



ENGLISH HERITAGE

# ANNUAL REPORT

2018/19



“The thing that has impressed me is that all the sites have incorporated something that engages my children, whether it’s hands-on activities, puzzles or trails. The memories that we have made in some spectacular places will truly last a lifetime.”



“The Clash of the Knights was brilliant to watch, those involved played their parts with gusto and we loved cheering on our favourite team.”



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**

The Iron Bridge following conservation.

**Inside front cover images (from left)**

Learning Saxon skills at Battle Abbey; cake at Goodrich Castle; visitors at Dover Castle; cleaning Battle Abbey memorial stone; architect’s impression of new Tintagel Castle footbridge; Byland Abbey; video shoot at Kenilworth Castle; blue plaque; volunteers at Wrest Park; Enchanted event at Eltham Palace; Clash of Knights at Framlingham Castle; female jousting at Kenilworth Castle; gardens at Osborne.



# CONTENTS

Chairman: Reflection on 2018/19	4
Chief Executive: A Legacy For The Future	6
<b>Annual Report of the Trustees</b> Objectives and Activities	8
Strategic Report	
■ Achievements and Performance	10
■ Financial Review	19
■ Principal Risks and Uncertainties	24
■ Future Plans	26
Structure, Governance and Management	28
Statement of Board of Trustees' and Accounting Officer's Responsibilities	30
Reference and Administrative Details	31
Independent Auditor's Report to the Members of English Heritage Trust	32
Financial Statements	34
Notes to the Financial Statements	38
Trustees' Biographies	65
Supporters	68

# REFLECTION ON 2018/19



If ever one could say that a year had a difficult start it was 2018/19. Memories fade so quickly, but the Easter weather was dreadful, the rest of April wasn't much better and then suddenly it was too hot. Visitor numbers suffered. Things looked bleak for a while.

The fact that our dedicated and imaginative staff worked tirelessly to turn this round and ended by delivering our second best year ever for visitor numbers, and very high satisfaction scores, tells us a great deal about the resilience and capability of this organisation. I take my hat off to them all.

Some highlights: we completed eight major conservation projects, investing a total of £41 million in conservation and maintenance. I am especially proud that we completed the £3.6 million restoration project of Iron Bridge. It is a free to enter site from which we gain no income at all, but it is one of the nation's most important historic

structures and we felt that the work just had to be done. We are developing a new approach to conservation which will see more of our sites kept in a sustainable condition than ever before.

Visitor experience improvements were completed at: Birdoswald Fort and Corbridge Roman Town on Hadrian's Wall; Whitby Abbey and Mount Grace Priory in Yorkshire; Framlingham Castle in Suffolk; Walmer Castle in Kent; and Pendennis Castle in Cornwall. The work we do is genuinely nationwide.

Stonehenge will always be hugely important to us and throughout the year we marked the centenary of Cecil and Mary Chubb's gift of the stones to the nation. A day of 'music, art and surprises' in October, featuring *Sacrilege*, Jeremy Deller's inflatable replica of Stonehenge, and a new piece of music performed by the London Sinfonietta inside the stone circle, was the culmination of a superb season of events and initiatives that shared the stories of the people who have conserved, researched and enjoyed Stonehenge over the last century.

We played our part in the national commemorations to mark another centenary - the end of the First World War - by hosting 14-18 Now's *Poppies: Weeping Window* at Carlisle Castle. Site staff and 80 extra volunteers welcomed over 140,000 visitors. We also undertook deep cleans of a number of the memorials in London for which we are responsible, including The Cenotaph, the Machine Gun Corps Memorial and the Royal Artillery Memorial.

In a number of very different ways we are seeking to engage a broader and more diverse audience. Our new strategy for free to enter sites exemplifies our commitment to

work with local communities. The wonderful historic videos on our YouTube channel are reaching millions of people around the world, helping to fulfil our educational objectives. With the much appreciated support of the National Lottery Heritage Fund, our 'Shout Out Loud' initiative is set to engage directly 3,500 young people with our sites through performance, film-making, soundscapes and digital content. In these and many other ways we are reaching out to new people in new places.

31 March 2019 marked the half way point in our licence from Historic England – our contract, if you like - to look after the nation's Heritage Collection. We have achieved much. Signing up our millionth member this year was a major milestone which epitomised our success. We are on the path to financial sustainability by 2023 and keeping up with our targets. There will be many challenges ahead and we are by no means complacent. But with the excellence of our staff and volunteers, and the continued support of our very generous Members and donors, we are confident that we will achieve our objective.

Sir Tim Laurence,  
Chairman



Students try their hands at fence-making on a Neolithic Life Discovery Visit, Stonehenge

# A LEGACY FOR THE FUTURE



With over a million Members now supporting our work, we look forward with confidence to bringing England's stories to life ever more creatively and imaginatively.

More than 500 staff and volunteers helped to shape our new Strategic Plan, *Securing our Future 2019-2023*. The plan sets out how we will become a sustainable, financially independent charity by April 2023. Our key priorities remain Inspiration, Involvement, Conservation and Financial Sustainability. By focusing on these, and by building on our progress so far, we will improve the condition of the nation's unique collection of historic sites, find new ways to engage with local communities and share England's story with more people than ever before.

We are continuing to invest in the visitor experience at our sites. A spectacular new footbridge will transform the way that people explore Tintagel Castle. At Whitby Abbey, new exhibitions and interpretation will invite visitors to see the stories of the abbey and its people in a new light. At Walmer Castle, funding from the National Lottery Heritage Fund is helping to restore the historic landscape, making it accessible to a wider audience. A new natural play trail will help families to have fun discovering the castle's grounds in an engaging way, and we have created two new horticultural apprenticeships, doubled the number of volunteering opportunities and invited groups of young refugees to take part in volunteering workshops.

The challenge we face in caring for our sites is formidable, and costs are rising. 'Sustainable Conservation' is a new, pragmatic approach to longer-term conservation that will allow us to better plan, prioritise and measure success. It will focus on what makes our sites important and seek to tackle the root causes of deterioration.

Volunteers will continue to make an increasingly vital contribution in the year ahead, not least at Beeston Castle, where 70 people are helping to recreate a Bronze Age roundhouse. Some are volunteering as builders, researchers and photographers, while others are demonstrating

ancient skills or introducing visitors to the prehistory of Beeston. When completed, the roundhouse will be a wonderful place for school children and visitors to discover what life was like in the Bronze Age.

Over the next four years, we are going to be doing more to demonstrate the positive impact of our work and the importance of our cause. We know that historic sites bring communities together and visiting them contributes to their sense of wellbeing. We care for over 400 unique places not just because we are tasked with doing so, but because we believe that history matters. We believe that it gives us a vital sense of our place in time and in the world around us. We believe that it helps us to understand who we are and who we might become, and how we might shape the future. We believe that it offers a rich source of stories full of drama, intrigue, instruction, inspiration and hope. And we believe that when people appreciate the past, they care about its future. It's vital that we do everything we can to celebrate it.

Kate Mavor,  
Chief Executive



Conservation work at Longthorpe Tower

# 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 to support English Heritage in its transition to becoming financially self-sufficient (amounting to £89 million in total).

In 2016 we launched our first *Strategic Plan, Building for the Future 2016-2019*. In the Financial Review on page 19 we report on our success in delivering that plan. We achieved our most significant targets, notably visitor numbers, trading performance, and 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 Operating Licence. Our four strategic priorities are unchanged from our first Strategic Plan.

These priorities are:

- **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 our second Strategic Plan we also updated the key performance indicators to measure our success over the next four years. We now have a set of seven measures. Some of these indicators are the same as those in the first Strategic Plan, such as trading performance, membership base and visitor numbers. However, there are also new indicators which reflect the outcomes expected of us as an independent charity, including reporting progress in conserving our historic properties and looking after the artefacts in our care, our impact on the world around us and the wellbeing of our employees and volunteers.

In 2019/20 we will report to the Department for Digital, Culture, Media & Sport (DCMS) on how we are performing against the business case set out in the New Model Contractual Framework and how effectively we are spending the New Model grant and tapering annual subsidies. This review will also consider the process for the renewal of the Operating Licence.

## Public benefit

In shaping the objectives for the year 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. In 2018/19 we converted three small pay to enter sites into free to enter sites, and will continue to convert a small number of sites annually over the coming years.

Our website contains a wealth of free materials including high-quality resources to help teachers prepare for school visits, concise and authoritative histories of the sites in our care, detailed images of highlights from our collections and a range of information about our conservation work.

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

Our membership schemes provide a substantial discount for regular visitors and are competitive compared to similar organisations. Membership also includes free entry for up to six accompanying children under the age of 18 per adult Member.



Installing viewing platform at 1066 Battle of Hastings, Abbey and Battlefield

# ACHIEVEMENTS AND PERFORMANCE: INSPIRATION

We create inspirational and enjoyable experiences so that everyone can share in the story of England.

We welcomed well over six million visitors to our sites in 2018/19, maintaining an average visitor experience score of 8.8 out of 10 in our Visitor Survey. Dover Castle scored an impressive 9.2. Over half rated our sites as 'excellent' compared to other attractions they had visited recently.

## Investing in new experiences

We had a busy year on Hadrian's Wall, where we care for 34 sites including three forts, one town, two bridges and one watch tower. We opened a new family-friendly exhibition at Birdoswald Roman Fort with an education centre, children's trail and café. We redisplayed our outstanding collections at Corbridge, telling the story of a thriving Roman town with the support of the Linbury Trust. We upgraded interpretation panels at all 30 of our free to enter sites on the Wall.

The gardens of Mount Grace Priory were transformed with the help of designer Chris Beardshaw, and the priory's new Orchard Café was shortlisted for the RIBA Yorkshire 2019 Awards. New interpretation at Pendennis Castle immersed visitors in the sights and sounds of battle. Funding from the Wernher Foundation enabled us to redisplay the Wernher Collection at Ranger's House, and new presentation schemes opened at Goodrich, Orford, Restormel and Stokesay castles. Guidebooks were published for Gisborough Priory, Barnard Castle and Orford Castle. We unveiled 14 blue plaques in London

thanks to generous philanthropic support. Recipients included *Mary Poppins* author PL Travers, the Cooper Car Company and Derek Jarman, the filmmaker, artist and gay rights activist.

## Temporary exhibitions and special events

At Stonehenge we partnered with the British Museum, Wiltshire Museum and Salisbury Museum to curate an exhibition about the site's links with prehistoric Europe. Our *Stonehenge 100* campaign commemorated the centenary of public ownership of Stonehenge with a crowdsourced photo project and a number of events throughout the year – DJ Paul Oakenfold recorded a live album at the stones, a local centenarian cut a 6ft Stonehenge cake and visitors bounced on Jeremy Deller's *Sacrilege*, an inflatable replica of the monument.

Belsay Hall hosted Susan Philipsz's *The Yellow Wallpaper*, a sound installation supported by the Arts Council. At Rievaulx Abbey we used a digital model to recreate a unique medieval sculpture as part of a special exhibition about the Annunciation. A travelling exhibition about Richmond Castle's cell block graffiti went on display at a number of partner sites in Yorkshire, supported by the National Lottery Heritage Fund.

Our #lovecastles campaign celebrated the role castles play in England's history and culture. We reached thousands of people through innovative content on our website, built an 'ultimate sandcastle' and ran a fundraising campaign which was generously supported by our Members and many others. We commissioned a meticulous Minecraft recreation of Kenilworth

Castle to promote both the campaign and a popular series of Minecraft workshops at sites across the country.

## Making history on YouTube

Our YouTube channel continued its phenomenal growth, and it now has well over 400,000 subscribers. We launched a new series of makeup tutorials and the first episode, showcasing Elizabeth I's makeup routine, received over a million views in just two weeks.

## Education where history happened

Over 305,000 school children visited our sites. At Bolsover Castle the number of education visits to the site almost doubled after we introduced a new multimedia guide for schools, and at Carlisle Castle around 2500 children took part in the free education sessions we held during the *Poppies: Weeping Window* installation. We added eight new Discovery Visits to our suite of expert-led education sessions, and created new free learning resources for teachers to use at 14 sites. Our Teachers Kit for Stokesay Castle was shortlisted as a finalist at the Education Resource Awards.

## New Visitor Experience Strategy

We launched our new Visitor Experience Strategy, which, by putting visitors at the heart of our offer, seeks to bring England's stories to life in even more inspirational ways. In particular, we're focusing on improving our welcome for families and overseas visitors, and on enhancing access. Among other initiatives, we will invest in storytelling and selfie spaces, and develop menus that reflect changing tastes and expectations.



# 1,000,000

views of our Elizabeth I makeup video in two weeks



# 100

years of caring for Stonehenge



# 14

new blue plaques



Launch of blue plaque to PL Travers

# ACHIEVEMENTS AND PERFORMANCE: CONSERVATION

We make sure that our historic treasures receive the expert care that they need. It's vital that our irreplaceable heritage is protected for this and future generations.

This year we completed a £3.6 million project to conserve the iconic Iron Bridge in Shropshire. We repaired cast iron elements, resurfaced the deck and returned the bridge to its original red brown colour. More than 30 volunteers helped thousands of visitors to experience conservation in action on a specially constructed walkway.

### Large projects

We removed deep-rooted vegetation and carried out vital repairs to the masonry at Pevensy Castle and Carisbrooke Castle. The Save Our Castles fundraising campaign highlighted the £1.9m cost we face each year for wall repairs and weed removal.

We spent £500,000 to care for the ancient walls of Silchester Roman Town, and stabilised fragile masonry at Byland Abbey. We renovated the Sham Bridge in the grounds of Kenwood in London. This playful garden feature is actually a wooden screen that sits on solid earth.

At Wrest Park we began a project to restore the 18th-century Bath House and its picturesque gardens. Our team has removed vegetation from the grotto, repaired an arch in

the house and replanted the garden's borders. Work will continue during 2019, and we will invite visitors to watch the conservation in action.

### Caring for our collections

Our expert teams of conservators have also been hard at work across the country caring for our collection of objects. At Pendennis Castle we repainted, rewaxed and re-installed the castle's Mk III 1943 anti-aircraft gun on a new platform, where it is being fired regularly by volunteers. This repair was made possible thanks to donors to our Save Our Cannons campaign.

Following the findings of our Operation Clothes Moth initiative we published *Pests in Houses Great and Small*, a new book that helps homeowners identify, prevent and eradicate pests.

### Protecting our paintings

Our conservators have uncovered the real beauty – and true identity – of *The Madonna of the Pomegranate* (c.1487), part of the Wernher Collection at Ranger's House. Detailed technical and art-historical analysis has confirmed that the painting was produced by the Florentine workshop of master painter Sandro Botticelli and, after being cleaned by our conservators, it is now back on public display.

### New additions

We were delighted to accept a spectacular painting into our permanent collection. Bernardo Bellotto's *Venice: the Bucintoro at the Molo on Ascension Day* (c.1739) has been associated with Audley End for almost 190 years and will stay on display at the house.

### Sustainable conservation

This year we unveiled Sustainable Conservation – a new approach to help prioritise and deliver our most challenging conservation work for years to come. This pragmatic, evidence-based approach will focus on what makes our sites important and aim to tackle the causes of deterioration as much as improving their condition.

### Remembrance

Our conservation maintenance teams played their part in the preparations for the Armistice Centenary in London, carrying out deep cleans of the Cenotaph on Whitehall, the Machine Gun Corps Memorial and the Royal Artillery Memorial, both on Hyde Park Corner.



## 300

bespoke iron wedges cast for the Iron Bridge



## 3

First World War memorials cleaned for the Armistice Centenary



## £1.9 million

spent on castle wall repairs and weed removal



# ACHIEVEMENTS AND PERFORMANCE: INVOLVEMENT

We want everyone to have the chance to explore, celebrate and protect our heritage.

## Vital volunteers

Volunteers have a key role to play in our success as a charity, and their numbers continue to rise. This year 3,669 fantastic people spent 194,245 hours volunteering with us.

14-18 NOW's *Poppies: Weeping Window* installation at Carlisle Castle attracted 140,000 visitors over seven weeks. It wouldn't have been possible to run the event without volunteers – 79 local people gave 2,535 hours of their time, and many of them are still volunteering with us.

At Barnard Castle in County Durham local volunteers helped plant almost 5,000 bulbs along with 13 apple and 3 pear trees, transforming a hard landscaped area into a beautiful community orchard. At Osborne our gardeners worked with volunteers and local school children to commemorate the First World War. They created a flower bed sown with plants that were recorded growing in the Somme area during 1916-17.

We are also expanding our volunteer research team. Some 47 volunteers are helping us to research the histories of Audley End, Wrest Park, Stott Park Bobbin Mill and the Richmond Castle cell block.

## Part of the community

In Kent, Walmer Castle and Deal Community Hop Farm won the Horticulture Week Custodian Awards 2018 prize for Best Community Initiative. 140 hop plants were grown across the area, including 15 in Walmer Castle's kitchen garden. The project engaged the local community with the tradition of growing Kentish hops, and over 300 people – including many of our volunteers – helped bring in the harvest in the autumn.

Kenwood welcomed more than 30 refugees from the Refugee Women's Association, Hopscotch Asian Women's Centre and Barnet Refugee Service. They were taking part in a pilot Gardens Trust project supported by the National Lottery Heritage Fund called 'Sharing Repton: Historic Landscapes for All'. We introduced the participants to the work of Humphrey Repton and took them on a tour of the site.

## Free to enter sites

We adopted a new strategy for our free to enter and locally managed sites. By working in partnership with local organisations and developing volunteering, the strategy aims to place these sites at the heart of their communities. In 2018/19 we supported Sunderland City Council to deliver the National Lottery Heritage Fund-funded £2.5m regeneration of the previously derelict Hylton Castle, and we have agreed that the Hylton Castle Trust will run the site on behalf of the community. We also helped local volunteers and Cheshire West and Chester Council to open Chester

Castle during the summer holidays, and worked with Westbury Town Council and local volunteer groups to clean the famous Westbury White Horse.

## Growing our own gardeners

The Historic and Botanic Gardens Trainee Programme continues to thrive thanks to the support of the National Lottery Heritage Fund and other partners. 227 people have graduated from the scheme and all 22 graduates from 2018 have secured jobs in the historic garden sector. The programme has helped to address the skills gap in the industry, and is now playing a major role in sustaining and developing historic and botanical gardens across the UK.

## Asking our audience

Our market research teams surveyed over 20,000 members of the public in 2018/19, including Members, visitors, and people who rarely visit historic sites. This year, in addition to our annual visitor and membership surveys, customers helped us to evaluate our on-site retail and catering offers.

## Shout Out Loud

In September we launched Shout Out Loud, an initiative to create new opportunities for young people to engage with their heritage. Over the course of three years, 3,500 young people will create and share performances, films, soundscapes and digital content in partnership with organisations including the National Youth Theatre, Army Welfare and Sound Connections. The project was awarded a £959,500 grant from the National Lottery Heritage Fund.



3,669  
volunteers



22  
graduates from the Historic and Botanic Gardens Trainee Programme



15  
hop plants grown at Walmer Castle as part of a community project



Young English Heritage Members interview an Anglo-Saxon warrior at Offa's Dyke

# ACHIEVEMENTS AND PERFORMANCE: FINANCIAL SUSTAINABILITY

By 2022/23 we will have achieved financial sustainability. This means we will be generating sufficient income to fulfil our charitable purpose over the long term, in line with our strategy, and without government support.

To achieve this we are growing our membership, investing in the visitor experience, expanding our commercial activities and attracting major grants and donations from around the world.

As ever, we're hugely grateful for the support of all our Members, visitors, donors, legators, grant givers, sponsors, partners and licensees. Without them, our success would not be possible.

**One million Members and counting**  
Our membership exceeded one million for the first time last year. This is a major milestone in the history of the Charity, and we would like to thank each of our 1,044,000 Members. 325,000 people joined us as Members in 2018/19, and the total income from membership was £38.7 million.

**Welcoming our visitors**  
2018/19 was our second best ever year for visitors – we welcomed 6,372,000 people to our staffed sites. We had over one million visitors between November and March for the first time, and, despite a drop in inbound UK tourism, Stonehenge had its best ever year.

We launched major Capital Investment Projects at Mount Grace Priory, Pendennis

Castle, Corbridge Roman Town, Stokesay Castle and Birdoswald Roman Fort. These projects aim to attract an additional 368,000 visitors over the next ten years.

Almost 74,000 people attended our Enchanted illuminated garden events. These took place at five properties and contributed a surplus of £170,000.

**Location, location, location**  
Weddings and other events contributed revenue of £1.2 million. Our upgrades to Pendennis Castle's hospitality suite helped the castle to deliver a surplus of over £200,000 for the first time.

We hosted over 50 commercial film shoots, including ITV's *Victoria*, which was filmed at Brodsworth Hall and Osborne. A number of other high profile films and TV series used our sites as locations – look out for them on your screens in the near future.

At Kenwood, the previously unused stable block was converted into 11 rental apartments. These properties will make a significant contribution to our financial sustainability.

**Development**  
We received £7 million in donations and legacies in 2018/19, including £3.5 million from Julia and Hans Rausing – the largest ever single private donation to the Charity. We raised £841,000 of corporate membership income (included in membership income above) and £610,000 of licensing and sponsorship income. We also received an additional £2 million in pledges and contracts yet to be realised. The final element of Miss Audrey Russell's legacy was also received this year, bringing its total value to over £2.7 million.

Miss Russell passed away in 2014, and her gift will go directly towards supporting and enhancing the historic sites in our care.

The Once and Future Fund was launched in 2018. This is an endowment that will support our free to enter sites long into the future. The National Lottery Heritage Fund has pledged £1 million to match donations received up to August 2021, and so far we have raised £150,000 from 172 donors.

We now have 72 Guardians in our community of donors who have given more than £2,000 each.

**Working in partnership**  
We welcomed MINI UK as the sponsor of our autumn family events programme and worked with Design Group UK to create a licensed gift range, which is being stocked in Boots. Our relationships with major corporate partners, Barclays Premier and CSSC Sport & Leisure, continue to develop. We began a green energy partnership with Ecotricity and launched reciprocal partnerships with 20th Century Fox, Country Life Butter and Just Go! Holidays.

**Increasing our efficiency**  
To become financially sustainable we need to reduce our costs and operate as efficiently as possible. In 2018/19 we began to replace and upgrade some major IT systems, including the content management system for the website, and a dedicated team was created to improve cumbersome processes like invoicing, business expenses and procurement.

This year our trading surplus has grown from £28.4 million to £38.4 million. We spent £10.2 million of the New Model grant in 2018/19.



Our one millionth Member, Sima Odebra, at Kenilworth Castle



## 1,044,000

Members



## 50

commercial film shoots



## £3.5 million

the largest ever private donation to the charity

# 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 2023. The Collection remains in Historic England's ownership.

The funding arrangement of the New Model is twofold. First the one-off payment of a government grant of £80 million in 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 (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).

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 are 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. Overall, we have exceeded the projections in the plan in our first four years. The fourth year, 2018/19, is summarised in the table below.

## 2018/19 ACTUAL VERSUS LAUNCH PLAN

	Actual £'000	Launch Plan £'000	Variance £'000
<b>INCOME FROM:</b>			
Donations and Legacies	7,029	8,400	(1,371)
Licensing and Sponsorships	610	1,166	(556)
	<b>7,639</b>	<b>9,566</b>	<b>(1,927)</b>
Conserving Our Properties	1,264	-	1,264
Running Our Properties	27,384	26,234	1,150
	<b>28,648</b>	<b>26,234</b>	<b>2,414</b>
Membership and Admissions	70,486	60,500	9,986
New Model tapering annual revenue subsidy	13,783	13,600	183
Investments	238	-	238
<b>Total</b>	<b>120,794</b>	<b>109,900</b>	<b>10,894</b>
Expenditure	(107,005)	(100,000)	(7,005)
<b>Net income/(expenditure) before use of New Model £52m grant</b>	<b>13,789</b>	<b>9,900</b>	<b>3,889</b>
Use of New Model £52m grant	(5,028)	(6,500)	1,472
<b>Net income/(expenditure)</b>	<b>8,761</b>	<b>3,400</b>	<b>5,361</b>

In 2018/19, we delivered income of £120.8 million compared to the Launch Plan of £109.9 million, notably, due to a strong performance from memberships and admissions (actual: £70.5 million; Launch Plan: £60.5 million).

Revenue expenditure of £107.0 million exceeded the Launch Plan of £100 million as we continued to invest to drive profitable growth in revenue. As a result, we achieved net income of £13.8 million, which was £3.9 million higher than the Launch Plan net income of £9.9 million.

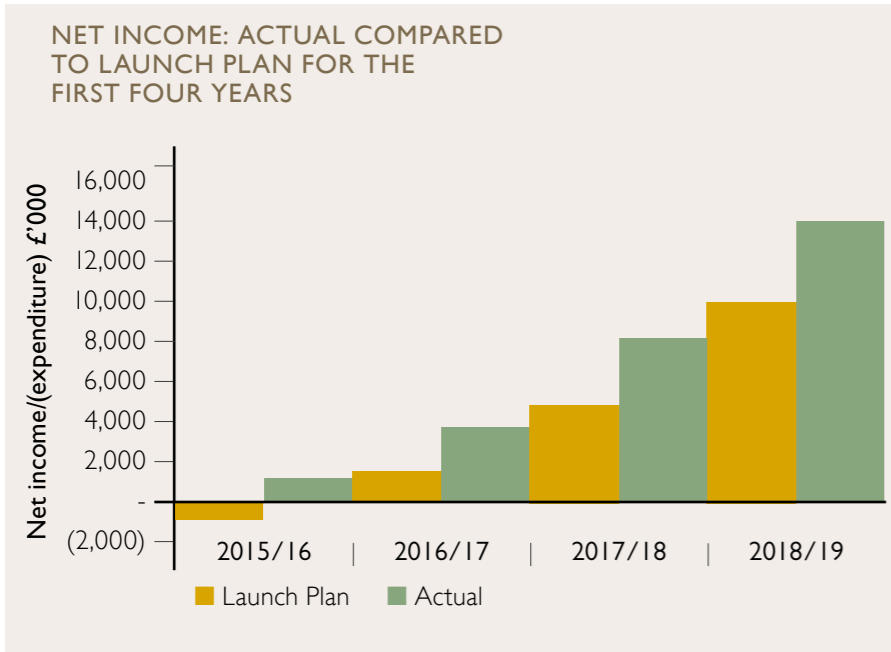
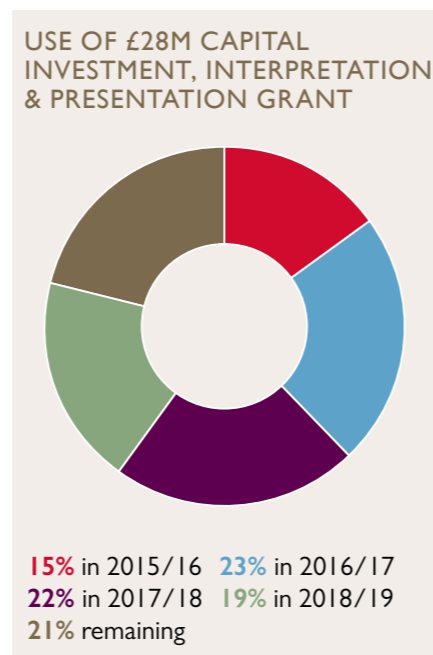
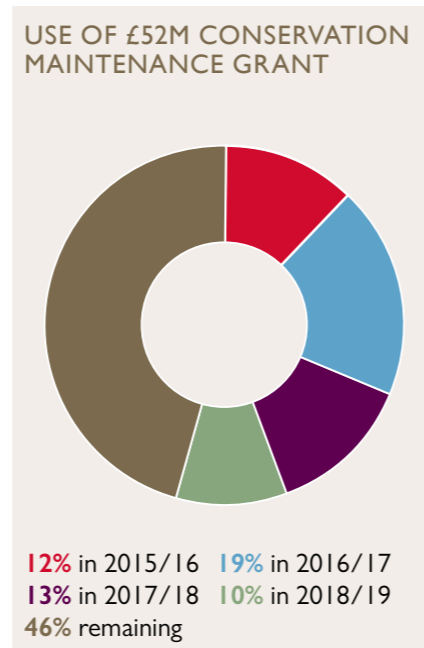
Additionally, we spent £5 million of the £52 million New Model grant on conservation and restoration projects (bringing total revenue expenditure to £112.0 million), which compares with the Launch Plan spend of £6.5 million. Cumulative spend over our first four years was £1.9 million ahead

of plan at £27.9 million against the Launch Plan spend of £26 million.

In addition to the above, we spent £5.2 million of the £28 million New Model grant in 2018/19, compared to the Launch Plan of £3.5 million. Cumulatively, spend is £8 million ahead of plan at £22 million against the Launch Plan sum of £14 million. This expenditure is capital in nature.

Our performance in each of the first four years of trading is set out below. This shows us delivering a financial performance that exceeds the Launch Plan in each of these years. Net income relates to total income less total expenditure, excluding use of the £52 million New Model grant. This is a key indicator that demonstrates our progress in moving towards financial sustainability.

The cumulative spend over the first four years of the £80 million New Model grant is shown below.



**Statement of Financial Activities (SOFA)**

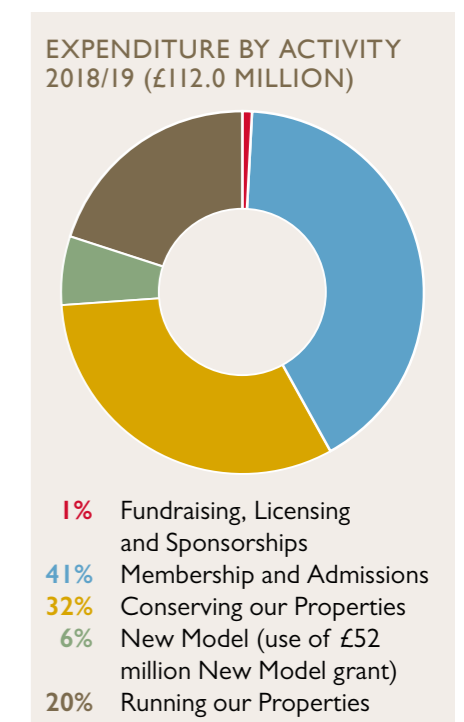
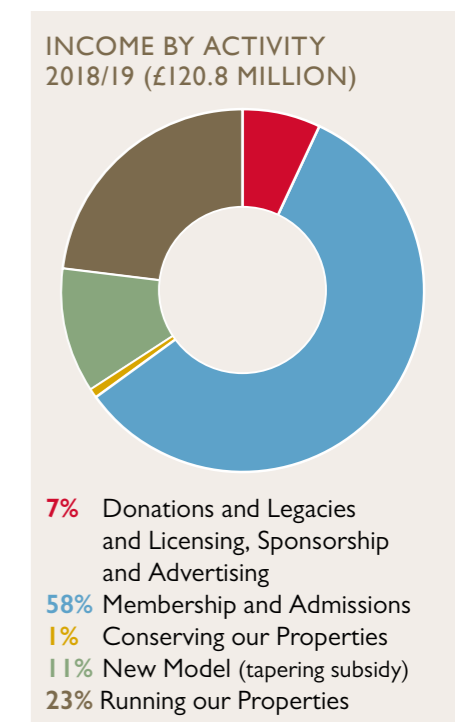
The SOFA is the Charity's Income and Expenditure account. Income in 2018/19 of £120.8 million (2017/18: £116 million), consisted of:

- Donations and Legacies, and Licensing, Sponsorship and Advertising, raised £7.6 million (2017/18: £7.9 million).
- Memberships and Admissions income rose to £70.5 million (2017/18: £64.6 million), comprising an increase in membership income to £38.7 million (2017/18: £33.8 million) and admissions income of £31.8 million (2017/18: £30.4 million).
- Conserving our Properties generated £1.3 million (2017/18: £1.3 million), comprising mainly rental and service charge income from our properties.
- We received £13.5 million (2017/18: £14.4 million) of grant-in-aid funding from Historic England under the New Model arrangement, whereby English Heritage receives tapering funding until 2021/22, after which the Charity is intended to be financially sustainable. In addition, we received £0.3 million (2017/18: £0.3 million) for the provision of services to Historic England in respect of maintenance, customer services and specialist advice throughout the year.
- Running our Properties generated income of £27.4 million (2017/18: £27.5 million), which includes retail (£14.7 million, 2017/18: £14.9 million), catering (£9.1 million, 2017/18: £8.4 million), and hospitality, filming, weddings, holiday cottages and other trading income (together £3.6 million, 2017/18: £4.2 million).

Expenditure was £112.0 million (2017/18: £114.7 million) including £5 million (2017/18: £6.9 million) in respect of the £52 million New Model grant. This comprised:

- Fundraising and Licensing, Sponsorship and Advertising costs of £1.4 million (2017/18: £1.4 million), including volunteering costs of £0.2 million (2017/18: £0.2 million). The cost of fundraising for 2018/19 was 17p (2017/18: 15p) spent for every £1 raised, which compares favourably with the sector average of 24p (Institute of Fundraising, Fundratios Summary 2013).
- Running our Properties costs of £22.2 million (2017/18: £22.0 million) including the retail and catering operations.
- Conserving our Properties costs of £36.2 million (2017/18: £35.6 million), comprising maintenance, curatorial works and conservation. This includes major ongoing expenditure to conserve the monuments and sites in the Collection. As this major ongoing 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.
- Membership and Admissions costs of £46.1 million (2017/18 £47.9 million), including 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.

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



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 income of £9.2 million (2017/18: £7.4 million). The restricted SOFA generated net expenditure of £0.7 million (2017/18: net expenditure of £6.2 million), representing use of the £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 £0.2m for the year (2017/18: £0.1 million). Overall net income is therefore £8.8 million (2017/18: £1.3 million).

Below the net income/(expenditure) line, the SOFA reflects adjustments of £9.0 million (2017/18: £7.1 million), as follows:

- A transfer between restricted and unrestricted reserves of £8.8 million (2017/18: £6.5 million) 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.
- Other recognised gains on the revaluation of fixed assets (see Notes 14 and 15) of £0.2 million (2017/18: £0.6 million), which are all unrestricted.

The overall net movement in funds is therefore a surplus of £18.2 million (2017/18: £14.5 million) on unrestricted reserves, a deficit of £9.4 million (2017/18: £12.7 million) on restricted reserves, and a surplus on endowment reserves of £0.2 million (2017/18: £0.1 million), which, combined, amount to a surplus of £9.0 million (2017/18: £1.9 million). The net asset position of English Heritage continues to grow strongly.

#### Net movement in funds

Total charity funds increased from £68.1 million on 1 April 2018 to £77.1 million on 31 March 2019. This increase of £9.0 million is largely due to the effect of a strong trading performance for the year, as set out in the previous section.

#### Balance sheet

Total charity funds at 31 March 2019 of £77.1 million (2018: £68.1 million) can be analysed as follows:

- £34.1 million of restricted reserves. The reduction in restricted reserves from £43.3 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 £29.9 million (2018: £40.2 million), the Elizabeth Wagland Fund of £1.1 million (2018: £1.1 million), and over 30 (2018: over 20) further restricted funds, covering individual sites and the blue plaques scheme, which total £2.8 million (2018: £2 million). For details, see Note 30. Also included in restricted reserves is a £0.3 million reserve in respect of endowment funds (2017/18: £0.1 million).
- Unrestricted reserves amount to £43.0 million (2018: £24.8 million). The increase in unrestricted reserves by £18.2 million, as explained in the previous section, is the effect of:
  - our trading activities resulting in net income of £9.2 million
  - the transfer from restricted reserves of £8.8 million relating to the utilisation of restricted funds
  - a fixed asset revaluation gain of £0.2 million.

Included in unrestricted reserves is a £0.1 million designated reserve in respect of Osborne (2017/18: £0.1 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 24. The Trustees have reviewed the latest financial forecasts and are satisfied that English Heritage continues to adopt the going concern basis in preparing its financial statements.

#### Reserves policy

After the end of the Charity's fourth year of trading, the Trustees have 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 have 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 minimal free reserves. The aim is, therefore, for the Charity to build up sufficient free reserves of its own 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, increase the level of reserves and ensure that, as far as possible, restricted funds are used before unrestricted ones.

Currently, the target level for free reserves is £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. Free reserves are defined as general funds less the net book value of fixed assets included within general funds (see Note 31).

As a result of a strong performance in 2018/19, free reserves at 31 March 2019 were £13.1 million (2018: £2.8 million). However, our short-term projections anticipate us utilising some of these reserves to help fund an intensive capital investment programme to drive longer term revenue growth and, as has always been anticipated, to absorb the significant annual reduction in revenue subsidy from Historic England, before recovering to £5 million by March 2023.

Taking the above into account, the Trustees are comfortable that the current 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 from 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

Surplus funds are held as cash deposits with banks. Our policy is to place funds on deposit with the larger London-based UK banks, with no more than £10 million deposited with any one institution. Monies are deposited for a range of time periods in accordance with working capital needs. The longest notice period for any deposit is 12 months.

The undrawn balance of the New Model grant (£32.8 million at 31 March 2019) 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 2019 was £18.8 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 thirty 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. Payment runs are carried out daily. In 2018/19, 94% (2017/18: 90%) of invoices were paid within 30 days of date of invoice and 98% (2017/18: 96%) within 40 days.

# 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 (SMT) meeting
- an annual review by the Board of Trustees
- a high-level review of the principal risks at all other meetings of the Board
- the development of systems and procedures by the SMT to mitigate identified risks and to minimise any potential impact should any risks materialise.

At each review session risks are updated as necessary, with the rating of existing risks adjusted and new risks added 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 the timeline to achieve the agreed acceptable risk rating.

The principal risks facing English Heritage, and how they are being managed, are considered to be 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.

If performance deviates from the plan, corrective steps are swiftly agreed and implemented to bring performance back on course.

In 2017/18 our longer-term forecast beyond the end of the Operating Licence was updated to reflect the changes within English Heritage and the wider economic environment that had arisen since the launch of the Charity in 2015. In 2018/19 we prepared our second Strategic Plan, covering the period 2019/20 to 2022/23. This confirmed that we remain on course to achieve financial sustainability.

Income diversification continues to be a priority. This includes increasing commercial and fundraising revenues. Other priorities include delivering efficiency savings, and maintaining tight financial controls to ensure budgets are balanced.

The United Kingdom's exit from the European Union brings additional risks as well as potential opportunities. We will adapt our business model to the circumstances of the arrangements that are agreed with the European Union.

Finally, relationships with suppliers are carefully managed in order to minimise the risk of poor performance, contract disputes and their financial weakness.

## Organisational stretch

Overstretched resources could adversely impact both the visitor experience and employee relations. 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. The new organisational structure introduced in April 2018 has been well-received and work is ongoing in business areas that were unaffected by the original review. Staff continue to be supported with mentoring and training as necessary. We are delighted to have been awarded Investors in People accreditation in March 2019.

## Workforce engagement

Keeping our employees closely engaged and informed with developments in the Charity 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 organised roadshows in autumn 2018 to share the thinking around our new Strategic Plan with employees and volunteers and were delighted that almost 600 attended, providing valuable feedback on our proposals.

We have launched a digital app to improve workplace communications and access to on-line learning for over 1,500 staff members who have limited access to workplace technology.

We are grateful to our trade unions for their ongoing support as we transition to becoming a fully-fledged, independent Charity.

## 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. In 2018/19 we developed an IT strategy which sets out the key projects needed to support delivery of our Strategic Plan. The 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, and that our management of confidential personal data is in compliance with the General Data Protection Regulation, which took effect in May 2018.

## Health and safety

English Heritage takes its duty of care to members of the public and to its employees extremely seriously. We have an excellent track record in preventing harm to members of the public, staff and volunteers. Disaster recovery plans and health and safety policies are regularly reviewed by operational teams and the Senior Management Team. Robust training and safeguarding programmes exist to ensure compliance with best practice and minimise risk.

## 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. Although we believe these risks to be relatively low, we manage them by adapting our marketing strategies to weather forecasts and regularly updating our business continuity plans and risk registers. 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 the general public who visit our sites. We are conscious of the need to make our sites appealing to as wide an audience as possible 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 2018/19, 58% of our income derived from visitors and Members, an increase on 56% in 2017/18 and this will increase as government funding reduces. We recognise that economic factors such as an economic downturn and exchange rate fluctuations might deter overseas customers. We perform stress tests and sensitivity analysis on our operating model to understand how the Charity could cope if such major risks materialise.

The Trustees are content that risks are being appropriately managed.

## FUTURE PLANS

Conserving the nation's collection of historic sites, artefacts and monuments for current and future generations to appreciate and enjoy is a significant responsibility with substantial, ongoing financial obligations.

We are projecting to increase expenditure on conserving our properties, partly funded by the £52 million New Model grant. However, the grant was originally proposed to cover high-priority defects identified in 2010 and, since then, new defects have emerged that naturally occur over time. We have reviewed our Asset Management Plan to improve our understanding of the scale of the conservation work required and have developed a sustainable conservation model that prioritises investment in sites based on their significance, vulnerability, and condition. In our projections we are continuing to allocate significant sums to support this strategy once the New Model grant has been used.

Similarly, our financial projections include ongoing expenditure on presentation and interpretation at small and free sites once the £10 million New Model grant has been used. Fundraising will be key to achieving our plans.

In 2019/20 we will enter our fifth year of trading as an independent charity. We will continue to reflect on our first four years of successful performance to identify how we can improve the way we work in order to ensure our goal of achieving financial sustainability by 2022/23 remains attainable. Key to this will be a continuing strong trading performance.

Our first Strategic Plan ended in March 2019. The targets we set ourselves at the beginning of 2016,

in the early days of the Charity, are shown in the first table on the opposite page. We exceeded the target for three out of eight of our key performance indicators (KPIs), and only marginally missed achieving two more. We exceeded our targets with visitor numbers, trading surplus, and the visitor experience score. This demonstrates that we are investing effectively and successfully to provide high-quality and enjoyable days out to record numbers of members of the public, which has helped grow our commercial revenue streams and improve our trading performance. We marginally missed achieving our target membership base and volunteer numbers.

Spend of the £28 million New Model grant allocated for capital investment at larger sites and for interpretation at small and free sites is behind plan as we received and spent a significant donation in 2018/19, which replaced planned spend of the New Model grant. We have not spent as much of the £52 million New Model grant allocated for conservation projects as we planned, and this is largely due to a lack of resources in the Estates team. The construction recruitment market is challenging, but we expect to have a full team in place by 2019/20. There has also been some rephasing of projects in response to the external environment. However, expenditure of the combined £80m million New Model grant, is ahead of the original Launch Plan and our projections indicate that we remain on course to spend the entire grant by 2022/23 as planned.

Finally, although our fundraising income performed strongly in 2018/19, it is behind a plan that has turned out to be too ambitious in the current challenging economic environment.

We have reviewed our key performance indicators for our second Strategic Plan. We will continue to

measure Members, visitors, and trading surplus. We have adjusted our other KPIs to reflect qualitative measures which we feel are more appropriate for measuring progress towards our strategic priorities. These new corporate indicators are set out in the table below.

In 2019/20 we will be launching a number of new projects. A stunning new footbridge will open at Tintagel Castle. New interpretation and visitor facilities will be completed at Whitby Abbey, and at Walmer Castle we are restoring areas of the gardens. We will be investing in long-term projects to improve visitor facilities and interpretation at Stonehenge and Dover Castle, our two most popular sites. We will begin a project to revitalise the grounds and house at Marble Hill House and also expand the play area at Eltham Palace.

Our investment in technology and digital will continue to focus on improving our IT infrastructure, systems and networks to support the growth of the Charity. Key projects include installing public Wi-Fi at more sites, ensuring compliance with the Payment Card Industry Data and Security Standard, ensuring compliance with General Data Protection Regulation, and scoping out a new Customer Relationship Management system, which will enable us to improve customer experience and deliver digital transformation.

Alongside this we will publish an impact statement which will set out the difference we make in society as we fulfil our charitable objectives. During 2019/20 we are subject to a planned review by DCMS which will include an assessment of the level of the remaining annual revenue subsidy which we receive in reducing annual amounts until 2021/22. Our financial projections assume that this funding continues for the remaining three years as set out in the Funding Agreement dated March 2015.

Set out below is how we have progressed in 2018/19 against delivery of our first Strategic Plan.

KEY PERFORMANCE INDICATORS	Where We Were Then			Where We Are Now	First Strategic Plan Targets
	2015/16	2016/7	2017/18	2018/19	2018/19
USE OF £52M NEW MODEL GRANT (cumulative) <sup>1</sup>	12%	31%	43%	54%	72%
USE OF £28M NEW MODEL GRANT (cumulative) <sup>1</sup>	15%	38%	60%	79%	85%
MEMBERSHIP BASE <sup>2</sup>	876k	918k	969k	1,044k	1,052k
TRADING SURPLUS	26.3%	27.0%	32.1%	39.6%	29.7%
FUNDRAISING INCOME (cumulative) <sup>1</sup>	£3.2m	£7.4m	£15.0m	£22.2m	£30.0m
NUMBER OF VISITORS <sup>3</sup>	5.85m	5.88m <sup>3</sup>	6.46m	6.37m	6.25m
VISITOR EXPERIENCE <sup>4</sup>	8.72	8.82	8.84	8.85	8.83
NUMBER OF VOLUNTEERS (cumulative roles)	2.1k	3.7k	4.5k	4.8k	5.0k

<sup>1</sup> Cumulative from 2015/16. <sup>2</sup> Average number of Members during financial year, calculated as new Members in the year plus renewals plus life Members.

<sup>3</sup> There was no Easter weekend in the 2016/17 financial year. However figures for this year include, for the first time, visitors to third-party events held at our properties <sup>4</sup> Mean score for Overall Visitor Experience based on a scale of 1–10, where 10 = excellent, English Heritage Visitor Survey.

The KPIs of our second Strategic Plan, against which we will report our performance over the next four years, are set out below.

KEY PERFORMANCE INDICATORS	SUPPORTERS	NUMBER OF MEMBERS
	FINANCIAL SUSTAINABILITY	TRADING SURPLUS
	CONSERVATION & STEWARDSHIP	% OF HISTORIC PROPERTIES IN 'SUSTAINABLE CONDITION'
		PROGRESS ON COLLECTIONS CARE & CONSERVATION PLANS
	PUBLIC ACCESS & INSPIRATION	TOTAL VISITORS
		IMPACT
ORGANISATIONAL WELLBEING	COMBINED ORGANISATIONAL WELLBEING SCORE	

# 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 signed, changing its objectives to conserve and manage the estate and open it to the public. Its name was changed to English Heritage and its sole legal member is Historic England.

## Appointment of Trustees

The Trustees, for the purposes of charity law, are also its directors. The Trustees consist of at least 7 and not more than 15 individuals, who will be drawn from Historic England Commissioners, Historic England employees and independent Trustees. Up to seven Trustees may be drawn from Historic England Commissioners or Historic England employees, although such Trustees must always remain a minority. Trustees are proposed by English Heritage Trustees 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 re-appointed 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.

In 2018/19 the Trustees appointed a Deputy Chairman who holds office for two 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. The role of the Deputy Chairman is to support the Chairman in providing effective leadership to the Board and in engaging externally with Members, donors, partners and others.

## Trustees' induction and training

New Trustees receive extensive background material to familiarise themselves 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 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 a full report from the Senior Management Team, including 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. The Board also reviews the minutes of the two subcommittees 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.

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

In line with good practice, an external review of the Board was carried out in 2018 by Campbell Tickell. In their evaluation they noted the commitment of the Board and Senior Management Team to high standards of governance. They concluded that, as a new charity, English Heritage's governance had started from a position of strength and suggested a number of minor areas where this could be enhanced further. Their recommendations were accepted by the Board and have either been implemented or are in the process of being implemented. The next external review will be in 2021.

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 and whistle-blowing arrangements. The committee meets three times a year.

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 (members of the Senior Management Team) 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 committee and panel 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 Gurassa (Chairman), Victoria Barnsley OBE and Sir Tim Laurence. Peter Blausten and Patrick Newberry 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

We recognise our employees and volunteers are our most valuable resource and strive to work in a manner that acknowledges this.

We want to provide everyone with a working environment where they

feel valued, happy and able to fulfil their roles effectively. Crucial to this is making sure that staff are fully engaged with how we operate, so we use staff surveys to gauge their views. The latest, in October 2018, showed that 92% of employees rate English Heritage as a great place to work. The full results, including concerns about pay and reward, were fed back to staff and the Senior Management Team, and are being addressed as part of our People Plan.

Therefore we developed a new reward strategy in order to address pay disparities, which took effect from April 2019.

Additionally the aims to attract and retain a highly motivated, workforce, fully engaged with English Heritage and its strategic goals. This includes succession planning, as well as training and support to enable employees and volunteers to perform their roles to the best of their abilities and afford opportunities for professional development.

Equality and diversity are also of paramount importance to us. We work to ensure that selection for a job, promotion, training or any other benefit is available to all on the basis of aptitude and capability. We make reasonable adjustments to allow our employees to compete on an equal basis. Our focus now is to increase diversity in our workforce in order to better reflect the communities in which we work and we have established a Diversity Working Group drawn from across the organisation to explore ways of achieving this. We are significantly under-represented from the BAME community and improving this balance is a key focus for us.

We recently published our gender pay gap data. Based on employee data from 5 April 2018, we have a

9.7% difference between the average earnings of our male and female employees across the organisation (men earning more than women). This is an improvement on the previous year when the gap was 10.1% and is the result of a 10.3% growth in women operating in the top quartile of the organisation and an 8.2% growth in men operating in the lowest quartile, over the last year.

We do not have an equal pay issue. People doing the same job are paid equally. We also have a healthy gender balance at senior and middle-management grades.

## 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 participators. 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.

## Internal Auditors

In 2018/19 we tendered the provision of internal audit services and appointed PwC for a three-year term.

## 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.



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

The Trustees (who are also directors of 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 incoming 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 July 2019

# REFERENCE AND ADMINISTRATIVE DETAILS

## BOARD OF TRUSTEES

Vice Admiral Sir Tim Laurence  
KCVO, CB, ADC (Chairman)  
James Twining (Deputy Chairman  
from 1 April 2019)  
Alex Balfour  
Victoria Barnsley (Howard) OBE  
Charles Gurassa  
Sukie Hemming  
Professor Ronald Hutton  
Kate James-Weed (until  
25 September 2018)  
Sir Laurie Magnus  
Ian McCaig  
Kunle Olulode  
Professor David Olusoga OBE  
Malcolm Reading (until 4 October 2018)  
Sarah Staniforth CBE

## SENIOR MANAGEMENT TEAM

Kate Mavor, Chief Executive  
Anna Eavis, Curatorial Director  
Shirley Jackson, Commercial Director  
(until 27 September 2018)  
Luke Purser, Development Director  
Tracey Reed, Historic  
Properties Director  
Mark Stuart-Smith, Chief  
Financial Officer  
Luke Whitcomb, Marketing Director  
Rob Woodside, Estates Director

## AUDIT AND RISK COMMITTEE

Ian McCaig (Chairman)  
Robert Boyle  
Eloise Francis (from 11 February 2019)  
Sir Tim Laurence (ex officio member)  
Nicola Shaw CBE (until 17 May 2018)  
Sarah Staniforth CBE  
James Twining

## REMUNERATION AND APPOINTMENTS COMMITTEE

Charles Gurassa (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 Gurassa

Sir Laurie Magnus  
Kate Mavor

## BLUE PLAQUES PANEL

Professor Ronald Hutton (Chairman)  
Professor Martin Daunton  
(Deputy Chairman)  
Sir Peter Bazalgette  
Greg Dyke (until 31 March 2019)  
Professor Jane Glover CBE  
Rupert Hambro CBE  
(until 31 May 2019)  
Dr Rebekah Higgitt  
Dr Rosemary Hill  
Alan Hollingshurst  
Philip Mould OBE  
Professor Lynda Nead  
Professor David Olusoga OBE  
Dr Viviane Quirke

## 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

29 Queen Square,  
Bristol, BS1 4ND

Brooklands,  
24 Brooklands Avenue,  
Cambridge, CB2 8BU

Dover Castle,  
Castle Hill,  
Dover, CT16 1HU

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,  
Bootle, Merseyside,  
L30 4GB

Royal Bank of Scotland plc,  
36 St Andrew Square,  
Edinburgh, EH2 2YB

Close Brothers Group plc,  
4th Floor, 10 Crown Place,  
London, EC2A 4FT

Lloyds Bank plc,  
25 Gresham Street, London,  
EC2V 7HN

Barclays Bank plc,  
1 Churchill Place, London,  
E14 5HP

## SOLICITORS

Mills & Reeve LLP,  
1 St James Court, Whitefriars,  
Norwich, NR3 1RU

Macfarlanes LLP,  
20 Cursitor Street,  
London, EC4A 1LT

# 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 2019 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and as regards 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 2019 and of its incoming resources and application of resources for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

## Opinion on 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). 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 2016. I am independent of the English Heritage Trust in accordance with the ethical requirements that are relevant to my audit and 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

I am required to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and English Heritage Trust's ability to continue as a going concern for a period of at least twelve months from the date of approval of the financial statements. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern. I have nothing to report in these respects.

## 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 (who are also the directors of the charitable company for the purposes

of company law) and Accounting Officer are responsible for:

- the preparation of the financial statements and for being satisfied that they give a true and fair view.
- such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- assessing the group's and the English Heritage Trust's ability to continue as a going concern, disclosing, if applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (ISAs) (UK).

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the English Heritage Trust's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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. In addition, I am required to obtain evidence sufficient to give reasonable assurance that the financial transactions conform to the authorities which govern them.

## Other Information

Trustees and the Accounting Officer are responsible for the other information. The other information comprises information included in the Annual Report of the Trustees, other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and 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, 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 matters

In my opinion:

- in light of the knowledge and understanding of the group and the company and its environment obtained in the course of the audit, I have not identified any material misstatements in the Strategic Report or the Trustees' Report; and
- the information given in the Strategic and Trustees' 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

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

- adequate accounting records have not been kept English Heritage Trust, 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.



Peter Morland  
(Senior Statutory Auditor)

11 July 2019

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 2019

Note	2018/19 Unrestricted £'000	2018/19 Restricted £'000	2018/19 Endowment £'000	2018/19 Total £'000	2017/18 Total £'000	
<b>INCOME FROM:</b>						
<b>Donations and Legacies</b>						
Fundraising	3a	1,429	5,379	221	<b>7,029</b>	7,068
<b>Charitable Activities</b>						
Conserving our Properties	3a	1,241	23	-	<b>1,264</b>	1,259
Membership and Admissions	3a	70,486	-	-	<b>70,486</b>	64,579
New Model	2, 3a	13,783	-	-	<b>13,783</b>	14,693
<b>Other Trading Activities</b>						
Running our Properties	3a	27,384	-	-	<b>27,384</b>	27,481
Licensing, Sponsorship and Advertising	3a	610	-	-	<b>610</b>	827
Investments	3a, 4	206	32	-	<b>238</b>	89
Other Income	3a	-	-	-	-	7
<b>Total</b>		<b>115,139</b>	<b>5,434</b>	<b>221</b>	<b>120,794</b>	116,003
<b>EXPENDITURE ON:</b>						
<b>Raising Funds</b>						
Fundraising	6a	(1,256)	-	-	<b>(1,256)</b>	(1,247)
Running our Properties	6a	(21,897)	(285)	-	<b>(22,182)</b>	(21,962)
Licensing, Sponsorship and Advertising	6a	(110)	-	-	<b>(110)</b>	(146)
<b>Charitable Activities</b>						
Conserving our Properties	6a	(35,435)	(741)	-	<b>(36,176)</b>	(35,625)
Membership and Admissions	6a	(46,100)	(37)	-	<b>(46,137)</b>	(47,865)
New Model	2, 6a	(1,144)	(5,028)	-	<b>(6,172)</b>	(7,890)
<b>Total</b>		<b>(105,942)</b>	<b>(6,091)</b>	<b>-</b>	<b>(112,033)</b>	(114,735)
Net income/(expenditure) before and after tax and before gains/(losses) and transfers	8	<b>9,197</b>	<b>(657)</b>	<b>221</b>	<b>8,761</b>	1,268
Transfers between funds	9	8,763	(8,763)	-	-	-
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>						
Gain on revaluation of fixed assets	14, 15	226	-	-	<b>226</b>	599
<b>Net Movement in Funds</b>		<b>18,186</b>	<b>(9,420)</b>	<b>221</b>	<b>8,987</b>	1,867
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward	30	<b>24,823</b>	<b>43,198</b>	92	<b>68,113</b>	66,246
<b>Total funds carried forward</b>		<b>43,009</b>	<b>33,778</b>	<b>313</b>	<b>77,100</b>	68,113

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 38 to 63 form part of these accounts.

English Heritage Trust Statement of Financial Activities (including Income and Expenditure Account) for year ending 31 March 2019

Note	2018/19 Unrestricted £'000	2018/19 Restricted £'000	2018/19 Endowment £'000	2018/19 Total £'000	Restated 2017/18 Total £'000	
<b>INCOME FROM:</b>						
<b>Donations and Legacies</b>						
Fundraising	3b	4,028	5,379	221	<b>9,628</b>	8,503
<b>Charitable Activities</b>						
Conserving our Properties	3b	1,241	23	-	<b>1,264</b>	1,259
Membership and Admissions	3b	70,486	-	-	<b>70,486</b>	64,579
New Model	2, 3b	13,783	-	-	<b>13,783</b>	14,693
<b>Other Trading Activities</b>						
Running our Properties	3b	12,869	-	-	<b>12,869</b>	14,358
Licensing and Sponsorship	3b	403	-	-	<b>403</b>	320
Investments	3b, 4	206	32	-	<b>238</b>	89
Other Income	3b	-	-	-	-	7
<b>Total</b>		<b>103,016</b>	<b>5,434</b>	<b>221</b>	<b>108,671</b>	103,808
<b>EXPENDITURE ON:</b>						
<b>Raising Funds</b>						
Fundraising	6b	(1,275)	-	-	<b>(1,275)</b>	(1,313)
Running our Properties	6b	(12,800)	(285)	-	<b>(13,085)</b>	(13,078)
Licensing and Sponsorship	6b	(53)	-	-	<b>(53)</b>	(43)
<b>Charitable Activities</b>						
Conserving our Properties	6b	(34,346)	(741)	-	<b>(35,087)</b>	(34,601)
Membership and Admissions	6b	(45,025)	(37)	-	<b>(45,062)</b>	(46,779)
New Model	2, 6b	(1,144)	(5,028)	-	<b>(6,172)</b>	(7,890)
<b>Total</b>		<b>(94,643)</b>	<b>(6,091)</b>	<b>-</b>	<b>(100,734)</b>	(103,704)
Net income/(expenditure) before and after tax and before gains/(losses) and transfers	8	<b>8,373</b>	<b>(657)</b>	<b>221</b>	<b>7,937</b>	104
Transfers between funds	9	8,763	(8,763)	-	-	-
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>						
Gain on revaluation of fixed assets	14, 15	226	-	-	<b>226</b>	599
Gain on revaluation of investments	19a	824	-	-	<b>824</b>	1,164
<b>Net Movement in Funds</b>		<b>18,186</b>	<b>(9,420)</b>	<b>221</b>	<b>8,987</b>	1,867
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward	30	<b>24,823</b>	<b>43,198</b>	92	<b>68,113</b>	66,246
<b>Total funds carried forward</b>		<b>43,009</b>	<b>33,778</b>	<b>313</b>	<b>77,100</b>	68,113

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 38 to 63 form part of these accounts.

## Consolidated and Charity Balance Sheet as at 31 March 2019

	Note	2018/19 Group £'000	2018/19 Charity £'000	2017/18 Group £'000	Restated 2017/18 Charity £'000
<b>Fixed Assets</b>					
Intangible assets	14	1,554	1,554	1,326	1,326
Tangible assets	15	27,847	27,847	20,191	20,191
Heritage assets	16	331	331	331	331
Investments	19a	-	5,451	-	4,627
<b>Total Fixed Assets</b>		<b>29,732</b>	<b>35,183</b>	<b>21,848</b>	<b>26,475</b>
<b>Current Assets</b>					
Stocks	20	6,942	54	7,457	65
Debtors	21	6,960	8,398	5,571	8,740
Current asset investments	19b	14,918	14,918	2,773	2,773
Cash at bank and in hand	22	51,591	51,557	64,640	64,185
<b>Total Current Assets</b>		<b>80,411</b>	<b>74,927</b>	<b>80,441</b>	<b>75,763</b>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	26,28	(31,141)	(31,108)	(32,182)	(32,131)
<b>Net Current Assets</b>		<b>49,270</b>	<b>43,819</b>	<b>48,259</b>	<b>43,632</b>
<b>Total Assets Less Current Liabilities</b>		<b>79,002</b>	<b>79,002</b>	<b>70,107</b>	<b>70,107</b>
Creditors: amounts falling due after more than one year	27,28	(1,900)	(1,900)	(1,950)	(1,950)
Provisions for liabilities	29	(2)	(2)	(44)	(44)
<b>Total Net Assets</b>		<b>77,100</b>	<b>77,100</b>	<b>68,113</b>	<b>68,113</b>
<b>The funds of the charity</b>					
Endowment funds	30	313	313	92	92
Restricted funds	30	33,778	33,778	43,198	43,198
<b>Total Restricted Funds</b>	<b>30</b>	<b>34,091</b>	<b>34,091</b>	<b>43,290</b>	<b>43,290</b>
<b>Unrestricted Funds</b>					
Financial Asset Reserve	5	-	5,451	-	4,627
Revaluation Reserve	30	1,077	1,077	851	851
Designated Funds	30	149	149	149	149
General Fund	30	41,783	36,332	23,823	19,196
<b>Total Unrestricted Funds</b>	<b>30</b>	<b>43,009</b>	<b>43,009</b>	<b>24,823</b>	<b>24,823</b>
<b>Total Charity Funds</b>		<b>77,100</b>	<b>77,100</b>	<b>68,113</b>	<b>68,113</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 38 to 63 form part of these accounts.

The accounts were approved by the Trustees on 18 June 2019.

Signed



Kate Mavor, Chief Executive

9 July 2019



Sir Tim Laurence, Chairman

9 July 2019

## Group and Charity Statement of Cash Flows for year ending 31 March 2019

	Note	2018/19 Group £'000	2018/19 Charity £'000	2017/18 Group £'000	Restated 2017/18 Charity £'000
<b>Net income/(expenditure) for the reporting period (as per the SOFA)</b>		<b>8,987</b>	<b>8,987</b>	<b>1,867</b>	<b>1,867</b>
<b>Adjustments for:</b>					
Depreciation, Amortisation and Impairment Charges	14, 15	2,261	2,261	1,698	1,698
(Gains) on fixed assets	14, 15	(216)	(216)	(599)	(599)
(Gains)/Losses on investments	19a	-	(824)	-	(1,164)
Interest from investments	3a, 3b	(238)	(238)	(89)	(89)
(Profit)/Loss on disposal of fixed assets	3a, 3b	12	12	(7)	(7)
(Increase) in stocks	20	515	11	(1,041)	(15)
(Increase)/ Decrease in debtors	21	(1,389)	342	2,153	2,263
Increase/ (Decrease) in creditors	26, 27	(1,091)	(1,073)	3,866	3,963
Increase/ (Decrease) in provisions	29	(42)	(42)	34	34
Donated Asset addition	-	-	-	(250)	(250)
<b>Net cash provided by operating activities</b>		<b>8,799</b>	<b>9,220</b>	<b>7,632</b>	<b>7,701</b>
<b>Cash flows from investing activities:</b>					
Interest from investments	3a, 3b	238	238	89	89
Proceeds from the sale of property, plant and equipment	14, 15	1	1	11	11
(Purchase) of property, plant and equipment and intangible assets	14, 15	(9,942)	(9,942)	(8,526)	(8,526)
(Purchase) of investments	19b	(12,145)	(12,145)	(1,533)	(1,533)
<b>Net cash (used in) investing activities</b>		<b>(21,848)</b>	<b>(21,848)</b>	<b>(9,959)</b>	<b>(9,959)</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(13,049)</b>	<b>(12,628)</b>	<b>(2,327)</b>	<b>(2,258)</b>
Cash and cash equivalents at the beginning of the reporting period		64,640	64,185	66,967	66,443
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>51,591</b>	<b>51,557</b>	<b>64,640</b>	<b>64,185</b>

The notes on pages 38 to 63 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 2015) – '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 24 to 25. The Trustees have reviewed the latest financial forecasts and are satisfied that English Heritage continues to adopt the going concern basis in preparing its financial statements.

### 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. This income will be receivable, on a steadily decreasing basis, for a further three-year period. The intention is that the Charity will 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.

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.

### 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. These transactions were previously recognised in the year that the profits arose. During 2018/19 the Financial Reporting Council clarified the accounting treatment for such payments in its triennial review of FRS 102. Applying paragraph 32.8 of FRS 102, which only permits such recognition where a legal obligation exists at the balance sheet date, the Gift Aid payment in relation to 2018/19 has not been recognised in the year, and the prior year comparative figures have been restated in EHTL and the Charity. The prior year restatement comprises a reduction of £1.4million in opening General Funds of the Charity for the year ended 31 March 2018, reflecting the change in accounting treatment of the Gift Aid payment for the 2016/17 financial year, and an adjustment of £2.6 million reflecting the change in accounting treatment of the Gift Aid payment for the 2017/18 financial year. This change in accounting policy does not affect the consolidated results of English Heritage.

The change in 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.

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

**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**

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. Any unrealised gain on revaluation at the Balance Sheet date is taken directly to the Revaluation Reserve.

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

**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. Indexation, revaluation and impairment adjustments are made where the adjustment is material.

**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 revalued and 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:

**Intangible Assets**

Software licences	3–10 years
Systems development	4–10 years

**Tangible Assets**

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.

**Revaluation**

The values of Fixed Assets are reviewed annually using relevant indices as at 31 March. Any change in value is reflected in the relevant reserve.

**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.

**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 as incurred.

**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. 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).

**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 2018/19 is shown in the table below:

Element of spend of £80 million government grant	2018/19 Total £'000	2018/19 Cumulative £'000	2017/18 Total £'000	2017/18 Cumulative £'000
£52 million	5,028	27,946	6,914	22,918
£18 million	4,046	17,638	4,587	13,592
£10 million	1,156	4,489	1,670	3,333
<b>Total</b>	<b>10,230</b>	<b>50,073</b>	<b>13,171</b>	<b>39,843</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 £13.5 million in 2018/19 (2017/18: £14.4 million), net of the income as per Note 3b.

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

	2018/19							2017/18
	Admissions £'000	Memberships £'000	Retail and Catering £'000	Donations and Grants £'000	Other Trading Activities £'000	Income from Historic England £'000	Total £'000	Total £'000
<b>Donations and Legacies</b>								
Fundraising	-	-	78	6,903	48	-	<b>7,029</b>	7,068
<b>Charitable Activities</b>								
Conserving our Properties	-	-	10	48	1,206	-	<b>1,264</b>	1,259
Membership and Admissions	31,785	37,735	569	379	18	-	<b>70,486</b>	64,579
New Model	-	-	-	-	-	13,783	<b>13,783</b>	14,693
<b>Other Trading Activities</b>								
Running our Properties	211	-	23,890	-	3,283	-	<b>27,384</b>	27,481
Licensing and Sponsorship	-	-	3	103	504	-	<b>610</b>	827
Investments	-	-	-	-	238	-	<b>238</b>	89
Other Income	-	-	-	-	-	-	-	7
<b>TOTAL INCOME</b>	<b>31,996</b>	<b>37,735</b>	<b>24,550</b>	<b>7,433</b>	<b>5,297</b>	<b>13,783</b>	<b>120,794</b>	<b>116,003</b>

#### b) Charity

	2018/19							Restated 2017/18
	Admissions £'000	Memberships £'000	Retail and Catering £'000	Donations and Grants £'000	Other Trading Activities £'000	Income from Historic England £'000	Total £'000	Total £'000
<b>Donations and Legacies</b>								
Fundraising	-	-	78	9,502	48	-	<b>9,628</b>	8,503
<b>Charitable Activities</b>								
Conserving our Properties	-	-	10	48	1,206	-	<b>1,264</b>	1,259
Membership and Admissions	31,785	37,735	569	379	18	-	<b>70,486</b>	64,579
New Model	-	-	-	-	-	13,783	<b>13,783</b>	14,693
<b>Other Trading Activities</b>								
Running our Properties	211	-	4,856	-	7,802	-	<b>12,869</b>	14,358
Licensing and Sponsorship	-	-	3	-	400	-	<b>403</b>	320
Investments	-	-	-	-	238	-	<b>238</b>	89
Other Income	-	-	-	-	-	-	-	7
<b>TOTAL INCOME</b>	<b>31,996</b>	<b>37,735</b>	<b>5,516</b>	<b>9,929</b>	<b>9,712</b>	<b>13,783</b>	<b>108,671</b>	<b>103,808</b>

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

£13.5 million (2017/18: £14.4 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 £0.3 million (2017/18: £0.3 million) is income received in relation to shared services provided to Historic England.

### 4 Investment Income

All investment income of £238,000 (2017/18: £89,000) 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 Historic England to the Charity for £1.

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

Income and Expenditure	2018/19 £'000	Restated 2017/18 £'000
Turnover	<b>19,242</b>	<b>19,400</b>
<b>Expenditure</b>	<b>(15,819)</b>	<b>(16,801)</b>
Operating Profit	<b>3,423</b>	<b>2,599</b>
<b>Interest Receivable and Similar Income</b>	-	-
<b>Profit on Ordinary Activities Before and After Taxation</b>	<b>3,423</b>	<b>2,599</b>
		Restated
<b>Net Assets as at 31 March</b>	2018/19 £'000	2017/18 £'000
Current Assets	<b>6,947</b>	<b>7,854</b>
Creditors: Amounts Falling Due Within One Year	<b>(1,496)</b>	<b>(3,227)</b>
<b>Net Assets</b>	<b>5,451</b>	<b>4,627</b>
Share Capital – Ordinary Shares at £1 Each	<b>2,028</b>	<b>2,028</b>
Profit and Loss Account	<b>3,423</b>	<b>2,599</b>
<b>Shareholders' Funds</b>	<b>5,451</b>	<b>4,627</b>

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. These transactions were previously recognised in the year that the profits arose. During 2018/19 the Financial Reporting Council clarified the accounting treatment for such payments in its triennial review of FRS 102. Applying paragraph 32.8 of FRS 102, which only permits such recognition where a legal obligation exists at the balance sheet date, the Gift Aid payment in relation to 2018/19 has not been recognised in the year, and the prior year comparative figures have been restated in EHTL and the Charity. The prior year restatement comprises a reduction of £1.4million in opening General Funds of the Charity for the year ended 31 March 2018, reflecting the change in accounting treatment of the Gift Aid payment for the 2016/17 financial year, and an adjustment of £2.6 million reflecting the change in accounting treatment of the Gift Aid payment for the 2017/18 financial year. This change in accounting policy does not affect the consolidated results of English Heritage.

The change in 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.



## 6 Total Resources Expended

### a) Group

	2018/19							2017/18	
	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	795	8	-	245	-	-	208	<b>1,256</b>	<b>1,247</b>
Running our Properties	4,952	1,331	9,795	3,844	-	-	2,260	<b>22,182</b>	<b>21,962</b>
Licensing and Sponsorship	70	-	-	22	-	-	18	<b>110</b>	<b>146</b>
<b>Charitable Activities</b>									
Conserving our Properties	8,949	15,383	-	6,582	-	-	5,262	<b>36,176</b>	<b>35,625</b>
Membership and Admissions	20,021	12	-	16,368	-	-	9,736	<b>46,137</b>	<b>47,865</b>
New Model	808	3,643	-	1,721	-	-	-	<b>6,172</b>	<b>7,890</b>
<b>Support costs</b>	5,565	6	-	9,652	2,116	145	(17,484)	-	-
<b>Grand Total</b>	<b>41,160</b>	<b>20,383</b>	<b>9,795</b>	<b>38,434</b>	<b>2,116</b>	<b>145</b>	<b>-</b>	<b>112,033</b>	<b>114,735</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.

	2018/19							2017/18	
	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	5	61	63	39	-	40	<b>208</b>	<b>208</b>	
Running our Properties	40	454	562	308	439	457	<b>2,260</b>	<b>2,564</b>	
Licensing and Sponsorship	-	6	5	5	-	2	<b>18</b>	<b>27</b>	
<b>Charitable Activities</b>									
Conserving our Properties	75	812	1,040	559	1,853	923	<b>5,262</b>	<b>5,728</b>	
Membership and Admissions	216	2,993	3,176	1,899	33	1,419	<b>9,736</b>	<b>10,381</b>	
New Model	-	-	-	-	-	-	-	-	
<b>Grand Total</b>	<b>336</b>	<b>4,326</b>	<b>4,846</b>	<b>2,810</b>	<b>2,325</b>	<b>2,841</b>	<b>17,484</b>	<b>18,908</b>	

Included within governance costs are external audit fees, payable to the National Audit Office, of £62,500 for the Charity (2017/18: £62,500) and £11,000 for English Heritage Trading Limited (2017/18: £11,000) in relation to National Audit Office's work. No services other than statutory audit were commissioned during the year (2017/18: £nil).

Also included within governance are costs associated with internal audit.

### b) Charity

	2018/19							2017/18	
	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	829	8	-	257	-	-	181	<b>1,275</b>	<b>1,313</b>
Running our Properties	4,136	1,309	2,247	3,617	-	-	1,776	<b>13,085</b>	<b>13,078</b>
Licensing and Sponsorship	35	-	-	11	-	-	7	<b>53</b>	<b>43</b>
<b>Charitable Activities</b>									
Conserving our Properties	8,949	15,298	-	6,583	-	-	4,257	<b>35,087</b>	<b>34,601</b>
Membership and Admissions	20,021	12	-	16,373	-	-	8,656	<b>45,062</b>	<b>46,779</b>
New Model	808	3,643	-	1,721	-	-	-	<b>6,172</b>	<b>7,890</b>
<b>Support costs</b>	3,604	6	-	9,006	2,116	145	(14,877)	-	-
<b>Grand Total</b>	<b>38,382</b>	<b>20,276</b>	<b>2,247</b>	<b>37,568</b>	<b>2,116</b>	<b>145</b>	<b>-</b>	<b>100,734</b>	<b>103,704</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.

	2018/19							2017/18	
	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	4	54	55	34	-	34	<b>181</b>	<b>193</b>	
Running our Properties	32	357	441	242	345	359	<b>1,776</b>	<b>2,110</b>	
Licensing and Sponsorship	-	2	2	2	-	1	<b>7</b>	<b>6</b>	
<b>Charitable Activities</b>									
Conserving our Properties	61	657	841	452	1,500	746	<b>4,257</b>	<b>4,783</b>	
Membership and Admissions	192	2,662	2,821	1,690	29	1,262	<b>8,656</b>	<b>9,295</b>	
New Model	-	-	-	-	-	-	-	-	
<b>Grand Total</b>	<b>289</b>	<b>3,732</b>	<b>4,160</b>	<b>2,420</b>	<b>1,874</b>	<b>2,402</b>	<b>14,877</b>	<b>16,387</b>	

Included within governance costs are external audit fees, payable to the National Audit Office, of £62,500 for the Charity (2017/18: £62,500). No services other than statutory audit were commissioned during the year (2017/18: £nil).

Also included within governance are costs associated with internal audit.

## 7 Net Income/(Expenditure) by Activity

### a) Group

	2018/19 £'000	2017/18 £'000
<b>Raising Funds</b>		
Fundraising	5,773	5,821
Running our Properties	5,202	5,519
Licensing and Sponsorship	500	681
	11,475	12,021
<b>Charitable Activities</b>		
Conserving our Properties	(34,912)	(34,366)
Membership and Admissions	24,349	16,714
New Model	7,611	6,803
	(2,952)	(10,849)
<b>Investments</b>	238	89
<b>Other Income</b>	-	7
<b>Net income/(expenditure)</b>	<b>8,761</b>	<b>1,268</b>

### b) Charity

	2018/19 £'000	Restated 2017/18 £'000
<b>Raising Funds</b>		
Fundraising	8,353	7,190
Running our Properties	(216)	1,280
Licensing and Sponsorship	350	277
	8,487	8,747
<b>Charitable Activities</b>		
Conserving our Properties	(33,823)	(33,342)
Membership and Admissions	25,424	17,800
New Model	7,611	6,803
	(788)	(8,739)
<b>Investments</b>	238	89
<b>Other Income</b>	-	7
<b>Net income/(expenditure)</b>	<b>7,937</b>	<b>104</b>

## 8 Net Income/(Expenditure)

**Group:** Net income on the unrestricted reserve is £9.2 million (2017/18: £7.4 million). Net expenditure on the restricted reserve is £0.7 million (2017/18: £6.2 million), representing use of the £52 million New Model grant and other restricted income. Net income on the endowment reserve is £0.2 million (2017/18: £0.1 million). There is therefore an overall operating surplus of £8.8 million (2017/18: £1.3 million).

**Charity:** Net income on the unrestricted reserve is £8.4 million (2017/18: £7.4 million). Net expenditure on the restricted reserve is £0.7 million (2017/18: £6.2 million), representing use of the £52 million New Model grant and other restricted income. Net income on the endowment reserve is £0.2 million (2017/18: £0.1 million). There is therefore an overall operating surplus of £7.9 million (2017/18: £0.1 million).

## 9 Transfers Between Funds

During the financial year, £5.2 million of New Model Restricted Fund was spent on the creation and acquisition of new fixed assets by the Charity (2017/18: £6.3 million). The assets created can be used for unrestricted purposes in accordance with the Charity's objectives and hence £5.2 million (2017/18: £6.3 million) of restricted funds have been transferred to unrestricted funds under the terms of the Charities' SORP 2015. A further £3.6million (2017/18: £0.2 million) of other restricted funds has been spent on fixed assets which can be used for an unrestricted purpose.

## 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 gives all of its taxable profits to the Charity under the Gift Aid scheme, 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

#### Group

	2018/19 £'000	2017/18 £'000
Profit on ordinary activities before taxation	8,761	1,268
Tax on profit at UK corporation tax rate	1,665	241
Effects of:		
Expected qualifying charitable donations	(1,665)	(241)
<b>Current tax charge for the period</b>	<b>-</b>	<b>-</b>

#### Charity

	2018/19 £'000	Restated 2017/18 £'000
Profit on ordinary activities before taxation	7,937	104
Tax on profit at UK corporation tax rate	1,508	20
Effects of:		
Expected qualifying charitable donations	(1,508)	(20)
<b>Current tax charge for the period</b>	<b>-</b>	<b>-</b>

## 11 Net Income/(Expenditure)

Net income/(expenditure) is stated after charging:

	2018/19 £'000	2017/18 £'000
<b>Auditors' fees:</b>		
Group and Charity		
- for audit of The English Heritage Trust	63	63
Group only		
- for audit of English Heritage Trading Limited	11	11
	74	74
<b>Depreciation and amortisation:</b>		
Group and Charity		
- intangible assets	343	267
- tangible assets	1,773	1,428
	2,116	1,695
<b>Impairment:</b>		
Group and Charity		
- tangible assets	151	6
<b>Impairment reversal:</b>		
Group and Charity		
- tangible and intangible assets	(6)	(3)
	2,261	1,698

There were no fees payable to the external auditors for non-audit services during the financial year (2017/18: £nil).

## 12 Employees

### Group and Charity

#### a) Employee Numbers

The average monthly head count was 2,120 staff (2017/18: 2,177) and the average number of persons employed during the year expressed as full-time equivalents was:

#### Group

	2018/19		Total Number	2017/18 Number
	Full Time Number	Part Time Number		
<b>Raising Funds</b>				
Fundraising	17	1	<b>18</b>	14
Running our Properties	349	343	<b>692</b>	607
Licensing and Sponsorship	1	-	<b>1</b>	2
<b>Charitable Activities</b>				
Conserving our Properties	173	17	<b>190</b>	171
Membership and Admissions	165	91	<b>256</b>	227
New Model	6	1	<b>7</b>	4
Support Services	25	2	<b>27</b>	17
	<b>736</b>	<b>455</b>	<b>1,191</b>	<b>1,042</b>

#### Charity

	2018/19		Total Number	2017/18 Number
	Full Time Number	Part Time Number		
<b>Raising Funds</b>				
Fundraising	18	1	<b>19</b>	16
Running our Properties	349	343	<b>692</b>	607
<b>Charitable Activities</b>				
Conserving our Properties	173	17	<b>190</b>	171
Membership and Admissions	165	91	<b>256</b>	227
New Model	6	1	<b>7</b>	4
Support Services	25	2	<b>27</b>	17
	<b>736</b>	<b>455</b>	<b>1,191</b>	<b>1,042</b>

#### b) Employment Costs

#### Group and Charity

	2018/19 £'000	2017/18 £'000
Wages and Salaries	<b>34,246</b>	32,324
Social Security Costs	<b>2,601</b>	2,505
Pension Costs	<b>3,749</b>	3,997
Redundancy and Severance Costs	<b>161</b>	2,125
Agency Staff Costs	<b>1,211</b>	852
<b>Total Employment Costs</b>	<b>41,968</b>	<b>41,803</b>

Included within the last table are costs as follows that have been capitalised within Fixed Assets (Notes 14, 15 and 16): £949,000 wages and salaries costs (2017/18: £905,000), £95,000 social security costs (2017/18: £85,000), £100,000 pension costs (2017/18: £95,000), and £526,000 agency staff costs (2017/18: £175,000). There are nil redundancy and severance costs (2017/18: nil) that have been capitalised.

Included within the Redundancy and Severance Costs is expenditure of £3,858 relating to ex-gratia payments in relation to the organisational design changes undertaken largely during 2017/18 (2017/18: £9,421). The Redundancy and Severance Costs above relate to operational changes during the year.

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/about-us/scheme-valuations/](http://www.civilservicepensionscheme.org.uk/about-us/scheme-valuations/)). English Heritage has no liability beyond the annual pension contributions made on behalf of its employees. The scheme actuary reviews employer contributions (usually every four years) following a full scheme valuation. The contribution rates are set to meet the costs of the benefits accruing during the year ended 31 March 2019 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 2018/19, expenses amounted to £1.0 million (2017/18: £0.6 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 £3,675,000 (2017/18: £3,997,000) of which £2,657,000 was payable to the PCSPS (2017/18: £3,111,000).

The total employee benefits (including employer pension contributions) received by the Senior Management Team in the year to 31 March 2019 was £0.8 million (2017/18: £1.0 million).

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

	2018/19 Number	2017/18 Number
£60,000–£69,999	<b>10</b>	<b>5</b>
£70,000–£79,999	<b>5</b>	<b>8</b>
£80,000–£89,999	<b>4</b>	<b>3</b>
£90,000–£99,999	<b>1</b>	<b>1</b>
£100,000–£109,999	<b>1</b>	<b>2</b>
£110,000–£119,999	<b>2</b>	<b>1</b>
£140,000–£149,999	-	-
£150,000–£159,999	-	<b>1</b>
£170,000–£179,999	<b>1</b>	-
	<b>24</b>	<b>21</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 (2017/18: £nil).

Three individual Trustees were reimbursed expenses during the year, with a value of £2,428 (2017/18: £1,976). These costs related to travel and subsistence incurred by these individuals while they undertook Trustee business.

In addition to this, catering costs of £993 (2017/18: £460) were incurred in order to facilitate the holding of Trustees' meetings in the London office and a working dinner.

Trustees also participated in two English Heritage Trust Board regional visits and a discussion day. The Trustees' share of the venue, accommodation and subsistence costs relating to these visits and meeting has been calculated as £6,838 (2017/18: £5,854).

## 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 (£8.1 million, 2017/18: £10.8 million), and book purchases (£nil 2017/18: £20,000) and receipts relating to the annual subsidy which forms part of the New Model arrangements (£13.5 million, 2017/18: £14.4 million) and for shared services provided to Historic England (£0.3 million, 2017/18: £0.3 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 Windsor Leadership which provided £6,000 (2017/18: £3,000) of leadership training. He is also a Trustee of The All Churches Trust, which owns 100% of Ecclesiastical Insurance Group. The Charity made payments of £392,000 (2017/18: £240,000) to Ecclesiastical for insurance premiums through JLT Specialty Limited.

Mr Ian McCaig is a board member of VisitBritain which made payments to the Charity of £61,000 (2017/18: £71,000) relating to sales of site admissions and overseas visitor passes. VisitBritain also received £11,000 (2017/18: £30,000) from the Charity relating to advertising and conference bookings.

Professor Ronald Hutton is an Honorary Vice President of the Sealed Knot Society, which received payments of £1,000 (2017/18: £5,000) for re-enactments at events.

Mr Charles Gurassa is Chairman of Great Railway Journeys who paid £6,000 to the Charity for site visits.

Mr Kunle Olulode is a member of the Cabinet Office's Democracy Council. The Cabinet Office received payments of £3.5million in relation to pensions.

Professor David Olusoga is a member of The Scott Trust, which is the sole shareholder in Guardian Media Group. The charity paid Guardian News and Media £15,500 for recruitment advertising. The Scott Trust is the ultimate parent undertaking of Guardian News and Media.

### Senior Staff

Tracey Reed, Historic Properties Director, is a Trustee of Chiswick House and Gardens Trust, which was paid £82,000 as part of the financial arrangement between the two trusts, towards the running and upkeep of Chiswick House.

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
<b>Cost or Valuation at 1 April 2018</b>	1,302	1,446	527	3,275
Additions	-	-	578	578
Reclassifications	-	597	(597)	-
Disposals	(34)	-	-	(34)
Revaluations	5	5	-	10
Impairment Reversals	-	-	-	-
<b>At 31 March 2019</b>	<b>1,273</b>	<b>2,048</b>	<b>508</b>	<b>3,829</b>
<b>Amortisation at 1 April 2018</b>	1,007	942	-	1,949
Charged in Year	111	232	-	343
Disposals	(25)	-	-	(25)
Revaluations	4	4	-	8
<b>At 31 March 2019</b>	<b>1,097</b>	<b>1,178</b>	<b>-</b>	<b>2,275</b>
Carrying Amount at 31 March 2018	295	504	527	1,326
<b>Carrying Amount at 31 March 2019</b>	<b>176</b>	<b>870</b>	<b>508</b>	<b>1,554</b>

## 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
<b>Cost or Valuation at 1 April 2018</b>	13,783	3,295	335	1,214	6,073	24,700
Additions	47	48	320	24	8,925	9,364
Reclassifications	5,613	38	-	6	(5,657)	-
Disposals	-	(96)	-	(71)	-	(167)
Impairments	(176)	-	-	-	-	(176)
Impairment Reversals	-	-	-	6	-	6
Revaluations	106	67	1	22	-	196
<b>At 31 March 2019</b>	<b>19,373</b>	<b>3,352</b>	<b>656</b>	<b>1,201</b>	<b>9,341</b>	<b>33,923</b>
<b>Depreciation at 1 April 2018</b>	1,357	2,246	243	663	-	4,509
Charged in Year	1,272	316	82	103	-	1,773
Disposals	-	(93)	-	(70)	-	(163)
Impairments	(25)	-	-	-	-	(25)
Revaluations	(91)	54	1	18	-	(18)
<b>At 31 March 2018</b>	<b>2,513</b>	<b>2,523</b>	<b>326</b>	<b>714</b>	<b>-</b>	<b>6,076</b>
Carrying Amount at 31 March 2018	12,426	1,049	92	551	6,073	20,191
<b>Carrying Amount at 31 March 2019</b>	<b>16,860</b>	<b>829</b>	<b>330</b>	<b>487</b>	<b>9,341</b>	<b>27,847</b>
<b>Carrying Amount at Historical Cost</b>	<b>16,177</b>	<b>788</b>	<b>322</b>	<b>481</b>	<b>9,341</b>	<b>27,109</b>

Total impairments of £145,000 were recognised in full in the SOFA in 2018/19 (2017/18: £3,000). This consists of £151,000 impairment (2017/18: £6,000) and £6,000 impairment reversal (2017/18: £3,000), as a result of annual revaluations.

