and Members in sufficient numbers to fulfil the requirements of our recovery plan.

Given that the Covid-19 crisis resulted in all our pay-to-enter sites being closed for around three months, we offered three-month extensions to annual memberships on renewal, which was warmly welcomed by Members and has helped to support the retention rate.

The Trustees are content that risks are being appropriately managed.

# ENERGY AND ENVIRONMENTAL SUSTAINABILITY

## Our energy use and carbon emmissions fell in 2019/20.

This is largely due to the effects of the pandemic, which limited site activity and office occupancy, but it also reflects a nationwide effort to reduce the Charity's carbon footprint, and to become a more environmentally sustainable organisation.

Highlights

Following a successful pilot of new smart data capture at Kenwood, we have rolled out new sensors across ten of our properties with the highest energy consumption to understand energy use in more depth, and identify practical ways to reduce it. We moved our energy to a full renewables tariff, scoped the rollout of electric vehicle charging points and initiated a programme of detailed feasibility studies exploring options for energy reduction and renewables at Dover Castle, Osborne, Wrest Park, Stonehenge, Eltham Palace, Kenwood, Pendennis Castle, Brodsworth House,

Walmer Castle and Audley End. Together these properties account for nearly 60% of all energy use across English Heritage, and our aim is to reduce usage at these sites by at least 30% over the next few years. Our commercial operations are becoming more sustainable. Investment in a card-shredding machine by our warehouse partner means that we can use cardboard packaging to replace bubble-wrap for items we ship to customers of our online shop. We moved all our Christmas cardstock to fully sustainable board stock and printed them using vegetable-based inks, and ended the use of UV spot varnish and glitter, making them fully recyclable, and their wrappings are plastic-free. We will roll out these changes to all card lines by 2025. We've also been pleased with the success of our new eco range, with over 17,000 units sold, and we plan to expand our product line next year.

**Future Plans**  
In 2021 we will recruit a full-time Head of Climate Change and Sustainability

to lead and accelerate our activities. We also intend to update our Sustainability Policy and launch a new action plan to set out our ambition to become an environmentally sustainable – and eventually carbon neutral – organisation. Demonstrating commitment to net zero greenhouse gas emissions 2050 is a requirement of the Culture Recovery Fund loan and an expectation of the National Lottery Heritage Fund, amongst others. Addressing climate change and sustainability has therefore implications for all aspects of our work: how we run our business, operations, procurement and supply chains; how we care for our collections and estate; how we are perceived by our visitors, stakeholders and funders; how we achieve and maintain financial sustainability; and what role we play in the wider heritage sector as we collectively face the challenge of climate change. The Trustees are committed to this organisational change.

CURRENT REPORTING YEAR: 2020/2021		2019/20	2020/21
	ENERGY CONSUMPTION USED TO CALCULATE EMISSIONS: KWH	16,957,757	15,261,981
	EMISSIONS FROM COMBUSTION OF GAS TC02E (SCOPE 1)	1025	992
	EMISSIONS FROM COMBUSTION OF FUEL FOR TRANSPORT PURPOSES (SCOPE 1)	100	85
	EMISSIONS FROM BUSINESS TRAVEL IN RENTAL CARS OR EMPLOYEE-OWNED VEHICLES WHERE COMPANY IS RESPONSIBLE FOR PURCHASING THE FUEL (SCOPE 3)	430	320
	EMISSIONS FROM PURCHASED ELECTRICITY (SCOPE 2, LOCATION-BASED)	2438	2194
	TOTAL GROSS CO2E BASED ON ABOVE	3993	3591
	INTENSITY RATIO: KGCO2E/ TOTAL VISITORS	666	267

## FUTURE PLANS

While uncertainties remain around when the country might return to normal, we are expecting most of our sites to be open throughout the 2021/22 season, albeit with limited capacity due to social distancing guidelines.

Our future plans are outlined below in line with our strategic priorities.

**Financial Sustainability**  
Our financial sustainability is heavily dependent on the number of visitors to our sites, and on Stonehenge in particular. The absence of international tourists for the next few years means we have had to budget for considerably lower revenues.

We are tackling the uncertainty around revenues by continuing with rigorous cost control and holding back on recruitment and pay awards until the way ahead looks clearer. We are also adapting our model by introducing more takeaway catering, investing in our online shop, opening two new shops and three new cafes at sites, and bringing an additional holiday cottage into our portfolio.

In the light of new ways of working developed in response to the pandemic, we are conducting a review of how we work and of our requirement for office space. We expect to make considerable savings in office costs and travel and expenses by developing a more flexible working model and optimising the use of technology to communicate.

Investment in IT projects will include the continuation of the development of a new customer relationship management system (CRM), upgrading

systems in finance and estate management, and a new operating platform to improve cyber security.

A procurement project will reduce our cost base and set high standards for our supply chain around Equality, Diversity and Inclusion (EDI) and environmental sustainability.

The Culture Recovery Fund loan we were awarded in March 2021 will help us to continue delivering our charitable objectives in the upcoming year, protecting us from continuing uncertainty arising from the external environment and giving us confidence to deliver an exciting programme of work.

In 21/22 we will update our second strategic plan (the KPIs from the first two years of which are shown in the table opposite) in the light of the impact of the pandemic, and set new strategic goals and a revised target to achieve financial sustainability.

**Conservation and Stewardship**  
Conservation work will continue, and we will still be drawing on our original Government grant for this purpose. Major projects are planned for sites at most risk or with the highest deterioration rate including works to Clifford's Tower in York, Belsay Hall in Northumberland, Bristol Temple Church, Hardwick Old Hall in Derbyshire, phase 2 of the work at Bishop's Waltham Palace in Hampshire, and at Dover Castle, Reculver Towers and Roman Fort in Kent. We will also be finishing work at Selsey Trader Windmill in Lincolnshire and replacing the drive of Kenwood in London.

We will continue to deliver against our newly revised ten-year plan for the conservation of our collections of historic objects, and will put in place a plant recording scheme for our historic gardens.

Work will continue to reduce our carbon footprint and a new plan will be developed to embed sustainability in every area of our work.

**Involvement**  
On the education front, we will invest in new learning resources as well as piloting a digital programme. We will deliver the final year of our National Lottery Heritage Fund supported project for young people aged 11–25, Shout Out Loud, and aim to embed youth participation in the charity as a legacy of the three year programme. Planned projects include music at Tilbury Fort in Essex with the Chineke! orchestra, and more great drama with the National Youth Theatre, bringing Freedom and Revolution to life at Portchester Castle in Hampshire and Othello at Bolsover Castle in Derbyshire. We are also bringing poetry, portraiture and sculpture to various sites, from Berwick Barracks in Northumberland to Osborne on the Isle of Wight.

We have been successful in our application for Kickstart funding to create placements for over 40 young people across the country, and alongside this we will be developing a blueprint for how we use apprenticeships and create paid intern opportunities so that young people view English Heritage as an exciting place to work or volunteer.

We have adopted an EDI Strategy for 2021–25 which sets out how we will ensure greater diversity among our workforce, audiences and in our interpretation. The new strategy will launch in May 2021 and is based on the recommendations of consultants commissioned in January 2020. Our aim is for our staff, volunteers and visitors to better reflect today's society and for people from all backgrounds and with diverse needs to feel welcome when they engage with us either at sites, online or in our offices. We will

review our recruitment policies and invest in training to raise awareness of how we can best involve a more diverse range of people in our work.

**Inspiration**  
We will continue to invest in the visitor experience at our sites with a strong emphasis on storytelling, including untold stories unearthed through new research. Our principal projects will be at Belsay Hall in Northumberland, Clifford's Tower

in York and Marble Hill in southwest London. We are very grateful to the National Lottery Heritage Fund for increasing grants to both Belsay and Marble Hill to enable these projects to continue despite the additional costs arising from the pandemic. In London we aim to unveil 12 new blue plaques marking the achievement of prominent people on buildings they were associated with. We continue to champion diversity and encourage nominations

for more women and people from minority ethnic backgrounds so that the scheme becomes more representative of society in London.

We have taken over the management of Gainsborough Old Hall in Lincolnshire, which is one of the best-preserved medieval manor houses in England. It will reopen to the public in the summer. Our new Hide and Seek project at Boscombe House in Shropshire opens in May.

KEY PERFORMANCE INDICATORS		Where we are now 2020/21	Second strategic plan targets	
		2019/20	2020/21	
SUPPORTERS	NUMBER OF MEMBERS	935k	1.09m	1.15m
FINANCIAL SUSTAINABILITY	TRADING SURPLUS	25%	40%	42%
CONSERVATION & STEWARDSHIP	% OF HISTORIC PROPERTIES IN 'SUSTAINABLE CONDITION'	69%	65%	68%
	PROGRESS ON COLLECTIONS CARE & CONSERVATION PLANS	78%	75%	80%
PUBLIC ACCESS & INSPIRATION	TOTAL VISITORS	1.90m	6.51m	6.73m
	IMPACT	1.09m*	1.09m	TBA
ORGANISATIONAL WELLBEING	COMBINED ORGANISATIONAL WELLBEING SCORE	74%	75%	75%

\* Following research with Members, visitors and supporters, 1.09 million people felt they were part of something bigger when dealing with English Heritage. See page 18 for more details on our charitable impact.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

The legal entity now known as English Heritage was originally established as a charitable company limited by guarantee and incorporated on 22 November 2010 as the English Heritage Foundation and registered as a charity with the Charity Commission on 10 February 2011. Its original aim was to drive fundraising for the preservation of the National Heritage Collection. On 12 December 2014, following agreement from Government, the New Model for English Heritage was adopted and revised Articles of Association were approved, changing its objectives to conserve and manage the Collection and open it to the public. Its name was changed to The English Heritage Trust and its sole legal member is Historic England. It conducts its charitable activities and trades as English Heritage.

### Appointment of Trustees

The Board consists of between 7 and 15 Trustees who, for the purposes of charity law, are also directors of English Heritage. A minority of Trustees may be Historic England Commissioners or employees; the majority will be independent Trustees proposed by English Heritage and appointed by Historic England.

Current Trustees have experience and knowledge of our wide range of activities, including heritage and buildings conservation, the visual arts, the history of England, education and learning, as well as finance, business, charity governance, social media, IT, insurance, marketing and fundraising.

Trustees are normally appointed for four years and may be reappointed for a further term of four years. Only in exceptional cases will Historic England

consider a third term. Vacancies for independent Trustees are publicly advertised. The Trustees elect a Chairman from among their number. The Chairman holds office for four years or as long as they remain a Trustee, whichever period is shorter, and will be eligible for reappointment at the end of their first term of office.

Trustees may also appoint a number of Deputy Chairs in order to support the Chairman in providing effective leadership to the Board and in engaging externally with Government, Historic England, Members, donors, partners and others.

**Trustees' induction and training**  
New Trustees receive extensive induction material to familiarise them with the history and activities of English Heritage, as well as Charity Commission documentation to inform them of their responsibilities and obligations under charity law. In addition, they are briefed by the Chief Executive and the Senior Management Team on the key policy, strategic, financial and operational issues facing English Heritage.

### Organisation

The Board of Trustees meets formally each quarter and there is also an annual discussion day at which strategic issues are reviewed. At each meeting the Board considers detailed reports from the Senior Management Team on areas such as strategic development, financial performance, risk and health and safety. Additionally, as appropriate, the Board considers progress on current and future projects, in particular the expenditure of the £80 million New Model grant, governance, and the annual budget and longer-term financial forecasts to achieve financial sustainability, including use of the

£23.4 million Culture Recovery Fund Repayable Finance loan. The Board also reviews the minutes of the two subcommittees, referred to below, and receives an annual report from the Chairman of the Audit and Risk Committee. Trustees also receive monthly performance reports from the Chief Executive between Board meetings in order to keep them up to date with financial performance and key issues. The Senior Management Team attends Board meetings.

Under the terms of a repayable finance agreement dated 12 March 2021 between English Heritage, the Secretary of State for the Department of Digital, Culture, Media and Sport, and Arts Council England (ACE), a loan of £23.4 million was awarded to English Heritage from the Culture Recovery Fund, ACE has appointed an observer to attend Board meetings.

The Trustees delegate day-to-day management of English Heritage to the Senior Management Team.

In line with good practice the Board undergoes regular external reviews and carries out a self-review in intervening years. The last external review in 2018 concluded that, as a new charity, English Heritage's governance had started from a position of strength and suggested minor improvements which have all now been implemented. English Heritage adheres to the Charity Governance Code to ensure high standards in all areas of governance.

The Board has established two subcommittees. These committees have advisory powers and decision-making is retained by the Board.

The Audit and Risk Committee was established in June 2015 in order to support the Board and Chief Executive

in their responsibilities for maintaining sound risk management, control and governance arrangements. In particular, the committee advises on the financial accounting process, the external reporting process, the external audit, the effectiveness of risk management and control systems, the internal audit and the effectiveness of anti-fraud, whistleblowing and safeguarding arrangements. This committee will also review the annual report to ACE which is required to demonstrate compliance with various covenants in the repayable finance agreement. The committee normally meets three times a year, but held two additional meetings during 2019-20 to consider the impact of COVID-19 on the organisation. Trustee members of the Audit and Risk Committee are Ian McCaig (Chairman), Sir Tim Laurence (ex-officio member), Sarah Staniforth CBE and James Twining. Robert Boyle and Eloise Francis are co-opted members of the committee. The Chief Executive and Chief Financial Officer also attend.

The Remuneration and Appointments Committee was established in May 2016 to oversee English Heritage's reward and remuneration policy and to ensure the Chief Executive and members of the Senior Management Team are fairly rewarded for their individual contributions, as well as overseeing pay awards generally across the Charity. The committee also leads on the selection of future Trustees, whose appointment rests with Historic England, and on the appointment of members of the Board subcommittees and the Blue Plaques Panel. The committee meets three times a year. Trustee members of the Remuneration and Appointments Committee are Charles Gurrass (Chairman), Victoria Barnsley (Howard) OBE and Sir Tim Laurence. Peter Blausten and Patrick Newberry, a Commissioner

of Historic England, are co-opted members of the committee. The Chief Executive and Chief Financial Officer also attend when appropriate.

English Heritage Trading Limited  
English Heritage has a wholly owned subsidiary, English Heritage Trading Limited, which carries out non-primary trading, including retail, catering and sponsorship. Each year, it distributes its entire profits to the Charity by way of Gift Aid.

### Our people

Our work is made possible thanks to the efforts of our creative and dedicated people. We have an average monthly headcount of 2,245 employees and 3,200 volunteers (2019/20: 2,288 employees and 3,390 volunteers), and it's vital that we invest in them. We are pleased to be accredited by Investors in People.

In April we furloughed up to 86% of our employees and asked them to take a 20% pay cut, which all agreed to. We suspended all volunteering activity for a time. In due course, the furlough scheme allowed us the flexibility to have people part-time furloughed and part-time working, which meant that there have only been 16 employees who have been off work for the duration of the furlough scheme.

We are grateful for the sacrifices that staff and volunteers have made over the last 12 months. We know that our people love being able to make a difference in their roles, and being denied the opportunity to do this was particularly difficult for many.

