

BURGHLEY HOUSE PRESERVATION TRUST LIMITED



BURGHLEY

Annual report and accounts 2021/22

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Who we are and what we do

Burghley House is one of the largest and grandest houses of the first Elizabethan Age. Built and mostly designed by William Cecil, Lord High Treasurer to Queen Elizabeth I, between 1555 and 1587, the main part of the House has 35 major rooms on the ground and first floors. There are more than 80 lesser rooms and numerous halls, corridors, attics and service areas. The lead roof extends to three quarters of an acre.

Burghley is still a family home, lived in by Orlando and Miranda Rock. Miranda is a direct descendant of the first Lord Burghley and runs the House on behalf of the Burghley House Preservation Trust.

The Burghley House Preservation Trust was established as a charity in 1969 by the 6th Marquess of Exeter. The objects of the charity are set out in full in the memorandum and articles. However the key focus of the charity is best summarised as the advancement of historic and aesthetic education and the preservation of buildings of national importance, and in particular the preservation and showing of Burghley House. The Trust's objectives are stated on page 18.

As well as giving the public the opportunity to visit and learn about this great historic house, the formation of the Trust ensures that Burghley House will be preserved and conserved for the nation.

The charity raises its income from charging an admission fee to visitors and running events and other commercial activities at the House. In addition, the charity owns a significant investment property portfolio based around the Stamford area.

Wherever possible, the annual surplus is used to repair, restore and maintain the fabric of the buildings at Burghley House and the important collection of works of art and furniture that they contain. The Governors of the Trust also carry out their activities with a view to conserving the environment of land and buildings owned by the charity.

Foreword

It is clear that this year will be anything but the return to 'normal' that we had hoped for and expected. The potential long-term implications of the war in Ukraine and political and economic unrest will undoubtedly bring new and unexpected challenges for the Estate. However, the last two years have shown both our resilience and our ability to adapt. It is a powerful testament to the dedication of all the wonderful teams here at Burghley - as well as the long term approach that governs all that we do - that the Burghley House Preservation Trust has survived consecutive years of lockdown in relatively sound health.

While we faced moments of great disappointment and disruption over the last two years, with the cancellation of longed-for events like the Horse Trials and Rat Race, opportunities also came our way, particularly in the form of filming. Burghley starred in a feature film, as well as *The Crown* and a Netflix series that will be released later this year. Sadly Covid regulations meant less interaction with cast and crew, but we enjoyed their creative use of the house and gardens and the extraordinary skills of transformation with special effects and set dressing - as well as landscaping improvements on the West front that we have decided to maintain!

We had a robust visitor season when we were allowed to open to the public again - in spite of the evolving Covid restrictions - the feedback from visitors to both the House and Gardens was heartening. Every effort was made to ensure that a day at Burghley was still an excellent experience and many of the new systems of pre-booking and timed entry will continue. A fantastic Christmas market marked the end of the year's events calendar and we will continue to build on this popular seasonal fixture.

A tremendous amount of work has gone into enhancing the Gardens. The core team, ably assisted by a band of enthusiastic volunteers have worked hard to reinvigorate the Garden of Surprises while adhering to the original design principles. New areas of planting are now to be enjoyed in both the South Gardens and the Sculpture Garden. The Garden Café now has an entirely newly-planted world food garden to create a new seating area and is centred by a pergola designed by the team and made on the estate from Burghley oak.

The weather - including our own mini-tornado on the last day of the visitor season in October - was a stark reminder of the vulnerability of ancient park trees. We continue to survey and monitor these and address the impact of events and visitors on our veteran trees. More generally the forestry team have had to tackle the challenges of ash dieback across the estate and a robust program of felling and replanting with indigenous and more resilient species has begun for the benefit of future generations.

One of the highlights of 2021 was our successful application to the Culture Recovery Fund, enabling the long-overdue restoration of The Lion Bridge, which was designed by Capability Brown

and built in 1778. The scale of this project was daunting and years of water ingress had destroyed the original clay puddling which compromised the stability of the whole structure. Work as recently finished and huge visual improvements will be made by removal of the tarmac roadway and laying of more sympathetic cobble sets with restoration of the surrounding iron railings.

Taking the long view is one of our guiding principles and our exciting collaboration with South Kesteven District Council to redevelop the redundant Cummins factory site into a mixed-use scheme – St Martin's Park - is one such project. Careful masterplanning of the area by skilled urban designers Adam Architecture has created a scheme which responds to the beautiful architectural surroundings of Stamford and considers the need for employment, housing and access to cycle and pedestrian routes into the town centre. This has been a long-term ambition for Burghley and it is immensely gratifying that work will begin this year.

Miranda Rock
Executive Chair

Review of the year

Another eventful year has passed in a blur, not only for Burghley and her people, but also Stamford, the nation, and the world as a whole as the repercussions of Covid, a war on our European border, Brexit, and the start of a cost-of-living crisis appear on our doorstep.

An Estate such as Burghley might be considered a slow-moving beast, one that takes its time to cogitate on problems and find solutions and whilst this can be true, we have had to move with the changing conditions of the world around us, so we must not lose our ability to look at things with long term optics. Our teams have been able to react, change, adapt and create not only new ways of working across our multiple business platforms, but our events and their delivery has had to evolve and will continue to do so. We are all hugely excited for the return of the Land Rover Burghley Horse Trials and the new team we have in place to go forwards into the future.

We have seen a passion for history emerge through Covid as our visitors took time and the opportunity to learn more about Burghley and the great legacy William Cecil left behind in its creation.

We are especially proud of our open space at Burghley and the wonderful variety it brings to our visitors, from the wonderful garden offering, the tranquillity of the lake, the landscape of the park and the treescape within it, to the ability to play golf on a limestone parkland course that puts sustainable practices first. Our footpaths and access encourage active travel on foot or bike. We have in the last year purchased two electric bikes for our teams to enjoy moving around the park and workspaces; a great addition to the Estate, and one that is enjoyed hugely by those that use them.

The Estate has begun its public consultation on the urban extension at Stamford North with two open sessions being hosted in Stamford, inviting the public to actively engage and feedback on our ideas. We are committed and determined to bring forward and develop a place that will truly add to Stamford's rich history and provide essential public services for the town.

Our joint development at St Martins Park gained outline planning consent and our partnership with South Kesteven District Council has yielded a wonderful scheme for the town and its future economic development. The site demolition has begun and will begin to take shape over the next year.

As ever, our economic and business development runs alongside our deep heritage and legacy obligation. Over the last 12 months, our Head of Building Services and Architecture team have completed a new and updated Quinquennial repair and maintenance program for Burghley House, the surrounding courtyards and architectural monuments, which we expect to begin roll out of over the next five years.

Over the coming year we will continue our investment into everything Burghley, the House, our people, our assets in the community, our growth projects, our sustainability, and the park. We are very excited to start planting our 'Queens Green Canopy' new woodland in celebration of the Platinum Jubilee.

David Pennell
Chief Executive

The visitor experience at Burghley

The recovery from Covid

The day visitor operation saw a gradual recovery from the Covid pandemic during 2021 as we learnt to cope with government restrictions and adapt our policies and practices to provide a safe, stimulating and enjoyable experience.

The State Rooms and Orangery Restaurant were only allowed to be open for visitors two months later than usual in May, with restricted capacities to accommodate social distancing and many of the Covid precautions we saw the previous year still in place, such as online purchasing of tickets, timeslot arrival and cashless payments at all retail and catering till points. The Gardens, however opened as planned in mid-March and proved popular throughout the year, particularly with those who were less able or confident to venture inside to see the State Rooms.

While international and group visits were slow to recover, we at least benefited from an increase in local and domestic visitors who would normally have travelled abroad. Even so, our overall footfall for the year was just over half of what we would normally expect before the pandemic.

As always, the parkland remained open throughout the year, free of any admission fee and was enjoyed by many for walking, relaxing and a multitude of leisure activities.

As some consolation, the extended House closure over the winter and spring, provided us with the opportunity to host a number of major film and television productions. The boom in online streaming created a huge demand for 'content' and Burghley took on many roles, from royal palaces to 'superhero' mansions. Filming is a massive upheaval for all those who live and work at the House but proved to be a lifeline in a year when the income from the day visitor business was hit so hard.

Relatively few corporate events, weddings or private functions took place in the Great Hall and Orangery as the number of people able to congregate in one place was still limited, however, we saw the return of many larger outside events in the park. Living Heritage managed to stage a successful Game and Country Show over the May Bank Holiday and we staged two concerts later on in the summer, the Battle Proms and Classic Ibiza, although both with a reduced audience of under 5,000. Nevertheless, people were pleased to be able to be out enjoying themselves again after so long and the atmosphere at both performances took on an air of celebration! The year was rounded off with the Burghley Christmas Fair, which attracted over 16,000 people over four days. This is now an established event and growing in popularity each year.

