

**The Dorneywood Trust**

**Charity Registration No: 1181660**  
**CIO No: 016267**

**Accounts**

**for the year ended**

**31st December 2020**

**Wenn Townsend**

Chartered Accountants

Oxford

## **The Dorneywood Trust**

### **Reference and Administrative Information**

**Trustees:**

Nicola Andrews  
The Rt. Hon Michael Gove MP, Chancellor of the Duchy of Lancaster  
Lord Hollick  
Lord Udny-Lister Kt PC  
Julian Prideaux OBE FRICS  
Ingrid Samuel

**Secretary:**

Tim Price

**Registered Charity No:**

1181660

**Registered Office:**

Dorneywood  
Burnham  
Buckinghamshire  
SL1 8PY

**Auditors:**

Wenn Townsend  
Chartered Accountants  
30 St Giles  
Oxford  
OX1 3LE

**Bankers:**

Lloyds Bank PLC  
P O Box 1000  
Andover  
BX1 1LT

**Investment Managers:**

Cazenove  
12 Moorgate  
London  
EC2R 6DA

**Solicitors:**

Charles Russell Speechlys LLP  
Compass House  
Lypiatt Road  
Cheltenham  
GL50 2QJ

## **The Dorneywood Trust**

### **Trustees' report on the accounts for the year ended 31st December 2020**

The Trustees present their report and the audited financial statements of the charity for the year ended 31st December 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

#### **Objectives and activities for the public benefit**

The prime purpose of the Trust is that of maintaining and improving the property and estate at Dorneywood. The Trustees welcomed no members of the public to the House and gardens during the year due to restrictions arising from the covid pandemic.

#### **Activities**

The Trustees carry out the Trust's objective by employing appropriate staff and professional advisers and reviewing their work at regular intervals. The day-to-day activities of the The Dorneywood Trust are dealt with by the Secretary.

As a result of careful management of their resources over many years, the Trustees have accumulated capital to generate a total return on their investments toward meeting their expenditure requirements over time. Apart from the routine cost of maintaining the house, contents, outbuildings and gardens, the Trustees need to carry out a programme of major works to maintain the buildings to an appropriate standard.

#### **Public benefit statement**

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

#### **Fundraising standards information**

The charity does not carry out significant public fundraising activities.

#### **Achievements and performance**

Due to the covid 19 pandemic activities were severely restricted throughout the year. The programme of routine maintenance and repair was sustained to protect the property and its contents in readiness for re-opening the house and estate when permitted.

#### **Financial review**

During the year under review the Trust's funds decreased by £741k, of which £715k was due to a decrease in investment values. There was a small operating surplus of £6k and expenditure funded by a restricted grant was £4k.

The performance of the investment portfolio is measured against 6 cumulative benchmarks including the FTSE All Share Index and the Brit. Gov All Stocks Index. During this year the decrease in portfolio value was in line with the benchmark.

#### **Reserves policy**

The charity carries out a range of maintenance and improvement activities, some of which require significant financial commitment and investment. Investment in the House and Estate in the past 8 years has ensured that the Property is now in good condition. The emphasis is on carefully planned maintenance reducing the incidence of unforeseen emergency repairs. Trustees want to ensure that this is sustained in the longer term by making adequate provision to meet the ongoing maintenance requirements of this important property.

The Trustees have examined the requirements for free reserves, i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Trustees' policy is to operate on the basis of being able to continue to generate sufficient incoming resources to use towards meeting its charitable objects and to accord with its principal aims.

The balance sheet shows unrestricted reserves of £10,622k (2019: £11,359k). £549k (2019: £543k) of this is deemed freely available. The designated capital fund balance is represented entirely by tangible fixed assets and investments. Investments with a value of £10,040k (2019: £10,783k) are held at 31st December 2020 in order to generate sufficient income for carrying out the future objects of the charity.