Thanks to careful financial stewardship, no redundancies were made during the year as a

result of the pandemic. Investment in new ways of working energised our efforts to get sites and offices back open safely and enabled our workforce to keep connected in various ways, including through video updates from the Chief Executive, Zoom coffee mornings and team quizzes.

661 employees and volunteers attended the Senior Management Team's Webinar in March 2021 where we reflected on 2020/21 performance and discussed our roadmap out of lockdown. A further 112 subsequently watched the recording.

We're investing in technology and hybrid working to improve productivity to allow more people to work effectively from home and the office. We plan to reduce the number of regional offices, and we will invest in refurbishing offices at our sites. Investment in supporting our people continued. Our apprenticeship numbers stayed the same as in 2019/20: 31, with new apprenticeships beginning and our first leadership and management apprenticeship cohort of 16 employees graduating. We opened up our advice, support and counselling service to volunteers and increased our number of Mental Health First Aiders to 36 (2019/20: 28). We also celebrated International Women's Day with an inspiring webinar from English Heritage women in leadership roles.

We are monitoring workloads and the morale of our staff and volunteers. For those who worked throughout the pandemic, work has been relentless; we have not increased employee pay since April 2019 (except for the National Living Wage increases); and, whilst we get back on track to financial sustainability

a general recruitment freeze has been in place since February 2020. We're also keeping the number of zero hours contracts to a minimum, with our commitment being to offer contracted hours to anyone who is on a zero hour contract and works for us regularly. Only those who choose to be on zero hours contracts will have them. All other c.1,500 operational grade staff have committed hours contracts.

Our formal employee and volunteer surveys are carried out every 18 months and are next scheduled for September 2021. However, in 2020/21 we carried out multiple wellbeing and ways of working pulse surveys and more than 30 webinars to ensure that we were regularly checking-in on our people.

Although our gender pay gap fell consistently from 10.15% (2017/18) to 9.7% (2018/19) and 8.55% (2019/20), it has risen to 10.34% in 2020/21. We have a very even gender split in our Senior Management Team (three women and three men report to our female Chief Executive) and the top 50 leaders reporting to the Senior Management Team are also very evenly balanced from a gender perspective.

More than 65% of our people work in operational grade roles, at our sites, where at least 80% of the people in this cohort (our lowest paid staff) work seasonally. As with most employers in our sector, we employ more women than men in these roles. We are pleased to report, however, that more flexible working requests were received from men, in the last year, than ever before, across our workforce, and we hired a greater proportion of males into operational grade roles, in the last 12 months, than in previous years. We therefore expect this gender pay gap to close significantly in 2021/22.

English Heritage subscribes to the Disability Confident Scheme, which means that the Charity will interview all disabled applicants who meet the minimum criteria for a job vacancy and consider them on their abilities. Within the workforce we have 178 employees (2019/20: 113) who report that they consider themselves to have a disability. Along with all colleagues, these people are capable of performing their roles and have access to appropriate training and equipment to enable them to discharge their duties and responsibilities

safely and productively and we have reasonable adjustments in place to ensure they are not at a disadvantage. Before participating in training events, all colleagues are invited to discuss reasonable adjustments to enable full participation.

**Internal Auditors**  
In 2018/19 we tendered the provision of internal audit services and appointed PwC for a three-year term. We have extended the contract by one year, given the challenging environment in 2020/21 in which to conduct a tender process.

**Appointment of Auditors**  
The Comptroller and Auditor General has expressed his willingness to continue in office and a resolution to reappoint him will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

**Combined report**  
The Annual Report of the Trustees constitutes a combined directors' report and Trustees' Annual Report.

## STATEMENT OF BOARD OF TRUSTEES' AND ACCOUNTING OFFICER'S RESPONSIBILITIES

The Trustees (who are also directors of The English Heritage Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the accounts in accordance with applicable law and regulations. Company law requires the Trustees to prepare accounts for each financial year. Under that law, the Trustees have prepared the accounts in accordance with Generally Accepted Accounting Practice in the United Kingdom. Under company law, the Trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the income and resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these accounts, 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts

- prepare the accounts 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 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 the group, and enable them to ensure that accounts 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.

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The Accounting Officer for Historic England has designated the Chief Executive as the Accounting Officer for the Charity. Her relevant responsibilities as Accounting Officer include her responsibility for the propriety and regularity of the public finances for which she is answerable, for the keeping of proper records and for safeguarding the Charity's

assets, as set out in Managing Public Money issued by HM Treasury.

As far as the Board of Trustees and Accounting Officer are aware:

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

The Trustees' Annual Report, including the Strategic Report, was adopted by the Trustees (in their capacity as company directors) and signed on their behalf by:



Sir Tim Laurence  
Chairman



Kate Mavor  
Chief Executive  
and Accounting Officer

9 November 2021

## REFERENCE AND ADMINISTRATIVE DETAILS

### BOARD OF TRUSTEES

Vice Admiral Sir Tim Laurence  
KCVO, CB, ADC (Chairman)  
Sarah Staniforth CBE (Deputy Chair)  
James Twining (Deputy Chair)  
Victoria Barnsley (Howard) OBE  
Charles Gurrassa  
Professor Ronald Hutton  
Sir Laurie Magnus  
Ian McCaig  
Kunle Olulode MBE  
Professor David Olusoga OBE  
(until 14 October 2020)  
Sue Wilkinson  
Liz Bromley (from 1 July 2021)  
Tanvi Gokhale (from 1 July 2021)

### AUDIT AND RISK COMMITTEE

Ian McCaig (Chairman)  
Robert Boyle (until 31 August 2021)  
Eloise Francis  
Sir Tim Laurence (ex officio member)  
Sarah Staniforth CBE  
James Twining

### REMUNERATION AND APPOINTMENTS COMMITTEE

Charles Gurrassa (Chairman)  
Victoria Barnsley (Howard) OBE  
Peter Blausten  
Sir Tim Laurence  
Patrick Newberry

### DIRECTORS OF ENGLISH HERITAGE TRADING LIMITED

Sir Tim Laurence (Chairman)  
Victoria Barnsley (Howard) OBE  
Charles Gurrassa  
Sir Laurie Magnus  
Kate Mavor

### BLUE PLAQUES PANEL

Professor Ronald Hutton (Chairman)  
Professor Martin Dauntton (Deputy Chairman – until 31 May 2021)  
Professor Richard Aldrich (from 1 October 2020)  
Sir Peter Bazalgette (until 30 April 2021)  
Mihir Bose (from 1 October 2020)  
Dr Simon Chaplin (from 1 October 2020)  
Emily Gee (from 1 October 2020)  
Professor Jane Glover CBE (until 30 September 2020)  
Alex Graham (from 1 February 2021)  
Andrew Graham-Dixon (from 1 October 2020)  
Professor Claire Harman (from 1 February 2021)  
Dr Rebekah Higgitt  
Dr Rosemary Hill (until 30 September 2021)  
Alan Hollinghurst (until 7 June 2021)  
Amy Lamé (from 1 October 2020)

Philip Mould OBE (until 31 May 2020)  
Professor David Olusoga OBE (until 14 October 2020)  
Dr Viviane Quirke (until 6 July 2020)

### SENIOR MANAGEMENT TEAM

Kate Mavor, Chief Executive  
Anna Eavis, Curatorial Director  
Luke Purser, Development Director (until 8 July 2020)  
Luminita Holban, Interim Development Director (June 2020 – March 2021)  
Susan Fisher, Development Director (from 8 March 2021)  
Liz Page, Interim Historic Properties Director (1 June 2020 to 3 January 2021)  
Kate Logan, Historic Properties Director (from 4 January 2021)  
Mark Stuart-Smith, Chief Financial Officer  
Luke Whitcomb, Marketing Director  
Rob Woodside, Estates Director

### OFFICES

The Engine House, Fire Fly Avenue,  
Swindon, SN2 2EH (Registered Office)  
100 Wood Street,  
London, EC2V 7AN  
The Axis, 10 Holliday Street,  
Birmingham, B1 1TG  
(until March 2021)  
29 Queen Square,  
Bristol, BS1 4ND  
(until late 2021)  
1st Floor Fermentation North,  
Finzels Reach, Hawkins Lane,  
Bristol, BS1 6JQ  
(from late 2021)  
Brooklands, 24 Brooklands Avenue,  
Cambridge, CB2 8BU  
Dover Castle, Castle Hill,  
Dover, CT16 1HU  
Matford Business Centre  
Matford Park Rd,  
Marsh Barton, Exeter EX2 8ED  
(until January 2021)  
Cavendish House, 233-235 High  
Street, Guildford, GU1 3BJ  
Bessie Surtees House, 41–44 Sandhill,  
Newcastle-upon-Tyne, NE1 3JF  
Wrest Park, Silsoe,  
Bedfordshire, MK45 4HR  
37 Tanner Row, York, YO1 6WP

### ENGLISH HERITAGE TRUST

Charity number: 1140351  
Company number: 07447221

### ENGLISH HERITAGE TRADING LIMITED

Company number: 02970369

### AUDITORS

Comptroller and Auditor General,  
National Audit Office,  
157–197 Buckingham Palace Road,  
London, SW1W 9SP

### INTERNAL AUDITORS

PricewaterhouseCoopers LLP  
1 Embankment Place,  
London, WC2N 6RH

### BANKERS

HSBC Holdings plc,  
Keith House, 133 Regent Street,  
London, W1B 4HX  
Santander UK plc,  
Boodle, Merseyside,  
L30 4GB  
NatWest Group plc,  
36 St Andrew Square,  
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Close Brothers Group plc,  
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# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGLISH HERITAGE TRUST

## Opinion on financial statements

I have audited the financial statements of English Heritage Trust for the year ended 31 March 2021 which comprise the Consolidated and English Heritage Trust Statement of Financial Activities (including the Income and Expenditure Account), the Consolidated and Charity Balance Sheet, the Group and Charity Statement of Cash Flows and the related notes, including the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and as regard the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In my opinion the financial statements:

- give a true and fair view of the state of the group's and English Heritage Trust's affairs as at 31 March 2021 and of its income, resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Opinion on regularity

In my opinion, in all material respects the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those

standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the English Heritage Trust in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Conclusions relating to going concern

In auditing the financial statements, I have concluded that the English Heritage Trust's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the English Heritage Trust'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.

My responsibilities and the responsibilities of the Trustees and the Accounting Officer with respect to going concern are described in the relevant sections of this report.

## Other Information

The other information comprises information included in the Annual Report of the Trustees, but does

not include the parts of the of the Strategic Report described in that report as having been audited, the financial statements and my auditor's report thereon. The Trustees and the Accounting Officer are responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Trustees Annual Report (including Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements and those reports have been prepared in accordance with applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the English Heritage

Trust and its environment obtained in the course of the audit, I have not identified material misstatements in the Trustees Annual Report (including Strategic Report).

I have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires me to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; 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
- I have not received all of the information and explanations I require for my audit.

Responsibilities of the Trustees and Accounting Officer for the financial statements

As explained more fully in the Statement of Board of Trustees' and Accounting Officer's Responsibilities, the Trustees are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as management determine is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- assessing the Group and the English Heritage Trust'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 directors either intend to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit the financial statements in accordance with applicable law and section 151 of the Charities Act 2011.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue a report that includes my 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included the following:

- Inquiring of management, the head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the English Heritage Trust's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;

– detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;

– the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Group's controls relating to Charities Law, and the Companies Act 2006;

– reviewing English Heritage's accounting policies; and

– using analytical procedures to identify any unusual or unexpected relationships and transactions;

- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, posting of unusual journals (including classification of conservation expenditure against funds); and accounting estimates in respect of the deferred income membership;

- obtaining an understanding of the English Heritage Trust and Group's framework of authority as well as other legal and regulatory frameworks that the English Heritage Trust and Group operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the English Heritage Trust and Group. The key laws and regulations I considered in this context included the Companies Act 2006 and Charities Law, Employment Law, and tax Legislation.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, and the Audit and Risk Committee concerning actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias (which focussed on the deferral of membership income); and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- in addressing the risk of revenue recognition due to fraud, assessing

the recognition of revenue streams including donations and grants, and membership, sales, site, legacy and gift aid income, in line with the accounting framework. In addition to undertaking procedures to test the completeness of these revenue streams.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my report. In addition, I am required to obtain evidence sufficient to give reasonable assurance that the

income and expenditure reported in the financial statements to the authorities which govern them. I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Alexander Macnab  
(Senior Statutory Auditor)  
12 November 2021

For and on behalf of the  
Comptroller and Auditor General  
(Statutory Auditor)

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

## FINANCIAL STATEMENTS

Consolidated Statement of Financial Activities (including consolidated Income and Expenditure Account) for year ending 31 March 2021

	Note	2020/21 Unrestricted £'000	2020/21 Restricted £'000	2020/21 Endowment £'000	2020/21 Total £'000	2019/20 Total £'000
<b>INCOME FROM:</b>						
<b>Donations and Legacies</b>						
Fundraising	3a	1,786	4,286	146	<b>6,218</b>	7,230
<b>Charitable Activities</b>						
Conserving our Properties	3a	1,604	73	-	<b>1,677</b>	1,781
Membership and Admissions	3a	46,132	-	-	<b>46,132</b>	75,992
New Model	3a	11,026	7	-	<b>11,033</b>	13,320
Covid-19 Financial Assistance	3a	899	23,501	-	<b>24,400</b>	-
<b>Other Trading Activities</b>						
Running our Properties	3a	9,584	-	-	<b>9,584</b>	27,554
Licensing, Sponsorship and Advertising	3a	568	-	-	<b>568</b>	708
Investments	3a, 4	138	17	-	<b>155</b>	361
<b>Total</b>		<b>71,737</b>	<b>27,884</b>	<b>146</b>	<b>99,767</b>	126,946
<b>EXPENDITURE ON:</b>						
<b>Raising Funds</b>						
Fundraising	6a	(1,305)	(219)	-	<b>(1,524)</b>	(1,796)
Running our Properties	6a	(13,344)	(1,587)	-	<b>(14,931)</b>	(24,089)
Licensing, Sponsorship and Advertising	6a	(146)	(23)	-	<b>(169)</b>	(177)
<b>Charitable Activities</b>						
Conserving our Properties	6a	(27,922)	(6,516)	-	<b>(34,438)</b>	(38,833)
Membership and Admissions	6a	(35,747)	(4,410)	-	<b>(40,157)</b>	(51,241)
New Model	2, 6a	(390)	(4,605)	-	<b>(4,995)</b>	(5,201)
<b>Total</b>		<b>(78,854)</b>	<b>(17,360)</b>	<b>-</b>	<b>(96,214)</b>	(121,337)
<b>Net income/(expenditure) before and after tax and before gains/(losses) and transfers</b>	8	<b>(7,117)</b>	<b>10,524</b>	<b>146</b>	<b>3,553</b>	5,609
Transfers between funds	9, 31	15,249	(15,249)	-	-	-
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>						
Gain on revaluation of fixed assets	31	-	-	-	-	(1,077)
<b>Net Movement in Funds</b>		<b>8,132</b>	<b>(4,725)</b>	<b>146</b>	<b>3,553</b>	4,532
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward	31	52,414	27,820	1,398	<b>81,632</b>	77,100
<b>Total funds carried forward</b>	<b>31</b>	<b>60,546</b>	<b>23,095</b>	<b>1,544</b>	<b>85,185</b>	81,632

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derives from continuing activities.  
The notes on pages 48 to 75 form part of these accounts.

English Heritage Trust Statement of Financial Activities (including Income and Expenditure Account) for year ending 31 March 2021

	Note	2020/21 Unrestricted £'000	2020/21 Restricted £'000	2020/21 Endowment £'000	2020/21 Total £'000	2019/20 Total £'000
<b>INCOME FROM:</b>						
<b>Donations and Legacies</b>						
Fundraising	3b	1,786	4,286	146	<b>6,218</b>	13,676
<b>Charitable Activities</b>						
Conserving our Properties	3b	912	73	-	<b>985</b>	1,781
Membership and Admissions	3b	46,132	-	-	<b>46,132</b>	75,992
New Model	3b	11,026	7	-	<b>11,033</b>	13,320
Covid-19 Financial Assistance	3b	-	23,501	-	<b>23,501</b>	-
<b>Other Trading Activities</b>						
Running our Properties	3b	7,040	-	-	<b>7,040</b>	13,003
Licensing, Sponsorship and Advertising	3b	406	-	-	<b>406</b>	548
Investments	3b, 4	138	17	-	<b>155</b>	361
<b>Total</b>		<b>67,440</b>	<b>27,884</b>	<b>146</b>	<b>95,470</b>	118,681
<b>EXPENDITURE ON:</b>						
<b>Raising Funds</b>						
Fundraising	6b	(1,325)	(214)	-	<b>(1,539)</b>	(1,847)
Running our Properties	6b	(10,334)	(1,361)	-	<b>(11,695)</b>	(14,671)
Licensing, Sponsorship and Advertising	6b	(114)	(15)	-	<b>(129)</b>	(74)
<b>Charitable Activities</b>						
Conserving our Properties	6b	(27,502)	(6,364)	-	<b>(33,866)</b>	(37,731)
Membership and Admissions	6b	(35,538)	(4,119)	-	<b>(39,657)</b>	(50,125)
New Model	2, 6b	(400)	(4,595)	-	<b>(4,995)</b>	(5,201)
<b>Total</b>		<b>(75,213)</b>	<b>(16,668)</b>	<b>-</b>	<b>(91,881)</b>	(109,649)
<b>Net income/ (expenditure) before and after tax and before gains/ (losses) and transfers</b>	8	<b>(7,773)</b>	<b>11,216</b>	<b>146</b>	<b>3,589</b>	9,032
Transfers between funds	9, 31	15,941	(15,941)	-	-	-
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>						
Gain on revaluation of fixed assets	31	-	-	-	-	(1,077)
(Loss)/gain on revaluation of investments	19a	(36)	-	-	<b>(36)</b>	(3,423)
<b>Net Movement in Funds</b>		<b>8,132</b>	<b>(4,725)</b>	<b>146</b>	<b>3,553</b>	4,532
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward	31	52,414	27,820	1,398	<b>81,632</b>	77,100
<b>Total funds carried forward</b>	<b>31</b>	<b>60,546</b>	<b>23,095</b>	<b>1,544</b>	<b>85,185</b>	81,632

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities. The notes on pages 48 to 75 form part of these accounts.



## Consolidated and Charity Balance Sheet as at 31 March 2021


	Note	2020/21 Group £'000	2020/21 Charity £'000	2019/20 Group £'000	2019/20 Charity £'000
<b>Fixed Assets</b>					
Intangible assets	14	2,388	2,388	1,255	1,255
Tangible assets	15	39,474	39,474	30,115	30,115
Heritage assets	16	331	331	331	331
Investments	19a	-	1,992	-	2,028
<b>Total Fixed Assets</b>		<b>42,193</b>	<b>44,185</b>	<b>31,701</b>	<b>33,729</b>
<b>Current Assets</b>					
Stocks	20	6,219	183	6,875	136
Debtors	21	8,853	15,748	6,870	13,064
Current asset investments	19b	7,059	7,059	26,681	26,681
Cash at bank and in hand	22	84,447	82,610	42,709	42,082
<b>Total Current Assets</b>		<b>106,578</b>	<b>105,600</b>	<b>83,135</b>	<b>81,963</b>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	26, 28	(38,106)	(39,120)	(31,299)	(32,155)
<b>Net Current Assets</b>		<b>68,472</b>	<b>66,480</b>	<b>51,836</b>	<b>49,808</b>
<b>Total Assets Less Current Liabilities</b>		<b>110,665</b>	<b>110,665</b>	<b>83,537</b>	<b>83,537</b>
Creditors: amounts falling due after more than one year	27, 28	(1,932)	(1,932)	(1,903)	(1,903)
Other Borrowings: amounts falling due after more than one year	29	(23,400)	(23,400)	-	-
Provisions for liabilities	30	(148)	(148)	(2)	(2)
<b>Net Assets Excluding Pension Asset/(Liability)</b>		<b>85,185</b>	<b>85,185</b>	<b>81,632</b>	<b>81,632</b>
<b>Total Net Assets</b>		<b>85,185</b>	<b>85,185</b>	<b>81,632</b>	<b>81,632</b>
<b>The funds of the charity</b>					
Endowment funds	31, 32	1,544	1,544	1,398	1,398
Restricted funds	31, 32	23,095	23,095	27,820	27,820
<b>Total Restricted Funds</b>	<b>31, 32</b>	<b>24,639</b>	<b>24,639</b>	<b>29,218</b>	<b>29,218</b>
<b>Unrestricted Funds</b>					
Financial Asset Reserve	5, 32	-	1,992	-	2,028
General Fund	31, 32	60,546	58,554	52,414	50,386
<b>Total Unrestricted Funds</b>	<b>31, 32</b>	<b>60,546</b>	<b>60,546</b>	<b>52,414</b>	<b>52,414</b>
<b>Total Charity Funds</b>		<b>85,185</b>	<b>85,185</b>	<b>81,632</b>	<b>81,632</b>

The Trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. The notes on pages 48 to 75 form part of these accounts.

The Trustees approved the accounts on 20 October 2021, and authorised the Chief Executive and Chairman to sign on their behalf.

Signed

  
Kate Mavor, Chief Executive  
9 November 2021

  
Sir Tim Laurence, Chairman  
9 November 2021

## Group and Charity Statement of Cash Flows for year ending 31 March 2021

	Note	2020/21 Group £'000	2020/21 Charity £'000	2019/20 Group £'000	2019/20 Charity £'000
<b>Net movement in funds for the reporting period</b>		<b>3,553</b>	<b>3,553</b>	<b>4,532</b>	<b>4,532</b>
<b>Adjustments for:</b>					
Depreciation, Amortisation and Impairment Charges	11, 14, 15	6,158	6,158	3,389	3,389
(Gains)/Losses on investments	19a	-	36	-	3,423
Interest from investments	3a, 3b	(155)	(155)	(361)	(361)
(Profit)/Loss on disposal of fixed assets	14, 15	(106)	(106)	219	219
(Increase)/ Decrease in stocks	20	656	(47)	67	(82)
(Increase)/ Decrease in debtors	21	(1,983)	(2,684)	90	(4,666)
Increase/ (Decrease) in creditors	26, 27	6,836	6,994	161	1,050
Increase/ (Decrease) in provisions	30	146	146	-	-
<b>Net cash provided by operating activities</b>		<b>15,105</b>	<b>13,895</b>	<b>8,097</b>	<b>7,504</b>
<b>Cash flows from investing activities:</b>					
Interest from investments	3a, 3b	155	155	361	361
Proceeds from the sale of property, plant and equipment	14, 15	110	110	-	-
(Purchase) of property, plant and equipment and intangible assets	14, 15	(16,654)	(16,654)	(5,577)	(5,577)
(Increase)/Decrease in investments	19b	19,622	19,622	(11,763)	(11,763)
<b>Net cash (used in) investing activities</b>		<b>3,233</b>	<b>3,233</b>	<b>(16,979)</b>	<b>(16,979)</b>
<b>Cash flows from financing activities:</b>					
Cash inflows from Culture Recovery Fund Loan	29	23,400	23,400	-	-
<b>Net cash provided by (used in) financing activities</b>		<b>23,400</b>	<b>23,400</b>	<b>-</b>	<b>-</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>41,738</b>	<b>40,528</b>	<b>(8,882)</b>	<b>(9,475)</b>
Cash and cash equivalents at the beginning of the reporting period		42,709	42,082	51,591	51,557
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>84,447</b>	<b>82,610</b>	<b>42,709</b>	<b>42,082</b>

The notes on pages 48 to 75 form part of these accounts.

# NOTES TO THE FINANCIAL STATEMENTS

## I Statement of Accounting Policies

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

### a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – 'Charities SORP' and the Companies Act 2006.

The English Heritage Trust meets the definition of a public benefit entity.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

### b) Preparation of the accounts on a going concern basis

In adopting the going concern basis for preparing the financial statements, the Trustees have considered the business activities and principal risks set out in the Report of the Trustees on page 28 to 30. The Trustees have reviewed the latest financial forecasts and are satisfied that it remains appropriate for English Heritage to adopt the going concern basis in preparing its financial statements.

The Covid-19 pandemic and resulting Government guidance led to the closure of all pay-to-enter sites and all gated free-to-enter sites to the public with effect from 19 March 2020. Sites started to re-open from mid-June and the majority have been open since August, with just a few remaining closed where social distancing measures made reopening impractical. However, the sites that were open operated at a much reduced visitor capacity and sites continued to be affected by changing restrictions throughout the remainder of the financial year. Most sites were open again by Easter 2021, although with capacity restrictions in place so as to comply with the Government's social distancing guidelines.

With income from Admissions and Membership and Running our Properties comprising 82% of total income, these site closures and continued social distancing measures significantly reduced the Charity's ability to generate income during 2020/21, and will continue to do so for several years to come, with a consequent impact on the Charity's medium term financial strength.

In order to manage the immediate impact of this, spend was restricted to essential areas only. The Charity took advantage of the generous Government support measures such as the Coronavirus Job Retention Scheme, retail, leisure and hospitality grants, VAT reduction, business rates relief, and Eat Out To Help Out. The Charity was also awarded a Government rescue grant of up to £19.7 million, a grant of up to £2.9m, and a loan of £23.4 million from the Culture Recovery Fund, highlighting the commitment by the Government to the Charity.

As a result of the pandemic it is expected that the goal of achieving financial sustainability will be delayed from 2022/23 to 2025/26. Current forecasts assume a recovery in visitor numbers and the Member base to pre-Covid-19 levels by 2024/25. However, due to the current economic situation there is uncertainty as to the accuracy of these longer term forecasts at this stage.

If these forecasts are achieved, the expectation is that the Charity will achieve financial sustainability with only a two-year delay, to 2024/25, to the original plans, and will remain a going concern for the foreseeable future. If the forecasts prove to be too ambitious, the Charity's business model will be adapted accordingly, although the Charity is expected to remain a going concern for the foreseeable future.

The financial projections are driven by detailed forecasts of visitor numbers and the member base. For 2021/22 a base case budget was prepared and visitor numbers were then sensitised upwards and downwards by up to 20%, resulting in four separate scenarios, for each of which mitigating actions were identified in order to demonstrate that the Charity would be able to operate within reasonable cash flow tolerances and remain a going concern. For 2022/23 a new base case and visitor numbers have been prepared and then sensitised downwards by 20% resulting in two scenarios. The most cautious approach results in visitor numbers that are similar to the 21/22 base case budget, which remains the current anticipated outlook for 21/22.

English Heritage Trading Ltd (EHTL) made a small loss in 2020/21, mainly due to the reduction in visitor numbers to sites, resulting in lower spend on retail and catering. This loss is considered to be immaterial in the context of the trading subsidiary's P&L. For 21/22 EHTL is expected to be profitable, supported by further Covid-19 financial assistance. Projections for 22/23 show a rebound in revenue and a return to profitability except for the most cautious case, which would result in a minimal surplus.

### c) Group financial statements

The financial statements consolidate the results of The English Heritage Trust (the Charity) and its wholly owned subsidiary, English Heritage Trading Limited (EHTL) (together English Heritage), company number 02970369, on a line-by-line basis. The results of the company can be found at Note 5.

### d) Income

Income is shown within five categories in the Statement of Financial Activities:

- Donations and Legacies
- Charitable Activities
- Other Trading Activities
- Investments
- Other Income

A brief description of the items contained within these headings is as follows:

#### Donations and Legacies

Legacies are recognised when entitlement to the income exists, it is probable that the legacy will be received, and it is possible to estimate the amount receivable with sufficient accuracy. Receipt is determined as probable when there has been grant of probate; the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and any conditions attached to the legacy are either within the control of English Heritage or have been met.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

#### Charitable Activities

Income from charitable activities is primarily made up of income generated by admissions to sites and membership income. This category also includes grants received, rents and service charges received from tenants, as well as income received under the New Model arrangements.

Income generated by admissions to sites is recognised at point of sale.

Annual income received from Members is recognised in the SOFA over the period to which the membership relates. Life membership subscriptions received are credited to the Charity's Balance Sheet and released to the SOFA in ten equal annual instalments. Surveys of life Members, and analysis of available data, indicates that life Members enjoy the majority of their membership benefits in the first ten years of their arrangement. The Charity therefore feels it is appropriate to use ten years as the relevant period over which to allocate the life membership income.

Income from grants is accounted for on a receivable basis, when the Charity has certain and measurable entitlement to the income (ie, the conditions for its award have been satisfied).

Rent and service charge income, which is due from tenants who rent property owned by the Charity, is accounted for in the appropriate period. Any income received from tenants in advance is treated as being deferred income at the conclusion of the financial year.

As part of the New Model arrangements, which took effect on 1 April 2015, the Charity received a subsidy from its parent, Historic England. The financial year ending 31 March 2022 was the last year in which this income was to be receivable. The intention was for the charity to have expanded its business activities and become profitable enough to have no further need of a subsidy at the end of the seven-year period ending 31 March 2022. This is now under review following the impact of Covid-19.

The subsidy income received from Historic England has been classified as support for the Charity's charitable activities in these financial statements.

#### Other Trading Activities

Much of this income is generated in EHTL. Income is primarily comprised of income generated by the Retail and Catering operations at trading sites, with turnover relating to sales of goods and souvenirs, guidebooks and catering products at sites and online. Income is recognised in the period in which a sale is made.

Licensing and Sponsorship income is also included in this category, with income being recognised in line with the terms of the relevant agreement.

Also included in other trading activities is income from wedding bookings, holiday cottage lets and hospitality events. This is recognised in the accounting period to which the income relates.

#### Investments

Interest on funds held on deposit is accounted for when receivable and the amount can be measured reliably by English Heritage; this is normally upon notification of the interest paid or payable by the bank.

#### Other Income

Other income includes the net gains arising on disposal of fixed assets.

**Deferred income**

Individual income items over £10,000 are reviewed in the month in which they arise to ensure that they are recognised in the correct accounting period.

**Covid-19 Financial Assistance**

This is a new income category on the face of the Statement of Financial Activities in 2020/21, and comprises the various Government grants and schemes made available in response to the Covid-19 pandemic, from which the Charity benefitted.