We ended the year with renewed optimism that the worst of the pandemic is behind us and look forward to welcoming all our guests to Burghley again in 2022 and the future, whether they are visiting the House, the Gardens, or attending one of the many varied events.

Repairing and restoring the fabric of Burghley

Stone repairs in the George Rooms

We undertook exploratory works into the window mullions in the 4th George Rooms to identify the issues surrounding the stonework failure. The 4th George was the worst affected area and the priority for attention. We had conflicting information based on historic repair methodology which didn't quite fit with the actual repairs so invasive exploration was required in conjunction with the team from Peterborough City Council.

Interestingly, some previous repair work to these windows had taken place in the 1990's. This necessitated the removal of panelling, which revealed some beautiful examples of the original cornice decoration, dating from the 16th Century. Intricate motifs could be seen, painted on a cream background in a rich terracotta red. Other examples of this sort of decoration have been found elsewhere in the house, usually above lowered ceilings. Another remarkable discovery was of the signature of a workman, John Chapman, who scribbled his name on the wall in 1681 and again in 1684. This would have been during work to prepare the room for Antonio Verrio's extensive decoration, which required the cornices to be coved.

During Verrio's decade at Burghley work decorating the George Rooms proceeded continuously, apart from an unexpected interruption in August, 1693, when Verrio was arrested and imprisoned for debt. The writ was issued by a London carpenter who had worked for Verrio at Burghley—could this perhaps have been John Chapman?

We engaged local conservation workers from Messenger Construction to undertake the repairs. The exploratory works exposed the failure of the stone itself, compounded by mass infill with cementitious mortar materials which was having a detrimental effect on the stone composition, in effect turning it to dust. The mullions had this mortar materials removed and the cavity infilled with a lime based mortar which was more in keeping and complementary to the stone. The damaged stones were removed and replaced with Ketton Stone to match the existing and securely bonded in place with steel pins and resin. The repointing was complete in a lime based mortar. The plan going forwards is to adopt this methodology for the other window in the 4th George Room, then the 3rd George and Heaven Rooms.

The Burghley House Collection

Burghley is one of the finest examples of a late 16th century 'prodigy house', built by one of Queen Elizabeth's most trusted and important ministers, the Lord High Treasurer, William Cecil (1521-1598.)

The House contains an outstanding collection of fine art, amassed by the Cecil family over a 400 year period. Most areas contain objects of National importance, of which some highlights are:

- 17th & 18th century Italian Old Master paintings.
- 17th & 18th century English and Continental furniture.
- Oriental and European ceramics.
- Chinese snuff bottles.
- English portrait miniatures.
- English & European 17th century tapestries.

Management of the Collection is the responsibility of the resident Executive Chair, Miranda Rock (a member of the Cecil family), and a curatorial department led by Jon Culverhouse, who has been looking after the Collection since 1984. The Collection has been comprehensively inventoried and investigated by a number of the foremost experts in their fields. A computerised record of every object of note is kept: these records are constantly reviewed and revised.

Conditions within the House are monitored and great efforts have been made to ensure stability of temperature and humidity as far as is possible within an historic building. Sensitive objects have been allocated specialised storage areas. A detailed photographic record of all objects was commenced twenty years ago and its preparation continues today. Some 70% of the Collection is now recorded.

The State Rooms of the House are open to visitors, daily, for approximately 28 weeks each year. Other areas are always available for scholastic research by appointment. We have a pro-active approach to loaning objects to other collections, both nationally and internationally. In recent years, major exhibitions have travelled from Burghley to museums in the USA and Japan. A major development of display facilities at the House, undertaken in 2003 with assistance from the Heritage National Lottery Fund, has provided a substantial specialised display area.

Each year exhibitions are mounted to concentrate on aspects of the Collection. This opportunity is used to show visitors objects that are not always on display. There is also an ongoing programme of rotation of objects to ensure that items are exhibited in the public part of the House as much as is practicable.

Acquisitions to the Collection are now rare. However, on occasion, the Governors of the Trust have been able to make funds available for the purchase of an object of outstanding importance, sold or transferred by previous generations. As the Trust exists for the preservation of the House and its contents, there is no need for a disposals' policy.

Repairing and restoring Burghley fine art

Loans from the Collection

The collection of fine art at Burghley is extensive and contains many items of national importance. Thus, it is not surprising that we receive many requests for the loan of objects to exhibitions held at other institutions, both in Britain and abroad. As the requests usually relate to important, valuable items, loans are normally only made to national museums or other major collections, where display conditions and security can be guaranteed. In all cases, the borrower covers the cost of packing, transport and insurance. The most requested items are paintings. Burghley is home to one of the most important private collections of 17th Century Italian paintings and many others from later dates. These were mostly purchased by John, 5th Earl of Exeter (1648-1700) and Brownlow, 9th Earl (1725-1793), who both made lengthy trips to the Continent.

Generally, during the winter months when the house is closed, there are at least two paintings on loan elsewhere. Whilst paintings from the Family apartments are lent during our open season, we try to avoid gaps in the staterooms shown to visitors. Inevitably, some paintings are more famous than others and are in greater demand. However, in the last few years, two have spent more time away from Burghley than hanging here.

Angelica Kauffmann's painting of Cleopatra Decorating the Tomb of Mark Antony [fig. 1.] has travelled 10 times in the last 30 years. It has featured in exhibitions in London, Paris, Geneva and Hamburg amongst other cities. There are several reasons for its popularity: it is a superb painting; it is by an important and currently highly fashionable female artist, and it depicts a powerful woman. In today's politically correct world, it could be said to tick all the right boxes. Angelica Kauffmann (1741-1807) was at the centre of the fashionable world of art in the late 18th Century. A child prodigy who grew to be a beautiful woman, she was multi-lingual, a highly talented artist, a musician and a singer. Patronised by many of the English aristocrats who travelled to Rome, she came to London in 1765 where she flourished. She was elected to the Royal Academy, one of the first women to be so honoured; our painting was exhibited there in 1770. The 9th Earl of Exeter, a young widower, first met her in Rome and subsequently patronised her in London, buying 14 of her paintings as well as many engravings of her work. From his notes, it seems that he greatly admired her as a woman as well as an artist.

The second widely travelled painting is Italian and dates from 1623. It depicts the Biblical story of Susannah and the Elders [fig. 2.] and is by another great female artist, Artemisia Gentileschi (1593-1652). This painting travelled to 7 museums across America between 1995 and 1997 and has subsequently featured in 7 major exhibitions in London and abroad. The reasons for its popularity are similar to those attached to Angelica's Cleopatra: it is an immensely beautiful work, it is by a female artist who is currently at the height of her fame and it depicts a female icon.

The Bible story relates how Susannah, a beautiful young woman, was spied upon whilst bathing by two lecherous old men, who plotted to seduce her. They threatened that, if she refused their advances, they would tell Daniel, their King, that they had seen her commit adultery. She refused them and was imprisoned. At her trial, King Daniel exposed the men's story as a lie and Susannah was freed.

Much of Gentileschi's reputation, particularly in more recent years, has been shaped by the rape she endured as a teenager in 1611, at the hands of another artist, Agostino Tassi. Unusually for the time, her father prosecuted Tassi. The unfortunate Artemisia had to suffer torture at the trial to convince the judge of her innocence. Tassi was found guilty, Artemisia's reputation was restored but his punishment was trivial, she had to live with the notoriety that the case caused. Unsurprisingly, Artemisia has become a female icon. It is particularly fitting that this splendid painting will travel again next year--to an exhibition at the Wallraf Museum in Cologne entitled 'Susannah- From Mannerism to #MeToo'.

Jon Culverhouse 2022.

Burghley's Home-Grown Garden Café

The results of an ambitious plan to transform the Garden Café outdoor space into a celebration of world food can now be found in full bloom.

Led by Joe Whitehead with the Gardens team and assisted by our foresters and carpenters, the project has been a wonderful example of great creativity, resourcefulness, and teamwork from across the estate.

The vision was to create a garden to celebrate all things plant based and edible.

Café seating is nestled amongst raised beds that are filled with fruits, flowers, herbs and vegetables from around the world.

Discover tomatillos, asparagus beans and wasabi growing amongst vibrant marigolds, nasturtiums and scented sweet peas.

Bug houses, built by the children from local school Marsh Fields using debris foraged from the gardens add extra interest amongst the seating and beds. Most of the materials used to construct the new look space have been salvaged or foraged from across the estate.

The centrepiece of the Garden Café is the great oak pergola, crafted from an ancient oak tree from the park, sadly lost to disease. The structure was designed by the team and crafted on the estate and now creates a focal point to the area as well as providing shade on sunny days.

The transformation from functional to fabulous has given the Garden Café a new sense of purpose and visitors to Burghley can now sit amongst the plants and enjoy a drink and snack in this unique, engaging and fun new garden space.

Land Rover Burghley Horse Trials

New Event Director Martyn Johnson joined Burghley in November 2021 alongside our new US Cross Country Course Designer Derek Di Grazia. It is a very exciting time for the event as we start to look at the next strategic period. Whilst in 2022 there will be subtle changes made, it is recognised the primary objective is to return and have a successful, familiar event that Burghley fans are used to and enjoy whether as an athlete, owner, trader or spectator. In parallel we are already looking at our strategic direction for the next 5–10-year period as the event continues to evolve. It is critical that all parts of the Burghley business interact with this strategy and complement each other. Examples of this already are the centralisation of services such as finance and the Event Director's involvement with the Burghley Senior management team and wider strategy thinking.

As we look forward to Land Rover Burghley returning in 2022, we are conscious the event has not run for what will be 3 years. Indicators look very positive for a strong return to the outdoor event season in 2022 with our comparable events reporting good sales and a strong desire from our own stakeholders and event partners. This must be balanced with the high costs of living and a returning fan base following a global pandemic. It has also hugely affected our cost base markedly with a broad increase of between 20-25%. We have tried to remain realistic about our forecasted income whilst looking forward to a positive year ahead.

We have made important decisions around our digital offering and whilst the BBC TV contract remains a critical part of our plans, we have decided to put our Live Stream offering behind a pay wall for the first time. For 2022 we have looked at this as being cost neutral but are very hopeful this will become a key revenue source over future years as we continue to develop our digital product and evolve our commercial partnerships.

Looking to the future

Our objectives for 2022/23

Looking to the future

In spite of the inevitable challenges ahead we have some exciting plans for the year. Some of these have been postponed due to the two-year hiatus. Following the successful events of last year that marked the 500th anniversary of the birth of William Cecil, this year marks the conclusion of celebrations by the Lord Burghley 500 Foundation with the great service of Thanksgiving to be held in Westminster Abbey. Excitingly, a longer-term legacy plan for continuing education is being explored by the Burghley and Hatfield estates together in fulfilment of our charitable objectives.

As part of our desire to improve the aspect of Burghley for our visitors, restore the parkland and adapt to increasing pressures on the landscape we are finalising plans for a new visitor car park away from the Capability Brown lime avenues. We have now received planning permission and will be starting work later in the year to complete the new car park by the opening season in 2023. Our Treasury exhibition this year is a comparative display of precious objects collected by Anne, 5th Countess of Exeter and Hannah Sophia, 8th Countess of Exeter – both heiresses in their own right and both with clearly defined taste and style.

Exhibitions in the Treasury offer us the opportunity to display smaller objects that can be seen and appreciated more closely and are themed to provoke discussion, education and a greater understanding of the history of the collections at Burghley.

While providing access to the House, works of art and education therein is one of our core charitable objectives, it is clear that the landscape – specifically the deer park and gardens is what provides the most engagement and enjoyment for our visitors. Recognising that we need to continue to expand and evolve what we offer for all audiences at Burghley, we are drawing up plans for the creation of a children's adventure playground that we hope to open next year.

In this, the Platinum Jubilee year, we are proud to be collaborating with The Woodland Trust to create a lasting legacy in celebration of Her Majesty's reign by planting 70 new acres of woodland. Given the Estate's long history and connection to Elizabeth I through her Lord Treasurer the 1st Lord Burghley, it is entirely appropriate that we commemorate the second great Elizabethan age by protecting and enhancing our historic landscape for the future. The Platinum Jubilee wood will bring a range of benefits, both mitigating the loss of existing woods and boosting biodiversity through the planting of more resilient species that will thrive for the next 300 years.

Strategic Report

Achievements and performance

References to 2020 mean the financial year ended 31 January 2020.

The year ended 31 January 2022 represented a gradual return to normality for the Trust following the challenges of the Covid-19 pandemic.

As restrictions were lifted Burghley House was opened to the public again and events at the House and Park were held again, albeit with restricted numbers.

Unfortunately the lifting of restrictions did not come early enough to enable the Trust to run the Burghley Horse Trials. There is a large commitment in temporary infrastructure inside Burghley Park and it was very risky to make this investment without being sure the Horse Trials could run and therefore the Directors of Burghley Horse Trials took the difficult decision to cancel.

On a positive note Burghley House was used as a location for a number of films and television programmes and this income contributed significantly to the surplus.

The Trust's achievements for the year are stated on pages 6 to 21.

Income

Burghley Horse Trials Limited, a trading subsidiary of the Charity, which normally provides significant sums to the Charity was cancelled, this accounted for a significant fall in revenue.

Income derived from investment properties and other property assets owned by the Trust amounted to £4.9 million (2021: £4.8 million). This reflected the recovery of income from the property portfolio.

Income from the showing of Burghley House rose to £665,901, an increase from £256,052 in the previous year.

Costs of raising funds

Expenditure on generating funds increased slightly to £5m million (2021: £4.6 million) as a result of the House reopening.

Cost of charitable activities

The cost of repairing and restoring the fabric of Burghley House and its collections came to £1,731,446 (2021: £1,383,739).

A significant grant from Natural England was received to aid the restoration of Lion Bridge inside Burghley Park

Surplus for the year

The Trust showed an unrestricted income fund surplus for the year of £721,090 (2021: surplus £241,452), an unrestricted expendable endowment fund surplus of £4,206,794 (2021: surplus £178,809) and a restricted expendable endowment fund deficit of £4,760 (2021: deficit £4,760).

The net surplus is £4,923,124 (2021: surplus £415,501) and has been added to unrestricted income, unrestricted expendable endowment and restricted expendable endowment funds.

This result is stated after deciding to revalue the investment properties by £4,000,000 (2021: no increase).

A transfer of £5,393,949 was made to the unrestricted income fund from the unrestricted expendable endowment (2021: £1,248,942 from the unrestricted income fund) in accordance with the reserves policy below.

Burghley Enterprises Limited made a profit for the year of £999,156 (2021: £110,323) and is incorporated into these accounts. The profits are paid up to this Charity under Gift Aid.

The Governing Body do not consider it would be appropriate to make provision in the accounts for the significant cost of dealing with the backlog of dilapidations to property owned by the Charity. Nevertheless it is necessary to read the accounts in the knowledge of the quantum of expenditure which is outstanding. These future costs are discussed in the reserves policy below.

Reserves policy

The Governors have reviewed the Charity's reserves policy, taking into account future income projections and expenditure plans in line with the strategic plan of Burghley House Preservation Trust Limited, together with the associated risks and opportunities.

The Governors policy is to maintain a level of reserves which will provide a stable base for the Charity's continuing activities and enable the Charity to adjust to any significant change in financial resources through unplanned events, whilst ensuring that excessive funds are not accumulated.

Governors intend to invest any surplus of income into either its Heritage Asset, to fulfil the Charity's objectives, or to invest further into its endowment to provide increased income in the future. A transfer between the unrestricted income fund and the unrestricted expendable endowment fund is made to reflect this investment.

Advantage has been taken of affordable short term bank debt to provide working capital to finance the fulfilment of the objectives and property development and it is therefore anticipated that the income account will be overdrawn and will match net current liabilities. This is not expected to be significant.

The total reserves of the Charity were £80,620,737, of which £1,104,000 were restricted expendable endowment funds and £78,973,678 were unrestricted expendable endowment funds. The unrestricted income fund was £543,059.

Investment policy

The Governors have reviewed and retained the Charity's investment policy, which states that the Governors of the Trust wish to pursue a policy that provides revenue for its current purposes and enhances income and capital growth over the longer term, thereby enabling them to meet their current and future objectives in accordance with the purposes of the Charity.

The Governors, in delegating their investment security management to Cazenove Capital Management Limited, require the managers to pay attention to the standard investment criteria, namely the suitability of the class of investment and the need for diversification insofar as is appropriate to the circumstances of the Charity. The same criteria apply to the Agents managing their investment property portfolio.

The Governors have a duty to optimise financial returns for the Charity, but may exclude certain types of investment from the investment security portfolio, taking into account social and environmental issues.