## 16 Heritage Assets

### Group and Charity

	£'000 2018/19	£'000 2017/18		
<b>Held on the Balance Sheet</b>				
<b>Cost or Valuation at 1 April</b>	331	81		
Additions	-	250		
<b>Carrying Amount at 31 March</b>	<b>331</b>	<b>331</b>		
	£'000 2018/19	£'000 2017/18	£'000 2016/17	£'000 2015/16
Purchases and additions	-	-	-	81
Donations	-	250	-	-
<b>Total Additions</b>	<b>-</b>	<b>250</b>	<b>-</b>	<b>81</b>
Heritage assets charged to SOFA in year	2	11	-	23

No impairments of heritage assets were recognised during the year (2018: none) and there were no disposals during the year (2018: £nil).

## 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 remains 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 House. In age they range from Neolithic burial chambers to 20th-century houses.

The National Heritage 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 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 the Collection 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 each.
- Major Planned Repair Programme: larger long-term or one-off conservation projects usually of more than £50,000 each.

Total expenditure on site maintenance of £15.9 million was incurred during the year ended 31 March 2019 (2018: £17.5 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

	Total 2019 £'000	Restated 2018 £'000
<b>At 1 April</b>	<b>4,627</b>	3,463
Amount distributed under Gift Aid by English Heritage Trading Limited	(2,599)	(1,435)
Profit in English Heritage Trading Limited	3,423	2,599
<b>At 31 March</b>	<b>5,451</b>	<b>4,627</b>

Details of the subsidiary undertakings are given in Note 5. Details of the restatement are provided in Note 1f and Note 5.

### b) Current Assets

#### Group and Charity

	Total 2019 £'000	Total 2018 £'000
<b>At 1 April</b>	<b>2,773</b>	1,240
New Investments in year	12,145	1,533
<b>At 31 March</b>	<b>14,918</b>	<b>2,773</b>

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

## 20 Stocks

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Stock held for resale	6,913	7,450	54	65
Work in progress	29	7	-	-
	<b>6,942</b>	<b>7,457</b>	<b>54</b>	<b>65</b>

A provision of £60k was made in the year for slow-moving stock (2017/18: £64k).

A total of £10 million of stock was recognised as an expense in the SOFA (2018: £9.9 million), including write-offs of £0.3 million (2017/18: £0.4 million).

## 21 Debtors

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	Restated 2018 £'000
Trade Debtors	608	605	583	597
Prepayments and Accrued Income	3,800	3,972	3,800	1,373
Other Debtors	1,330	910	1,330	910
Amounts Owed by Group Undertakings	1,222	84	2,685	5,860
<b>Total Debtors</b>	<b>6,960</b>	<b>5,571</b>	<b>8,398</b>	<b>8,740</b>

All of the above debtors are due within one year.

## 22 Cash at Bank and in Hand

	2019 £'000	2018 £'000
<b>Group</b>		
<b>At 1 April</b>	<b>64,640</b>	66,967
Net change in Cash at Bank and in Hand	<b>(13,049)</b>	(2,327)
<b>At 31 March</b>	<b>51,591</b>	<b>64,640</b>
The balances at 31 March were made up as follows:		
Cash in Hand	<b>45,629</b>	54,533
Notice Deposits (less than 3 months)	<b>5,962</b>	10,107
<b>At 31 March</b>	<b>51,591</b>	<b>64,640</b>
The balances at 31 March were held with:		
Government Banking Service	<b>32,838</b>	40,339
Commercial Banks in the United Kingdom	<b>18,753</b>	24,301
<b>At 31 March</b>	<b>51,591</b>	<b>64,640</b>
<b>Charity</b>		
<b>At 1 April</b>	<b>64,185</b>	66,443
Net change in Cash at Bank and in Hand	<b>(12,628)</b>	(2,258)
<b>At 31 March</b>	<b>51,557</b>	<b>64,185</b>
The balances at 31 March were held as:		
Cash in Hand	<b>45,595</b>	54,078
Notice Deposits (less than 3 months)	<b>5,962</b>	10,107
<b>At 31 March</b>	<b>51,557</b>	<b>64,185</b>
The balances at 31 March were held with:		
Government Banking Service	<b>32,838</b>	40,339
Commercial Banks in the United Kingdom	<b>18,719</b>	23,846
<b>At 31 March</b>	<b>51,557</b>	<b>64,185</b>

## 23 Commitments

### a) Group and Charity

Expenditure contracted at 31 March 2019 but not provided for in the financial statements amounted to £21.6 million (2018: £20.1 million) including capital commitments of £2.8 million (2017: £2.0 million). £18.8 million (2017: £18.1 million) of the commitment comprised stock; conservation and maintenance; professional fees; interpretation and signage; utility costs and staff costs, which will be incurred in 2019/20, funded by ongoing operations. The capital commitments include visitor improvements for Tintagel Castle, Whitby Abbey, Walmer Castle and Belsay Castle.

### 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:

	2019 £'000	2018 £'000
<b>Land and Buildings</b>		
Not later than one year	<b>1,483</b>	1,598
Later than one year and not later than five years	<b>5,621</b>	6,100
Later than five years	<b>15,353</b>	20,832
	<b>22,457</b>	<b>28,530</b>
<b>Other</b>		
Not later than one year	<b>67</b>	79
Later than one year and not later than five years	<b>50</b>	50
Later than five years	-	-
<b>Total Operating Lease Commitments</b>	<b>22,574</b>	<b>28,659</b>

The majority of leases relate to property rentals and are subject to rent reviews. During the year ended 31 March 2019 payments under operating leases totalled £1.65 million (2018: £1.72 million).

## 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 2019. Provision has been made in the accounts for the year ended 31 March 2019 for those outstanding liabilities that will probably require settlement, and where the amount of the liability can be reliably estimated (Note 29). £295,500 of contingent liabilities have been identified at 31 March 2019 (2018: £113,000). This relates to seventeen personal injury claims 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	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade Creditors	<b>6,854</b>	4,255	<b>6,854</b>	4,255
Taxation and Social Security	<b>619</b>	711	<b>619</b>	711
Deferred Income	<b>14,142</b>	13,174	<b>14,125</b>	13,134
Accruals	<b>8,824</b>	12,507	<b>8,813</b>	12,496
Other Creditors	<b>312</b>	536	<b>312</b>	536
Amounts Owed to Group Undertakings	<b>390</b>	999	<b>385</b>	999
<b>Total Creditors</b>	<b>31,141</b>	<b>32,182</b>	<b>31,108</b>	<b>32,131</b>

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

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Deferred Income	<b>1,900</b>	1,950	<b>1,900</b>	1,950
<b>Total Creditors</b>	<b>1,900</b>	<b>1,950</b>	<b>1,900</b>	<b>1,950</b>

£1.8 million (2018: £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	Balance as at 1 April 2018 £'000	Amounts Deferred £'000	Amounts Released £'000	Balance as at 31 March 2019 £'000
<b>Amounts falling due within one year</b>				
Annual Membership	11,589	11,703	(11,589)	<b>11,703</b>
Advance Bookings for Events	736	667	(736)	<b>667</b>
Life Membership	422	427	(422)	<b>427</b>
Holiday Cottages	240	276	(240)	<b>276</b>
Other Income	187	1,069	(187)	<b>1,069</b>
	<b>13,174</b>	<b>14,142</b>	<b>(13,174)</b>	<b>14,142</b>
<b>Amounts falling due after more than one year</b>				
Life Membership	1,866	449	(472)	<b>1,843</b>
Advance Bookings for Events	68	46	(68)	<b>46</b>
Other Income	16	-	(5)	<b>11</b>
	<b>1,950</b>	<b>495</b>	<b>(545)</b>	<b>1,900</b>
<b>Total</b>	<b>15,124</b>	<b>14,637</b>	<b>(13,719)</b>	<b>16,042</b>

Other deferred income for English Heritage Trading Limited amounted to £17,000 for the year (2018: £38,000).

## 29 Provisions

## Group and Charity

All provisions (£2,000) relate to legal and constructive obligations identified at 31 March 2019 (2018: £44,000).

## 30 Reconciliation of Movement in Funds

	Re-presented At 1 April 2018 £'000	Incoming Resources £'000	Outgoing Resources £'000	Transfer between funds	Other Recognised Gains	At 31 March 2019 £'000
Restricted Funds:						
New Model	40,158	-	(5,028)	(5,202)	-	<b>29,928</b>
Elizabeth Wagland Fund	1,075	11	-	(29)	-	<b>1,057</b>
Bristol Temple Church	-	1,000	-	-	-	<b>1,000</b>
Medieval Castles	467	51	(47)	-	-	<b>471</b>
Gardens Bursary Scheme	531	103	(256)	-	-	<b>378</b>
Rievaulx Abbey	-	203	-	-	-	<b>203</b>
Kenwood House	5	68	(13)	76	-	<b>136</b>
Corbridge Roman Town	140	1	(4)	(25)	-	<b>112</b>
Castles	-	66	-	-	-	<b>66</b>
Wrest Park and Gardens	15	64	(21)	-	-	<b>58</b>
Richmond Castle - Voices of Rebellion	21	15	21	-	-	<b>57</b>
Neo-Classical Buildings	37	8	-	-	-	<b>45</b>
Blue Plaques	179	52	(194)	-	-	<b>37</b>
Berwick Castle	-	35	-	-	-	<b>35</b>
JW Evans - Resilient Heritage	-	31	-	-	-	<b>31</b>
HLF Endowment (Restricted)	-	25	-	-	-	<b>25</b>
Wheelchairs	20	-	-	1	-	<b>21</b>
Marble Hill House	179	79	(137)	(102)	-	<b>19</b>
Shout Out Loud	1	33	(15)	-	-	<b>19</b>
Isle of Wight	-	15	-	-	-	<b>15</b>
Osborne House	10	29	(26)	(4)	-	<b>9</b>
Save our Cannons	1	8	-	-	-	<b>9</b>
Walmer Castle and Gardens	-	858	-	(855)	-	<b>3</b>
Ranger's House	90	1	(88)	(3)	-	<b>-</b>
Bayham Abbey	59	-	(59)	-	-	<b>-</b>
Belsay Hall, Castle and Gardens	23	122	(145)	-	-	<b>-</b>
Tintagel Castle	-	2,510	(5)	(2,505)	-	<b>-</b>
Whitby Abbey	-	40	-	(40)	-	<b>-</b>
Carlisle Castle	-	20	(20)	-	-	<b>-</b>
Furness Abbey	125	(124)	-	(1)	-	<b>-</b>
Signage and Interpretation	25	-	(25)	-	-	<b>-</b>
Mount Grace Priory	-	52	-	(52)	-	<b>-</b>
Other	37	58	(29)	(22)	-	<b>44</b>
<b>Total Restricted Funds</b>	<b>43,198</b>	<b>5,434</b>	<b>(6,091)</b>	<b>(8,763)</b>	<b>-</b>	<b>33,778</b>
Endowment Fund:						
The Once and Future Fund	92	221	-	-	-	<b>313</b>
<b>Total Endowment Funds</b>	<b>92</b>	<b>221</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>313</b>
Unrestricted Funds:						
Revaluation Reserve	851	-	-	-	226	<b>1,077</b>
Designated Funds	149	-	-	-	-	<b>149</b>
General Funds	23,823	115,139	(105,942)	8,763	-	<b>41,783</b>
<b>Total Unrestricted Funds</b>	<b>24,823</b>	<b>115,139</b>	<b>(105,942)</b>	<b>8,763</b>	<b>226</b>	<b>43,009</b>
<b>Total</b>	<b>68,113</b>	<b>120,794</b>	<b>(112,033)</b>	<b>-</b>	<b>226</b>	<b>77,100</b>

**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-près scheme on 2 July 2012.

**Endowment Funds**

The Once and Future Fund is an endowment provided by the National Heritage Lottery Fund. Fundraising 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 2021. From April 2022, after the fund has been invested for one year, the income from the investment will be used primarily on a targeted programme of small-scale conservation, interpretation and signage improvement, publicity and promotion and community engagement at one selected site per year, by rotation.

**31 Analysis of Net Assets Between Funds**

## Group as at 31 March 2019

	Endowment Fund £'000	Restricted Fund £'000	Revaluation Reserve £'000	Designated Fund £'000	General Fund £'000	Total £'000
Fixed Assets	-	-	1,077	-	28,655	<b>29,732</b>
Cash at Bank and in Hand	313	36,645	-	149	14,484	<b>51,591</b>
Other Current Assets	-	1,193	-	-	27,627	<b>28,820</b>
Creditors: amounts falling due within one year	-	(4,060)	-	-	(27,081)	<b>(31,141)</b>
Creditors: amounts falling due after more than one year	-	-	-	-	(1,902)	<b>(1,902)</b>
<b>Total</b>	<b>313</b>	<b>33,778</b>	<b>1,077</b>	<b>149</b>	<b>41,783</b>	<b>77,100</b>

## Charity as at 31 March 2019

	Endowment Fund £'000	Restricted Fund £'000	Financial Asset Reserve £'000	Revaluation Reserve £'000	Designated Fund £'000	General Fund £'000	Total £'000
Fixed Assets	-	-	5,451	1,077	-	28,655	<b>35,183</b>
Cash at Bank and in Hand	313	36,645	-	-	149	14,450	<b>51,557</b>
Other Current Assets	-	1,193	-	-	-	22,177	<b>23,370</b>
Creditors: amounts falling due within one year	-	(4,060)	-	-	-	(27,048)	<b>(31,108)</b>
Creditors: amounts falling due after more than one year	-	-	-	-	-	(1,902)	<b>(1,902)</b>
<b>Total</b>	<b>313</b>	<b>33,778</b>	<b>5,451</b>	<b>1,077</b>	<b>149</b>	<b>36,332</b>	<b>77,100</b>

## Group as at 31 March 2018

	Endowment Fund £'000	Restricted Fund £'000	Revaluation Reserve £'000	Designated Fund £'000	General Fund £'000	Total £'000
Fixed Assets	-	-	851	-	20,997	<b>21,848</b>
Cash at Bank and in Hand	92	40,339	-	149	24,060	<b>64,640</b>
Other Current Assets	-	2,859	-	-	12,942	<b>15,801</b>
Creditors: amounts falling due within one year	-	-	-	-	(32,182)	<b>(32,182)</b>
Creditors: amounts falling due after more than one year	-	-	-	-	(1,994)	<b>(1,994)</b>
<b>Total</b>	<b>92</b>	<b>43,198</b>	<b>851</b>	<b>149</b>	<b>23,823</b>	<b>68,113</b>

## Charity as at 31 March 2018 (Restated)

	Endowment Fund £'000	Restricted Fund £'000	Financial Asset Reserve £'000	Revaluation Reserve £'000	Designated Fund £'000	General Fund £'000	Total £'000
Fixed Assets	-	-	4,627	851	-	20,997	<b>26,475</b>
Cash at Bank and in Hand	92	40,339	-	-	149	23,605	<b>64,185</b>
Other Current Assets	-	2,859	-	-	-	8,719	<b>11,578</b>
Creditors: amounts falling due within one year	-	-	-	-	-	(32,131)	<b>(32,131)</b>
Creditors: amounts falling due after more than one year	-	-	-	-	-	(1,994)	<b>(1,994)</b>
<b>Total</b>	<b>92</b>	<b>43,198</b>	<b>4,627</b>	<b>851</b>	<b>149</b>	<b>19,196</b>	<b>68,113</b>

**32 Financial Instruments**

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

	2019 Group £'000	2019 Charity £'000	2018 Group £'000	2018 Charity £'000
<b>Financial Assets</b>				
Debtors	3,160	4,598	1,599	7,367
Current Asset Investments	14,918	14,918	2,773	2,773
Cash	51,591	51,557	64,640	64,185
	<b>69,669</b>	<b>71,073</b>	<b>69,012</b>	<b>74,325</b>
<b>Financial Liabilities</b>				
Creditors: amounts falling due within one year	(7,556)	(7,551)	(5,790)	(5,790)
	<b>(7,556)</b>	<b>(7,551)</b>	<b>(5,790)</b>	<b>(5,790)</b>

**33 Ultimate Parent Entity and Ultimate Controlling Entity**

English Heritage is wholly controlled by 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 Iveagh 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.

**34 Post Balance Sheet Events**

There were no post balance sheet events.

These financial statements were authorised for issue by the Board of Trustees on 18 June 2019.



## 35 Statement of Financial Activities 2017/18

## a) Consolidated Statement of Financial Activities (including consolidated Income and Expenditure Account) for year ending 31 March 2018

	Note	2017/18 Unrestricted £'000	2017/18 Restricted £'000	2017/18 Endowment £'000	2017/18 Total £'000
<b>INCOME FROM:</b>					
Donations and Legacies	3a	4,055	2,921	92	<b>7,068</b>
<b>Charitable Activities</b>					
Conserving our Properties	3a	1,236	23	-	<b>1,259</b>
Membership and Admissions	3a	64,579	-	-	<b>64,579</b>
New Model	2, 3a	14,693	-	-	<b>14,693</b>
<b>Other Trading Activities</b>					
Running our Properties	3a	27,481	-	-	<b>27,481</b>
Licensing, Sponsorship and Advertising	3a	827	-	-	<b>827</b>
Investments	3a, 4	72	17	-	<b>89</b>
Other Income	3a	7	-	-	<b>7</b>
<b>Total</b>		<b>112,950</b>	<b>2,961</b>	<b>92</b>	<b>116,003</b>
<b>EXPENDITURE ON:</b>					
<b>Raising Funds</b>					
Fundraising	6a	(1,228)	(19)	-	<b>(1,247)</b>
Running our Properties	6a	(21,537)	(425)	-	<b>(21,962)</b>
Licensing, Sponsorship and Advertising	6a	(146)	-	-	<b>(146)</b>
<b>Charitable Activities</b>					
Conserving our Properties	6a	(33,850)	(1,775)	-	<b>(35,625)</b>
Membership and Admissions	6a	(47,849)	(16)	-	<b>(47,865)</b>
New Model	2, 6a	(976)	(6,914)	-	<b>(7,890)</b>
<b>Total</b>		<b>(105,586)</b>	<b>(9,149)</b>	<b>-</b>	<b>(114,735)</b>
<b>Net income/(expenditure)</b>	7, 8	<b>7,364</b>	<b>(6,188)</b>	<b>92</b>	<b>1,268</b>
Transfers between funds	9	6,529	(6,529)	-	-
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>					
Gain on revaluation of fixed assets	14, 15	599	-	-	<b>599</b>
<b>Net Movement in Funds</b>		<b>14,492</b>	<b>(12,717)</b>	<b>92</b>	<b>1,867</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		<b>10,331</b>	<b>55,915</b>	<b>-</b>	<b>66,246</b>
<b>Total funds carried forward</b>		<b>24,823</b>	<b>43,198</b>	<b>92</b>	<b>68,113</b>

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 2018 Restated

	Note	2017/18 Unrestricted £'000	2017/18 Restricted £'000	2017/18 Endowment £'000	2017/18 Total £'000
<b>INCOME FROM:</b>					
Donations and Legacies					
Fundraising	3b	5,490	2,921	92	<b>8,503</b>
<b>Charitable Activities</b>					
Conserving our Properties	3b	1,236	23	-	<b>1,259</b>
Membership and Admissions	3b	64,579	-	-	<b>64,579</b>
New Model	2, 3b	14,693	-	-	<b>14,693</b>
<b>Other Trading Activities</b>					
Running our Properties	3b	14,358	-	-	<b>14,358</b>
Licensing, Sponsorship and Advertising	3b	320	-	-	<b>320</b>
Investments	3b, 4	72	17	-	<b>89</b>
Other Income	3b	7	-	-	<b>7</b>
<b>Total</b>		<b>100,755</b>	<b>2,961</b>	<b>92</b>	<b>103,808</b>
<b>EXPENDITURE ON:</b>					
<b>Raising Funds</b>					
Fundraising	6b	(1,294)	(19)	-	<b>(1,313)</b>
Running our Properties	6b	(12,653)	(425)	-	<b>(13,078)</b>
Licensing, Sponsorship and Advertising	6b	(43)	-	-	<b>(43)</b>
<b>Charitable Activities</b>					
Conserving our Properties	6b	(32,826)	(1,775)	-	<b>(34,601)</b>
Membership and Admissions	6b	(46,763)	(16)	-	<b>(46,779)</b>
New Model	2, 6b	(976)	(6,914)	-	<b>(7,890)</b>
<b>Total</b>		<b>(94,555)</b>	<b>(9,149)</b>	<b>-</b>	<b>(103,704)</b>
<b>Net income/(expenditure) before and after tax and before gains/(losses) and transfers</b>	7, 8	<b>6,200</b>	<b>(6,188)</b>	<b>92</b>	<b>104</b>
Transfers between funds	9	6,529	(6,529)	-	-
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>					
Gain on revaluation of fixed assets	14, 15	599	-	-	<b>599</b>
Gain on revaluation of investments		1,164	-	-	<b>1,164</b>
<b>Net Movement in Funds</b>		<b>14,492</b>	<b>(12,717)</b>	<b>92</b>	<b>1,867</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		<b>10,331</b>	<b>55,915</b>	<b>-</b>	<b>66,246</b>
<b>Total funds carried forward</b>		<b>24,823</b>	<b>43,198</b>	<b>92</b>	<b>68,113</b>

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, having previously served for four years as a Commissioner of English Heritage prior to it becoming 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 is currently 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.



## James Twining

James Twining is Deputy Chairman of the English Heritage Trust. He is currently Chief Executive of the Kingsbridge Group, a leading provider of specialist Insurance services. Before that he was an Executive 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 for McKinsey & Co and as the finance director of a private equity backed start-up. Prior to becoming a Trustee, James was Chairman of the English Heritage Foundation. He is also a member of the English Heritage Audit and Risk Committee.



## Alex Balfour

Alex Balfour is CEO of Digital Brand Services UK Ltd, which helps some of the world's best known sports and entertainment brands grow their digital properties. He is also a senior consultant to TEAM which manages the commercial rights of the UEFA Champions League. Previously Alex was Head of New Media for the London Organising Committee of the Olympic and Paralympic Games where he built a team from scratch that delivered 77 digital channels to 150 million consumers. Alex has also served as Chief Digital Officer of the Engine Group, Chief Digital Officer of Haymon Boxing Management, and was a co-founder and Chairman of ESPN CricInfo. Alex is an assessor for Innovate UK, a Commissioner of Historic England and a director of several businesses in the financial services sector including Credec and Datatracks (UK).



## Victoria Barnsley (Howard) OBE

Victoria Barnsley (Howard) OBE is Executive Chairman of Castle Howard Estate Ltd. 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. She is currently a Trustee of Art UK and formerly a Trustee of both Tate and the National Gallery. She is also a member of the Remuneration and Appointments Committee and a Director of English Heritage Trading Ltd.



## 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 and former Chairman of Genesis Housing Association. He is currently Chairman of Channel 4, Chairman of Great Rail Journeys, Deputy Chairman at easyJet plc and the Senior Independent Director of Merlin Entertainments plc. Charles chairs English Heritage's Remuneration and Appointments Committee and is a Director of English Heritage Trading Limited.



### Sukie Hemming

Sukie Hemming was previously Director of Corporate Affairs at the British Museum and prior to that was Director of Development at the Museum. She has worked for the National Trust in a variety of roles, including senior development, and as a member of a National Trust regional committee. Sukie is an experienced fundraiser and has worked as a consultant. She is a Trustee of the Chelsea Physic Garden.



### 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 is a former Commissioner of English Heritage prior to it becoming a charity and a former Chairman of the Designation Review and Remuneration Committees. Ronald chairs the English Heritage 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 Windsor Leadership and a Trustee of the Allchurches Trust. Laurie is also a Director of English Heritage Trading Ltd.



### Ian McCaig

Ian McCaig is a Board Member and Chair of the Operating Committee at M-Kopa Ltd, the largest provider of off-grid solar services in Africa. He is a Board Member and Chair of Audit & Risk at Seedrs Ltd, a leading equity crowdfunding fintech business; a Board Member of the British Tourist Authority and a Governor of The Leys and St Faith's Schools Foundation. He was most recently CEO of First Utility (the UK's largest independent energy retailer) from 2011 to 2017 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

Kunle Olulode 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 Democracy Council, which in 2018 oversaw events commemorating the 100th anniversary of the Representation of the People Act.



### Professor David Olusoga OBE

Professor David Olusoga OBE is a British-Nigerian historian, broadcaster and film-maker and Professor of Public History at the University of Manchester. His most recent TV series include *Black and British: A Forgotten History* (BBC 2), *The World's War* (BBC 2), *A House Through Time* (BBC 2) and the BAFTA winning *Britain's Forgotten Slave Owners* (BBC 2). He is also the author of *Black & British: A Forgotten History* which was awarded both the Longman-History Today Trustees Award and the PEN Hessel-Tiltman Prize. His other books include *The World's War*, which won First World War Book of the Year in 2015. David was also a contributor to the *Oxford Companion to Black British History* and writes for *The Guardian*, *The Observer* and *BBC History Magazine*. He was one of the three presenters on the BBC's landmark Arts series *Civilizations*. David is a member of the English Heritage Blue Plaques Panel.



### Sarah Staniforth CBE

Sarah Staniforth CBE was previously the Museums and Collections Director at the National Trust and before that their Historic Properties Director and Head Conservator. She is a Trustee of the Landmark Trust, 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 an observer on Historic England's Historic Estates Committee and a member of English Heritage's Audit and Risk Committee.

# SUPPORTERS

English Heritage is very grateful to all the benefactors who have contributed to its activities during the year to 31 March 2019. The following have given or pledged amounts of £1,000 or more:

### Trusts, Foundations and Statutory Bodies

The Arts Council  
The Atlas Fund  
The Bernard Sunley Charitable Foundation  
Carlisle City Council  
The Daisy Rich Trust  
Daughters of the American Revolution  
East Kent LEADER  
Fidelity UK Foundation  
Friends of Kenwood  
The Hadley Trust  
The Headley Trust  
The McCorquodale Charitable Trust  
National Lottery Heritage Fund  
North York Moors National Park Authority  
RHS Coke Trust Bursary Fund  
The Roger De Haan Charitable Trust  
The Rose Foundation  
The Sackler Trust  
The Wernher Foundation  
The William Haddon Charitable Trust

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The Ned  
The Pot Company  
Quadrille Publishing Ltd  
Ridgeview Wine Estate  
Soho House  
South Western Railway

### Stone Circle

Gardiner & Theobald  
And one partner organisation that wishes to remain anonymous

### Individuals

Dr Aileen Adams CBE  
James Best  
E de Bellaigue  
Richard Broyd  
The Darby Family  
John Michael Denham  
Roger Edwards  
M Hill  
Prof. Ronald Hutton  
Christian Levett  
Robert Levy  
Dr Pauline Manfield  
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Charles Williams  
And 11 donors who wish to remain anonymous

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Dorothy Wench  
Ian Gordon White  
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Gabrielle Pamela Wright  
John Anthony Wylie

We also thank those not listed here, including those who wish to remain anonymous.

**58** PREHISTORIC SITES



**53** ROMAN SITES



**84** ECCLESIASTICAL SITES

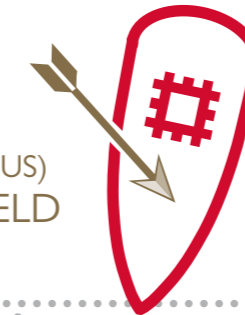
**66** CASTLES



**2** HILL FIGURES



**1** (VERY FAMOUS) BATTLEFIELD



**7** PALACES



**1** COLD WAR BUNKER

**27** FORTS & DEFENCES



**47** HALLS, HOUSES & DOMESTIC DWELLINGS

**3** DESERTED MEDIEVAL VILLAGES

**6** HISTORIC BRIDGES



**23** HISTORIC GARDENS



**13** AGRICULTURAL & INDUSTRIAL SITES

**3** MUNICIPAL BUILDINGS



**47** LONDON STATUES



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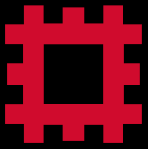
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