Culture Recovery Fund capital grant income, Heritage Stimulus Fund revenue grant income, and retail, leisure and hospitality grant income is recognised in the accounting period when funds are received as drawdown requests are submitted in arrears and the SORP income recognition criteria are only achieved when drawdown is approved and funds are simultaneously remitted.

Furlough grant income is accrued into the period in which the related staff costs are recognised.

**e) Government Grants**

Government Grants are accounted for when there is measurable entitlement to the income and any performance conditions have been met.

**f) Gift Aid**

Gift Aid income is received by the Charity via three sources, as noted below:

**Gift Aid on admissions**

Gift Aid that arises on admission income received is claimed from HM Revenue and Customs (HMRC) each month. The Gift Aid income is recognised when it is processed through each trading site's tills. This produces a debtor balance in the Charity's books, which is cleared each month when applications are made to HMRC for the amount owed to the Charity.

**Gift Aid on memberships**

Gift Aid that arises on membership income received is claimed from HMRC each month. The Gift Aid income is recognised when the membership application or renewal is processed by the Charity's membership team. The debtor balance that arises in the Charity's books is subsequently cleared each month when an application is made to HMRC for the amount owed to the Charity.

**Gift Aid on donations**

Gift Aid that arises following the receipt of donations made to the Charity is recognised when the claim is made to HMRC. As the value and volume of these items is low, claims are made quarterly.

**Gift Aid payments**

EHTL pays all its taxable profits for the reporting period to the Charity under the Gift Aid scheme. The Gift Aid payment is recognised as a distribution to the Charity in equity within retained earnings in EHTL, and in Fundraising income in the Charity.

The accounting policy for Gift Aid payments results in the recognition of a taxation charge on the profits of EHTL for the year. However, the application of the exception under paragraph 29.14A of FRS 102 provides relief in respect of the accounting for the tax charge. This results in an overall nil charge for tax (see Note 10). This exception is only applicable as it is probable that the Gift Aid payment will be made by EHTL to the Charity within 9 months of the reporting date.

**g) Fund Accounting**

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

Designated funds are unrestricted funds of English Heritage allocated by the Trustees for particular purposes.

Restricted funds are donations that the donor has specified are to be solely used for particular areas of English Heritage's work.

The New Model Restricted Fund relates to the Government grant of £80 million received in 2014/15 in order to address conservation defects at historic properties and to make capital investments over the eight years of the New Model agreement.

Funds held within the Elizabeth Wagland Fund are subject to the restrictions imposed under the terms of the Elizabeth Wagland Fund subsequently amended by a cy-près scheme on 2 July 2012.

**h) Expenditure**

Expenditure is accounted for on an accruals basis and is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

**i) Apportionment of income, expenditure and support costs**

In accordance with the requirements of FRS 102, English Heritage has developed a model to apportion support and other expenditure across its main activities which can be found in Note 6.

Where costs cannot be directly attributed to an activity, they have been allocated and apportioned to an activity on a basis consistent with the use of those resources. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs are those functions that assist the work of English Heritage but are not directly attributable to charitable activities or raising funds. Support costs include finance, HR, IT, legal, payroll and governance costs that support English Heritage's charitable remit.

Support costs have either been directly allocated according to activity, or have been apportioned based on that activity's share of costs, pro-rated according to staff numbers or expenditure.

Following this allocation of support costs, English Heritage's total expenditure has then been apportioned across its main activities in a manner that management feels is most appropriate.

English Heritage's income has also been apportioned using the same methodology, and Note 7 shows the net income or expenditure for each of English Heritage's main activities.

**j) Fixed Assets**

Fixed assets are recognised at historical cost.

Discrete asset purchases of more than £10,000 and project expenditure of more than £50,000 are capitalised on the Balance Sheet where the FRS102 recognition criteria are met.

**Intangible Assets**

Licences to use software purchased from third parties with a life of more than one year are shown on the Balance Sheet as intangible assets and amortised over the life of the licence or the life of the related asset where there is no licence expiry date. Annual licences to use software are charged to the SOFA as they are incurred. Systems development is capitalised and amortised over its useful economic life.

**Operational Land & Buildings**

Individual assets with an economic life of more than one year are capitalised and depreciated over their estimated useful economic lives on a straight line basis. All additions are initially recognised at cost, and all assets are subsequently held at depreciated cost.

**Plant and Machinery, Information Systems and Furniture and Fittings**

Plant and machinery, information systems equipment, furniture and fittings are initially recorded in the Balance Sheet at cost. Subsequent expenditure of more than £5,000 is recorded on the Balance Sheet if the expenditure enhances the economic benefits of the asset.

These assets are reviewed annually to ensure that the carrying value remains appropriate.

**Assets Under Construction**

Assets under construction comprise expenditure on the creation or enhancement of Fixed Assets not brought into use at the Balance Sheet date. Transfers are made from Assets Under Construction to the relevant category of Fixed Asset when the asset is brought into use.

**Heritage Assets, Artefacts and Archives**

Heritage assets are held in pursuit of overall objectives in relation to the enjoyment and preservation of the National Heritage Collection. Artefacts and archives are recognised at cost or, where donated, at the prevailing current market value at the time of donation. Expenditure that, in English Heritage's view, is required to preserve or prevent further deterioration of individual collection and archive items is recognised in the SOFA as it is incurred.

**Donated Assets**

Assets donated by third parties, either by gift of the asset or by way of funds for the asset, will be treated as Fixed Assets and held at current market value on receipt. Donated assets are depreciated in the same way as other Fixed Assets.

**Depreciation and Amortisation**

Depreciation is provided on property (excluding land and assets under construction), plant, machinery, information systems equipment, furniture and fittings, and amortisation is provided on software licences and systems development, in equal amounts each year, in order to write down their cost to their estimated residual value over their anticipated useful economic lives. These are as follows:

<b>Intangible Assets</b>		
Software licences	3–10 years	
Systems development	4–10 years	
<b>Tangible Assets</b>		
Permanent or brick/stone buildings	50 years	
Other non-brick/stone structures	20–40 years	
Paths, car parks, playgrounds	20–25 years	
Gardens	20–50 years	

Refurbishments	10–20 years
Exhibitions and interpretations	5–20 years
Plant and machinery	5–25 years
IT equipment, furniture and fittings	4–20 years

When considering anticipated useful economic lives, regard is given to the requirement of Section 17 of FRS102, to identify assets that have distinct major components with substantially different useful economic lives. Where such assets are identified, separate useful economic lives for component assets are considered.

#### Impairment

All assets are reviewed annually to ensure that the carrying value remains appropriate. Impairment adjustments are made where the figure calculated is material, and any necessary amendments to the assets' valuations are included in the financial statements.

#### k) Investments in Subsidiary

The investment in the subsidiary undertaking, EHTL, is held at fair value. Any unrealised gain at the Balance Sheet date is taken directly to reserves.

Unrealised losses at the Balance Sheet date are written off against the proportion of any credit balance that relates to the investment concerned. Any other unrealised losses are charged to the SOFA.

#### l) Financial Instruments

English Heritage only holds basic financial instruments that are valued at amortised cost. Details can be found in Note 33.

#### m) Stocks

Goods held for resale are stated at the lower of cost and net realisable value. Origination costs of internally produced publications for resale are written off over the first print run.

#### n) Operating Leases

Operating lease costs are charged to the SOFA on a straight line basis over the lease term.

#### o) Cash at Bank and in Hand

Cash comprises cash on hand and on-demand deposits. Cash equivalents are investments with a short-term maturity of less than three months from the date of acquisition. Cash that is surplus to immediate requirements is placed on deposit in accordance with English Heritage's Investment Policy.

#### p) Current Asset Investments

Current asset investments are measured at fair value and are defined as any amount placed on an account with a notice period of more than three months and less than one year. All deposits are held in sterling accounts.

#### q) Pension Costs

Staff working for English Heritage whose contracts of employment transferred from Historic England on 1 April 2015 remain in the Principal Civil Service Pension Scheme (PCSPS). This is a multi-employer benefit scheme. Staff who joined English Heritage after 1 April 2015 are entitled to join the English Heritage Group Personal Pension Plan, a collection of defined contribution personal pension plans administered by Legal and General Assurance Society Limited. Employer pension costs are charged to the SOFA as they are incurred.

#### r) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. They are measured on the basis of their recoverable amount.

The bad debt provision is calculated from the aged debtor report as at 31 March. All invoices greater than 60 days overdue are provided for in full.

Prepayments are valued at the amount prepaid, net of any trade discounts due.

#### s) Creditors and Provisions

Creditors are accounted for at transaction price and provisions are recognised where English Heritage has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably.

#### t) Significant Accounting Estimates and Judgements

Key sources of estimation, uncertainty and judgements made in applying accounting policy exist in estimations of employee leave accruals, which are calculated by extrapolating the annual leave accrued by a sample of staff from across the organisation. Judgement also exists around the period over which life memberships are deferred, which has been estimated at ten years (see also Note 1d).

The Charity's fixed assets are consolidated into the accounts of Historic England, the Charity's sole member. Historic England apply a policy of revaluation, and professional valuations were obtained to support the most recent quinquennial valuation exercise in 2020/21. The valuations were provided on different bases depending on asset type. The valuations indicated that the carrying value of some of the Charity's assets exceeded that in the professional valuations, and where this was the case an impairment has been recognised in the financial statements. Management considers that the valuations provided are an appropriate basis on which to determine an appropriate carrying value of assets at the reporting date.

#### u) Legal Status of English Heritage

English Heritage is a company limited by guarantee and has no share capital. In the event of English Heritage being wound up, the liability in respect of the guarantee is limited to £1 for the sole legal member of English Heritage, which is Historic England.

#### v) Redundancy and Severance Costs

Redundancy and severance costs are recognised when there is a detailed, formal plan in relation to the redundancy and this has been formally communicated.

## 2 New Model

English Heritage was established as an independent charity, with effect from 1 April 2015, underpinned by the New Model Framework Arrangement (New Model) between English Heritage and Historic England. Under the New Model, English Heritage was given a licence for eight years to operate the National Heritage Collection (the Collection) (which remains in Historic England's ownership or guardianship), with the freedom to pursue its own strategy in order to achieve financial self-sufficiency by 2023.

The funding arrangement of the New Model covers the one-off payment of the Government grant of £80 million, together with tapering annual revenue payments that contribute towards English Heritage meeting its objective of becoming financially self-sufficient by 2023.

The £80 million grant is structured as restricted funds, meaning it can only be used for the specific purposes for which it has been designated, which are:

- £52 million for addressing the most urgent top three categories of conservation defects in the Collection as identified in the Charity's Asset Management Plan (AMP).
- £28 million on new commercial capital investments such as visitor facilities and infrastructure (£18 million), as well as on updating the presentation and interpretation of small and medium sized sites that would not normally qualify for commercial investment (£10 million).

Under the New Model, the operational risk of running the Collection is transferred to English Heritage.

The amount of the £80 million Government grant spend in 2020/21 is shown in the table below:

	2020/21 Total £'000	2020/21 Cumulative £'000	2019/20 Total £'000	2019/20 Cumulative £'000
<b>Element of spend of £80 million Government grant</b>				
£52 million	4,407	36,288	3,847	31,881
£18 million	-	18,000	447	18,000
£10 million	554	6,213	1,174	5,659
<b>Total</b>	<b>4,961</b>	<b>60,501</b>	<b>5,468</b>	<b>55,540</b>

In addition to the one-off grant of £80 million, the Charity receives New Model tapering subsidy on a diminishing basis over the eight-year term of the funding agreement. This amounted to £10.8 million in 2020/21 (2019/20: £13.1 million), net of the income as per Note 3b.

New Model restricted expenditure totalled £4,605k as disclosed on the face of the Statement of Financial Activities. £4,407k of this was funded by the £80 million Government grant, with the remaining £198k funded by furlough grant income.

Further details of the work accomplished as a result of the New Model during the year are contained in the Report of the Trustees.

## 3 Analysis of Income by Activity and Nature

## a) Group

	2020/21						2019/20
	Admissions £'000	Memberships £'000	Retail and Catering £'000	Donations and Grants £'000	Other Trading Activities £'000	Income from Historic England £'000	Total £'000
<b>Donations and Legacies</b>							
Fundraising	-	-	49	6,169	-	-	6,218
<b>Charitable Activities</b>							
Conserving our Properties	-	-	8	125	1,544	-	1,677
Membership and Admissions	8,670	36,854	378	209	21	-	46,132
New Model	-	-	-	7	5	11,021	11,033
Covid-19 Financial Assistance	-	-	-	24,400	-	-	24,400
<b>Other Trading Activities</b>							
Running our Properties	-	-	8,304	-	1,280	-	9,584
Licensing and Sponsorship	-	-	3	120	445	-	568
Investments	-	-	1	-	154	-	155
<b>Other Income</b>	-	-	-	-	-	-	-
<b>TOTAL INCOME</b>	<b>8,670</b>	<b>36,854</b>	<b>8,743</b>	<b>31,030</b>	<b>3,449</b>	<b>11,021</b>	<b>99,767</b>

## b) Charity

	2020/21						2019/20
	Admissions £'000	Memberships £'000	Retail and Catering £'000	Donations and Grants £'000	Other Trading Activities £'000	Income from Historic England £'000	Total £'000
<b>Donations and Legacies</b>							
Fundraising	-	-	49	6,169	-	-	6,218
<b>Charitable Activities</b>							
Conserving our Properties	-	-	8	(567)	1,544	-	985
Membership and Admissions	8,670	36,854	378	209	21	-	46,132
New Model	-	-	-	7	5	11,021	11,033
Covid-19 Financial Assistance	-	-	-	23,501	-	-	23,501
<b>Other Trading Activities</b>							
Running our Properties	-	-	2,701	-	4,339	-	7,040
Licensing and Sponsorship	-	-	3	-	403	-	406
Investments	-	-	1	-	154	-	155
<b>Other Income</b>	-	-	-	-	-	-	-
<b>TOTAL INCOME</b>	<b>8,670</b>	<b>36,854</b>	<b>3,140</b>	<b>29,319</b>	<b>6,466</b>	<b>11,021</b>	<b>95,470</b>

Other Trading Activities includes rental and service charge income, as well as income from hospitality, filming, weddings and holiday cottages.

£10.8 million (2019/20: £13.1 million) of the income received from Historic England is in the form of a subsidy relating to the deficit funding of the charity which is part of the New Model funding arrangements. The remaining £0.2 million (2019/20 £0.2 million) is income received in relation to shared services provided to Historic England.

## 4 Investment Income

All investment income of £155,000 (2019/20: £361,000) is generated from interest on bank accounts and fixed-notice deposit accounts in the UK and no material management costs are associated with the generation of this income.

## 5 English Heritage Trading Limited

The Charity is the sole shareholder of English Heritage Trading Limited, incorporated in 1994.

On 1 April 2015, the shares in English Heritage Trading Limited were transferred from the Commission to the Charity for £1.