During the year to 31 January 2022, the investment security portfolio generated total revenue of £27,885 (2021: £29,463) and realised and unrealised gains of £203,976 (2021: gains £238,801). The investment property portfolio generated net revenue of £3,350,339 (2021: £3,396,189), as referred to in the sections above. Given the prevailing market conditions during the year, the Governors were satisfied with the overall performance of the investments.

Principal risks and uncertainties

Governors have identified areas of potential risk and uncertainty:

- The loss or destruction of the Charity's historic property and collections
- The ongoing liability to repair and restore Burghley House and contents
- Decreasing visitor numbers to Burghley
- The risk of investment income declining as a result of a weak property rental market
- The loss of sponsorship of the Burghley Horse Trials

Governors have put in place a number of measures to manage these risks. There are regular reviews of the condition of Burghley House by a qualified architect. Annual exhibitions and other events are held at Burghley House to attract visitor interest (detailed in this report). Continued inward investment is made to the property portfolio and there is also an ongoing programme of investment diversity. The Burghley Horse Trials is managed with the intention of being the best equestrian event of its type in the world in order to attract commercial sponsorship.

Public benefit

The Governors confirm that they have referred to the guidance contained in the Charity Commission's revised general guidance on public benefit when reviewing the Charity's objectives and planning future activities.

Donations

During the year the Charity made charitable donations amounting to £2,500 (2021 : £8,000).

Structure, Governance and Management

Company

The Governors are Directors of the Charity for the purposes of the Companies Act 2006. The Charity is a Charitable Company limited by guarantee and was set up on 3 April 1969. It is governed by a memorandum and articles of association.

Governors

The Members of the Governing Body who served the Charity during the year were:

The Hon Edward Leigh-Pemberton (Chairman)
J C S Chenevix-Trench Esq
E G Clive, Esq
Sir Giles Floyd Bt
E M Harley, Esq
W A Oswald, Esq
W H M Parente Esq
S J Richmond-Watson Esq
B T J Stevens, Esq
Mrs Cressida Hogg (appointed 24 November 2021)

None of the Governors had a beneficial interest in any contract outside the normal course of business to which the Charity was a party during the year.

From time to time a panel of Governors will consider the addition of new members to the Governing Body. Any proposals from such a panel is brought to the full Governing Body for its approval. In addition to receiving an induction pack, new Governors undergo an orientation day with the Chairman and Estates Director of the Charity to brief them on their legal obligations under charity law, the decision making processes and the recent financial performance of the Charity. Governors are encouraged to attend appropriate external training events where these facilitate the undertaking of their role and are also provided with legal and accounting updates as required.

The full Governing Body of the Charity meets formally three times a year, and deals with planning and strategy decisions and reviews the activities of the Charity. Important issues arising between meetings are normally dealt with orally or by correspondence by the Chairman. Day-to-day management of the Charity is delegated by the Governors to the Estates and House Directors, who report weekly to the Chairman and regularly to the Executive Committee consisting of four Governors.

The Governors' responsibilities

The Governors (who are also Directors for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the group and the incoming resources and application of resources, including the net income and expenditure for that period. In preparing those financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and the group and to enable them to ensure that the financial statements comply with the Companies Act 2006 and also with the requirements of the Statement of Recommended Practice (SORP) issued by the Charity Commissioners for England and Wales. They are also responsible for safeguarding the assets of the Charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Fundraising

The Governors take their responsibility under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. The Charity does not raise funds directly from the general public and does not actively solicit donations. The Charity does not work directly with commercial sponsors but where commercial sponsorship is arranged for an event, such as the Burghley Horse Trials, a clear contract is in place between the trading company and the commercial sponsor. The Governors are not aware of any complaints made in respect of fundraising during the period.

Auditors

Saffery Champness LLP have confirmed that they are willing to remain in office as auditors of the Charity and accordingly a resolution to reappoint them will be put to the Governors.

Statement of disclosure to auditor

(a) so far as the Governors are aware, there is no relevant audit information of which the Charity's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as Governors to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Burghley Enterprises Limited

Burghley Enterprises Limited is a wholly owned subsidiary of Burghley House Preservation Trust Limited.

The company's principal activities are the provision of goods and services at Burghley House as well as property trading activities.

The directors of Burghley Enterprises Limited who served during the year were:

E M Harley Esq (Chairman)
S J Richmond-Watson Esq
Mrs M R Rock

Burghley Horse Trials Limited

Burghley Horse Trials Limited is a wholly owned subsidiary of Burghley House Preservation Trust Limited.

The company's principal activity is the management of a five-star rated equestrian event.

The directors of Burghley Horse Trials Limited who served during the year were:

W A Oswald Esq (Chairman)
E Clive Esq (retired 4 October 2021)
The Hon Angela Reid
T E Bonham Esq
Mrs C Cecil
D J Pennell Esq (appointed 3 August 2021)

Burghley Land Limited

Burghley Land Limited is a wholly owned subsidiary of Burghley House Preservation Trust Limited.

The company's principal activity is that of property development.

The director of Burghley Land Limited who served during the year was:

D J Pennell Esq

BPGC Limited

BPGC Limited is a wholly owned subsidiary of Burghley House Preservation Trust Limited.

The company's principal activity is that of a golf club.

The director of BPGC Limited who served during the year was:

D J Pennell Esq

Dormant wholly owned subsidiary companies

Burghley Barns Limited
Burghley Stamford North Limited
St Martin's Park Limited

The director of all these companies is:

D J Pennell Esq

Remuneration of key personnel

The remuneration of key personnel is monitored and authorised by the Executive Committee of Governors with reference to external factors when appropriate.

By order of the board

J E P Fitch
Secretary
8 July 2022

A handwritten signature in black ink, appearing to be 'JEP Fitch', written over the printed name and title.

Independent auditors' report to the members and Governors of Burghley House Preservation Trust Limited

Opinion

We have audited the financial statements of Burghley House Preservation Trust Limited for the year ended 31 January 2022 which comprise the Consolidated Statement of Financial Activities, Balance Sheets, Consolidated Cash Flow Statement and notes to the financial statements, including 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 affairs of the group and the parent charitable company as at 31 January 2022 and of the group's 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 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 group and parent charitable company 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 group or the parent charitable company'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 Governors (who are the directors for the purposes of Company Law and the Trustees for the purposes of Charity Law) 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.

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.

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' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Annual Report which includes the Directors' Report and the Strategic 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 group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Annual Report and Strategic Report.

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

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

Responsibilities of Governors

As explained more fully in the Statement of Governors' Responsibilities set out on page 26, the Governors (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the 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 group and the parent charitable company'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 group or the parent charitable company 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 auditors under the Companies Act 2006 and report in accordance with regulations made under this Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the Governors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with management and Governors and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

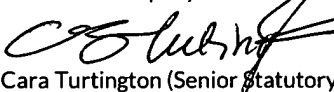
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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


Cara Turlington (Senior Statutory Auditor)

~~2 July 2024~~

For and on behalf of Saffery Champness LLP
Chartered Accountants & Statutory Auditors
71 Queen Victoria Street
London
EC4V 4BE

4 August 2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Consolidated Statement of Financial Activities
incorporating the income and expenditure account
for the year ended 31 January 2022

		2022 Unrestricted Income	2022 Unrestricted Expendable Endowment	2022 Restricted Expendable Endowment	2022 Total	2021 Total
	Notes	£	£	£	£	£
Income and endowments from:						
Donations and grants	3	511,996	190,909	-	702,905	487,532
Other trading activities	3	2,760,718	-	-	2,760,718	2,503,151
Income from investments	4	4,927,016	-	-	4,927,016	4,707,841
Income from charitable activities	3	665,901	-	-	665,901	256,052
Total income and endowments		8,865,631	190,909	-	9,056,540	7,954,576
Expenditure on:						
Expenditure on raising funds		4,977,576	74,955	-	5,052,531	4,589,393
Expenditure on charitable activities		3,166,965	113,136	4,760	3,284,861	3,210,761
Other expenditure		-	-	-	-	-
Total expenditure	5	8,144,541	188,091	4,760	8,337,392	7,800,154
Net gains/(losses) on investments	18	-	4,203,976	-	4,203,976	261,079
Net income/(expenditure)		721,090	4,206,794	(4,760)	4,923,124	415,501
Transfers between funds	18	5,393,949	(5,393,949)	-	-	-
Net Movement in Funds		5,897,437	(1,187,155)	(4,760)	4,923,124	415,501
Balance brought forward		(5,571,980)	80,160,833	1,108,760	75,697,613	75,282,112
Balance carried forward	18,19	543,059	78,973,678	1,104,000	80,620,737	75,697,613

The consolidated statement of financial activities has been prepared on the basis that all operations are continuing operations.

The notes on pages 35 to 52 form part of these financial statements.

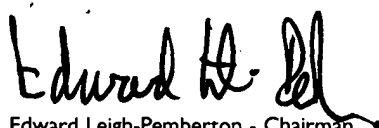
Comparative figures are included in note 28.


Balance Sheets as at 31 January 2022

		Group 2022	Group 2021	Charity 2022	Charity 2021
	Notes	£	£	£	£
Fixed assets					
Investment securities	7	3,388,460	3,173,049	3,436,975	3,221,563
Tangible assets	8	217,602	254,245	100,126	122,508
Intangible assets	9	-	211,426	-	-
Investment properties	10	65,700,737	67,190,612	65,700,737	62,735,702
Heritage assets	11	10,988,481	10,905,932	10,988,481	10,905,932
		80,295,280	81,735,264	80,226,319	76,985,705
Current assets					
Stocks	12	5,253,202	262,400	77,757	103,814
Debtors	13	920,379	556,982	8,434,069	5,690,196
Cash at bank and in hand		3,870,132	2,044,209	2,736,143	1,919,821
		10,043,713	2,863,591	11,247,969	7,713,831
Creditors: amounts falling due within one year.	14	(1,403,475)	(8,864,912)	(986,850)	(8,457,474)
Net current liabilities		8,640,238	(6,001,321)	10,261,119	(743,643)
Creditors: amounts falling due after one year:	15	(8,314,781)	(36,330)	(8,300,000)	-
Net assets		80,620,737	75,697,613	82,187,438	76,242,062
Funds					
Unrestricted Income Fund	18	543,059	(5,571,980)	2,109,760	(5,027,531)
Unrestricted Expendable Endowment Fund					
- Historic cost	18	44,637,993	50,059,381	44,637,993	50,059,381
- Revaluation reserve	18	34,335,685	30,101,452	34,335,685	30,101,452
Restricted Expendable Endowment Fund	19	1,104,000	1,108,760	1,104,000	1,108,760
Total Funds		80,620,737	75,697,613	82,187,438	76,242,062

The notes on pages 35 to 52 form part of these financial statements.

As permitted by Section 408 of the Companies Act 2006, the parent Charity's Statement of Financial Activities has not been included in these financial statements. The parent Charity's total incoming resources for the year were £7,484,698 (2021: £5,758,172) which includes a donation of £999,156 (2021: £110,323) from its wholly owned subsidiary undertaking, Burghley Enterprises Limited and a donation of £NIL (2021: £41,770) from its wholly owned subsidiary undertaking, Burghley Horse Trials Limited. BPGC Limited is loss making this year, therefore does not feed into the Charity's total incoming resources for the year. The net surplus for the year for the Charity was £5,945,377 (2021: £662,660). The financial statements were approved for issue by the Governors on 8 July 2022.


Edward Leigh-Pemberton - Chairman
Governor


Sir Giles Floyd Bt.
Governor

Consolidated Cash Flow Statement for the year ended 31 January 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	21	(2,354,967)	(3,284,148)
Cash flows from investing activities:			
Dividends, interest and rents from investments		3,350,339	3,396,189
Proceeds from the sale of property, plant and equipment		1,321,741	-
Purchase of property, plant and equipment (including capitalised borrowing costs)		(224,511)	(244,666)
Proceeds from sale of investments		625,706	1,267,703
Purchase of investments		(1,675,949)	(2,236,311)
Net cash provided by (used in) investing activities		3,397,326	2,182,915
Cash flows from financing activities:			
Repayments of borrowing		(7,649,034)	-
Cashflow from new borrowing		8,300,000	2,000,000
Finance leases		(39,322)	(49,271)
Net cash provided by (used in) financing activities		611,644	1,950,729
Change in cash and cash equivalents in the reporting period		1,654,003	849,496
Cash and cash equivalents at the beginning of the reporting period		2,229,477	1,379,981
Cash and cash equivalents at the end of the reporting period		3,883,480	2,229,477
Cash in hand		3,870,132	2,044,209
Cash held in investment portfolio		13,348	185,268
Total cash and cash equivalents		3,883,480	2,229,477

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Notes to the Accounts

1 Accounting policies

Charity information

Burghley House Preservation Trust is a Charity domiciled and incorporated in England and Wales. The registered office is 61 St Martins, Stamford, Lincolnshire, PE9 2LQ.

The Charity does not have share capital, but its liability is limited by the guarantees of its members. Each member has agreed to accept liability of an amount not exceeding £1, should the Charity be wound up. At 31 January 2022 the total of such guarantees amounted to £10.

1.1 Accounting convention

These 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) (second edition) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The financial statements have been under the historical cost convention, as modified by the revaluation of investment assets appropriated to the Charity by the Burghley Estate Trust under the Deed of Appropriation dated 6 April 1987 and assets released by the Executors of the Estate of the 6th Marquess of Exeter. The freehold land and buildings held as investment properties forming the major part of the assets appropriated from Burghley Estate Trust and released from the Estate of the 6th Marquess of Exeter, have been reflected in the accounts at their market value at 31 January 2022. Investment securities are reflected in the accounts at market value. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

The group financial statements consolidate the financial statements of the Charity and its subsidiaries for the year ended 31 January 2022. The statement of financial activities (SOFA) and the balance sheet consolidate the financial statements on a line by line basis where appropriate. No separate SOFA has been presented for the Charity alone as permitted by Section 408 of the Companies Act 2006. Details concerning the subsidiary companies, along with their results and financial position are set out in note 23.

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the costs of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The costs of the combination includes the estimated amount of contingent consideration that is probably and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combination in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and association are accounted for at cost less impairment.

1.3 Going concern

At the time of approving the financial statements, the governors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the governors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Tangible fixed assets and depreciation

a) Heritage assets

Heritage assets are the tangible assets of the Charity that are of historical importance and are held to advance the preservation, conservation and educational objectives of the Charity and through public access contribute to the nation's culture and education.

The House, grounds and chattels transferred from the Burghley Estate Trust and under the terms of the Will of the 6th Marquess of Exeter, and subsequent development expenditure on these assets, are considered to be heritage assets and are integral to Burghley House.

Included within improvements to Burghley House and grounds are fixtures and fittings in relation to the Brewhouse and the Garden of Surprises which are included at cost and depreciated on a straight line basis calculated at an annual rate of 20% and 5% respectively.

Due to the historic and unique nature of the assets concerned conventional valuation approaches lack sufficient reliability. As a consequence the improvements to Burghley House and grounds (excluding fixtures and fittings in relation to the Brewhouse and Garden of Surprises) are included at cost and have not been depreciated. Chattels acquired prior to 2001 are included at their

probate value and chattels acquired since 2001 are included at market value, neither have been depreciated.

Expenditure on the conservation and preservation of Burghley House and its collection is charged to the unrestricted income account when it is incurred.

b) Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the statement of financial activities.

Although this accounting policy is in accordance with the applicable accounting standard, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", it is a departure from the general requirement of the Companies Act 2006 for all tangible fixed assets to be depreciated. In the opinion of the directors, compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might have been charged cannot be separately identified or quantified.

Borrowing costs on loans taken out specifically for the construction of investment properties are capitalised as part of the cost of investment properties.

c) Other tangible assets

Other tangible assets are those which are used for charitable purposes but are not considered to be heritage assets. They are stated at cost less accumulated depreciation. The costs of minor additions are not capitalised. Depreciation of fixtures, fittings and equipment, plant and machinery and motor vehicles is on a straight line basis over periods ranging between 3 and 15 years, or 18-20% reducing balance so as to write off each asset over the term of its expected useful life.

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 statement of financial activities.

d) Goodwill

Goodwill arising on the acquisition of trade and assets represents the excess of the fair value of the consideration over the fair value of the identifiable assets and liabilities acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 3 years.

1.5 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Charity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in the statement of financial activities, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stock

Stocks are stated at the lower of cost and net realisable value.

Cost comprises land and associated acquisition costs, direct materials and subcontract work, professional fees and other direct costs that have been incurred in bringing stock to its present location and condition, including borrowing costs.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in the statement of financial activities (SOFA).

1.7 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.

1.8 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the Charity's statement of financial position when the Charity becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets

Basic financial assets, which include trade and other receivables 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. Other financial assets classified as fair value through the statement of financial activities are measured at fair value.

Other financial assets

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Basic financial liabilities

Basic financial liabilities 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 receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through the statement of financial activities are measured at fair value.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expenses recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Charity obligations are discharged, cancelled, or they expire.

