

Fulham Palace House & Garden

FULHAM PALACE TRUST

Annual Report and Accounts
for the year ended 31 March 2021

Annual Report of the Trustees and Accounts
for the year ended 31 March 2021

www.fulhampalace.org

Company limited by guarantee, registered number 07464167
Registered Charity number 1140088

THE BOARD OF TRUSTEES

Chair

Mariana Spater

Trustees

Fiona Beatty

Phillip A Emery, BEng, MA, FSA, MIfA (resigned 25 January 2021)

Deborah Farley-Persaud

John King

Alison Lightbown (Deputy Chair from 29 April 2021)

Fiona McWilliams

Caroline Needham

Victoria E Quinlan

Kevin Rogers

Reverend Penny Seabrook

Robbie Sommerville

Chief Executive of Fulham Palace Trust

Siân Harrington, BA, MA, MBA, AMA

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TRUSTEES' ANNUAL REPORT

Reference and Administrative Details

COMPANY SECRETARY

S Harrington

TRUSTEES AND DIRECTORS OF THE COMPANY

Fiona Beatty

Phillip A Emery, BEng, MA, FSA, MfA (resigned 25 January 2021)

Deborah Farley-Persaud

John King

Alison Lightbown (Deputy Chair from 29 April 2021)

Fiona McWilliams

Caroline Needham

Victoria E Quinlan

Kevin Rogers

Reverend Penny Seabrook

Robbie Sommerville

Mariana Spater (Chair)

REGISTERED OFFICE

Fulham Palace Trust

Fulham Palace

Bishop's Avenue

London

SW6 6EA

AUDITORS

Critchleys Audit LLP

Beaver House

23-38 Hythe Bridge Street

Oxford

OX1 2EP

Statutory Background

The Fulham Palace Trust ("the Company") was incorporated on 8 December 2010 and registered with the Charity Commission on 27 January 2011. It is a company limited by guarantee and registered in England (number 07464167) and is a registered charity (number 1140088). It is governed by Memorandum and Articles of Association.

Organisation and Structure

The board of trustees, which can have up to 12 members, administers the charity. The Trust meets every 2 months, with 3-4 meetings of Finance Risk and Audit Committee per annum. There is also a Fundraising Committee that meets twice per annum, and a Nominations Committee that meets as necessary.

A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, with terms of delegation approved by the trustees, for operational matters including finance, employment, PR/marketing, fundraising, maintenance, collections management, health and safety, and learning and outreach related activity.

As set out in the Articles of Association, the London Borough of Hammersmith & Fulham may appoint a maximum of two trustees and the Bishop of London may appoint one trustee. The Chairman may hold that office for a maximum period of 3 years, and may be re-appointed for a further 3 years but no more.

Procedures regarding New Trustees

New trustees receive information about Fulham Palace Trust, its aims and objectives and are given a tour of the Palace, meeting staff and volunteers. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Subsidiary Undertakings

The results of Fulham Palace Trust's subsidiary undertaking, Fulham Palace Enterprises Community Interest Company, are summarised in Note 3 to the financial statements.

Aims of the Trust

The charity's objects ("**Objects**") are specifically restricted to the following:

- to provide for the advancement of public education by the provision of the Fulham Palace Museum (the "Museum") comprising such exhibits or items as the Charity may from time to time hold or receive and to preserve the same as a collection (the "Collection");
- to preserve for the benefit of the inhabitants of the London Borough of Hammersmith and Fulham and of the nation at large whatever of the English historical architectural, archaeological and constructional heritage may exist in and round Fulham Palace in the form of buildings and gardens of particular beauty or historical, architectural or constructional interest; and
- to protect the environment, conserve or promote biological diversity in Fulham Palace grounds through (i) the provision, conservation, restoration or enhancement of a natural habitat; or (ii) the maintenance or recovery of a species in its natural habitat, on land or in water situated in the vicinity of a landfill site.

The Church Commission is the freeholder of the Fulham Palace site, and London Borough of Hammersmith and Fulham is the long leaseholder who ran Fulham Palace until 31 March 2011.

The Fulham Palace Trust Business Plan (2017/18 – 2024/25)

The business plan for these 8 years was ratified at a Trust Board meeting on 19 September 2016.

VISION OF FULHAM PALACE TRUST

Vision

To engage people, through the stories of Fulham Palace and the Bishops of London, in 6,000 years of English history, and to become one of the UK's most inclusive and inspiring historic houses and gardens.

Key aims

- To conserve and restore Fulham Palace house and garden following thorough analysis of options and sector best practice

- To develop the understanding of Fulham Palace's layered history through research and engagement with experts, partners, users and the community
- To be inspirational, engaging and educational
- To delight our visitors through excellent customer service and high quality facilities, interpretation and events
- To be inclusive and participative in all areas of the Palace's operation
- To be sustainable and financially self-sufficient

Business Plan Targets

The business plan, which runs over the period 2017/18 to 2024/25, shows the Trust developing a viable business through increased earned income and fundraising income, taking overall income from £1.2m in year 1 (2017/18) prior to capital works starting on site, to £1.6m in Year 8 (2024/25).

Our organisational model enables us to:

- Value Fulham Palace as a heritage asset. It will become a local and national landmark to be proud of rather than just a wedding venue with pleasant grounds;
- Be a more effective and resilient organization: we will be able to market Fulham Palace more effectively and will have the right number and type of staff in place to meet our objectives and income targets;
- Be more financially secure: by making full use of our heritage asset including our considerable rental portfolio as a source of regular income;
- Enhance our educational offering and increase public awareness of what we are by providing a wider range of activities and events for a growing number and range of visitors;
- Support our local communities through the provision of a high quality heritage attraction on their doorstep, as well as providing jobs and a wide range of volunteering opportunities;
- Support our local economy as a successful Fulham Palace will bring more footfall to the local area and local businesses. The outcomes of raising awareness and contributing to the local economy support both the Borough's arts and cultural strategy and London&Partners' ambition to pull tourists to currently less well known heritage sites in the city.

Mariana Spater

Fulham Palace Trust, like many organisations, faced a multitude of challenges over the past year. When I wrote last year's Chair's report the country had only recently gone into Covid -19 lockdown and Fulham Palace was closed. It is sad and sobering to reflect that the closure of the buildings has lasted for most of the past year.

While both our finances and visitor offer inevitably suffered due to the ongoing pandemic, I am proud to say that we faced these challenges head on. Through the hard work of our team, in many ways we are moving forward as a more resilient organisation.

We were able to take advantage of the Government Job Retention Scheme, local authority grants and emergency funding from the National Lottery Heritage Fund. We worked with our commercial tenants to help to spread the rental obligations and we thank them for their co-operation in helping the Palace maintain this income. We are also very grateful to our Patrons and Friends who contributed generously to a fundraising appeal over the summer to keep the Palace open. Our thanks as well to the local authority for being understanding about the COVID-19 related impact on the Trust as we try to work out a loan repayment schedule.

These funding sources helped to reduce the impact of the huge reduction in overall income and enabled the Trust to maintain its reserves. In 2020/21, our overall revenues fell by £344k in 2020/21 compared with the previous year, whilst our expenditure remained broadly the same. This meant that our net surplus was reduced by £321k year on year giving us total reserves of £4.2m at the year end.

While we have had to close the Palace buildings for most of the year, our grounds, including our walled garden, have been open for the community to enjoy since the ending of the first national lockdown in June 2020. We hope that our visitors found peace and some solace in the beautiful surroundings.

To continue to engage with our audiences during the restrictions, we quickly adapted our visitor experience. The launch of our online shop resulted in a significant increase in spend per head, boosted by the sale of plants grown by our garden team. A number of events and learning activities were hosted virtually for the first time with great success. Taking advantage of temporary lifting of restrictions, we held our annual apple day, and a Christmas fair in conjunction with visits to Father Christmas. Both were very well attended and were a real boost for the Palace staff and visitors.

We used the time during lockdown to look at our exhibitions programme and how we can broaden our telling of the history of Fulham Palace and its incumbents to

include the impact of colonialism and the involvement of the Bishop of London in the transatlantic slave trade and later abolition movement. Alongside this we are looking at how we can engage a wider range of people in telling our stories.

On 2 May 2021 we launched our biodiversity and climate change resilience strategy to address the pressing issues facing the planet and aim to minimize our impact on the environment in all senses. This is a comprehensive strategy covering all aspects of the Trust's work and was a result of staff reflection during lockdown about the value of green spaces.

Huge thanks are due to our staff some of whom were furloughed for some considerable time. They were resilient and managed their roles well in the ever-changing circumstances. I'd also like to thank my fellow board members for their support, including the four new trustees appointed in the spring of 2020. We value their fresh perspectives and expertise and are grateful to them for joining us.

None of this would have been possible without our supporters. We are grateful to the Church Commission and to all our supporters and funders, including the National Lottery Heritage Fund (NLHF), the London Borough of Hammersmith and Fulham (LBHF), individual and corporate Patrons and donors, The Friends of Fulham Palace, and our staff, led by Siân Harrington, and volunteers.

We hope that the coming months will see some return to what we are all used to. However we will remain vigilant and seek to safeguard our visitors, volunteers and staff by taking any measures deemed appropriate. We look forward to opening our doors once more to inform, entertain and delight our community.

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission.

RISK ASSESSMENT

The major risks to which the charity is exposed have been identified and reviewed and systems have been established to mitigate these risks.

RESERVES POLICY

In 2016/17, FPT developed a risk based reserves policy which is underpinned by the organisational risk register and is linked with the charity's strategy and business plan. This provides a more dynamic approach to the charity's reserves management with target levels changing in line with FPT's risk profile and reserves requirements. The policy was adopted in March 2017, but given the nature of a risk based reserves policy the calculations are updated quarterly.

This policy covers FPT's unrestricted funds. Restricted and Endowment funds are not covered within this policy. FPT's unrestricted funds consist of the following:

- Tangible fixed asset fund
- Pension fund
- Designated funds
- Free reserves (including the opportunity reserve).

As per the calculations done in March 2018, the target reserve to be achieved by year 8 of the business plan is £636k, comprising £328k capital/maintenance, £288K free reserves and £20k opportunity reserves. The business plan aims for this level of reserves to be achievable by 24/25, but this is currently being evaluated in light of COVID.

INVESTMENTS

Monies surplus to operational working capital requirements are invested in line with our investment policy, the objective of which is to maximise returns whilst ensuring that as far as possible funds are adequately safeguarded.

SIGNED ON BEHALF OF THE TRUSTEES on 19 July 2021



Mariana Spater

THANK YOU

With thanks to our founding donors and all those who have given to Fulham Palace over the course of the year 1 April 2020 – 31 March 2021.

Founding Donors

An Anonymous Benefactor
Botterill, Councillor Nicholas
Cook, Sandra
Edington, Gordon (CBE)
Emery, Phillip (FSA)
Hackett, Thomas and Genevieve
Hawes, the Reverend Canon Joseph
Howard, Phil and Jennie
Ingram, Tim
Poole, Martin
Sanderson, Tim and Dede
The Scorpion Trust
Von Schoenaich, Brita
Williams, Dr Jonathan
Wright, Ken

Life Patrons

An Anonymous Benefactor
Borrows, Simon and Sally
Boyce, Ian and Daphne
Burgess, Vernon and Jennifer Elizabeth
Clark, Simon
Dean, Esther
Fanshawe, Angus

Fenn, Anthony and Lesley Cox *

Fowler, Stuart and Mindy

Greenhalgh, Stephen

Groenholm, Klaus and Kate

Harding, Anthony and Karen

Hill-Smith, Alex and Isobel

Hogg, Charlotte

Ingram, Jonathan and Abi

Ingram, Tim and Christine

Laing, Christopher

Leslie, Jonathan and Pepe

Lyon, Sebastian and Flora

MacQuitty, Miranda

McMillan, Carolyn

Monaghan, Ben and Louise

Nunneley, Sir Charles and Lady Catherine

Stead, George and Daphne

Upton, Richard

Whitehouse, Keith

Witherow, John

Wright, Jennifer

Annual Patrons

Armstrong, Caroline and John

Atwell, Jamie

Aylmer, Lady Belinda and Lord Julian

Balisciano, Márcia

Beatty, Chris and Fiona

Blunden, George and Jane

Bowden-Dan, Jane

Cash, Gillian
Ellis, Patrick and Yasmine
Farley-Persaud, Deborah
Finch, Stephen
Garnett, Jeremy and Fiona *
Haly, William
Harding, Anne
Hedges, Philip and Jane MacQuitty
Holmes, Catherine and Mather, Robert
Janes, Jenny
Jenkins, David and Fiona
King, John
Lambert, Maurice and Rosemary
MacIntyre, Arabella and Duncan
Marx, Jill
McWilliams, Fiona and Jeremy
Nicholl-Carne, Sarah
Paterson, David and Rosemary
Perry, Alison and Ross
Quinlan, Victoria
Richards, Alison and Geoffrey
Rylance, His Honour John and Rylance, Philippa
Scholes, Carol
Shocket, Godfrey and Sue
Sommerville, Robbie
Taljard, Garth and O'Malley, Charlotte
Walsh, Stephen
Walter, Derek
Weston, Jill
Wilkes, Angela
Woods, Gil and May
Young, Martin and Sarah

Corporate Patrons

Bovingdons
Pascal Huser Design and Build
Peregrine Bryant Architects Ltd

Charitable Trusts, Foundations and Organisations to Fulham Palace (£1,000+):

Art Fund

Barbara and Philip Denny Trust

Borrows Charitable Trust

Christopher Laing Foundation

Douglas and Gordon

Dyers Company

Friends of Fulham Palace

Fulham Society

The Historic Houses Foundation

Lyon Family Charitable Trust

National Lottery Heritage Fund

The Pilgrim Trust

Scorpion Charitable Trust

Sion College

Spater Estate via BDB Pitmans

The V&A Museum

The Zena Trust

Individual Donors (£1,000+):

Barnes, Darrell

Boyce, Ian

Groenholm, Kate and Klaus

Hooper, Gemma

Laing, Christopher

Marx, Jill

McWilliams, Fiona

Monaghan, Ben

Nunneley, Sir Charles

Sanderson, Tim and Dede

Sommerville, Robbie

*We are very sad to report that two of our supporters, Leslie Cox and Fiona Garnett, have passed away.

With thanks to all those who have given to Fulham Palace over the course of the year.

TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the accounts in accordance with applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under that law the trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the income and expenditure of the group for that period. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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

So far as the trustees are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware and each trustee has taken the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FULHAM PALACE TRUST

Opinion

We have audited the financial statements of Fulham Palace Trust ("the charitable company") for the period ended 31 March 2021 which comprise the Group Statement of Financial Activities, the Balance Sheet for the Group and Company, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 March 2021 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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 Trust's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the chair's report included within the trustees' report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the 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 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the client;

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006 and the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators [include details] and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it

is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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 Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Kirtland FCA
Senior Statutory Auditor

For and on behalf of:
Critchleys Audit LLP, Statutory Auditor
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

17 August..... 2021

GROUP STATEMENT OF FINANCIAL ACTIVITIES
including the Income and Expenditure Account
For the year ended 31 March 2021

	Notes	Restricted Funds £	Unrestricted Funds £	2021 Total £	2020 Total £
Income and endowments from					
Donations and legacies	2	250,122	564,407	814,529	1,019,278
Activities for generating funds:					
Charitable activities	4	-	905,335	905,335	890,574
Other trading activities	3	-	212,618	212,618	346,349
Investments	5	-	402	402	648
Total income and endowments		<u>250,122</u>	<u>1,682,762</u>	<u>1,932,884</u>	<u>2,256,849</u>
Expenditure on					
Raising funds					
Fundraising costs	6	-	56,756	56,756	66,149
Non charitable trading expenditure	3	-	10,354	10,354	27,595
Charitable activities	7	<u>231,601</u>	<u>1,344,740</u>	<u>1,576,341</u>	<u>1,552,779</u>
Total expenditure		<u>231,601</u>	<u>1,411,850</u>	<u>1,643,451</u>	<u>1,646,523</u>
Net income before transfers		18,521	270,912	289,433	610,326
Transfers between funds	19	<u>(51,560)</u>	<u>51,560</u>	-	-
Net (expenditure)/income for the year		(33,039)	322,472	289,433	610,326
Other recognised gains/losses					
Actuarial (loss)/gain on defined benefit pension schemes	17	-	<u>(42,000)</u>	<u>(42,000)</u>	<u>205,000</u>
Net movement in funds		(33,039)	280,472	247,433	815,326
Reconciliation of funds					
Total funds brought forward		<u>420,264</u>	<u>3,550,755</u>	<u>3,971,019</u>	<u>3,155,693</u>
Total funds carried forward		<u>387,225</u>	<u>3,831,227</u>	<u>4,218,452</u>	<u>3,971,019</u>

**GROUP STATEMENT OF FINANCIAL ACTIVITIES
(continued)**

including the Income and Expenditure Account

For the year ended 31 March 2021

The notes on pages 26 to 42 form part of these accounts.

All activities are continuing. There are no gains or losses other than those shown above.

Details of restricted funds are set out in note 19 of the accounts.

Unrestricted Funds of the group comprise Non Charitable Trading Funds (Fulham Palace Enterprises Community Interest Company reserves) and the General Fund (which is the Company's operating fund). The total Unrestricted Funds at the end of the year of £3,831,227 comprise a £nil balance on the Non Charitable Trading Funds, a surplus on the General Fund of £3,921,227 and a deficit on the Pension Fund of £90,000. Further details relating to the funds are given in note 18 to these accounts.

As the Company is limited by guarantee, and with charitable objectives, a reconciliation of "shareholders funds" is not considered appropriate.

BALANCE SHEET FOR THE GROUP AND THE COMPANY

Registered charity number: 1140088

Registered company number: 07464167

As at 31 March 2021

	Notes	Group 2021 £	Company 2021 £	Group 2020 £	Company 2020 £
Fixed assets					
Tangible assets	12	3,848,396	3,848,396	3,871,428	3,863,060
Current assets					
Stocks	13	8,640	8,640	10,037	10,037
Debtors	14	264,550	420,459	126,113	492,746
Cash at bank and in hand		<u>1,045,478</u>	<u>866,854</u>	<u>905,330</u>	<u>543,828</u>
		1,318,668	1,295,953	1,041,480	1,046,611
Current liabilities					
Creditors due within one year	15	<u>(576,003)</u>	<u>(553,288)</u>	<u>(476,138)</u>	<u>(472,901)</u>
Net current assets		<u>742,665</u>	<u>742,665</u>	<u>565,342</u>	<u>573,710</u>
Total assets less current liabilities		4,591,061	4,591,061	4,436,770	4,436,770
Creditors:					
Amounts falling due after more than one year	16	<u>(282,609)</u>	<u>(282,609)</u>	<u>(433,751)</u>	<u>(433,751)</u>
Net assets excluding pension liability		4,308,452	4,308,452	4,003,019	4,003,019
Pension scheme liability	17	<u>(90,000)</u>	<u>(90,000)</u>	<u>(32,000)</u>	<u>(32,000)</u>
Net assets		<u>4,218,452</u>	<u>4,218,452</u>	<u>3,971,019</u>	<u>3,971,019</u>
Represented by:					
Unrestricted funds - general	18	3,921,227	3,921,227	3,582,755	3,582,755
Unrestricted funds – pensions		(90,000)	(90,000)	(32,000)	(32,000)
Restricted funds	19	<u>387,225</u>	<u>387,225</u>	<u>420,264</u>	<u>420,264</u>
		<u>4,218,452</u>	<u>4,218,452</u>	<u>3,971,019</u>	<u>3,971,019</u>

These accounts were approved and authorised for issue by the Board of Trustees on 19 July 2021


Mariana Spater

The notes on pages 26 to 42 form part of these accounts.

CASH FLOW STATEMENT FOR THE GROUP

For the year ended 31 March 2021

	Notes	2021 Total funds	2020 Total funds
Cash flows from operating activities			
Net cash provided by operating activities (reconciliation below)		<u>308,505</u>	<u>946,734</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	12	<u>(102,649)</u>	<u>(717,864)</u>
Net cash (used in) investing activities		<u>(102,649)</u>	<u>(717,864)</u>
Cash flows from financing activities			
Loan received		-	200,000
Loan repayments made		<u>(65,708)</u>	-
Net cash (used in)/provided by financing activities		<u>(65,708)</u>	<u>200,000</u>
Change in cash and cash equivalents in the reporting period		140,148	428,870
Cash and cash equivalents at the beginning of the reporting period		<u>905,330</u>	<u>476,460</u>
Cash and cash equivalents at the end of the reporting period		<u>1,045,478</u>	<u>905,330</u>
Reconciliation of net income/(expenditure) to net cash flow from operating activities			
Net income for the reporting period (as per the statement of financial activities)		289,433	610,326
Adjustments for:			
Depreciation charges		125,681	140,764
(Increase)/decrease in stocks		1,397	(2,053)
(Increase)/decrease in debtors		(138,436)	195,614
Increase/(decrease) in creditors		14,430	(60,917)
Defined benefit pension scheme finance costs		-	5,000
Defined benefit pension scheme service cost less contributions	17	<u>16,000</u>	<u>58,000</u>
Net cash provided by operating activities		<u>308,505</u>	<u>946,734</u>

COMPARATIVE GROUP STATEMENT OF FINANCIAL ACTIVITIES

including the Income and Expenditure Account

	Notes	Restricted Funds £	Unrestricted Funds restated £	2020 Total £	2019 Total restated £
Income and endowments from					
Donations and legacies	2	915,445	103,833	1,019,278	1,357,289
Activities for generating funds:					
Charitable activities	4	-	890,574	890,574	678,538
Other trading activities	3	-	346,349	346,349	287,661
Investments	5	-	648	648	724
Total income and endowments		<u>915,445</u>	<u>1,341,404</u>	<u>2,256,849</u>	<u>2,324,212</u>
Expenditure on Raising funds					
Fundraising costs	6	16,667	49,482	66,149	63,000
Non charitable trading expenditure	3	-	27,595	27,595	19,558
Charitable expenses	4	-	99,648	99,648	57,957
Charitable activities	7	<u>762,708</u>	<u>690,423</u>	<u>1,453,131</u>	<u>1,520,950</u>
Total expenditure		<u>779,375</u>	<u>867,148</u>	<u>1,646,523</u>	<u>1,661,465</u>
Net income before transfers		136,070	474,256	610,326	662,747
Transfers between funds	19	<u>61,482</u>	<u>(61,482)</u>	-	-
Net income for the year		197,552	412,774	610,326	662,747
Other recognised gains/losses					
Actuarial gains on defined benefit pension schemes		-	<u>205,000</u>	<u>205,000</u>	<u>85,000</u>
Net movement in funds		197,552	617,774	815,326	865,765
Reconciliation of funds					
Total funds brought forward		<u>222,712</u>	<u>2,932,981</u>	<u>3,155,693</u>	<u>2,289,928</u>
Total funds carried forward		<u>420,264</u>	<u>3,550,755</u>	<u>3,971,019</u>	<u>3,155,693</u>

NOTES TO THE ACCOUNTS

For the year ended 31 March 2021

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's accounts:

Basis of Accounting

The accounts are prepared under the historical cost convention and in compliance with all applicable accounting standards.

Presentation of the Accounts

The financial statements of the public benefit entity have been prepared in accordance with all applicable accounting standards, FRS 102, the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" revised 2015 (FRS 102) and the Companies Act.

The structure of the SOFA has altered this year to reflect more accurately charitable activities expenditure. It remains in compliance with FRS 102.

Group Financial Statements

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Fulham Palace Enterprises Community Interest Company (registered company number: 07574413).

Income

All income is accounted for when the charity has entitlement to the funds, certainty of receipt and the amount is measurable. Where income is received in advance or a deposit is made it is deferred until the charity is entitled to that income – usually when the event occurs. Grants are included on a receivable basis subject to adjudged ability to meet any associated conditions. Donations and legacies are included in the accounts when received. Legacies are accounted for when the charity is notified of its entitlement to the income and the amount can be assessed with reasonable certainty. Donated facilities have been recognised at the value of the benefit to the charity.

Turnover is the amount derived from ordinary activities, and stated after trade discounts, other sales taxes and net of VAT.

Fixed Assets

The Company operates a policy of only capitalising assets with a cost greater than £1,000. All other assets are written off to the Statement of Financial Activities.

Fixed assets have been depreciated over their useful lives, in accordance with the rates stated in note 16 to the accounts.

Depreciation

Depreciation is provided on tangible fixed assets at rates calculated to write off the costs less residual value, on each asset over its expected useful life.

Stock

Stocks are stated at the lower of cost and net realisable value. 'Net realisable value' is the amount or value expected to be received from the sale or use of stock in the normal course of business after deducting any additional cost incurred in the process of realisation.

Leased Assets

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis.

Pension Costs

The charity operates a defined contribution pension scheme for staff who have joined the Trust since April 2011. Seven staff members who transferred from LBHF are members of the Local Government Pension Scheme (LGPS).

The LGPS is a funded scheme and the assets are held separately from those of the Company in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

Expenses

Costs are included in the appropriate category. Support costs are allocated across the two activities based on the direct costs of that activity as a proportion of the total direct cost of the two activities. Irrecoverable VAT is included within support costs.

Transfer of Assets

On the 1 April 2011 all the assets and liabilities of Fulham Palace Trust (an unincorporated charity) were transferred to Fulham Palace Trust (an incorporated charity).

Loans

The long-term loans recorded on the balance sheet are classified as a concessionary loan. