

Howick Trustees Limited

(a charitable company limited by guarantee)

Governors' Report and Accounts

for the Year Ended 31st March 2018

Registered Charity Number 504347

Limited Company Number 1208214



Howick Trustees Limited
Governors' Report and Accounts
for the Year Ended 31st March 2018
Contents

Governors and Advisors for the Year Ended 31 st March 2018	1
Governors' Report for the Year Ended 31 st March 2018	2 - 6
Chairman's Report for the Year Ended 31 st March 2018	7 - 8
Independent Auditors' Report to the members of Howick Trustees Limited	9 - 11
Statement of Financial Activities for the Year Ended 31 st March 2018	12 - 13
Balance Sheet as at 31 st March 2018	14
Statement of Cash Flows	15
Accounting Policies	16 - 18
Notes to the Financial Statements for the Year Ended 31 st March 2018	19 - 27

Howick Trustees Limited

Governors and Advisors for the Year Ended 31st March 2018

Governors

Lord Howick

Lady Howick

Adrian M. G. Darby

Resigned: 31st December 2017

Charles M. Erskine

Hon. David E. C. Baring

Mark Bridgeman

Sir Walter J. B. Riddell Bt

Richard M. Landale

Matthew G. Darby

Appointed: 1st January 2018

Secretary

Mrs J. A. Woodford

Mrs D. Spark

Independent Auditors

Greaves West & Ayre

17 Walkergate

Berwick-upon-Tweed

Northumberland

TD15 1DJ

Bankers

Barclays Bank PLC

Alnwick Branch

Northumberland Group

PO Box 36

Morpeth

NE61 3YY

Solicitors

Watson Burton LLP

1 St James' Gate

Newcastle upon Tyne

NE99 1TQ

Estate Agents

Savill's

18-20 Glendale Road

Wooler

Northumberland

NE71 6DW

Independent Financial Advisors

Charles Stanley & Co. Limited

55 Bishopsgate

London

EC2N 3AS

Registered Office

Howick Estate Office

Alnwick

Northumberland

NE66 3LB

Howick Trustees Limited

GOVERNORS' REPORT FOR THE YEAR ENDED 31st MARCH 2018

The Governors have pleasure in presenting their report together with the accounts for the year ended 31st March 2018.

Appointment of Governors

The Governors fall within the meaning of Trustees as defined in the Charities Act and within the meaning of Directors as defined in the Companies Act. They are appointed by the board with the consent of the founder, Lord Howick. There is no fixed term of appointment and Governors retire and are appointed according to the requirements of Howick Trustees Limited ("HT").

New Governors are given a copy of the Articles of Association, the latest report and accounts, and all of HT's documents covering policies and governance. Subject to their experience and expertise, they are also given documents issued by the Charity Commission explaining the duties of trustees of charities and offered training in any area of their duties which they think they would like to strengthen.

The present Governors have considerable knowledge and expertise in finance, horticultural matters and the management of country estates.

Governing Instrument, Constitution and Organisation

HT is governed by its Articles of Association, which were reviewed in 2015 and subsequently altered by written resolution on 23rd October 2015. This review takes place every five years, the next being due in 2020.

The Governors are responsible for setting the strategy for HT and establishing and monitoring the methods by which the aims of that strategy are achieved. The Governors are also responsible for all financial matters, including establishing and monitoring internal financial controls, an annual budget including capital transactions, managing HT's investments, health and safety procedures and risk management. All day to day management is delegated by the Governors to Lord and Lady Howick under written terms of reference which are reviewed annually. HT works closely with a neighbouring farm owned by a Governor, Dr D. E. C. Baring, resulting in some shared services. These are disclosed in full in note 14.

HT does not employ a Director or Financial Director; its employees are paid according to national standards in horticulture, woods and estate work.

Activities and Objectives

The objectives for which HT is established are:

1. the acquisition and preservation and conservation and improvement for the benefit of the public of places of historical or archaeological interest or of natural or cultivated beauty in Northumberland and the provision of ready access to them by the public;
2. to advance the education of the public in matters of conservation, horticulture, architecture, the arts and the history of Howick and the surrounding area in particular by the display and exhibition of related artwork and the supply of interpretive and educational materials.

The principle activity of HT is to maintain and develop the garden and arboretum at Howick, with its surrounding countryside; if there are spare funds available after that, they are spent on other objectives. It also intends to restore the ground floor of Howick Hall and open it to the public in conjunction with the garden.

Public Benefit

The Governors have regard to the guidance on public benefit issued by the Charity Commission and consider that HT fulfils its obligations to comply with charitable status by:

- a) opening Howick Hall Gardens and Arboretum to the public for a small charge every day from early Spring until late Autumn;
- b) developing an education programme on the local flora and fauna for both visitors and local schools;
- c) opening the front hall on the ground floor of Howick Hall as a Visitor Centre to increase the information on the Gardens and Arboretum available to the public.

Howick Trustees Limited

Public Benefit (continued)

In the opinion of the Governors, HT contributes to three of the Charity Commission's tests for public benefit:-

1. the advancement of the arts, culture, heritage or science.
2. the advancement of environmental protection or improvement.
3. the advancement of education.

HT contributes to heritage by protecting the property in its ownership, which has high heritage value and making most of it open to the public.

The arboretum has scientific value since it is entirely planted with trees and shrubs grown from seed collected in the wild under duly authorised permits where relevant, fully documented, mapped and with a computerised data base, some of which is now on HT's website.

HT's policy is to manage the land it owns to enhance its environmental value for the natural world where possible; of particular interest at the moment is the battle to prevent the encroachment of the grey squirrel in order to preserve the native red squirrel at Howick.

HT wishes to increase its educational role, particularly for children, in all aspects of nature but recognises that it can only do so within the constraints of funds available to it. It has given a licence for a small plot of land near the old walled garden to the North-East branch of the National Autistic Society to create a 'sensory garden' aimed at those with autism, their carers and similar disorders. The NAS have received a grant from the National Garden Scheme to fund the cost of developing this. If successful, this licence will be renewed and/or converted into a formal lease.

Fixed Assets

HT owns the freehold of approximately 1,215 acres of land in Northumberland, nearly all of which was received by gift from Lord Howick in 1977 and later years. About 1,182 acres are within an Area of Outstanding Natural Beauty and includes nearly 2 miles of shoreline which is a Site of Special Scientific Interest, and part of the Northumberland Coast Special Protection Area. It has also been designated a Special Area of Conservation by the European Commission.

The main parts of the Estate are three farms tenanted at normal commercial rates with farm buildings and houses amounting to about 820 acres; about 230 acres of mainly broadleaf woodlands; 30 houses either occupied by HT's employees and pensioners, or let at normal market rents; and the centre part, the east quadrant, and the east wing of Howick Hall, all Grade 2* listed buildings and the historic home of the Earls Grey, with its surrounding gardens and policies. Lord Howick retains the freehold of the west quadrant and west wing with its garden. The land and buildings within the Area of Outstanding Natural Beauty are treated by the Governors as functional property and are held as part of the objects of HT's charitable objectives. Outside the AONB, on the other side of the boundary road, HT owns the freehold of about 6 acres of broadleaf woodlands.

HT also owns the freehold of a nearby commercial property given to it in 1979 by Lord Howick of about 22 acres let on normal commercial terms to Tarmac Trading Ltd and used by their underlessee to manufacture concrete pipes; the site also contains a mobile telephone mast let on normal commercial terms to EE Ltd. The Governors treat these assets as investment properties.

Summary of Policies to Achieve Objectives

Howick Hall was the home of the Earls Grey, the most distinguished of whom was the 2nd Earl who was Prime Minister responsible for the Great Reform Bill of 1832, and for whom Earl Grey tea was created. The centre part of Howick Hall was burnt down in 1926 and lost all of its original Georgian interiors and much of its contents. The house was rebuilt to quite different internal designs by Sir Herbert Baker in 1928, and further alterations were made in 1970.

The Governors have resolved to maintain the overall style of gardening in the natural and informal manner established by 5th Earl and Countess Grey in 1920, and continued by their elder daughter, Lady Mary Howick, for which the gardens are well known. Howick is best known for its collection of inter-war daffodils and other spring bulbs, its woodland garden started in 1930 where many tender shrubs succeed in thriving together with many woodland herbaceous plants, its more formal borders and rockery around the Hall, its arboretum planted solely with trees and shrubs from the temperate world grown from wild seed collected on expeditions, and its bog garden which shows all the wild origin herbaceous plants collected on expeditions for the arboretum. A new Hydrangea Garden was started in the Winter of 2015 in the south west corner of the garden and has

Howick Trustees Limited

Summary of Policies to Achieve Objectives continued

established well. They have also resolved to continue to concentrate on English hardwoods in the woods at the expense of commercial conifers to improve their amenity value and habitat for wild life.

Because of the 1926 fire, the Governors have always felt that there is greater public benefit in developing and maintaining the gardens, arboretum and surrounding land than there is in the Hall, although the preservation of its exteriors are essential as the centre piece to the garden.

The arboretum was started in 1988 and is based upon trees and shrubs grown from seed collected in the wild in their natural habitats from numerous expeditions, particularly to Sichuan in China and to Japan and more recently to North America and Russia. The Asiatic expeditions were mainly undertaken in co-operation with Quarryhill Botanical Garden in California under the leadership of the Royal Botanic Gardens at Kew while those to Japan, Russia and North America in recent years have been under the leadership of Royal Botanic Garden Edinburgh. Other countries visited include India, New Zealand, Tasmania and a number in Europe. The field data on all collections has been recorded on a Microsoft database, much of which is now accessible on HT's website. The arboretum has been professionally mapped. There are currently about 12,500 trees and shrubs representing about 1,800 taxa, some of which are classified as endangered in their natural habitats. This represents a considerable resource in North East England, which will offer educational opportunities in the future as well as contributing to ex situ aspects of species conservation.

The garden has an outstanding collection of early 20th century daffodil hybrids, many of which are no longer available. HT's policy is to conserve this collection and not to introduce more recent hybrids into the garden area.

As one of the few remaining places in England where the native red squirrel is still to be seen, HT will do its best to prevent grey squirrels from establishing themselves and will co-operate with all interested parties to keep them at bay. It has to be said that this will not be easy and the number of grey squirrels controlled is increasing each year.

The garden and arboretum are open daily from early Spring to late Autumn; all details are shown on HT's website.

Future Plans

HT's future plans have been materially affected by BREXIT. The Governors consider that a substantial part of HT's income may be adversely affected, perhaps temporarily and possibly permanently, but it is impossible to quantify this until a lot more detail is available on the terms of the country's exit from the European Union, which is not going to be known for some time ahead. In the current financial year, they are considering plans to restore two of the three south facing rooms on the ground floor of Howick Hall so that they can be used as 'rest rooms' for visitors in wet weather with light refreshments. They also intend to replace the old asphalt gutters on the Hall roof with lead; this will involve erecting scaffolding around the whole building and the opportunity will be taken to replace some defective stonework and do some pointing. Both projects are subject to cost and obtaining the relevant planning consents.

For the time being, therefore, the Governors will continue to manage the garden and arboretum as at present and have no further plans apart from the two major maintenance items mentioned below.

Share Capital

HT is a company limited by guarantee, and therefore does not have share capital. The guarantee is provided by the Governors of HT and in the event of winding up the Governors have each undertaken to contribute to payment of liabilities such amount as may be required not exceeding a total of £1.

Accounts

These accounts have been prepared in accordance with the Articles of Association, 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 1st January 2015), the Charities Act 2011 and the Companies Act 2006.

Financial Review

The Governors consider that HT has adequate liquidity to meet its liabilities. Its principal sources of income are investments, property rents and garden entrance fees. While investment income and property rents are relatively stable and easy to calculate, the Governors recognise that garden entrance income can be materially

Howick Trustees Limited

Financial Review (continued)

affected by economic conditions and the weather. However, since the actual garden income is known by early November each year, it is possible to adjust expenditure accordingly.

HT raised funds in 2017 from its investment portfolio with which to meet the estimated costs for the two projects mentioned above, but they may be insufficient and it is possible that further funds may have to be raised if the Governors decide to proceed with both projects. Until detailed tenders are received, it is not possible to quantify this.

Further details of income and expenditure are set out in the Statement of Financial Activities on pages 10 and 11 together with related notes.

Investments

The Articles of Association confers on HT powers to 'invest funds of the foundation not immediately required for its purposes in or upon such investments, securities or property as it may think fit.'

The Governors have established a policy to invest for the long term for capital growth on a medium risk basis.

All investments have been acquired in accordance with the powers conferred by the Articles of Association and conform to the policy set by the Governors. The investment portfolio is managed to maintain a balance between capital growth and income, with the risk spread widely and this is achieved by concentrating on Common Investment Funds, Fixed Interest Unit Trusts, two International Investment Trusts and two Commercial Property Investment Trusts purchased in consultation with HT's financial advisors, Charles Stanley & Co. Limited; since these are all mixed funds with a wide range of underlying holdings, the Governors consider that the question of an ethical policy for investments does not arise.

The Governors have delegated the overseeing of the portfolio to an Investment Committee consisting of Lord Howick, Mr. Mark Bridgeman and Sir Walter Riddell, all of whom have substantial financial experience, under a written policy.

The Governors collectively review the investment performance of each fund formally against the relevant indices annually and the office monitors performance informally throughout the year. The value of HT's portfolio decreased from £2,914,840 at 31st March 2017 to £2,767,509 at 31st March 2018.

Governors' Responsibilities

The Governors are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and regulations.

The Governors are required by company law to prepare the financial statements for each financial year. Under that law the Governors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of HT and of the surplus or deficit of HT as at the end of the financial year.

The Governors confirm that suitable accounting policies have been used and applied consistently, they have observed the methods and principles in the Charities SORP, and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31st March 2018. The Governors also confirm that applicable UK Accounting Standards have been followed and that the financial statements have been prepared on the going concern basis.

The Governors are responsible for keeping proper accounting records that are sufficient to show and explain HT's transactions and disclose with reasonable accuracy at any time the financial position of HT and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of HT and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Risk Assessment

The Governors have developed a number of policies on risk management which are reviewed annually.

They consider the major risks facing HT are Public Liability and Employers Liability, Health and Safety, and Financial Management, and the following steps have been taken to mitigate those risks:

- (a) Public Liability is covered by insurance which is reviewed annually with HT's insurance brokers.

Howick Trustees Limited

Risk Assessment (continued)

- (b) Health and Safety is reviewed annually by an external consultant and the recommendations in his report are normally implemented. If any recommendation is not accepted a detailed note is filed regarding the decision and the reasons for it.
- (c) Under Financial Management, internal controls are reviewed annually on a sample basis in conjunction with our auditors. An annual budget of income and expenditure is prepared for the Governors' approval. All data held on the computer is backed up regularly and stored off site.

Financial Risk Management

The Governors have considered the financial risks HT faces. They consider liquidity to be the key risk. This is monitored through the regular review of a range of financial information, including annual budgets of income and expenditure.

Reserves

It is not HT's normal policy to hold revenue reserves which derive from an excess of normal income over normal expenditure; the Governors intend to spend the income available to them annually on HT's objectives. The reason for this is that the Governors consider that HT has sufficient liquidity to meet unforeseen liabilities; however, they are conscious that HT's assets should try to generate sufficient income to meet its day to day liabilities, all of which are vulnerable to inflation. The Governors may also accumulate some revenue reserves if they know that there is major expenditure of either a capital or revenue nature in the foreseeable future or if they wish to repay capital reserves previously drawn down.

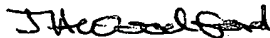
The Governors are prepared to draw down on capital reserves to further HT's objectives if in their opinion, HT's overall financial position justifies it.

Provision of Information to Auditors

So far as each Governor is aware, there is no relevant audit information of which HT's auditors are unaware, and each Governor has taken all the steps that he/she ought to have taken as a Governor in order to make himself/herself aware of any relevant audit information and to establish that HT's auditors are aware of that information.

Greaves, West & Ayre have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

Signed on behalf of the Governors.



Mrs J. A. Woodford

DATE: 24th September 2018

Howick Trustees Limited

CHAIRMAN'S REPORT 2017 / 2018

Our activities this year are still being affected by BREXIT, a situation which shows little sign of changing. A pall of uncertainty lies over everything and until some clarity arrives on what the overall effect on our rural economy might be, we, like everyone else, keep our heads below the parapet and simply mark time; any long-term planning at the moment is impossible and it is unfortunately likely that this situation will continue for some considerable time.

However, we were able to complete two major projects with enough cash left over for at least one other and possibly two in the current year. The East Wing roof was the only one left in the Howick Hall complex in its original 1782 condition and badly needed an overhaul, which it duly received. Fortunately, all the original timbers were in reasonable condition and only required minor patching. We lifted all the Westmoreland slates since most of the nails were shot and re-laid them; many could be reused and those that had to be discarded were replaced with matching ones. Since this involved scaffolding around the whole Wing, we decided to take the opportunity to repoint the tower and give the clock a major service. This included dismantling some of its internal workings, sending them off to Derby for repair, and reassembling them all on return; we also re-gilded the hands and numbers on the three clock faces as well as repainting the faces themselves. This is thought to be the biggest service on the clock since it was installed in the 1870s. All this was successfully completed mainly while the gardens were closed on a revised budget to include some lead repairs, but a little later than planned as a result of the difficult weather in the new year.

The second project was the unromantic one of replacing the old sewage treatment plant in Howick Village which was over 30 years old with a modern one. Again, the weather caused some delays but the work was done within its budget, and with a sigh of relief from those who had to maintain the old plant. We shall complete the landscaping around it this year using rugosa roses.

We are currently negotiating with English Heritage for listed building consent to replace the old asphalt gutters on Howick Hall, which have come to the end of their life, with lead ones; from the planning point of view, this is quite uncontroversial, and indeed a considerable improvement, and we hope to start the work at the end of the Summer. Again, it will involve scaffolding around the building which will give us a good opportunity for pointing and possibly some new stone replacement on the south façade of the pediment.

While all three of these projects come within the normal territory for major listed buildings, they do not exactly resonate with our visitors, who see little if any 'benefit' from the expenditure. Our fourth project, however, we hope will prove much more popular. We plan to continue restoring more of the ground floor of the Hall. Two of the three main south facing rooms will be rewired and redecorated as rest rooms for garden visitors with seating areas, reading matter, and a light refreshment facility – mainly coffee, tea, and soft drinks – which will be run by the tea room staff; food regulations make it difficult to do more than that. It will mean that families will be able to bring their elderly grandparents (with whom I strongly identify) and leave them in a very pleasant environment while the younger members explore the garden and arboretum. This will involve listed building consent but we believe that the relevant planning authorities will support the project.

Our visitor numbers increased slightly from 33,118 in 2016 to 34,790 in 2017. As usual, the weather was the main factor and the Summer was an average one. Visitor comments remain positive. The two new areas in the garden, the Wild Origin Garden and the Hydrangea Garden, continue to develop satisfactorily. The hydrangeas, whose buds are much appreciated by roe deer, are turning more blue than red to reflect the neutral pH in the soil, while the Eucryphias stood up well to the vicious east wind in February despite the lack of decent shelter on the east side which will take a few more years to develop; as I write, however, the Escallonias look distinctly unhappy although they are showing signs of putting on new growth which means that they are at least alive. The new stone bridge over the burn is now open which will link the Hydrangea Garden to the borders in front of the Hall.

In Silverwood, the woodland garden, we cleared out 14 yews to make a new rhododendron area and moved in a number of the better forms from the arboretum. Plants of *Rhododendron arboreum*, *davidii*, *eximium*, *fortunei*, *roxieanum*, *thompsonii*, and *vernicosum* were all moved in together with 9 seedlings of *Rh. decorum* from the nursery; ground cover was added in the spring and more will be planted later.

We were approached in the Autumn by the local branch of the National Autistic Society to see if we could go into partnership with them to develop a 'sensory garden' somewhere at Howick; it is proving a valuable resource for those affected by autism and similar conditions. A suitable site has been chosen at the east end of the Kitchen Garden ha-ha and we have agreed to let them develop it to designs by Natasha McEwan and they will be entirely responsible for its development and upkeep. We think that it is an excellent opportunity for us to do something on the educational side of our charitable objectives; it was opened in June.

Howick Trustees Limited

CHAIRMAN'S REPORT 2017 / 2018 (continued)

In the arboretum, it is clear that we shall lose most of the North American pines to 5 needle blister rust which has arrived in force. However, a successful expedition to California in September with Royal Botanic Garden Edinburgh brought back a useful haul of seed which has germinated well; in time this will plug the gaps and allow some expansion in the Crow Wood dene area. Otherwise, the arboretum continues to develop with new plants flowering each year.

We again have had invaluable help from our volunteers on a number of fronts whose efforts are hugely appreciated; in 2017 we were given 2,027 hours of 'free' labour.

I must thank my fellow Governors for their support and contributions, and particularly Adrian Darby who has stepped down; as a former chairman of both the RSPB and Plantlife, his expertise on environmental and conservation matters has been vital and he will be greatly missed. Fortunately, we have been able to persuade his son, Matthew, to take his place. Adrian and Matthew have pioneered the Kemerton Conservation Trust at their farm in Gloucestershire which has received national attention for its work on blending conservation with modern farming over the last 25 years. In the post BREXIT world, this will become even more important and the link between our two charities is pivotal to us in Northumberland.

Lastly, my thanks are also due to all our staff who have contributed to our successful progress over the last 12 months in their respective ways; as always, their efforts are much appreciated by all our visitors as well as the Board of Governors.



Lord Howick, Chairman

DATE: 24th September 2018

Howick Trustees Limited

Independent Auditor's Report to the Members of Howick Trustees Limited

Opinion

We have audited the financial statements of Howick Trustees Limited (the Charity) for the year ended 31st March 2018 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement 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 March 2018 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for Opinion

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

Conclusions Relating to Going Concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other Information

The governors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Howick Trustees Limited

Opinions on Other Matters Prescribed by the Companies Act 2006

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

- the information given in the governors' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the governors' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to Report by Exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Annual Report including the Strategic Report.

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

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

Responsibilities of the Governors

As explained more fully in the Governors' Responsibilities Statement set out on page 5, the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they 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 Governors 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 Governors either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurances 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Howick Trustees Limited

Use of our Report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members 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's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Stuart Allister CA
Senior Statutory Auditor**

**For and on behalf of
Greaves West & Ayre
Chartered Accountants and Statutory Auditors
Berwick-upon-Tweed**

DATE: 28 SEPTEMBER 2018

Howick Trustees Limited

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 31st March 2018

	Note	Unrestricted Revenue Fund	Unrestricted Capital Fund	Designated Fund	Restricted Fund	2018 Total	2017 Total
		£	£	£	£	£	£
Income and endowments from:							
Donations and legacies	1	39,335	-	-	1,000	40,335	28,946
<i>Income from charitable activities:</i>							
Garden income		157,250	-	-	-	157,250	150,812
<i>Income from other activities:</i>							
Gross rental income		304,806	-	-	-	304,806	299,827
Biomass income		33,485	-	-	-	33,485	31,102
Investment income		87,804	-	-	-	87,804	88,703
Total incoming resources		622,680	-	-	1,000	623,680	599,390
Expenditure on:							
<i>Costs of raising funds:</i>							
Rental property costs	2	246,488	36,166	172,118	-	454,772	284,002
<i>Expenditure on charitable activities:</i>							
Woodlands	2	68,683	12,167	-	-	80,850	77,172
Garden, arboretum and estate	2	297,583	10,074	-	1,000	308,657	295,037
Total expenditure		612,754	58,407	172,118	1,000	844,279	656,211
Net (expenditure) / income before gains (losses) on investments		9,926	(58,407)	(172,118)	-	(220,599)	(56,821)

Howick Trustees Limited

	Note	Unrestricted Revenue Fund	Unrestricted Capital Fund	Designated Fund	Restricted Fund	2018 Total	2017 Total
		£	£	£	£	£	£
Net (expenditure) / income before gains / (losses) on investments		9,926	(58,407)	(172,118)	-	(220,599)	(56,821)
Net realised gains on investment assets		2,148	-	-	-	2,148	40,254
Net realised gains on disposal of tangible fixed		630	-	-	-	630	3,360
Net unrealised gains/(losses) on investment assets	7	-	845	-	-	845	306,084
Net income / (expenditure)		12,704	(57,562)	(172,118)	-	(216,976)	292,877
Transfers between funds	13	(66,114)	(136,004)	202,118	-	-	-
Net movement in funds		(53,410)	(193,566)	30,000	-	(216,976)	292,877
Reconciliation of funds							
Fund balances brought forward at 1 st April 2017	13	114,613	4,608,031	200,000	-	4,922,644	4,629,767
Fund balances carried forward at 31st March 2018	13	61,203	4,414,465	230,000	-	4,705,668	4,922,644

There were no gains or losses in the year other than those noted above. All operations are continuing.

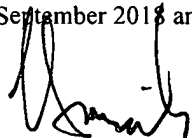
Howick Trustees Limited

Balance Sheet as at 31st March 2018

	Note	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	6		1,128,725		1,177,740
Investments	7		3,285,740		3,430,291
			4,414,465		4,608,031
Current assets					
Debtors	8	296,598		276,492	
Cash at bank		47,687		102,324	
		344,285		378,816	
Liabilities					
Creditors amounts falling due within one year	9	(50,534)		(58,321)	
Net current assets			293,751		320,495
Creditors: amounts falling due after more than one year	10		(2,548)		(5,882)
Net assets			4,705,668		4,922,644
Funds of the charity:					
Unrestricted funds:					
Capital			4,414,465		4,608,031
Revenue			61,203		114,613
Designated fund			230,000		200,000
Restricted fund			-		-
Total funds	13		4,705,668		4,922,644

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company. The financial statements on pages 12 to 27 were approved by the Governors on 24th September 2018 and were signed on their behalf by:

Lord Howick



}

Governor

Mark Bridgeman



}

Governor

Company Number: 1208214

Charity Number: 504347

Howick Trustees Limited

Statement of Cash Flows for the Year Ended as at 31st March 2018

	Note	2018 £	2018 £	2017 £	2017 £
Cash used in operating activities	15		(277,806)		(289,509)
Cash flows from investing activities					
Purchase of tangible fixed assets		(9,845)		(88,700)	
Sale of tangible fixed assets		1,000		14,176	
Purchase of investments		(2,780)		-	
Sale of investments		150,324		200,368	
Interest income		57		53	
Dividend income		87,747		88,650	
			226,503		214,547
Cash flows from financing activities					
Repayment of the capital element of hire purchase contracts		(3,334)		-	
Capital element of new HP		-		9,215	
			(3,334)		9,215
(Decrease) / increase in cash and cash equivalents			(54,637)		(65,747)
Cash and cash equivalents at the beginning of the year			102,324		168,071
Total cash and cash equivalents at the end of the year			47,687		102,324

Relating to:

Bank balances and short-term deposits	47,687	102,324
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Howick Trustees Limited

Accounting Policies

Charity Information

Howick Trustees Limited ("HT") is a private company limited by guarantee, incorporated in England and Wales. The registered office is Howick Estate Office, Alnwick, Northumberland, NE66 3LB.

Basis of Accounting

The accounts have been prepared in accordance with the Charities Act 2011, the Companies Act 2016 and "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)" (as amended for accounting periods commencing from 1st January 2016). HT is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of HT. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Preparation of the Accounts on a Going Concern Basis

The accounts have been prepared on a going concern basis. HT has substantial net assets and continually manages cash reserves. Despite the uncertain economic outlook and the financial uncertainty around the willingness of the public to purchase admission tickets, visitor numbers continue to be strong and the Governors consider the going concern basis is appropriate. Accordingly, they have continued to adopt the going concern basis in preparing their annual report and accounts.

Income and Expenditure

Income is recognised and included in the accounts when all of the following criteria are met:

- the charity has entitlement to the funds;
- any performance conditions attached to the income have been met;
- there is sufficient certainty that the receipt of the income is considered probable; and
- the amount can be measured reliably.

Expenditure is recognised when 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 expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure includes any VAT which cannot be recovered and is reported as part of the expenditure to which it relates. Where costs are attributable to more than one activity, they are allocated on a reasonable and consistent basis, based on usage. Governance costs are those incurred in the governance of the charity and are primarily associated with constitutional and statutory requirements.

Employee Benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when HT is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Howick Trustees Limited

Accounting Policies (continued)

Fixed Assets

Tangible fixed assets are capitalised and included at cost where the purchase price generally exceeds £500.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost over their useful economic lives as follows:

Land	Nil
Buildings	2% of original cost
Car Park	4% of original cost
Plant and Machinery	15% reducing balance
Tractors	25% reducing balance

All assets are reviewed for impairment and written down to their recoverable amount, where necessary.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the net income/(expenditure) for the year.

Investment Properties

Properties held for investment purposes are shown at market value at 31st March 2018. Unrealised gains and losses are recognised in the Statement of Financial Activities as they arise. Depreciation is not charged on investment properties.

Quoted Investments

Quoted investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are recorded as expenses as they are incurred.

Chattels

Historical assets donated or purchased by HT are shown at market value. Valuations are updated annually by the Governors.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial Instruments

HT has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "other Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in HT's balance sheet when HT becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statement, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic Financial Assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Howick Trustees Limited

Accounting Policies (continued)

Basic Financial Liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of Financial Liabilities

Financial liabilities are discharged when HT's contractual obligations expire or are cancelled.

Leasing and Hire Purchase Commitments

Assets held under hire purchase contracts and finance leases are recognised as tangible assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Pension Scheme

HT contributes to the employees' personal pension schemes. Contributions are charged over the period to which they relate.

Fund Accounts

The revenue fund represents the income and expenditure incurred in the day to day running of HT.

The capital fund represents the value of the estate and investments held by HT which are separately identified in the accounts. Both of these funds are considered by the Governors to be unrestricted.

The designated fund represents unrestricted funds that have been set aside by the Governors for particular purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

The restricted fund represents funds received which are to be used in accordance with specific restrictions imposed by the donors. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Critical Accounting Estimates and Areas of Judgements

In the application of HT's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Howick Trustees Limited

Notes to the Financial Statements for the Year Ended 31st March 2018

1 Donations and Legacies

	2018 £	2017 £
Grants received (restricted fund)	1,000	-
Other donations	39,335	28,946
	40,335	28,946

2 Resources Expended

	Direct Costs £	Staff Costs £	Support Costs £	2018 £	2017 £
Rental expenses	341,397	18,146	95,229	454,772	284,002
Woodlands	17,554	41,363	21,933	80,850	77,172
Garden, arboretum and estate	85,708	192,803	30,146	308,657	295,037
	444,659	252,312	147,308	844,279	656,211

3 Support Costs

	2018 £	2017 £
Insurance	19,237	17,129
Rates	14,534	14,768
Equipment repairs and renewals	12,508	13,673
Professional costs	30,181	21,317
Office expenses	12,358	10,156
Depreciation	58,490	63,101
	147,308	140,144

Howick Trustees Limited

4 Governance Costs

Included within resources expended are governance costs as follows:

	2018	2017
	£	£
Professional costs	-	-
Audit fee	6,300	5,800
Staff costs	706	1,116
Other support costs	5,191	1,205
	12,197	8,121

5 Staff Costs

	2018	2017
	£	£
Salaries	221,580	217,237
Employers NI	10,061	9,965
Pension costs	20,671	27,719
	252,312	254,921

The average number of full time employees during the year was 11 (2017: 11).

There were no employees who earned more than £60,000 during the year (2017: none).

No Governors received or were entitled to receive any emoluments for their services to the Charitable Company during the year (2017: none).

Remuneration of Key Management Personnel

Key management has been determined to be the Governors and the 3 members (2017: 3) of the senior management team. Governors receive no remuneration or benefits. The total remuneration of the senior management team excluding employers National Insurance costs was £64,509 (2017: £62,248).

Howick Trustees Limited

6 Tangible Fixed Assets

	Freehold Land and Buildings	Plant and Equipment	Tractors	Total
	£	£	£	£
Cost or Valuation				
At 1 st April 2017	926,028	593,073	162,224	1,681,325
Additions in the year	3,000	2,405	4,440	9,845
Disposals	-	-	(8,750)	(8,750)
At 31st March 2018	929,028	595,478	157,914	1,682,420
Depreciation				
At 1 st April 2017	215,904	177,672	110,009	503,585
Charges for the year	16,907	27,521	14,062	58,490
Charge for the year	-	-	(8,380)	(8,380)
At 31st March 2018	232,811	205,193	115,691	553,695
Net Book Amount				
At 31st March 2018	696,217	390,285	42,223	1,128,725
At 31st March 2017	710,124	415,401	52,215	1,177,740

The Governors consider the current open market value of freehold land and buildings to be £12,200,000, all of which is treated as functional property.

Included above are assets held under finance lease or hire purchase contracts as follows:

	Tractors
Net Book Values	£
At 31 st March 2018	<u>9,169</u>
At 31 st March 2017	<u>12,225</u>
Depreciation Charge for the Year	
At 31 st March 2018	<u>3,056</u>
At 31 st March 2017	<u>4,075</u>

Howick Trustees Limited

7 Fixed Asset Investments

	Investment Property £	Chattels £	Quoted Investments £	Total £
At Valuation				
At 31 st March 2017	310,000	205,451	2,914,840	3,430,291
Additions	-	2,780	-	2,780
Disposals	-	-	(150,324)	(150,324)
Valuation changes in year	-	-	2,993	2,993
At 31st March 2018	310,000	208,231	2,767,509	3,285,740
At Cost				
At 31st March 2018	29,600	201,656	1,453,980	1,685,236
At 31 st March 2017	29,600	198,876	1,515,523	1,743,999

The investment property relates to Howick Pipeworks. This commercial property was given to HT in 1979 by Lord Howick and was independently valued on an open market basis by Wardell Armstrong at 31st March 2015. The area of about 22 acres is let on normal commercial rates to Tarmac; the site also contains a mobile telephone mast let on normal commercial terms to EE Ltd with T-Mobile and Vodafone as subtenants.

The valuation of the chattels is based on the Governors' estimate of market value as at 31st March 2018.

HT has been left a legacy of historical papers known as the Grey Archive, currently on permanent loan to the University of Durham. The Governors have brought these into the accounts at a nominal valuation of £1 since no purpose would be served by incurring the expense of getting a professional valuation as the papers are unique and irreplaceable and are held as part of the HT's objects.

The Governors have not insured the Grey Archive since no purpose would be served by incurring the cost of the premium for these papers. The Governors have been informed that the Grey Archive is partly covered by Durham University's insurance policy.

All real estate, chattels and quoted investments are held in the United Kingdom.

Howick Trustees Limited

7 Fixed Asset Investments (continued)

The quoted investments, which are listed below, are held through authorised Common Investment Funds, Unit Trusts and Investment Trusts.

Schedule of Investments at 31st March 2018

Security	Number of Units	Original Cost £	Valuation Gains / (Losses) in Year £	Market Value £
Charishare Common Investment Fund Distribution Units	97,214	215,228	(3,873)	597,769
RIT Capital Partners Ordinary £1	57,600	539,638	17,260	1,094,400
M&G Charifund Income Units	35,747	222,862	(10,581)	545,927
Legg Mason Investment Funds – Global Multi Strategy Bond	130,317	167,709	(4,822)	150,256
UK Commercial Property Trust	184,300	124,532	6,451	164,949
Schroder Oriental Income Fund Ordinary £0.01	51,750	99,364	647	129,375
Aviva Investors UK SCVS Ltd Strategic Bond	85,664	84,647	(2,089)	84,833
		1,453,980	2,993	2,767,509

8 Debtors

	2018 £	2017 £
Trade debtors	35,474	34,705
Other debtors	254,951	234,798
Prepayments	6,173	6,989
	296,598	276,492

Howick Trustees Limited

9 Creditors: Amounts falling due within one year

	2018	2017
	£	£
Trade creditors	15,787	16,472
Net obligations under hire purchase contracts	3,333	3,333
Other creditors	1,475	1,475
Payments received in advance	20,528	19,939
Accruals	9,411	17,102
	50,534	58,321

The hire purchase contracts are secured on the assets to which they relate.

10 Creditors: Amounts falling due after more than one year

	2018	2017
	£	£
Net obligations under hire purchase contracts	2,548	5,882
	2,548	5,882

The hire purchase contracts are secured on the assets to which they relate.

11 Financial instruments

	2018	2017
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	290,425	269,503
Equity instruments measured at cost less impairment	2,767,509	2,914,840
	3,057,934	3,184,343
Carrying amount of financial liabilities		
Measured at amortised cost	53,082	64,203

12 Taxation

HT, being a registered charity, is not liable to UK income tax, corporation tax or capital gains tax as long as the income it receives is applied to charitable purposes. There are therefore no tax charges in these accounts.

Howick Trustees Limited

13 Reconciliation of Movements in Funds and Net Assets

	Unrestricted Revenue Fund	Unrestricted Capital Fund	Designated Major Work Fund	Restricted Fund	Total
	£	£	£	£	£
Balance at 1st April 2017	114,613	4,608,031	200,000	-	4,922,644
Net income / (expenditure) in the year	12,704	(57,562)	(172,118)	-	(216,976)
Transfers between funds	(66,114)	(136,004)	202,118	-	-
Balance at 31st March 2018	61,203	4,414,465	230,000	-	4,705,668
Represented by:					
Fixed assets	-	4,414,465	-	-	4,414,465
Net current assets	63,751	-	230,000	-	293,751
Creditors due in more than one year	(2,548)	-	-	-	(2,548)
Total Net Assets as at 31st March 2018	61,203	4,414,465	230,000	-	4,705,668

Unrestricted Revenue Fund

The Unrestricted Revenue Fund represents the free funds which are available for use at the discretion of the Governors in furtherance of the general objectives of HT.

Unrestricted Capital Fund

The Unrestricted Capital Fund represents the value of the estate and investments held by HT which are separately identified in the accounts.

Designated Fund

The Designated Fund comprises unrestricted funds which have been set aside at the discretion of the Governors in order to build up a fund for future anticipated major work projects.

Restricted Fund

The restricted fund is used by the Governors to classify correctly and record those funds subject to specific restricted conditions imposed by the donor.

Transfers between Funds

Transfers between the funds are discussed and approved by the Governors. A full description of the purposes of each fund held is given above.

The £136,004 transfer from the Unrestricted Capital Fund to the Unrestricted Revenue Fund has been carried out in order to realign the capital fund with the actual present value of the fixed assets that it represents.

The £202,118 transfer from the Unrestricted Revenue Fund to the Designated Fund has been carried out in order to build up funds for future anticipated major work projects.

Howick Trustees Limited

14 Transactions with Governors

HT rents 3 houses (2017: 3) from Lord Howick and 1 from Hon. D.E.C. Baring (2017: 1) for employees and pensioners. Rent paid totals £19,562 (2017: £19,522) and £4,164 (2017: £4,155) respectively, which is materially lower than the rents advised as reasonable by HT's estate agents, who do not act for Lord Howick or Hon. D.E.C. Baring.

During the year, Hon. D.E.C. Baring's employees performed work at cost on behalf of HT of £601 (2017: £679).

Lord Howick contributed £173 (2017: £199) towards the cost of maintaining the party yew hedge between HT's garden and the West Wing garden and £50 (2017: £Nil) towards the Christmas tree.

HT employs two office staff and two woodmen part time; they also work part time for Howick Estate on separate contracts.

There were no outstanding balances due to or from HT from transactions with Governors at the 31st March 2018 (2017: £Nil).

Office Expenses

HT shares the estate office with Howick Estate and therefore shares the associated costs. During the year ended 31st March 2018 Howick Estate paid £2,119 (2017: £2,505) in office expenses, Howick Farm and Estate paid £2,119 (2017: £2,505), a division to HT advantage.

Electricity Expenses

In order to maximise better electricity tariffs with its suppliers, HT moved to the direct debit method of payment in order to settle its outstanding liabilities. In doing so, Lord Howick reimbursed HT £875 (2017: £4,026) for his related electricity expense for the year ended 31st March 2018.

Biomass Expenses

Following completion and commissioning of the Biomass Boiler System, HT is able to recharge Lord Howick his proportion of metered KW heat usage. During the year, Lord Howick reimbursed HT £6,625 (2017: £6,697) for biomass energy.

Asset Addition

During the year HT purchased a Kubota vehicle from Howick Farm Estate. An external open market value of £4,900 was obtained. However, the Farm Estate decided to offer it for sale to HT at the reduced value of £4,400 (2017: No asset transactions took place).

Governors Expenses

During the year £69 was reimbursed to 1 Governor (2017: £104 reimbursed to 1 Governor) for travelling expenses.

Howick Trustees Limited

15 Net Cash Flow from Operating Activities

	2018	2017
	£	£
Net movement in funds	(216,976)	292,877
Depreciation	58,490	63,101
(Gains) / losses on disposal of tangible fixed assets	(630)	(3,360)
Investment income	(87,804)	(88,703)
Net unrealised (gains) / losses on investment assets	(845)	(306,084)
Realised (gains) / losses on investment assets	(2,148)	(40,254)
(Increase) / decrease in debtors	(20,106)	(203,714)
(Decrease) / increase in creditors	(7,787)	(3,372)
Net cash (absorbed) / generated from operating activities	(277,806)	(289,509)

Howick Trustees Limited

Income and Expenditure Account for the Year Ended 31st March 2018

	2018 £	2018 £	2017 £	2017 £
Income				
Rents from houses and land		304,806		298,577
Garden and arboretum		157,250		150,812
Biomass income		33,485		31,102
Interest		57		53
Investment income		87,747		88,650
Filming fees		-		1,250
Grants		1,000		-
Donations		39,335		28,946
		623,680		599,390
Expenditure				
Woodlands and sawmill	17,790		7,713	
Garden and arboretum	84,845		74,556	
Salaries and pension payments	252,312		254,921	
Rates and insurances	33,771		31,897	
Property repairs and renewals:				
Howick Hall	26,278		7,029	
Bathing House and Old School House	22,771		25,004	
Others	292,975		146,844	
Vehicle and equipment expenses	12,508		13,672	
Audit and accountancy	8,950		6,870	
Sundry and office expenses	12,356		10,156	
Professional fees	21,231		14,447	
	785,787		593,110	
Depreciation				
Buildings	16,907		16,787	
Tractor	14,062		17,405	
Plant and equipment	27,521		28,909	
		(844,277)		(656,211)
Operating Deficit for the Year		(220,597)		(56,821)

This schedule does not form part of the audited accounts.