1.9 Income

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Any income received in relation to future periods is deferred as appropriate. The following specific policies are applied to particular categories of income:

Donations and legacies are included in full in the statement of financial activities when receivable.

Income from investments is included when receivable.

Income from charitable activities is accounted for when earned.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

1.10 Expenditure

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

Expenditure on raising funds comprises those costs directly attributable to managing the investment portfolio and raising investment income.

Expenditure on charitable activities includes those costs incurred by the Charity in the delivery of its objectives. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charities objectives and activities. All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; other costs are apportioned on the basis of the proportion of direct expenditure.

1.11 Fund accounting

Unrestricted income and expendable endowment funds are available for use at the discretion of the Governors in furtherance of the objectives of the Charity. Unrestricted income and expendable endowment funds include a revaluation reserve representing the restatement of investment assets at market rates due to the related assets being included in those funds.

Restricted expendable endowment funds are subjected to restrictions on their expenditure imposed by the donor.

1.12 Taxation

The Charity is a registered Charity and is not liable to United Kingdom income tax or corporation tax on charitable activities.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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 the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Notes to the Accounts

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the directors 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.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements - Investment properties

The Charity accounts for investment properties in accordance with FRS 102. Investment properties are measured using the revaluation model with movement in valuation reported through the statement of financial activities. The Governors use their judgement to determine the fair value of the investment properties at the reporting date.

3 Income (excluding income from investments)

	2022 £	2021 £
Equestrian event income	13,428	1,275,537
Function and exhibition income	271,790	26,959
Shop sales	347,347	154,474
Film income	812,290	91,620
Restaurant income	91,056	4,001
Income from agriculture	98,887	82,483
Golf club income	1,072,944	773,122
Timber and woodlands income	52,438	94,471
Other income	538	484
	2,760,718	2,503,151
Viewing fees - House and Gardens	665,901	256,052
Donations and grants	702,905	487,532
	4,129,524	3,246,735

The total turnover of the group for the year has been derived from its principal activities wholly undertaken in the United Kingdom.

4 Income from investments

	2022 £	2021 £
Income from investment property	3,302,352	3,099,606
Income from minerals	1,596,648	1,577,556
Investment income from securities	27,885	29,463
Bank deposit interest	131	1,216
	4,927,016	4,707,841
Less: Expenses	(1,576,677)	(1,311,652)
	3,350,339	3,396,189

Notes to the Accounts

5 Analysis of total expenditure

	2022 Direct costs £	2022 Support costs £	2022 Total £	2021 Total £
Expenditure on raising funds				
Equestrian event expenditure	639,709	-	639,709	1,115,824
Expenditure on investment properties	1,576,677	480,797	2,057,474	1,712,225
House showing expenditure	478,633	145,956	624,589	257,202
Timber and woodland expenses	336,118	102,497	438,615	420,749
Golf Club expenditure	1,292,144	-	1,292,144	1,083,394
	4,323,281	729,250	5,052,531	4,589,394
Expenditure on charitable activities				
House showing	1,190,408	363,007	1,553,415	1,826,471
Maintenance of heritage property	1,326,836	404,610	1,731,446	1,383,739
Donations	-	-	-	550
	2,517,244	767,617	3,284,861	3,210,760
Total	6,840,525	1,496,867	8,337,392	7,800,154

Support costs

	2022 £	2021 £
Management costs	-	318,393
Wages and salaries	866,885	708,481
Overheads	596,208	250,075
Depreciation	-	-
Governance costs - audit fees	33,774	33,256
	1,496,867	1,310,205

All support costs have been allocated on the basis of the proportion of direct expenditure.

6 Surplus on current year activities

	2022 £	2021 £
Surplus on current year activities is stated after charging:		
Depreciation of tangible assets	173,091	182,750
Auditors' remuneration		
- Audit (Charity £23,000 (2021: £20,900))	37,800	34,250
- Taxation compliance services	3,150	3,150
- Other non-audit services	3,465	2,500
Grant from Natural England	526,509	113,848
Grant from The Job Retention Scheme	44,473	316,470

These were the only grants received from government sources in the period

Notes to the Accounts

7 Investment securities

	2022 £	2021 £
Group		
Quoted investments		
Market value at 1 February 2021	2,987,781	2,892,490
Additions	809,061	1,124,193
Disposals (Proceeds: £625,706, loss: £7,979)	(633,685)	(1,269,857)
Unrealised gain/(loss) on investments	211,955	240,955
	3,375,112	2,987,781
Other unquoted investments		
Cash held on deposit	13,348	185,268
Market value at 31 January 2022 - Group	3,388,460	3,173,049
Charity		
Cost of investment in subsidiaries	48,515	48,515
Value at 31 January 2022 - Charity	3,436,975	3,221,563
Historical cost at 31 January 2022	2,770,896	2,704,948

Quoted investments

The quoted investments consist of holdings of equities, bonds and other managed funds as selected by Cazenove Capital Management Limited using their delegated authority as set out in the Investment Policy on page 24, and have been revalued to reflect their market value at 31 January 2022.

Subsidiary undertakings

The cost of investment in subsidiaries represents the cost of ordinary £1 shares in the wholly owned subsidiary undertakings, Burghley Enterprises Limited, Burghley Horse Trials Limited, Burghley Land Limited and BPGC Limited, all of which are registered in England and Wales.

The principal activities of Burghley Enterprises Limited are the provision of refreshments and the sale of goods and services at Burghley House and property trading activities.

The principal activity of Burghley Horse Trials Limited is the management of a four-star rated equestrian event.

The principal activity of Burghley Land Limited is property development.

The principal activity of BPGC Limited is a golf club. BPGC was acquired on the 1st August 2019 at a cost of £1.

Further information is summarised in note 23 on page 49.

Notes to the Accounts

8 Tangible fixed assets

	Investment Properties Freehold Land and Buildings	Total Plant and Fixtures
	£	£
Group Cost		
At 1 February 2021	67,190,612	1,479,647
Additions	866,888	65,516
Disposals	(6,356,763)	(6,781)
Surplus on the revaluation of properties	4,000,000	-
At 31 January 2022	65,700,737	1,538,382
Depreciation		
At 1 February 2021	-	1,225,402
On disposals	-	(2,713)
Charge for the year	-	98,091
At 31 January 2022	-	1,320,780
Net book value		
At 31 January 2022	65,700,737	217,602
At 31 January 2021	67,190,612	254,245
Charity Cost		
At 1 February 2021	62,735,702	1,108,223
Additions	286,776	30,800
Disposals	(1,321,741)	-
Surplus on the revaluation of properties	4,000,000	-
At 31 January 2022	65,700,737	1,139,023
Depreciation		
At 1 February 2021	-	985,715
On disposals	-	-
Charge for the year	-	53,182
At 31 January 2022	-	1,038,897
Net book value		
At 31 January 2022	65,700,737	100,126
At 31 January 2021	62,735,702	122,508

Notes to the Accounts

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance lease or hire purchase contracts:

	2022 £	2021 £
Plant and machinery	30,569	49,920
Course improvements	9,870	14,804
Fixtures and fittings	1,152	1,727
	41,591	66,451
Depreciation charge for the year in respect of leased assets	20,792	22,148

9 Intangible assets - group only

	Goodwill £	Total £
Cost		
At 1 February 2021	634,280	634,280
At 31 January 2022	634,280	634,280
Amortisation and Impairment		
At 1 February 2021	422,854	422,854
Impairment	211,426	211,426
At 31 January 2022	634,280	634,280
Net book value		
At 31 January 2022	-	-
At 31 January 2021	211,426	211,426

Goodwill represents the acquisition of BPGC Limited into the group. The acquisition took place on 1 August 2019.

Notes to the Accounts

10 Investment properties

	2022 £	2021 £
Historic cost	31,089,006	36,578,881
Revaluation reserve	34,611,731	30,611,731
Net book value at 31 January 2022	65,700,737	67,190,612

The Governors, using their knowledge of the property portfolio, have increased the value of the investment properties at 31 January 2022 by £4,000,000 (2021: no increase).

11 Heritage assets

	Burghley House and grounds	Chattels at probate value	Chattels at market value	Total Heritage assets
Group and charity	£	£	£	£
Cost				
As at 31 January 2021	8,021,737	3,953,793	284,767	12,260,297
Additions	157,549	-	-	157,549
At 31 January 2022	8,179,286	3,953,793	284,767	12,417,846
Depreciation				
As at 31 January 2021	1,354,365	-	-	1,354,365
Charge for the year	75,000	-	-	75,000
At 31 January 2022	1,429,365	-	-	1,429,365
Net book value				
At 31 January 2022	6,749,921	3,953,793	284,767	10,988,481
At 31 January 2021	6,667,372	3,953,793	284,767	10,905,932

In accordance with the Charity's accounting policy, no value has been included within the financial statements in respect of the freeholds of the public area of Burghley House and Burghley Lake. Recent developments to Burghley House and grounds are included at cost and depreciated.