## **The Dorneywood Trust**

### **Trustees' report on the accounts for the year ended 31st December 2020 (continued)**

#### **Investment policy and performance**

The investments are acquired in accordance with powers available to the Trustees. The investment strategy is set by the Trustees and takes into account income requirements, the risk profile and the investment manager's view of the market prospects in the medium term. The overall investment policy is to maximise return, aiming to provide the level of income advised by the Trustees whilst at the same time, aiming to ensure that capital appreciation of the fund exceeds inflation over any five year period.

The Trustees have held discussions with their managers regarding sustainability and are pleased to note they are signed up to the United Nations Principles for Responsible Investing.

The Trustees meet formally with the investment managers twice a year to review the performance of the portfolio and the investment managers. The investment managers report four times a year to the Trustees. The Trustees are satisfied that the aims of their investment policy are being achieved.

#### **Risk Management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances. The Trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational risks faced by the charity, they have established effective systems to mitigate those risks. The Trust applies best practice in all aspects of property and estate management at Dorneywood.

#### **Plans for future periods**

The Trustees will continue to maintain the property and estate of Dorneywood.

#### **Structure, Governance and Management**

The Dorneywood Thomson Endowment Trust Fund 'B' was an expendable endowment fund established on 23rd June 1944 and governed by a settlement of that date.

The relationship between the role of the National Trust and that of the The Dorneywood Trust was considered and defined by Mr Justice Vaisey in the Chancery Division of the High Court of Justice on 17th December 1954.

The Fund was transferred to The Dorneywood Trust, a Charitable Incorporated Organisation, and its activities have been conducted through this vehicle since 1st May 2019.

#### **Key management personnel remuneration**

The Board of Trustees and the Secretary are the key management personnel of the charity in charge of directing and controlling and operating the charity on a day-to-day basis. All Trustees give their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 8 to the accounts. The pay of the Secretary is reviewed annually.

#### **Trustees**

Under the Constitution of the Charitable Incorporated Organisation, approved by the Charity Commission on 21st January 2019 the body of the Trustees shall consist of up to four appointed competent persons. Two further Trustees are nominated by the Prime Minister, one being a person holding cabinet or ministerial rank while that person holds the same office as when appointed. The Council of the National Trust appoints one further Trustee.

Except for the nominated Minister, Trustees are all appointed for a period of 5 years, renewable thereafter for a further period of 5 years, subject to the agreement of all the Trustees.

## **The Dorneywood Trust**

### **Trustees' report on the accounts for the year ended 31st December 2020 (continued)**

#### **Trustees (continued)**

The Trustees in office during the year, and since the year end, were as follows:

|                              |  |
|------------------------------|--|
| P.M Ministerial Appointment: | Michael Gove, Chancellor of the Duchy of Lancaster<br>(appointed 9th March 2020) |
| P.M. nomination:             | Lord Udny-Lister Kt PC (appointed 9th March 2020)                                |
| National Trust Trustee:      | Ingrid Samuel  |
| Appointed Trustees:          | Lord Hollick (Chairman)<br>Julian H Prideaux OBE<br>Nicola Andrews               |

#### **Statement of Trustees' responsibilities**

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 30th March 2021.

**Signed on behalf of the Trustees**  
**Lord Hollick**

## **The Dorneywood Trust**

### **Independent Auditor's Report to the Trustees of The Dorneywood Trust**

#### **Opinion**

We have audited the financial statements of The Dorneywood Trust (the 'charity') for the year ended 31st December 2020, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2020, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### **Other information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **The Dorneywood Trust**

### **Independent Auditor's Report to the Trustees of The Dorneywood Trust**

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Wenn Townsend, Statutory Auditor  
Oxford**