The following results of English Heritage Trading Limited have been included in the consolidated results:

	2020/21 £'000	2019/20 £'000
<b>Income and Expenditure</b>		
Turnover	5,765	19,481
Expenditure	(7,391)	(16,459)
Grant Income	1,590	-
Operating Profit	(36)	3,022
Interest Receivable and Similar Income	-	-
<b>Profit on Ordinary Activities Before and After Taxation</b>	<b>(36)</b>	<b>3,022</b>

	2020/21 £'000	2019/20 £'000
<b>Net Assets as at 31 March</b>		
Current Assets	8,991	8,270
Creditors: Amounts falling due within one year	(6,999)	(6,242)
Creditors: Amounts falling due after more than one year	-	-
<b>Net Assets</b>	<b>1,992</b>	<b>2,028</b>
Share Capital – Ordinary Shares at £1 Each	2,028	2,028
<b>Profit and Loss Account</b>	<b>(36)</b>	<b>-</b>
<b>Shareholders' Funds</b>	<b>1,992</b>	<b>2,028</b>

English Heritage Trading Limited will make gift aid donations of its distributable profits to the Charity within 9 months of the financial year end, subject to having sufficient distributable reserves. The Gift Aid payment is recognised as a distribution to the Charity in equity within retained earnings in EHTL, and in Fundraising Income in the Charity.

Paragraph 32.8 of FRS 102 only allows such transactions to be recognised in the year that the profits arise where a legal obligation to make such a payment exists at the balance sheet date.

## 6 Total Resources Expended

## a) Group

	2020/21							2019/20	
	Staff costs £'000	Properties' repairs & maintenance £'000	Cost of goods sold £'000	Other direct costs £'000	Depreciation & amortisation £'000	Impairment £'000	Apportionment of support costs £'000	Total £'000	Total £'000
<b>Raising Funds</b>									
Fundraising	949	6	-	227	-	-	342	1,524	1,796
Running our Properties	5,314	622	3,062	2,752	-	-	3,181	14,931	24,089
Licensing and Sponsorship	112	-	-	21	-	-	36	169	177
<b>Charitable Activities</b>									
Conserving our Properties	8,586	12,992	4	6,068	-	-	6,788	34,438	38,833
Membership and Admissions	19,812	4	-	8,486	-	-	11,855	40,157	51,241
New Model	1,031	4,302	-	(338)	-	-	-	4,995	5,201
Support costs	5,705	309	-	10,030	3,485	2,673	(22,202)	-	-
<b>Grand Total</b>	<b>41,509</b>	<b>18,235</b>	<b>3,066</b>	<b>27,246</b>	<b>3,485</b>	<b>2,673</b>	<b>-</b>	<b>96,214</b>	<b>121,337</b>

Support costs are directly allocated according to activity or are apportioned based on that activity's share of costs, pro-rated according to staff numbers or expenditure.

	2020/21							2019/20	
	Governance £'000	Finance £'000	Information Technology £'000	Human Resources £'000	Other Shared Service Charges £'000	Other Support Costs £'000	Total £'000	Total £'000	
<b>Raising Funds</b>									
Fundraising	6	160	107	42	43	(16)	342	292	
Running our Properties	41	1,240	785	300	334	481	3,181	2,987	
Licensing and Sponsorship	1	17	11	4	5	(2)	36	28	
<b>Charitable Activities</b>									
Conserving our Properties	73	2,254	1,286	466	603	2,106	6,788	5,660	
Membership and Admissions	162	4,868	3,419	1,368	1,317	721	11,855	11,318	
New Model	-	-	-	-	-	-	-	-	
<b>Grand Total</b>	<b>283</b>	<b>8,539</b>	<b>5,608</b>	<b>2,180</b>	<b>2,302</b>	<b>3,290</b>	<b>22,202</b>	<b>20,285</b>	

Included within governance costs are external audit fees, payable to the National Audit Office, of £70,400 for the Charity (2019/20: £65,500) and £12,900 for English Heritage Trading Limited (2019/20: £12,000), in relation to National Audit Office's work. No services other than statutory audit were commissioned during the year (2019/20: £nil).

Also included within governance are costs associated with internal audit.

Due to the Covid-19 pandemic impairment indicators were identified and RICS qualified external valuations for land and buildings were obtained. During 2020/21 £2,673,000 impairment costs were recognised and disclosed in 'Conserving our Properties' support costs (2019/20: £nil).

## b) Charity

	2020/21							2019/20	
	Staff costs £'000	Properties' repairs & maintenance £'000	Cost of goods sold £'000	Other direct costs £'000	Depreciation £'000	Impairment £'000	Apportionment of support costs £'000	Total £'000	Total £'000
<b>Raising Funds</b>									
Fundraising	979	6	-	209	-	-	345	1,539	1,847
Running our Properties	4,524	612	720	2,870	-	-	2,969	11,695	14,671
Licensing and Sponsorship	81	-	-	39	-	-	9	129	74
<b>Charitable Activities</b>									
Conserving our Properties	8,586	12,945	4	6,068	-	-	6,263	33,866	37,731
Membership and Admissions	19,811	4	-	8,486	-	-	11,356	39,657	50,125
New Model	1,030	4,303	-	(338)	-	-	-	4,995	5,201
Support costs	4,819	309	-	9,656	3,485	2,673	(20,942)	-	-
<b>Grand Total</b>	<b>39,830</b>	<b>18,179</b>	<b>724</b>	<b>26,990</b>	<b>3,485</b>	<b>2,673</b>	<b>-</b>	<b>91,881</b>	<b>1109,649</b>

Support costs are directly allocated according to activity or are apportioned based on that activity's share of costs, pro-rated according to staff numbers or expenditure.

	2020/21							2019/20	
	Governance £'000	Finance £'000	Information Technology £'000	Human Resources £'000	Other Shared Service Charges £'000	Other Support Costs £'000	Total £'000	Total £'000	
<b>Raising Funds</b>									
Fundraising	6	162	108	42	44	(17)	345	261	
Running our Properties	38	1,158	733	280	311	449	2,969	2,487	
Licensing and Sponsorship	-	4	3	1	1	-	9	8	
<b>Charitable Activities</b>									
Conserving our Properties	67	2,081	1,187	430	556	1,942	6,263	4,638	
Membership and Admissions	156	4,663	3,275	1,311	1,261	690	11,356	10,203	
New Model	-	-	-	-	-	-	-	-	
<b>Grand Total</b>	<b>267</b>	<b>8,068</b>	<b>5,306</b>	<b>2,064</b>	<b>2,173</b>	<b>3,064</b>	<b>20,942</b>	<b>17,597</b>	

Included within governance costs are external audit fees, payable to the National Audit Office, of £70,400 for the Charity (2019/20: £65,500). No services other than statutory audit were commissioned during the year (2019/20: £nil).

Also included within governance are costs associated with internal audit.

Due to the Covid-19 pandemic impairment indicators were identified and RICS qualified external valuations for land and buildings were obtained. During 2020/21 £2,673,000 impairment costs were recognised and disclosed in 'Conserving our Properties' support costs (2019/20: £nil).

## 7 Net Income/(Expenditure) by Activity

### a) Group

	2020/21 £'000	2019/20 £'000
<b>Raising Funds</b>		
Fundraising	4,694	5,434
Running our Properties	(5,347)	3,465
Licensing and Sponsorship	399	531
	(254)	9,430
<b>Charitable Activities</b>		
Conserving our Properties	(32,761)	(37,052)
Membership and Admissions	5,975	24,751
New Model	6,038	8,119
Covid-19 Financial Assistance	24,400	-
	3,652	(4,182)
<b>Investments</b>	155	361
<b>Other Income</b>	-	-
<b>Net income/(expenditure)</b>	<b>3,553</b>	<b>5,609</b>

### b) Charity

	2020/21 £'000	2019/20 £'000
<b>Raising Funds</b>		
Fundraising	4,679	11,829
Running our Properties	(4,655)	(1,668)
Licensing and Sponsorship	277	474
	301	10,635
<b>Charitable Activities</b>		
Conserving our Properties	(32,881)	(35,950)
Membership and Admissions	6,475	25,867
New Model	6,038	8,119
Covid-19 Financial Assistance	23,501	-
	3,133	(1,964)
<b>Investments</b>	155	361
<b>Other Income</b>	-	-
<b>Net income/(expenditure)</b>	<b>3,589</b>	<b>9,032</b>

## 8 Net Income/(Expenditure)

**Group:** Net expenditure on the unrestricted reserve is £15.1 million (2019/20: £77 million). Net income on the restricted reserve is £18.5 million (2019/20: net expenditure £2.8 million), representing use of the £52 million New Model grant, the Covid Recovery Grants and other restricted income. Net income on the endowment reserve is £0.1 million (2019/20: £0.7 million). There is therefore an overall operating surplus of £3.6 million (2019/20: £5.6 million).

**Charity:** Net expenditure on the unrestricted reserve is £15.1 million (2019/20: £11.1 million). Net income on the restricted reserve is £18.5 million (2019/20: net expenditure £2.8 million), representing use of the £52 million New Model grant, the Covid Recovery Grants and other restricted income. Net income on the endowment reserve is £0.1 million (2019/20: £0.7 million). There is therefore an overall operating surplus of £3.6 million (2019/20: £9.0 million).

## 9 Transfers Between Funds

During the financial year, £0.6 million of New Model restricted funds was spent on the creation and acquisition of new fixed assets by the Charity (2019/20: £1.6 million). The assets created can be used for unrestricted purposes in accordance with the Charity's objectives and hence £0.6 million (2019/20: £1.6 million) of restricted funds have been transferred to unrestricted funds under the terms of the Charities' SORP 2018. A further £14.7 million (2019/20: £1.2 million) of other restricted funds has been spent on fixed assets which can be used for an unrestricted purpose. In 2020/21 the other restricted capital spend has included £12.4 million funded from the Culture Recovery Fund.

During the financial year £8.0 million (2019/20: £nil) of furlough grant restricted funds have been transferred to unrestricted funds to fund the furlough grant expenditure under the terms of the charities SORP 2018.

## 10 Taxation

### a) Taxable status

**Charity:** English Heritage, as a registered charity, is entitled to certain tax exemptions on income and surpluses on any trading activities carried out in furtherance of the Charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

**Group:** English Heritage Trading Limited will gift all of its taxable profits to the Charity under the Gift Aid scheme, subject to having sufficient distributable reserves, normally resulting in no liability to corporation tax within the group accounts. There is no impact on the corporation tax liability with the group as it is anticipated that, as in previous years, the full distributable profits made by English Heritage Trading Limited will be paid to The English Heritage Trust in cash within nine months of the year end. Further detail on this change is contained in Note 1f.

### b) Tax on profit on ordinary activities

	2020/21 £'000	2019/20 £'000
Profit on ordinary activities before taxation	3,589	9,032
Tax on profit at UK corporation tax rate	682	1,716
Effects of:		
Expected qualifying charitable donations	(682)	(1,716)
<b>Current tax charge for the period</b>	<b>-</b>	<b>-</b>

## 11 Net Income/(Expenditure)

Net income/(expenditure) is stated after charging:

	2020/21 £'000	2019/20 £'000
<b>Auditors' fees:</b>		
Group and Charity		
- for audit of The English Heritage Trust	70	66
Group only		
- for audit of English Heritage Trading Limited	13	12
	83	78
<b>Depreciation and amortisation:</b>		
Group and Charity		
- intangible assets	447	383
- tangible assets	3,038	2,095
	3,485	2,478
<b>Impairment:</b>		
Group and Charity		
- tangible assets	2,673	-
	6,158	2,478

There were no fees payable to the external auditors for non audit services during the financial year (2019/20: £nil).

## 12 Employees

### Group and Charity

#### a) Employee Numbers

The average monthly head count was 2,109 staff (2019/20: 2,288) and the average number of persons employed during the year expressed as full-time equivalents was:

Group	Full Time Number	2020/21 Part Time Number	Total Number	2019/20 Number
<b>Raising Funds</b>				
Fundraising	21	2	23	21
Running our Properties	316	381	697	718
Licensing and Sponsorship	2	-	2	2
<b>Charitable Activities</b>				
Conserving our Properties	194	22	216	204
Membership and Admissions	159	80	239	247
New Model	4	-	4	8
Support Services	74	9	83	73
	<b>770</b>	<b>494</b>	<b>1,264</b>	<b>1,273</b>

#### Charity

	Full Time Number	2020/21 Part Time Number	Total Number	2019/20 Number
<b>Raising Funds</b>				
Fundraising	23	2	25	23
Running our Properties	316	381	697	718
<b>Charitable Activities</b>				
Conserving our Properties	194	22	216	204
Membership and Admissions	159	80	239	247
New Model	4	-	4	8
Support Services	74	9	83	73
	<b>770</b>	<b>494</b>	<b>1,264</b>	<b>1,273</b>

All staff engaged, either on a full-time or a shared basis, have contracts of employment with The English Heritage Trust. The salaries and other employment costs borne by English Heritage Trading Limited are recharged and disclosed as such in the English Heritage Trading Limited financial statements.

#### b) Employment Costs

Group	2020/21 £'000	2019/20 £'000
<b>Wages and Salaries</b>	<b>35,389</b>	<b>37,200</b>
<b>Social Security Costs</b>	<b>2,818</b>	<b>2,839</b>
<b>Pension Costs</b>	<b>4,351</b>	<b>4,494</b>
<b>Redundancy and Severance Costs</b>	<b>51</b>	<b>152</b>
<b>Agency Staff Costs</b>	<b>858</b>	<b>991</b>
<b>Recruitment, Training and Other Costs</b>	<b>1,347</b>	<b>710</b>
<b>Total Employment Costs</b>	<b>44,814</b>	<b>46,386</b>

### Charity

	2020/21 £'000	2019/20 £'000
<b>Wages and Salaries</b>	<b>33,887</b>	<b>34,715</b>
<b>Social Security Costs</b>	<b>2,764</b>	<b>2,721</b>
<b>Pension Costs</b>	<b>4,250</b>	<b>4,264</b>
<b>Redundancy and Severance Costs</b>	<b>51</b>	<b>152</b>
<b>Agency Staff Costs</b>	<b>848</b>	<b>908</b>
<b>Recruitment, Training and Other Costs</b>	<b>1,335</b>	<b>694</b>
<b>Total Employment Costs</b>	<b>43,135</b>	<b>43,454</b>

Included within the last table are costs as follows that have been capitalised within Fixed Assets (Notes 14, 15 and 16): £1,405,000 wages and salaries costs (2019/20: £753,000), £146,000 social security costs (2019/20: £80,000), £148,000 pension costs (2019/20: £82,000) and £6,000 agency staff costs (2019/20: £180,000). There are nil redundancy and severance costs (2019/20: nil) that have been capitalised.

English Heritage operates two pension schemes, the Principal Civil Service Pension Scheme (PCSPS), for staff who transferred from Historic England on 1 April 2015 and a Group Personal Pension Plan (GPPP).

As the PCSPS is an unfunded multi-employer defined benefit scheme, English Heritage is unable to identify its share of the underlying assets, liabilities, surplus or deficit. English Heritage is not aware of any implications arising from the current status of the PCSPS. A full actuarial valuation was carried out as at 31 March 2016. Details can be found in the resource accounts of the Cabinet Office Civil Superannuation ([www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)). English Heritage has no liability beyond the annual pension contributions made on behalf of its employees.

The scheme actuary reviews employer contributions following a full scheme valuation. The contribution rates are set to meet the costs of the benefits accruing during the year ended 31 March 2021 to be paid when the Member retired and not the benefits paid during the period to existing pensioners.

The GPPP is a defined contribution scheme and, as such, contributions made to it in the year are accounted for as an expense in the SOFA. In 2020/21, expenses amounted to £1.3 million (2019/20: £1.3 million). The expenses and liabilities relating to the scheme have been allocated in accordance with employee activity.

Total employer pension contributions for the year amounted to £4,139,000 (2019/20: £4,494,000) of which £2,877,000 was payable to the PCSPS (2019/20: £3,220,000). The total employee benefits (including employer pension contributions) received by the Senior Management Team in the year to 31 March 2021 was £0.9 million (2019/20: £0.9 million).

The following number of employees within the whole Charity received salaries, bonuses and other allowances in excess of £60,000:

	2020/21 Number	2019/20 Number
£60,000 – £69,999	13	20
£70,000 – £79,999	6	7
£80,000 – £89,999	8	7
£90,000 – £99,999	1	4
£110,000 – £119,999	1	-
£130,000 – £139,999	-	1
£140,000 – £149,999	1	1
£170,000 – £179,999	-	1
	<b>30</b>	<b>41</b>

The Charity's Trustees were not paid and did not receive any other benefits from employment with English Heritage or its subsidiary in the year (2019/20: £nil). Two individual Trustees were reimbursed expenses during the year, with a value of £103 (2019/20: £2,531). This cost related to travel incurred while they undertook Trustee business. In addition to this, costs of £859 (2019/20: £934) were incurred in order to facilitate a hybrid Board meeting in October 2020.

Due to the Covid-19 pandemic, Trustees participated in all other English Heritage Trust Board meetings via video-conferencing. In 2020/21 the Trustees' incurred no other Board meeting costs relating to venue hire, accommodation and travel (2019/20: £5,876).



### 13 Related Party Transactions and Connected Bodies

#### Connected Bodies

Historic England is the sole member of the Charity and is regarded as a related party. There were material transactions with Historic England in respect of payments made to Historic England for shared services (£9.4 million, 2019/20: £7.6 million) and receipts relating to the annual subsidy which forms part of the New Model arrangements (£23.5 million, 2019/20: £13.1 million) and for shared services provided to Historic England (£0.2 million, 2019/20: £0.2 million).

#### Material Transactions with Related Party Interests

During the year, the Charity had the following related party transactions, all of which were made on an arm's length basis, that require disclosure.

#### Trustees

Sir Laurie Magnus is a Trustee of Allchurches Trust which owns 100% of Ecclesiastical Insurance Group. The charity made payments totalling £225,000 (2019/20: £268,000) to Ecclesiastical for insurance premiums through JLT Speciality Limited. He is also a trustee of Windsor Leadership Trust who received £1,000 for training.

Ms Victoria Barnsley (Howard) OBE is Executive Chairman, her husband is Non-Executive Chairman and her stepson is Non-Executive Director of Castle Howard Estate Ltd who paid £1,000 for advertising.

Mr Charles Gurrass is Chairman of Great Railway Journeys who paid £2,000 (2019/20: £6,000) to the charity for site visits.

Mr Kunle Oluode is a member of the Cabinet Office's Democracy Council. The Cabinet Office received £3.5million (2019/20: £3.9million) in relation to pensions.

#### Senior Staff

Mark Stuart-Smith, Chief Financial Officer, is Chair of the Finance, Audit, and Risk Committee and Trustee of the Chiswick House and Gardens Trust who received £18,000 (2019/20: £29,000) as part of the financial arrangement between the two trusts and paid £3,000 for guidebooks for the House and Gardens.

No other Trustees, key managerial staff or other related parties have undertaken any material related party transactions with the Charity during the year.

### 14 Intangible Assets

#### Group and Charity

	Software Licences £'000	Systems Development £'000	Assets Under Construction £'000	Total £'000
Cost or valuation at 1 April 2020	1,122	2,386	10	3,518
Additions	-	194	1,386	1,580
Reclassifications	-	733	(733)	-
At 31 March 2021	1,122	3,313	663	5,098
Amortisation at 1 April 2020	1,052	1,211	-	2,263
Charged in Year	18	429	-	447
At 31 March 2021	1,070	1,640	-	2,710
Carrying Amount at 31 March 2020	70	1,175	10	1,255
Carrying Amount at 31 March 2021	52	1,673	663	2,388

### 15 Tangible Assets

#### Group and Charity

	Operational Land & Buildings £'000	Plant & Machinery £'000	Information Systems £'000	Furniture & Fittings £'000	Assets Under Construction £'000	Total £'000
Cost or valuation at 1 April 2020	26,573	4,839	729	1,814	4,918	38,873
Additions	3,100	2,500	1,507	255	7,712	15,074
Reclassifications	822	30	-	201	(1,053)	-
Disposals	-	(327)	(69)	(12)	-	(408)
Impairments	(2,673)	-	-	-	-	(2,673)
At 31 March 2021	27,822	7,042	2,167	2,258	11,577	50,866
Depreciation at 1 April 2020	4,005	3,498	400	855	-	8,758
Charged in Year	1,768	707	403	160	-	3,038
Reclassifications	(32)	-	-	32	-	-
Disposals	-	(327)	(69)	(8)	-	(404)
Impairments	-	-	-	-	-	-
At 31 March 2021	5,741	3,878	734	1,039	-	11,392
Carrying Amount at 31 March 2020	22,568	1,341	329	959	4,918	30,115
Carrying Amount at 31 March 2021	22,081	3,164	1,433	1,219	11,577	39,474

### 16 Heritage Assets

#### Group and Charity

	£'000 2020/21	£'000 2019/20
Held on the Balance Sheet		
Cost or Valuation at 1 April	331	331
Additions	-	-
Carrying Amount at 31 March	331	331

	£'000 2020/21	£'000 2019/20	£'000 2018/19	£'000 2017/18	£'000 2016/17
Purchases and additions	-	-	-	-	-
Donations	-	-	-	250	-
Total Additions	-	-	-	250	-
Heritage assets charged to SOFA in year	2	12	2	11	-

No impairments of heritage assets were recognised during the year (2019/20: none) and there were no disposals during the year (2019/20: none).

## 17 Further Information on the Charity's Heritage Assets

### Land and Buildings

From 1 April 2015, the care and management of the National Heritage Collection (the Collection) of over 400 historic sites has been transferred from Historic England to the Charity by way of an eight-year Property Licence and Operating Agreement. The ownership or guardianship of those properties remain with Historic England.

The Charity manages the Collection of over 400 historic properties throughout England providing a diverse portfolio that includes World Heritage Sites, industrial monuments, castles, historic houses, abbeys, forts, stone circles and a large part of Hadrian's Wall. They range from prehistoric ruins to the lavishly furnished Osborne. In age they range from Neolithic burial chambers dating from 3500-2600BC to 20th century houses.

The Collection is held by Historic England under various arrangements, with many being in the guardianship of the Secretary of State for Digital, Culture, Media and Sport with the freehold being retained by the owner. The remaining properties are in the ownership of Historic England, other Government departments or the Crown Estate.

A full listing of the Collection is contained in the Membership Handbook and is available on the website. The handbook also includes full details of public access to these sites.

All expenditure on the conservation and maintenance of property has been charged to the SOFA as it was incurred.

### Historic Artefacts

The Collection also contains around 500,000 historic artefacts, and English Heritage also manages these. They are an integral part of the Collection. As well as being of significance in their own right, they assist in interpreting and presenting sites to the public and they provide a valuable research resource for heritage professionals and English Heritage employees.

## 18 Conservation and Management

English Heritage has developed an Asset Management Plan (AMP) to manage the estate according to nationally established conservation priorities. This gives English Heritage an awareness of the scale of the conservation deficit in relation to the resources available to it along with impact assessments of English Heritage's ability to procure the necessary works.

The workstreams are as follows:

- Conservation Maintenance Programme: used to fund works to address the conservation defects on heritage assets, specifically on land and buildings
- Annual Maintenance Programme: planned cyclical and response maintenance
- Minor Planned Maintenance Programme: small repair projects usually of less than £50,000
- Major Planned Repair Programme: larger long-term or one-off conservation projects usually of more than £50,000

Total expenditure on site maintenance of £14.5 million was incurred during the year ended 31 March 2021 (2020: £14.9 million).

English Heritage also manages the acquisition, conservation and storage of artefacts, collections and historic interiors using its own experts, who specialise in the care of fine and applied art, conservation science, environmental and pest control.

It is English Heritage's responsibility to ensure that the conservation, commercial and visitor-led development of sites is guided, planned and executed so as to sustain the values and significance of the sites. English Heritage is also responsible for the development of presentation and interpretation schemes and the development of Heritage Protection Agreements at sites.

## 19 Investments

### a) Fixed Assets

#### Charity

	2021 £'000	2020 £'000
At 1 April	2,028	5,451
Amount distributed under Gift Aid by English Heritage Trading Limited	-	(6,445)
Profit/(Loss) in English Heritage Trading Limited	(36)	3,022
At 31 March	1,992	2,028

Details of the subsidiary undertakings are given in Note 5.

### b) Current Assets

#### Group and Charity

	2021 £'000	2020 £'000
At 1 April	26,681	14,918
In year movement in investment	(19,622)	11,763
At 31 March	7,059	26,681

All current asset investments were held with UK clearing banks on short-term deposits or notice accounts.

## 20 Stocks

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Stock held for resale	6,036	6,742	67	69
Work in progress	183	133	116	67
	6,219	6,875	183	136

A provision of £153k was made in the year for slow-moving stock (2019/20: £24k).

## 21 Debtors

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade Debtors	308	1,119	262	1,093
Taxation and Social Security	207	-	209	-
Prepayments and Accrued Income	4,487	4,728	4,487	4,718
Other Debtors	683	314	683	314
Amounts Owed by Group Undertakings	3,168	709	10,107	6,939
Total Debtors	8,853	6,870	15,748	13,064

All of the above debtors are due within one year.

## 22 Cash at Bank and in Hand

	2021 £'000	2020 £'000
<b>Group</b>		
At 1 April	42,709	51,591
Net change in Cash at Bank and in Hand	41,738	(8,882)
At 31 March	84,447	42,709
The balances at 31 March were made up as follows:		
Cash in Hand	67,831	37,595
Notice Deposits (less than 3 months)	16,616	5,114
At 31 March	84,447	42,709
The balances at 31 March were held with:		
Government Banking Service	20,337	25,838
Commercial Banks in the United Kingdom	64,110	16,871
At 31 March	84,447	42,709
<b>Charity</b>		
At 1 April	42,082	51,557
Net change in Cash at Bank and in Hand	40,528	(9,475)
At 31 March	82,610	42,082
The balances at 31 March were held as:		
Cash in Hand	65,994	36,968
Notice Deposits (less than 3 months)	16,616	5,114
At 31 March	82,610	42,082
The balances at 31 March were held with:		
Government Banking Service	20,337	25,838
Commercial Banks in the United Kingdom	62,273	16,244
At 31 March	82,610	42,082

## 23 Commitments

## a) Group and Charity

Expenditure contracted at 31 March 2021 but not provided for in the financial statements amounted to £17.5 million (2020: £24.0 million) including capital commitments of £4.7 million (2020: £4.1 million). £12.8 million (2020: £19.9 million) of the commitment comprised stock; conservation and maintenance; professional fees; utility costs and staff costs, which will be incurred in 2021/22, funded by ongoing operations. The capital commitments include visitor improvements for Clifford's Tower, Marble Hill House, Stonehenge and holiday cottage refurbishments.

## b) Operating Leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods, split between land and buildings and other.

	2021 £'000	2020 £'000
<b>Land and Buildings</b>		
Not later than one year	920	1,876
Later than one year and not later than five years	1,734	6,073
Later than five years	8,790	20,976
	11,444	28,925
<b>Other</b>		
Not later than one year	18	71
Later than one year and not later than five years	9	64
Later than five years	-	-
<b>Total Operating Lease Commitments</b>	<b>11,471</b>	<b>29,060</b>

The majority of leases relate to property rentals and are subject to rent reviews. During the year ended 31 March 2021 payments under operating leases totalled £0.91 million (2020: £2.09 million). The reduction compared to prior year relates to turnover rent payments. In previous years such payments were predictable, but no such payments were made during 2020/21 and as such no future commitments have been reflected.

## 24 Contingent Assets

## Group and Charity

No contingent assets have been recognised in the year.

## 25 Contingent Liabilities

## Group and Charity

Various outstanding claims existed at 31 March 2021. Provision has been made in the accounts for the year ended 31 March 2021 for those outstanding liabilities that will probably require settlement, and where the amount of the liability can be reliably estimated (Note 30). £308,000 of contingent liabilities have been identified at 31 March 2021 (2020: £399,000). This relates to 15 personal injury claims (2020: 18) for which the timing of any potential outflow is uncertain and against which no reimbursement is anticipated.

## 26 Creditors: Amounts falling due within one year

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade Creditors	6,995	3,963	6,995	3,963
Taxation and Social Security	665	714	665	714
Deferred Income	18,338	14,255	18,326	14,255
Accruals	11,311	11,552	11,298	11,541
Other Creditors	469	330	469	330
Amounts Owed to Group Undertakings	328	485	1,367	1,352
<b>Total Creditors</b>	<b>38,106</b>	<b>31,299</b>	<b>39,120</b>	<b>32,155</b>

## 27 Creditors: Amounts falling due after more than one year

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Deferred Income	1,932	1,903	1,932	1,903
<b>Total Creditors</b>	<b>1,932</b>	<b>1,903</b>	<b>1,932</b>	<b>1,903</b>

£1.9 million (2020: £1.9 million) of the balance above relates to Life Membership, which has been deferred over 10 years. The remainder represents advance bookings for events.

## 28 Movement on Deferred Income

## Group and Charity

	Balance as at 1 April 2020 £'000	Amounts Deferred £'000	Amounts Released £'000	Balance as at 31 March 2021 £'000
<b>Amounts falling due within one year</b>				
Annual Membership	12,293	15,316	(12,293)	15,316
Advance Bookings for Events	565	327	(565)	327
Life Membership	441	465	(441)	465
Holiday Cottages	184	452	(184)	452
Other Income	772	1,778	(772)	1,778
	14,255	18,338	(14,255)	18,338
<b>Amounts falling due after more than one year</b>				
Life Membership	1,871	1,909	(1,871)	1,909
Advance Bookings for Events	25	21	(25)	21
Other Income	7	2	(7)	2
	1,903	1,932	(1,903)	1,932
<b>Total</b>	<b>16,158</b>	<b>20,270</b>	<b>(16,158)</b>	<b>20,270</b>

Other deferred income for English Heritage Trading Limited amounted to £8,000 for the year (2020: £nil).

## Group and Charity

	Balance as at 1 April 2019 £'000	Amounts Deferred £'000	Amounts Released £'000	Balance as at 31 March 2020 £'000
<b>Amounts falling due within one year</b>				
Annual Membership	11,703	12,293	(11,703)	12,293
Advance Bookings for Events	667	565	(667)	565
Life Membership	427	441	(427)	441
Holiday Cottages	276	184	(276)	184
Other Income	1,069	772	(1,069)	772
	14,142	14,255	(14,142)	14,255
<b>Amounts falling due after more than one year</b>				
Life Membership	1,843	469	(441)	1,871
Advance Bookings for Events	46	25	(46)	25
Other Income	11	-	(4)	7
	1,900	494	(491)	1,903
<b>Total</b>	<b>16,042</b>	<b>14,749</b>	<b>(14,633)</b>	<b>16,158</b>

## 29 Other Borrowings: Amounts falling due after more than one year

	Group 2021 £'000	2020 £'000	Charity 2021 £'000	2020 £'000
Culture Recovery Fund loan	23,400	-	23,400	-
<b>Total Other Borrowings</b>	<b>23,400</b>	<b>-</b>	<b>23,400</b>	<b>-</b>

On 12 March 2021 the Charity entered into a Repayable Finance Agreement with The Secretary of State for the Department of Digital, Culture, Media & Sport and The Arts Council of England pertaining to a loan of £23.4 million from the Culture Recovery Fund. The loan was awarded to offset projected unrestricted deficits and provide liquidity during the recovery from the Covid-19 pandemic. The loan will cover essential business expenditure (staff and property running costs) and critical maintenance, ensure the safety of the sites and collections and the retention of specialist skills and expertise, and enable the Charity to deliver its core charitable activities. The loan is unsecured, with a term of 20 years, a 4-year repayment holiday and an interest rate of 2% per annum. There are no financial covenants, however there are non-financial covenants requiring the Charity to exercise pay restraint for at least 18 months; demonstrate a commitment to increasing its organisational diversity; demonstrate a commitment to progress towards net zero greenhouse gas emissions by 2050; demonstrate a commitment to increase educational/outreach work.

## 30 Provisions

## Group and Charity

All provisions (£148,000) relate to legal and constructive obligations identified at 31 March 2021 (2020: (£2,000)).

## 31 Reconciliation of Movement in Funds

	At 1 April 2020 £'000	Incoming Resources £'000	Outgoing Resources £'000	Transfer between funds	Other Recognised Gains	At 31 March 2021 £'000
New Model	24,460	-	(4,407)	(554)	-	19,499
Elizabeth Wagland Fund	1,188	5	-	-	-	1,193
Bristol Temple Church	594	1	-	-	-	595
Medieval Castles	358	1	-	-	-	359
Gardens Bursary Scheme	263	68	(32)	-	-	299
Belsay Hall, Castle and Gardens	178	163	(114)	(4)	-	223
EU Pro Heritage	223	-	(36)	-	-	187
Rievaulx Abbey	116	119	(59)	-	-	176
Wrest Park and Gardens	59	51	(1)	-	-	109
Wall Paintings	61	5	(6)	-	-	60
Stonehenge	51	1	-	-	-	52
Berwick Ramparts	-	93	(46)	-	-	47
Kenwood	36	52	(42)	-	-	46
Ports Garrison	-	40	-	-	-	40
Marble Hill House	30	1,849	(485)	(1,362)	-	32
Osborne	-	23	-	-	-	23
Appuldurcombe House	20	-	-	-	-	20
Shout Out Loud	-	342	(324)	-	-	18
St Mary's Church, Kempley	16	-	-	-	-	16
Carisbrooke Castle	15	-	-	-	-	15
Lullingstone Roman Villa	9	-	-	-	-	9
Save our Cannons	9	-	-	-	-	9
HLF Endowment (Restricted)	4	19	(15)	-	-	8
Longthorpe Tower	9	-	-	-	-	9
Dymchurch Martello Tower	-	7	-	-	-	7
Ranger's House	22	623	(25)	(614)	-	6
Bolsover Castle	6	-	-	-	-	6
Wheelchairs	6	-	-	-	-	6
Site Interpretation Maintenance	-	5	-	-	-	5
Exploring Englishness	5	-	(1)	-	-	4
Culture Recovery Fund	-	12,600	(174)	(12,426)	-	-
Heritage at Risk	-	2,923	(2,637)	(286)	-	-
Furlough Income Grant Fund	-	7,979	(7,979)	-	-	-
Dartmouth Castle	39	-	(39)	-	-	-
Other	43	915	(938)	(3)	-	17
<b>Total Restricted Funds</b>	<b>27,820</b>	<b>27,884</b>	<b>(17,360)</b>	<b>(15,249)</b>	<b>-</b>	<b>23,095</b>
Endowment Fund:						
The Once and Future Fund	1,398	146	-	-	-	1,544
<b>Total Endowment Funds</b>	<b>1,398</b>	<b>146</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,544</b>
Unrestricted Funds:						
Revaluation Reserve	-	-	-	-	-	-
General Funds	52,414	71,737	(78,854)	15,249	-	60,546
<b>Total Unrestricted Funds</b>	<b>52,414</b>	<b>71,737</b>	<b>(78,854)</b>	<b>15,249</b>	<b>-</b>	<b>60,546</b>
<b>Total</b>	<b>81,632</b>	<b>99,767</b>	<b>(96,214)</b>	<b>0</b>	<b>0</b>	<b>65,185</b>

## Prior year

	At 1 April 2019 £'000	Incoming Resources £'000	Outgoing Resources £'000	Transfer between funds	Other Recognised Gains	At 31 March 2020 £'000
New Model	29,928	-	(3,847)	(1,621)	-	24,460
Elizabeth Wagland Fund	1,057	32	-	99	-	1,188
Bristol Temple Church	1,000	7	(13)	(400)	-	594
Medieval Castles	471	5	(118)	-	-	358
Gardens Bursary Scheme	378	23	(138)	-	-	263
EU Pro Heritage	-	223	-	-	-	223
Belsay Hall, Castle and Gardens	-	553	(110)	(265)	-	178
Rievaulx Abbey	203	2	(89)	-	-	116
Wall Paintings	-	61	-	-	-	61
Wrest Park and Gardens	58	8	(7)	-	-	59
Stonehenge	-	57	(6)	-	-	51
Dartmouth Castle	-	39	-	-	-	39
Kenwood	136	148	(246)	(2)	-	36
Marble Hill House	19	617	(256)	(350)	-	30
Ranger's House	22	-	-	-	-	22
Richmond Castle - Voices of Rebellion	36	91	(127)	-	-	-
Appuldurcombe House	-	20	-	-	-	20
St Mary's Church, Kempley	-	16	-	-	-	16
Carisbrooke Castle	-	15	-	-	-	15
Lanercost Priory	15	-	-	-	-	15
Save our Cannons	9	-	-	-	-	9
Wheelchairs	21	-	(15)	-	-	6
HLF Endowment (Restricted)	25	56	(77)	-	-	4
Berwick Castle	35	28	(62)	-	-	1
Corbridge Roman Town	112	1	(113)	-	-	-
Castles	66	2	(68)	-	-	-
Neo-Classical Buildings	45	-	(45)	-	-	-
Blue Plaques	37	44	(81)	-	-	-
JW Evans - Resilient Heritage	31	24	(55)	-	-	-
Shout Out Loud	19	158	(177)	-	-	-
Isle of Wight	15	-	(15)	-	-	-
Osborne	9	4	(13)	-	-	-
Walmer Castle and Gardens	3	374	(20)	(357)	-	-
Other	28	376	(72)	(276)	-	56
<b>Total Restricted Funds</b>	<b>33,778</b>	<b>2,984</b>	<b>(5,770)</b>	<b>(3,172)</b>	<b>-</b>	<b>27,820</b>
Endowment Fund:						
The Once and Future Fund	313	685	-	400	-	1,398
<b>Total Endowment Funds</b>	<b>313</b>	<b>685</b>	<b>-</b>	<b>400</b>	<b>-</b>	<b>1,398</b>
Unrestricted Funds:						
Revaluation Reserve	1,077	-	-	-	(1,077)	-
Designated Funds	149	-	-	(149)	-	-
General Funds	41,783	123,277	(115,567)	2,921	-	52,414
<b>Total Unrestricted Funds</b>	<b>43,009</b>	<b>123,277</b>	<b>(115,567)</b>	<b>2,772</b>	<b>(1,077)</b>	<b>52,414</b>
<b>Total</b>	<b>77,100</b>	<b>126,946</b>	<b>(121,337)</b>	<b>0</b>	<b>(1,077)</b>	<b>61,632</b>

The tables above show the position for the Group as a whole. The position of all funds in the Charity are the same, bar the General Fund which is £1,992k lower (2020: £2,028k lower). This represents the share capital of EHTL held by the Charity.

**Purpose of Unrestricted Funds**

Unrestricted funds may be utilised at the discretion of the Trustees in pursuit of the Charity objectives.

**Purpose of Restricted Funds**

All restricted funds are used to support specific sites or projects as requested by the donor, within the stated aims of the Charity.

On 28 March 2013, the Elizabeth Wagland Fund (charity registration number 1140351-1) was linked to The English Heritage Trust under Section 12(1) of the Charities Act 2011. Funds are used to support the specific purpose of the Elizabeth Wagland Fund as amended by a cy prs scheme on 2 July 2012 and movements on the Fund are shown in the note above.

**Endowment Funds**

The Once and Future Fund is an endowment provided by the National Lottery Heritage Fund. Fundraising of up to £1 million will be matched by the National Lottery Heritage Fund and the resultant capital endowment will be maintained for at least 20 years. The fundraising campaign is estimated to be completed by the end of July 2022. The income from the investment will be used primarily on conservation, improvements and public engagement at our free-to-enter sites. Income recognition is in line with that described in Note 1(d).

**32 Analysis of Net Assets Between Funds****Group as at 31 March 2021**

	Endowment Fund £'000	Restricted Fund £'000	General Fund £'000	Total £'000
<b>Fixed Assets</b>	-	-	42,193	<b>42,193</b>
Cash at Bank and in Hand	1,544	27,570	55,333	<b>84,447</b>
Other Current Assets	-	1,189	20,942	<b>22,131</b>
Creditors: amounts falling due within one year	-	(5,664)	(32,442)	<b>(38,106)</b>
Creditors and provisions: amounts falling due after more than one year	-	-	(25,480)	<b>(25,480)</b>
<b>Total</b>	<b>1,544</b>	<b>23,095</b>	<b>60,546</b>	<b>85,185</b>

**Charity as at 31 March 2021**

	Endowment Fund £'000	Restricted Fund £'000	Financial Asset Reserve £'000	General Fund £'000	Total £'000
<b>Fixed Assets</b>	-	-	1,992	42,193	<b>44,185</b>
Cash at Bank and in Hand	1,544	27,570	-	53,496	<b>82,610</b>
Other Current Assets	-	1,189	-	21,801	<b>22,990</b>
Creditors: amounts falling due within one year	-	(5,664)	-	(33,456)	<b>(39,120)</b>
Creditors and provisions: amounts falling due after more than one year	-	-	-	(25,480)	<b>(25,480)</b>
<b>Total</b>	<b>1,544</b>	<b>23,095</b>	<b>1,992</b>	<b>58,554</b>	<b>85,185</b>

**Group as at 31 March 2020**

	Endowment Fund £'000	Restricted Fund £'000	General Fund £'000	Total £'000
<b>Fixed Assets</b>	-	-	31,701	<b>31,701</b>
Cash at Bank and in Hand	1,398	30,311	11,000	<b>42,709</b>
Other Current Assets	-	1,166	39,260	<b>40,426</b>
Creditors: amounts falling due within one year	-	(3,657)	(27,642)	<b>(31,299)</b>
Creditors: amounts falling due after more than one year	-	-	(1,905)	<b>(1,905)</b>
<b>Total</b>	<b>1,398</b>	<b>27,820</b>	<b>52,414</b>	<b>81,632</b>

**Charity as at 31 March 2020**

	Endowment Fund £'000	Restricted Fund £'000	Financial Asset Reserve £'000	General Fund £'000	Total £'000
<b>Fixed Assets</b>	-	-	2,028	31,701	<b>33,729</b>
Cash at Bank and in Hand	1,398	30,311	-	10,373	<b>42,082</b>
Other Current Assets	-	1,166	-	38,715	<b>39,881</b>
Creditors: amounts falling due within one year	-	(3,657)	-	(28,498)	<b>(32,155)</b>
Creditors: amounts falling due after more than one year	-	-	-	(1,905)	<b>(1,905)</b>
<b>Total</b>	<b>1,398</b>	<b>27,820</b>	<b>2,028</b>	<b>50,386</b>	<b>81,632</b>

**33 Financial Instruments**

English Heritage holds only basic financial assets and liabilities that are all measured at amortised cost.

	2021 Group £'000	2021 Charity £'000	2020 Group £'000	2020 Charity £'000
<b>Financial Assets</b>				
Debtors	4,159	11,052	2,142	8,346
Current Asset Investments	7,059	7,059	26,681	26,681
Cash	84,447	82,610	42,709	42,082
	<b>95,665</b>	<b>100,721</b>	<b>71,532</b>	<b>77,109</b>
<b>Financial Liabilities</b>				
Creditors: amounts falling due within one year	(7,792)	(8,831)	(4,778)	(5,645)
Other borrowings	(23,400)	(23,400)	-	-
	<b>(31,192)</b>	<b>(32,231)</b>	<b>(4,778)</b>	<b>(5,645)</b>

**34 Ultimate Parent Entity and Ultimate Controlling Entity**

English Heritage is wholly controlled by the Historic England, a body corporate which was established in England under the National Heritage Act 1983 and which is an Executive Non-Departmental Public Body sponsored by DCMS.

The largest group in which the results of English Heritage are consolidated is Historic England, which comprises the Historic Buildings and Monuments Commission for England, the English Heritage Trust, the Yeagh Bequest, Historic England Foundation, Historic England Limited, English Heritage Limited and English Heritage Trading Limited. The group's consolidated accounts are available to the public and may be obtained from Historic England, The Engine House, Firefly Avenue, Swindon, SN2 2EH.

The ultimate controlling entity is the Historic Buildings and Monuments Commission for England (Historic England), by virtue of being the sole member of English Heritage.

The principal activities of Historic England are to look after England's historic environment by championing historic places and helping people understand, value and care for them.

**35 Post Balance Sheet Events**

These financial statements were authorised for issue by the Board of Trustees on the date signed by the Chief Executive and Chairman, as set out on the balance sheet.

## 36 Statement of Financial Activities 2019/20

a) Consolidated Statement of Financial Activities (including consolidated Income and Expenditure Account) for year ending 31 March 2020.

	Note	2019/20 Unrestricted £'000	2019/20 Restricted £'000	2019/20 Endowment £'000	2019/20 Total £'000	2018/19 Total £'000
<b>INCOME FROM:</b>						
<b>Donations and Legacies</b>						
Fundraising	3a	3,875	2,670	685	<b>7,230</b>	7,029
<b>Charitable Activities</b>						
Conserving our Properties	3a	1,531	250	-	<b>1,781</b>	1,264
Membership and Admissions	3a	75,992	-	-	<b>75,992</b>	70,486
New Model	3a	13,320	-	-	<b>13,320</b>	13,783
<b>Other Trading Activities</b>						
Running our Properties	3a	27,554	-	-	<b>27,554</b>	27,384
Licensing, Sponsorship and Advertising	3a	708	-	-	<b>708</b>	610
Investments	3a, 4	297	64	-	<b>361</b>	238
<b>Total</b>		<b>123,277</b>	<b>2,984</b>	<b>685</b>	<b>126,946</b>	120,794
<b>EXPENDITURE ON:</b>						
<b>Raising Funds</b>						
Fundraising	6a	(1,719)	(77)	-	<b>(1,796)</b>	(1,256)
Running our Properties	6a	(24,077)	(12)	-	<b>(24,089)</b>	(22,182)
Licensing, Sponsorship and Advertising	6a	(177)	-	-	<b>(177)</b>	(110)
<b>Charitable Activities</b>						
Conserving our Properties	6a	(37,341)	(1,492)	-	<b>(38,833)</b>	(36,176)
Membership and Admissions	6a	(50,899)	(342)	-	<b>(51,241)</b>	(46,137)
New Model	2, 6a	(1,354)	(3,847)	-	<b>(5,201)</b>	(6,172)
<b>Total</b>		<b>(115,567)</b>	<b>(5,770)</b>	-	<b>(121,337)</b>	(112,033)
Net income/(expenditure) before and after tax and before gains/(losses) and transfers	8	<b>7,710</b>	<b>(2,786)</b>	<b>685</b>	<b>5,609</b>	8,761
Transfers between funds	9, 30	2,772	(3,172)	400	-	-
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>						
Gain on revaluation of fixed assets	30	(1,077)	-	-	<b>(1,077)</b>	226
<b>Net Movement in Funds</b>		<b>9,405</b>	<b>(5,958)</b>	<b>1,085</b>	<b>4,532</b>	8,987
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward	30	<b>43,009</b>	<b>33,778</b>	<b>313</b>	<b>77,100</b>	68,113
<b>Total funds carried forward</b>	<b>30</b>	<b>52,414</b>	<b>27,820</b>	<b>1,398</b>	<b>81,632</b>	77,100

The statement of financial activities includes all gains and losses recognised in the year and all income and expenditure derives from continuing activities.

b) English Heritage Trust Statement of Financial Activities (including Income and Expenditure Account) for year ending 31 March 2020.

	Note	2019/20 Unrestricted £'000	2019/20 Restricted £'000	2019/20 Endowment £'000	2019/20 Total £'000	2018/19 Total £'000
<b>INCOME FROM:</b>						
<b>Donations and Legacies</b>						
Fundraising	3b	10,321	2,670	685	<b>13,676</b>	9,628
<b>Charitable Activities</b>						
Conserving our Properties	3b	1,531	250	-	<b>1,781</b>	1,264
Membership and Admissions	3b	75,992	-	-	<b>75,992</b>	70,486
New Model	3b	13,320	-	-	<b>13,320</b>	13,783
<b>Other Trading Activities</b>						
Running our Properties	3b	13,003	-	-	<b>13,003</b>	12,869
Licensing and Sponsorship	3b	548	-	-	<b>548</b>	403
Investments	3b, 4	297	64	-	<b>361</b>	238
<b>Total</b>		<b>115,012</b>	<b>2,984</b>	<b>685</b>	<b>118,681</b>	108,671
<b>EXPENDITURE ON:</b>						
<b>Raising Funds</b>						
Fundraising	6b	(1,770)	(77)	-	<b>(1,847)</b>	(1,275)
Running our Properties	6b	(14,659)	(12)	-	<b>(14,671)</b>	(13,085)
Licensing and Sponsorship	6b	(74)	-	-	<b>(74)</b>	(53)
<b>Charitable Activities</b>						
Conserving our Properties	6b	(36,239)	(1,492)	-	<b>(37,731)</b>	(35,087)
Membership and Admissions	6b	(49,783)	(342)	-	<b>(50,125)</b>	(45,062)
New Model	2, 6b	(1,354)	(3,847)	-	<b>(5,201)</b>	(6,172)
<b>Total</b>		<b>(103,879)</b>	<b>(5,770)</b>	-	<b>(109,649)</b>	(100,734)
Net income/ (expenditure) before and after tax and before gains/ (losses) and transfers	8	<b>11,133</b>	<b>(2,786)</b>	<b>685</b>	<b>9,032</b>	7,937
Transfers between funds	9, 30	2,772	(3,172)	400	-	-
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>						
Gain on revaluation of fixed assets	30	(1,077)	-	-	<b>(1,077)</b>	226
(Loss)/gain on revaluation of investments	19a	(3,423)	-	-	<b>(3,423)</b>	824
<b>Net Movement in Funds</b>		<b>9,405</b>	<b>(5,958)</b>	<b>1,085</b>	<b>4,532</b>	8,987
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward	30	<b>43,009</b>	<b>33,778</b>	<b>313</b>	<b>77,100</b>	68,113
<b>Total funds carried forward</b>	<b>30</b>	<b>52,414</b>	<b>27,820</b>	<b>1,398</b>	<b>81,632</b>	77,100

The statement of financial activities includes all gains and losses recognised in the year and all income and expenditure derives from continuing activities.

## TRUSTEES' BIOGRAPHIES



Vice Admiral Sir Tim Laurence  
KCVO, CB, ADC

Sir Tim Laurence is Chairman of The English Heritage Trust. He served as a Commissioner of English Heritage for four years before it became a charity. A career naval officer, his time in uniform ended after serving for three years as Chief Executive in charge of the Defence Estate, with responsibility for some 700 listed buildings, 1200 scheduled monuments and 170 SSSIs. Since then Tim has pursued his enthusiasm for regeneration, as chairman of two regeneration companies; for major projects, as Chairman of the Major Projects Association; and for heritage through his involvement with English Heritage and the HMS Victory Preservation Company. He was previously Vice Chairman of the Commonwealth War Graves Commission and Deputy Chairman of RNLI. Tim is an ex officio member of English Heritage's Audit and Risk Committee and a member of the Remuneration and Appointments Committee. He is also a Director of English Heritage Trading Ltd.



Sarah Staniforth CBE

Sarah Staniforth CBE is Deputy Chair of The English Heritage Trust. She was previously the Museums and Collections Director at the National Trust and before that their Historic Properties Director and Head Conservator. Sarah is a Trustee of the Science Museum Group, a Trustee of the Pilgrim Trust and President Emeritus of the International Institute for Conservation of Historic and Artistic Works. Sarah is also an observer on Historic England's Historic Estate Conservation Committee and a member of English Heritage's Audit and Risk Committee.



Victoria Barnsley (Howard) OBE

Victoria Barnsley (Howard) OBE is Executive Chairman of Castle Howard Estate. Previously she was CEO and Publisher of HarperCollins UK and International, a role she took up after News Corp acquired her independent publishing house, Fourth Estate, in 2000. She has held many high profile roles in the sector including President of the Publishers' Association, Chair of World Book Day and publishing representative on the Creative Industries Council. In addition to heritage and literature, Victoria has an extensive interest in the visual arts and is a former Trustee of Art UK, Tate and the National Gallery. She is currently Vice Chair of Treasure Houses England Ltd and a Trustee of The Yorkshire Arboretum. Victoria is also a member of English Heritage's Remuneration and Appointments Committee and a Director of English Heritage Trading Ltd.



James Twining

James Twining is Deputy Chairman of the English Heritage Trust. He is currently Chief Executive of the Kingsbridge Group, a specialist insurance broker. Before that he was Group Commercial Director and an Executive Board Director of Jardine Lloyd Thompson PLC, where he had responsibility for Strategy, Mergers and Acquisitions and Communications and Marketing. With a background in investment banking, James has also worked as a strategy consultant at McKinsey & Co and as the co-founder and finance director of a private equity backed technology start-up. Prior to becoming a Trustee, James was Chairman of the English Heritage Foundation. He is also a member of English Heritage's Audit and Risk Committee.





Charles Gurassa

Charles Gurassa has 40 years' experience in the travel and tourism industry. He is a former Chief Executive of Thomson Travel Group, Executive Chairman of TUI Northern Europe and Director of TUI AG, and prior to that a Senior Executive at Thomas Cook and British Airways. He is also a former Deputy Chairman of the National Trust, former Chairman of Genesis Housing Association and former Deputy Chairman of easyJet plc. He is currently Chairman of Channel 4, Chairman of Oxfam GB, Chairman of Great Rail Journeys and Chairman of the Migration Museum. Charles chairs English Heritage's Remuneration and Appointments Committee and is a Director of English Heritage Trading Limited.



Professor Ronald Hutton

Professor Ronald Hutton is Professor of History at the University of Bristol. Prior to this he was a Fellow of Magdalen College, Oxford, before serving as Lecturer and then Reader in History at Bristol University. He is a Fellow of the Royal Historical Society, the Society of Antiquaries, the Learned Society of Wales and the British Academy. Ronald was a Commissioner of English Heritage before it became a charity and was also Chairman of the Designation Review and Remuneration Committees. Ronald chairs English Heritage's Blue Plaques Panel.



Sir Laurie Magnus

Sir Laurie Magnus is Chairman of Historic England, the public body that champions and protects England's built historic environment. He was Deputy Chairman of the National Trust from 2005 to 2013. Laurie is a Senior Adviser at Evercore Partners, the investment banking group, and holds a number of listed company non-executive directorships within the finance sector. He has over 40 years' experience in the corporate finance advisory business, including in South-East Asia. In the not-for-profit sector, Laurie is Chairman of the Allchurches Trust and a member of the Culture Recovery Fund Board. Laurie is also a Director of English Heritage Trading Ltd.



Tanvi Gokhale

Tanvi Gokhale is Consumer Propositions Director at Lloyds Banking Group, focused on improving customer experience through digital and journey transformation. Prior to this, she held senior roles within Lloyds' Retail, Consumer Finance, Wealth Management and International businesses. In both 2020 and 2021, Tanvi was recognised in the EMPower Ethnic Minority Executive Role Models List for her work in championing inclusion and diversity in the workplace. Before joining Lloyds, Tanvi was a strategy consultant at Booz & Co (now PWC Strategy&) where she worked with financial services clients across the UK, Europe and North America, whilst also chairing Booz's Women's Network.



Ian McCaig

Ian McCaig is Chairman of Festicket Ltd, an innovative technology provider to creators of live event experiences; Board Member and Chair of the Operating Committee at M-Kopa Ltd, the largest provider of connected-device financing and off-grid solar services to customers across Africa; Board Member and Chair of Audit & Risk at Seedrs Ltd, a leading equity-crowdfunding fintech business; Board Member of Wesleyan Assurance, which provides financial services to professional groups; Board Member at Smart DCC, the organisation which is creating the UK's smart meter network, and a Governor of The Leys and St Faith's Schools Foundation. Until the end of 2017, he was CEO of First Utility (the UK's largest independent energy retailer) and was previously CEO of lastminute.com, Europe's largest independent online travel agent. Ian began his career in the IT industry before moving into telecommunications and spending six years at Nokia, working across Europe, the Middle East and Asia. Ian chairs English Heritage's Audit and Risk Committee.



Kunle Olulode MBE

Kunle Olulode MBE is the Director of Voice4Change, an umbrella Black and Minority Ethnic (BME) organisation representing over 400 BME charity community groups across England. He is also a curatorial, programme and audience development advisor to a wide range of cultural institutions including the British Library, the Victoria and Albert Museum, Wellcome Collection, Yorkshire Sculpture Park and the Catalan Institute in London. Possessing a keen interest in film, he has been part of the British Film Institute's African Odyssey programming team for several years. He was previously UK Creative Director and producer with the Catalan live entertainment company Mas i Mas in Barcelona. With wide-ranging experience of policy development in the equalities and policy field, Kunle is a valued member of the Cabinet Office's Windrush Working Group.



Liz Bromley

Liz worked in Higher Education for more than 20 years holding senior roles at the Open University, Salford University, Goldsmiths, the University of Central Lancashire (UCLan), and at the University Alliance, before joining NCG as Chief Executive in August 2019. First in her family to go to University, Liz studied English Language and Literature at Worcester College, Oxford. She has been a passionate advocate for social equality and for widening access to all forms of education, in practical as well as in policy terms, throughout her career. Liz is well known across the education sector for leadership development, change management, entrepreneurial leadership, and for building organisational capability and capacity. Liz has held a number of non-executive roles and is currently Deputy Chair of the Sir John Brunner Foundation in Cheshire and a member of the Audit Committee. She is a council member of the CBI (North East), the NE LEP's Industrial Growth Board, a member of the Advisory Board of the Newcastle Business School, and a member of the Advisory Board of Common Purpose.



Sue Wilkinson

Sue Wilkinson was an Executive Board Director at the National Trust until the end of 2016 and the Board lead on tourism. She oversaw the growth of membership to nearly 5 million Members, led a number of successful fundraising campaigns, several multimillion-pound IT projects and a major brand review. Sue is currently a Commissioner of Historic England and vice-chair of the Churches Conservation Trust. She is a trustee of the Canal & River Trust, where she chairs the annual Living Waterways Awards, and vice-chair of the Medical Research Foundation. Sue was formerly a Board Director of the Association of Leading Visitor Attractions (ALVA) and a trustee of the Old Royal Naval College, Greenwich. Prior to this she served on the Visit England Board and as a trustee of the Institute of Fundraising.

## SUPPORTERS

English Heritage is very grateful to all the benefactors who have contributed to its activities during the year to 31 March 2021.

The following have given or pledged amounts of £1,000 or more:

Trusts, Foundations and Statutory Bodies	Corporate Partners	Mr D Ford	Guardians	Legacies	Frances Elliott Hunter
Ardeola Charitable Trust	Craghoppers	Mr M Gammie	Mr J & K Anderson	Molly Kathleen Anderson	Sylvia Elizabeth Ladyman
The Barbara Whatmore Charitable Trust	CSSC Sports & Leisure	Mr P Goodwin	The Atlas Fund	Margaret Anne Anderson	Alan Loasby
Castle Studies Trust	Google Arts & Culture	Miss M Haddon	Dr C Beels	Elizabeth Muriel Barker	John Harry Lucas
Department for Digital, Culture, Media and Sport	Sir Robert McAlpine Ltd	Mr D & Mrs M Hardwick	Mr O Brooks	Arnold West Bibby	Sheila Mary Louise Manning
Department for Work and Pensions	Smart Energy GB	Professor J Hardy	Mr A Cadwallader	Geoffrey David Birch	Jeanne Mason
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We also thank those not listed here, including those who wish to remain anonymous.





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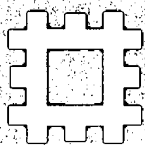
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Inside back cover images (from left)

Get Hands on with History event at Kenilworth Castle; Queer Walls: exploring LGBTQ history at Eltham Palace; visitors explore Dover Castle; Peterkin the Jester at the St George's Day celebrations at Wrest Park; wedding celebrations at Wrest Park; Fort House holiday cottage at St. Raves Castle; The Orangery Shop at Kenwood; Sibury Hills: a free-to-enter site; visitors using interactive technology to explore Eltham Palace; Statue of Psyche in Virginia Courtauld's bathroom at Eltham Place.



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