The Trust's large collection of fine art is made up of many items, including furniture, paintings, silver, miniatures, books, ceramics, tapestries and jewellery. This collection was acquired by the Earls and Marquesses of Exeter over many years and is therefore relevant to the understanding of Burghley House and its history. The Governors have decided that, given the large number and diversity of items in the collection, together with the difficulty and onerous cost of establishing a market value, to include the collection at the probate value given in October 1981 when it was transferred to the Trust by the Executors of the Will of the 6th Marquess of Exeter. The House, grounds and chattels are insured for £326 million.

Items of fine art and other chattels at Burghley House acquired since 2001 are included at market value. The Governors' policy regarding the maintenance, preservation and recording of the chattels, together with information on the access given to the public is stated on page 12.

Five year financial summary of heritage transactions:

	2022 £	2021 £	2020 £	2019 £	2018 £
Burghley House & grounds - cost of additions	157,549	131,544	132,879	319,744	145,483

Notes to the Accounts

12 Stocks

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Showing supplies	96,891	127,551	-	-
Estate maintenance supplies	2,109	1,012	2,107	1,014
Livestock	75,650	102,800	75,650	102,800
Food and beverages	6,187	3,757	-	-
Golf equipment	37,343	27,280	-	-
Property development	5,035,022	-	-	-
	5,253,202	262,400	77,757	103,814

13 Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade debtors	122,259	48,332	30,573	46,416
Amounts owed by subsidiary undertakings	-	-	7,636,763	5,313,968
Other debtors	151,129	350,814	150,261	196,303
Prepayments and accrued income	646,991	157,836	616,472	133,509
	920,379	556,982	8,434,069	5,690,196

14 Creditors: amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans and overdraft	-	7,649,034	-	7,649,034
Trade creditors	670,540	403,087	457,734	349,307
Taxes and social security costs	56,337	3,549	21,301	3,549
Other creditors	68,685	115,807	68,685	19,076
Obligations under finance leases & hire purchase contracts	21,510	39,283	-	-
Accruals and deferred income	586,403	654,152	439,130	436,508
	1,403,475	8,864,912	986,850	8,457,474

Notes to the Accounts

15 Creditors: amounts falling due after one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans	8,300,000	-	8,300,000	-
Obligations under finance leases & hire purchase contracts	14,871	36,330	-	-
	8,314,871	36,330	8,300,000	-

The Charity has a fixed term loan of £3,350,000 with Hoare & Co. Security has been provided in the form of a fixed charge over certain assets of the Charity.

The Charity has a revolving credit facility and a fixed term loan of £4,950,000 with Natwest Bank that was renewed in 2021. Security has been provided in the form of a fixed charge over certain assets of the Charity.

16 Finance lease obligations - Hire purchase

	2022 £	2021 £
Future minimum lease payments due under finance leases:		
Within one year	21,510	39,283
In two to five years	14,781	36,330
	36,291	75,613

Finance lease payments represent monthly payments by BPGC Limited for certain items of plant and machinery. The leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 2 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

17 Pension costs

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £327,365 (2021: £248,741).

Notes to the Accounts

18 Unrestricted income and expendable endowment funds

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Unrestricted income fund				
Balance brought forward at 1 February 2021	(5,571,980)	(4,564,490)	(5,027,531)	(4,267,200)
Surplus/(Loss) for the year	721,090	241,542	1,683,433	488,611
Transfer from/(to) the Unrestricted expendable endowment fund	5,393,949	(1,248,942)	5,453,858	(1,248,942)
Balance carried forward at 31 January 2022	543,059	(5,571,890)	2,109,760	(5,027,531)
Unrestricted expendable endowment fund				
Balance brought forward at 1 February 2021	80,160,833	78,733,082	80,160,833	78,733,082
(Loss)/deficit for the year	2,818	(82,270)	62,727	(82,270)
Surplus/(loss) on disposal of property and investments	(7,979)	(2,154)	(7,979)	(2,154)
Revaluation of investment property	4,000,000	-	4,000,000	-
Unrealised gain/(loss) on investment revaluation	211,955	263,233	211,955	263,233
Transfer from the Unrestricted income fund	(5,393,949)	1,248,942	(5,453,858)	1,248,942
Balance carried forward at 31 January 2022	78,973,678	80,160,833	78,973,678	80,160,833
Realised element of unrestricted expendable endowment fund	44,637,993	50,037,103	44,637,993	50,037,103
Unrealised gains on investment properties	33,414,455	29,414,455	33,414,455	29,414,455
Unrealised gain on investment securities	921,230	709,275	921,230	709,275
Balance carried forward at 31 January 2022	78,973,678	80,160,833	78,973,678	80,160,833

Unrestricted income and unrestricted expendable endowment funds are both available for charitable purposes, and the distinction is historical, merely to record the allocation of income and movements on income and expendable endowment funds.

19 Restricted expendable endowment fund

	1 February 2021 £	Income £	Expenditure £	31 January 2022 £
Brewhouse fund	1,079,700	-	-	1,079,700
Garden of Surprises fund	29,060	-	4,760	24,300
	1,108,760	-	4,760	1,104,000

The Brewhouse fund consists principally of monies received from the Heritage Lottery Fund towards the project to convert the Brewhouse at Burghley into a visitor attraction. The related expenditure amounting to £2,606,442, has been capitalised as a heritage asset being an improvement to Burghley House and Grounds. The Garden of Surprises fund consists principally of monies received from donors towards the project to create an Elizabethan trick garden at Burghley as a visitor attraction. The related expenditure amounting to £1,319,345 has been capitalised as being an improvement to Burghley House and Grounds.

Notes to the Accounts

20 Analysis of assets between funds

	2022 Unrestricted income fund	2022 Unrestricted expendable endowment	2022 Restricted expendable endowment	2022 Total	2021 Total
		£	£	£	£
Fund balances at 31 January 2022 are represented by:					
Investment securities	-	3,388,460	-	3,388,460	3,173,049
Tangible fixed assets	-	217,602	-	217,602	254,245
Intangible assets	-	-	-	-	211,426
Heritage assets	-	9,884,481	1,104,000	10,988,481	10,905,932
Investment properties	-	65,700,737	-	65,700,737	67,190,612
Net current (liabilities)	8,640,238	-	-	8,640,238	(6,001,321)
Creditors due between 2 and 5 years	(8,314,781)	-	-	(8,314,781)	(36,330)
	325,457	79,191,280	1,104,000	80,620,737	75,697,613

21A Reconciliation of operating deficit to net cash outflow from operating activities

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	4,923,124	415,501
Depreciation	174,447	182,750
Amortisation	211,426	211,427
Non-cash assets acquired with subsidiary	-	-
Losses/(Gains) on investments	(4,203,976)	(238,801)
Dividends, interest and rents from investments	(3,350,339)	(3,396,189)
Loss on the sale of fixed assets	4,158	-
(Increase)/decrease in stocks	44,222	(13,462)
Decrease/(increase) in debtors	(363,397)	178,449
Increase/(decrease) in creditors	205,368	(623,823)
Net cash (used in)/provided by operating activities	(2,354,967)	(3,284,148)

21B Analysis of net debt

	31 January 2021 £	cash flow £	non cash flow £	31 January 2022 £
Cash in hand	2,044,209	1,825,923	-	3,870,132
Notice deposits	185,268	(171,920)	-	13,348
	2,229,477	1,654,003	-	3,883,480
Bank borrowing due in less than one year	(7,649,034)	2,699,034	-	(4,950,000)
Bank borrowing due in more than one year	-	(3,350,000)	-	(3,350,000)
	(5,419,557)	1,003,037	-	(4,416,520)

Notes to the Accounts

22 Governors and employees

	Group 2022 Number	Group 2021 Number	Charity 2022 Number	Charity 2021 Number
The number of Governors who served the Group and the Company during the year was:	10	10	10	10
The average monthly number of persons employed by the Group and the Company during the year was:				
Office and management	29	27	29	27
House showing	56	50	47	40
Maintenance and forestry	18	16	18	16
Equestrian event	8	8	-	-
Golf Club	25	24	-	-
	136	126	104	93
Employment costs	£	£	£	£
Wages and salaries	3,139,575	2,763,520	2,224,634	1,991,682
Social security costs	271,396	238,308	199,252	166,810
Other pension costs (note 13)	327,365	248,741	257,159	201,815
	3,738,336	3,250,569	2,681,045	2,360,307

The number of employees whose emoluments, as defined for taxation purposes, amounted to over £60,000 in the year was nil in the range £60,000 to £70,000 (2021 - 1), 1 in the range £70,000 to £80,000 (2021 - nil), 1 in the range £90,000 to £100,000 (2021 - 1), 1 in the range £110,000- £120,000 (2021 - 2) and 2 in the range £140,000- £150,000 (2021 nil). Total remuneration of key personnel was £580,399 (2020: £381,577). Total employer's pension contributions for key personnel was £112,408 (2021: £56,531).

Included within staff costs for the year is a total of £107,000 in relation to termination payments. No remuneration was paid to any Governor in the year. Travelling and accommodation expenses of £737 were reimbursed to two Governors in the year (2020: £3,751 to two Governors).

23 Subsidiary companies

Burghley Enterprises Limited - Company number 02332264

The turnover of Burghley Enterprises Limited amounted to £1,622,397 (2021: £363,319), and the net profit arising of £999,156 (2021: £110,323) is due to be paid under Gift Aid to Burghley House Preservation Trust Limited. During the year the parent company charged £39,000 in rent (2021: £39,000).

The results of Burghley Enterprises Limited for the year ended 31 January 2022 are shown below. Audited accounts are filed with the Registrar of Companies.

	2022 £	2021 £
Turnover and other income	1,622,397	363,319
Cost of sales and expenses	(623,241)	(252,996)
Profit for the year	999,156	110,323
Shareholders funds	48,514	48,514

Notes to the Accounts

23 Subsidiary companies (continued)

Burghley Horse Trials Limited - Company number 07087188

The turnover of Burghley Horse Trials Limited amounted to £75,603 (2021: £1,282,559), and a net loss arising of £696,194 (2021: profit of £41,770). During the year the parent company charged £124,278 in rent (2021: £124,416).

The results of Burghley Horse Trials Limited for the year ended 31 January 2022 are shown below.
Audited accounts are filed with the Registrar of Companies.

	2022 £	2021 £
Turnover and other income	75,603	1,282,559
Cost of sales and expenses	(771,797)	(1,240,789)
Profit for the year	(696,194)	41,770
Shareholders funds	1	1

BPGC Limited - Company number 12005973

The turnover of BPGC Limited amounted to £1,119,931 (2021: £851,566), and the net loss arising of £184,448 (2021: £247,160). During the year the parent company charged £NIL in rent (2021: £NIL).

The results of BPGC Limited for the period ended 31 January 2022 are shown below.
Audited accounts are filed with the Registrar of Companies.

	2022 £	2021 £
Turnover and other income	1,119,931	851,566
Cost of sales and expenses	(1,304,379)	(1,098,726)
Loss for the year	(184,448)	(247,160)
Shareholders funds	1	1

Burghley Land Limited - Company number 08601360

The income of Burghley Land Limited amounted to £Nil (2021: £NIL), and there was no profit in the year.

The parent company charged £Nil in rent (2020: £NIL).

Inter-group interest of £141,610 was eliminated on consolidation.

Audited accounts are filed with the Registrar of Companies.

Notes to the Accounts

24 Related party transactions

Following the Charity Commissioners' agreement, Burghley House Preservation Trust Limited and the Trustees of the 6th Marquess of Exeter Will Trust are sharing income and expenditure in relation to the showing of Burghley House in a proportion based on their respective ownerships of Burghley House. Relative to the Deed of Apportionment agreed with the Trustees of the 6th Marquess of Exeter Will Trust, they were charged £19,450 (2021: £19,450) for management and maintenance services. The amount owed to the company in respect of these services at 31 January 2022 was £NIL (2021: £19,450).

Rental income amounting to £13,500 (2021: £13,500) was received from The Trustees of the 6th Marquess of Exeter Will Trust during the year. No amounts were due at 31 January 2022 (2021: £Nil).

The Trustees of the 6th Marquess of Exeter are also due to receive £NIL as a licence fee from Burghley Horse Trials Limited (2021: £34,175) and the amount outstanding at 31 January 2022 amounted to £NIL (2021: £34,175).

25 Capital commitments

At 31 January 2022 The Charity had contracted capital expenditure of £NIL (2021: £NIL).

26 Contingent liabilities

A grant has been received from the Football Foundation to be used on the construction of facilities for a local football club. Should the terms and conditions of the grant not be adhered to within a specified period an element of the grant may be repayable. The Governors expect the terms and conditions to be adhered to and therefore believe no further disclosure is necessary in these financial statements. A legal charge has been granted in relation thereto.

Notes to the Accounts

28 Comparative information

Consolidated Statement of Financial Activities

incorporating the income and expenditure account
for the year ended 31 January 2021

		2021 Unrestricted Income	2021 Unrestricted Expendable Endowment	2021 Restricted Expendable Endowment	2021 Total
	Notes	£	£	£	£
Income and endowments from:					
Donations and grants	3	373,684	113,848	-	487,532
Other trading activities	3	2,503,151	-	-	2,503,151
Income from investments	4	4,707,841	-	-	4,707,841
Income from charitable activities	3	256,052	-	-	256,052
Total income and endowments		7,840,728	113,848	-	7,954,576
Expenditure on:					
Expenditure on raising funds		4,516,142	73,251	-	4,589,393
Expenditure on charitable activities		3,083,134	122,867	4,760	3,210,761
Other expenditure		-	-	-	-
Total expenditure	5	7,599,276	196,118	4,760	7,800,154
Net gains/(losses) on investments	18	-	261,079	-	261,079
Net income/(expenditure)		241,452	178,809	(4,760)	415,501
Transfers between funds	18	(1,248,942)	1,248,942	-	-
Net Movement in Funds		(1,007,490)	1,427,751	(4,760)	415,501
Balance brought forward		(4,564,490)	78,733,082	1,113,520	75,282,112
Balance carried forward	18,19	(5,571,980)	80,160,833	1,108,760	75,697,613

Notes to the Accounts

28 Comparative information (continued)

Analysis of total expenditure

	2021 Direct costs £	2021 Support costs £	2021 Total £
Expenditure on raising funds			
Equestrian event expenditure	1,115,824	-	1,115,824
Expenditure on investment properties	1,311,652	400,573	1,712,225
House showing expenditure	197,030	60,172	257,202
Timber and woodland expenses	322,315	98,434	420,749
Golf Club expenditure	1,083,394	-	1,083,394
	4,030,215	559,179	4,589,394
Expenditure on charitable activities			
House showing	1,399,170	427,301	1,826,471
Maintenance of heritage property	1,060,014	323,725	1,383,739
Donations	550	-	550
	2,459,734	751,026	3,210,760
Total	6,489,949	1,310,205	7,800,154

Restricted expendable endowment fund

	1 February 2020 £	Income £	Expenditure £	31 January 2021 £
Brewhouse fund	1,079,700	-	-	1,079,700
Garden of Surprises fund	33,820	-	4,760	29,060
	1,113,520	-	4,760	1,108,760

Analysis of assets between funds

	Unrestricted income fund £	Unrestricted expendable endowment £	Restricted expendable endowment £	Total £
Fund balances at 31 January 2020				
are represented by:				
Investment securities	-	3,173,049	3,173,049	2,918,720
Tangible fixed assets	254,245	-	254,245	248,873
Intangible assets	211,426	-	211,426	422,853
Heritage assets	-	9,797,172	1,108,760	10,905,932
Investment properties	-	67,190,612	-	67,190,612
Net current (liabilities)	(6,001,321)	-	(6,001,321)	(5,160,593)
Creditors due between 2 and 5 years	(36,330)	-	(36,330)	(75,623)
	(5,571,980)	80,160,833	1,108,760	75,697,613
			75,697,613	75,282,112

Legal and Administrative Details

Governors

The Hon Edward Leigh-Pemberton (Chairman)
J C S Chenevix-Trench Esq
E G Clive, Esq
Sir Giles Floyd Bt
Mrs Cressida Hogg
E M Harley, Esq
W A Oswald, Esq
W H M Parente Esq
S J Richmond-Watson Esq
B T J Stevens, Esq

Key personnel

Executive Chair	Miranda Rock
Chief Executive	D J Pennell Esq
Head of HR	Jo Evans
Director of Commercial Visitor Operations	P J Gompterz
Finance Director & Company Secretary	J E P Fitch Esq
Head of Land and Property	J Tusting Esq
Director of the Burghley Horse Trials	M Johnson Esq

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Charity number 258489

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