30th March 2021

*Wenn Townsend is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*

**The Dorneywood Trust**

**Statement of financial activities  
for the year ended 31st December 2020**

|   | <b>Note</b> | <b>Unrestricted<br/>Funds</b> | <b>Designated<br/>Funds</b> | <b>Restricted<br/>Funds</b> | <b>Total<br/>Funds<br/>2020</b> | <b>Unrestricted<br/>Funds</b> | <b>Designated<br/>Funds</b> | <b>Restricted<br/>Funds</b> | <b>Total<br/>Funds<br/>2019<br/>(8 months)</b> |
|---|-------------|-------------------------------|-----------------------------|-----------------------------|---------------------------------|-------------------------------|-----------------------------|-----------------------------|--|
| <b>Income from:</b>                     |             |                               |                             |                             |                                 |                               |                             |                             |  |
| Investment income                       | 2           | 345,858                       | -                           | -                           | 345,858                         | 299,781                       | -                           | -                           | 299,781  |
| Rents                                   |             | 21,840                        | -                           | -                           | 21,840                          | 11,533                        | -                           | -                           | 11,533   |
| Activities for raising funds            | 3           | 2,073                         | -                           | -                           | 2,073                           | 49,026                        | -                           | -                           | 49,026   |
| National Trust                          | 3           | 18,567                        | -                           | -                           | 18,567                          | 12,450                        | -                           | -                           | 12,450   |
| <b>Total income</b>                     |             | <b>388,338</b>                | <b>-</b>                    | <b>-</b>                    | <b>388,338</b>                  | <b>372,790</b>                | <b>-</b>                    | <b>-</b>                    | <b>372,790</b>                                 |
| <b>Expenditure on:</b>                  |             |                               |                             |                             |                                 |                               |                             |                             |  |
| Charitable activities                   | 4           | (347,631)                     | -                           | (4,409)                     | (352,040)                       | (249,314)                     | -                           | (74,893)                    | (324,207)                                      |
| Raising funds                           | 5           | (32,474)                      | (29,701)                    | -                           | (62,175)                        | (40,655)                      | (21,332)                    | -                           | (61,987)                                       |
| <b>Total expenditure</b>                |             | <b>(380,105)</b>              | <b>(29,701)</b>             | <b>(4,409)</b>              | <b>(414,215)</b>                | <b>(289,969)</b>              | <b>(21,332)</b>             | <b>(74,893)</b>             | <b>(386,194)</b>                               |
| Net gains/(losses) on investment assets | 9           | -                             | (715,217)                   | -                           | (715,217)                       | -                             | 177,411                     | -                           | 177,411  |
| <b>Net (expenditure)/income</b>         |             | <b>8,233</b>                  | <b>(744,918)</b>            | <b>(4,409)</b>              | <b>(741,094)</b>                | <b>82,821</b>                 | <b>156,079</b>              | <b>(74,893)</b>             | <b>164,007</b>                                 |
| Transfer between funds                  |             | (1,856)                       | 1,856                       | -                           | -                               | (250,000)                     | 250,000                     | -                           | -  |
| <b>Net movement in funds</b>            |             | <b>6,377</b>                  | <b>(743,062)</b>            | <b>(4,409)</b>              | <b>(741,094)</b>                | <b>(167,179)</b>              | <b>406,079</b>              | <b>(74,893)</b>             | <b>164,007</b>                                 |
| <b>Reconciliation of funds:</b>         |             |                               |                             |                             |                                 |                               |                             |                             |  |
| Total funds brought forward             |             | 542,994                       | 10,815,962                  | 4,409                       | 11,363,365                      | 710,173                       | 10,409,883                  | 79,302                      | 11,199,358                                     |
| <b>Total funds carried forward</b>      |             | <b>£ 549,371</b>              | <b>£10,072,900</b>          | <b>£ -</b>                  | <b>£10,622,271</b>              | <b>£ 542,994</b>              | <b>£10,815,962</b>          | <b>£ 4,409</b>              | <b>£11,363,365</b>                             |

All income and expenditure derive from continuing activities.



# The Dorneywood Trust

## Balance sheet At 31st December 2020

|                                     | Note |                    | 2020               |
|-------------------------------------|------|--------------------|--------------------|
| <b>Fixed assets</b>                 |      |                    |                    |
| Investments                         | 9    | 10,039,900         | 10,782,962         |
| Tangible assets                     | 10   | 33,000             | 33,000             |
|                                     |      | <u>10,072,900</u>  | <u>10,815,962</u>  |
| <b>Current assets</b>               |      |                    |                    |
| Stock                               |      | 509                | 509                |
| Debtors                             | 11   | 26,333             | 44,152             |
| Cash at bank and in hand            |      | 8,460              | 21,884             |
| Cash with investment manager        |      | 545,247            | 522,887            |
|                                     |      | <u>580,549</u>     | <u>589,432</u>     |
| <b>Creditors</b>                    |      |                    |                    |
| Amounts falling due within one year | 12   | (31,178)           | (42,029)           |
| <b>Net current assets</b>           |      | <u>549,371</u>     | <u>547,403</u>     |
| <b>Net assets</b>                   |      | <u>£10,622,271</u> | <u>£11,363,365</u> |
| <b>Funds:</b>                       |      |                    |                    |
| General funds                       |      | 549,371            | 542,994            |
| Designated capital fund             |      | 10,072,900         | 10,815,962         |
| Restricted fund: backlog repairs    |      | -                  | 4,409              |
| <b>Total funds</b>                  |      | <u>£10,622,271</u> | <u>£11,363,365</u> |

These accounts were approved by the Trustees on 30th March 2021

**Signed on behalf of the Trustees**

**Julian Prideaux**

The notes on pages 10 to 16 form part of these accounts

**The Dorneywood Trust**  
**Statement of Cash Flows**  
**for the year ended 31st December 2020**

**Reconciliation of net income to net cash flow from operating activities**

|  | <b>2020</b>      | <b>2019<br/>(8 months)</b> |
|--|------------------|----------------------------|
| Net (expenditure)/income for year                      | (741,094)        | 164,007                    |
| Investment income                                      | (345,858)        | (299,781)                  |
| Losses/(gains) on investments                          | 715,217          | (177,411)                  |
| Increase/(decrease) in debtors/stocks                  | 17,819           | (13,288)                   |
| (Decrease)/increase in creditors                       | (10,851)         | 16,271                     |
| <b>Net cash flow from operating activities</b>         | <u>(364,767)</u> | <u>(310,202)</u>           |
| <b>Cash flow from investing activities</b>             |                  |                            |
| Payments to acquire investments                        | (2,917,887)      | (1,632,313)                |
| Receipts from sales of investments                     | 2,940,406        | 1,252,700                  |
| Investment income received                             | 345,858          | 299,781                    |
| <b>Net cash flow from financing activities</b>         | <u>368,377</u>   | <u>(79,832)</u>            |
| <b>Net increase in cash and cash equivalents</b>       | 3,610            | (390,034)                  |
| <b>Cash and cash equivalents at 1st January 2020</b>   | <u>550,097</u>   | <u>940,131</u>             |
| <b>Cash and cash equivalents at 31st December 2020</b> | <u>£ 553,707</u> | <u>£ 550,097</u>           |
| <b>Cash and cash equivalents consist of:</b>           |                  |                            |
| Cash at bank and in hand                               | 8,460            | 21,884                     |
| Cash held by investment managers in total              | 545,247          | 528,213                    |
| <b>Cash and cash equivalents at 31st December 2020</b> | <u>£ 553,707</u> | <u>£ 550,097</u>           |

**The Dorneywood Trust**  
**Notes to the accounts**  
**for the year ended 31st December 2020**

**1 Accounting policies**

**a) Basis of preparation**

The Dorneywood Trust is a charitable incorporated organisation in England and Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are included in the Trustees' Report.

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**b) Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. This will include fulfilling the backlog repair programme.

The designated capital fund comprises unrestricted funds that have been set aside by the trustees as the capital fund needed to generate future income for the aims of the charity.

The grant received previously from the National Trust is being treated as a restricted fund for the purpose of backlog repairs and is now fully expended.

**c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

**d) Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- i. The costs of raising funds include the fees paid to investment managers in connection with the management of the charity's listed investments and event running costs.
- ii. The costs of activities in furtherance of the charity's objects comprise expenditure on the charity's primary charitable purposes as described in the trustees' report. Such costs include:
  - Salaries and wages for the trust's employees
  - Garden maintenance

## The Dorneywood Trust

### Notes to the accounts (continued) for the year ended 31st December 2020

#### 1 Accounting policies (continued)

- Caterers
- Council tax and insurance
- Travelling and motor expenses
- Heating and lighting
- Telephone
- Depreciation
- Sundry household expenses

All the above costs are directly attributable to the activities in furtherance of the objects of the charity.

- iii. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

#### e) Tangible fixed assets and depreciation

The house, grounds and the majority of the contents of the house are in the ownership of the National Trust and consequently do not appear in these accounts.

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

- |                           |   |
|---------------------------|---|
| - Major improvements      | 10% per annum on cost   |
| - Paintings and furniture | These are included at an historic value and no depreciation is charged as it is considered that the residual value is not below the valuation |

#### f) Investments

Investments are included on the balance sheet at their market value at the end of the financial year. Realised and unrealised gains and losses are credited, or debited, to the statement of financial activities in the year in which they arise.

#### g) Stocks

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value.

#### h) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### i) Pension costs

The charity operates a defined contribution scheme for the benefit of its employees. The costs of contributions are written off against profits in the year they are payable.

#### j) Taxation

Dorneywood is a registered charity and is not liable to income tax or corporation tax on income derived from its charitable activities as it falls within the various exemptions available to registered charities.

#### l) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements, including an updated assessment of the potential impact of COVID-19 on the charity. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**The Dorneywood Trust**

**Notes to the accounts (continued)  
for the year ended 31st December 2020**

**2 Investment income and interest receivable**

|  | <b>2020</b>      | <b>2019<br/>(8 months)</b> |
|--|------------------|----------------------------|
| Investment trusts and unit trusts            | 343,721          | 294,249                    |
| Interest on cash held by investment managers | 2,137            | 5,532                      |
|  | <u>£ 345,858</u> | <u>£ 299,781</u>           |

**3a Activities for raising funds**

|  |                             |                             |
|--|-----------------------------|-----------------------------|
| Use of house, garden opening and royalties | £ 2,073                     | £ 49,026                    |
|  | <u>                    </u> | <u>                    </u> |

**3b National Trust**

|                   |                             |                             |
|-------------------|-----------------------------|-----------------------------|
| Investment income | £ 18,567                    | £ 12,450                    |
|                   | <u>                    </u> | <u>                    </u> |

**4 Cost of charitable activities**

|  |                             |                             |
|--|-----------------------------|-----------------------------|
| Salaries and wages (including contractors) | 195,169                     | 136,908                     |
| Insurance                                  | 15,280                      | 9,637                       |
| Household                                  | 5,962                       | 4,863                       |
| Catering                                   | 412                         | 728                         |
| Water and council tax                      | 17,937                      | 12,700                      |
| Repairs, renewals and refurbishment        | 63,939                      | 103,226                     |
| Garden expenses                            | 12,114                      | 16,627                      |
| Heating and lighting                       | 17,842                      | 15,776                      |
| Support costs (see 4a)                     | 23,385                      | 23,742                      |
|  | <u>                    </u> | <u>                    </u> |
| <b>Total direct charitable expenditure</b> | <u>£ 352,040</u>            | <u>£ 324,207</u>            |

**4a Support costs**

|  |                             |                             |
|--|-----------------------------|-----------------------------|
| Governance costs (see note 6)                        | 15,395                      | 17,678                      |
| Motor and travel costs                               | 4,123                       | 3,069                       |
| Postage, stationery, telephone and other admin costs | 3,147                       | 2,455                       |
| Legal, professional and recruitment                  | 720                         | 540                         |
|  | <u>                    </u> | <u>                    </u> |
|  | <u>£ 23,385</u>             | <u>£ 23,742</u>             |

**The Dorneywood Trust**

**Notes to the accounts (continued)  
for the year ended 31st December 2020**

**5 Cost of raising funds**

|                         | <b>2020</b>     | <b>2019<br/>(8 months)</b> |
|-------------------------|-----------------|----------------------------|
| Cazenove investment fee | 59,403          | 42,664                     |
| Event catering          | 1,315           | 16,499                     |
| Staff costs             | 1,457           | 2,824                      |
|                         | <u>£ 62,175</u> | <u>£ 61,987</u>            |

**6 Governance costs**

|                     |                 |                 |
|---------------------|-----------------|-----------------|
| Staff costs         | 3,913           | 2,570           |
| Accountancy - Audit | 4,400           | 4,200           |
| - Non-audit         | 6,482           | 7,035           |
| Legal fees          | 600             | 3,873           |
|                     | <u>£ 15,395</u> | <u>£ 17,678</u> |

**7 Employees and staff costs**

Staff costs during the year were as follows:

|                       |                  |                  |
|-----------------------|------------------|------------------|
| Wages and salaries    | 134,648          | 98,884           |
| Social security costs | 12,506           | 9,242            |
| Pension costs         | 9,647            | 6,114            |
| Contractors           | 43,738           | 28,060           |
|                       | <u>£ 200,539</u> | <u>£ 142,300</u> |

No employee earned in excess of £60,000 in the year.

The average monthly number of employees during the year was 5.

**8 Trustees' and key management personnel remuneration and expenses**

The trustees neither received nor waived any remuneration during the year.

The total amount of employee benefits received by key management personnel for this year is £39,132 (2019: £25,704). The Trust considers its key management personnel comprise the Board of Trustees and the Secretary.

The trustees did not have any expenses reimbursed during the year.

**The Dorneywood Trust**

**Notes to the accounts (continued)  
for the year ended 31st December 2020**

**9 Fixed asset investments**

At 31st December 2020 fixed assets investments comprised:

|   | <b>2020</b> | <b>2019</b> |
|---|-------------|-------------|
| Listed investments and cash held for reinvestment                         | £10,045,225 | £10,782,962 |
| <b>Listed investments and cash held for reinvestments</b>                 |             |             |
| <b>Listed investments</b>   |             |             |
| Market value transferred from Dorneywood Thomson Endowment Trust Fund 'B' | 10,782,962  | 10,220,612  |
| Additions at cost   | 2,917,887   | 1,632,313   |
| Disposal proceeds   | (2,940,406) | (1,252,700) |
| Net realised investment (losses)/gains                                    | (428,401)   | (21,725)    |
| Net unrealised investment gains/(losses)                                  | (286,816)   | 199,136     |
|   | (715,217)   | 177,411     |
| Decrease in cash pending investment                                       | (5,326)     | -           |
| Market value at 31st December 2020  | 10,039,900  | 10,777,636  |
| Cash held by investment managers for reinvestment                         | -           | 5,326       |
|   | £10,039,900 | £10,782,962 |

All listed investments were dealt in on a recognised stock exchange.

Listed investments held at 31st December 2020 comprised the following:

|                                   |             |             |
|-----------------------------------|-------------|-------------|
| Investment trusts and unit trusts | £10,039,900 | £10,777,636 |
|-----------------------------------|-------------|-------------|

At 31st December 2020, the following individual investment holdings each had a market value in excess of 5% of the market value of the entire listed portfolio as at that date:

|                                     | <b>31st December<br/>2020<br/>Market<br/>Value<br/>£'000</b> | <b>%<br/>of the<br/>total<br/>portfolio</b> |
|-------------------------------------|--|---|
| Trojan Income Fund                  | 1,320  | 13.1  |
| Fidelity Global Dividend Fund       | 788  | 7.9   |
| M & G Strategic Corporate Bond Fund | 766  | 7.6   |
| Property Income Trust for Charities | 702  | 7.0   |
| Schroders Income Maximiser Fund     | 667  | 6.6   |
| ASI UK All Share Tracker Fund       | 586  | 5.8   |
| Charities Property Fund             | 572  | 5.7   |
| Vontobel Fund SICAV – Twenty Four   | 520  | 5.2   |

The Dorneywood Trust

Notes to the accounts (continued)  
for the year ended 31st December 2020

10 Tangible fixed assets

|  | Improvements | Fixtures,<br>fittings &<br>equipment | Total      |
|--|--------------|--------------------------------------|------------|
| <b>Cost or valuation</b>                           |              |                                      |            |
| At 1st January 2020                                | 1,109,780    | 62,774                               | 1,172,554  |
| Additions  | -            | -                                    | -          |
|  | <hr/>        | <hr/>                                | <hr/>      |
| At 31st December 2020                              | £1,109,780   | £ 62,774                             | £1,172,554 |
|  | <hr/>        | <hr/>                                | <hr/>      |
| <b>Depreciation</b>                                |              |                                      |            |
| At 1st January 2020                                | 1,109,780    | 29,774                               | 1,139,554  |
| Charge for year                                    | -            | -                                    | -          |
|  | <hr/>        | <hr/>                                | <hr/>      |
| At 31st December 2020                              | £1,109,780   | £ 29,774                             | £1,139,554 |
|  | <hr/>        | <hr/>                                | <hr/>      |
| <b>Net book values</b>                             |              |                                      |            |
| At 31st December 2019 and<br>at 31st December 2020 | £ -          | £ 33,000                             | £ 33,000   |
|  | <hr/>        | <hr/>                                | <hr/>      |

11 Debtors

|                                | 2020     | 2019     |
|--------------------------------|----------|----------|
| Debtors                        | -        | 13,331   |
| Prepayments and accrued income | 26,333   | 30,821   |
|                                | <hr/>    | <hr/>    |
|                                | £ 26,333 | £ 44,152 |
|                                | <hr/>    | <hr/>    |

12 Creditors: amounts falling due within one year

|                 |          |          |
|-----------------|----------|----------|
| Trade creditors | 2,284    | 4,615    |
| Accruals        | 24,844   | 30,835   |
| Other creditors | 4,050    | 6,579    |
|                 | <hr/>    | <hr/>    |
|                 | £ 31,178 | £ 42,029 |
|                 | <hr/>    | <hr/>    |



**The Dorneywood Trust**

**Notes to the accounts (continued)  
for the year ended 31st December 2020**

**13 Analysis of net assets by fund**

| <b>Current year</b>              | <b>Unrestricted<br/>Funds<br/>2020</b> | <b>Designated<br/>Funds<br/>2020</b> |                                      | <b>Total<br/>Funds<br/>2020</b> |
|----------------------------------|--|--------------------------------------|--------------------------------------|---------------------------------|
| Fixed assets                     | -                                      | 33,000                               |                                      | 33,000                          |
| Investments                      | -                                      | 10,039,900                           |                                      | 10,039,900                      |
| Cash held                        | 553,707                                | -                                    |                                      | 553,707                         |
| Other current assets/liabilities | (4,336)                                | -                                    |                                      | (4,336)                         |
|                                  |  |                                      |                                      |                                 |
| <b>Total</b>                     | <b>£ 549,371</b>                       | <b>£10,072,900</b>                   |                                      | <b>£10,622,271</b>              |
|                                  |  |                                      |                                      |                                 |
| <b>Prior year</b>                | <b>Unrestricted<br/>Funds<br/>2019</b> | <b>Designated<br/>Funds<br/>2019</b> | <b>Restricted<br/>Funds<br/>2019</b> | <b>Total<br/>Funds<br/>2019</b> |
| Fixed assets                     | -                                      | 33,000                               | -                                    | 33,000                          |
| Investments                      | -                                      | 10,782,962                           | -                                    | 10,782,962                      |
| Cash held                        | 540,362                                | -                                    | 4,409                                | 544,771                         |
| Other current assets/liabilities | 2,632                                  | -                                    | -                                    | 2,632                           |
|                                  |  |                                      |                                      |                                 |
| <b>Total</b>                     | <b>£ 542,994</b>                       | <b>£10,815,962</b>                   | <b>£ 4,409</b>                       | <b>£11,363,365</b>              |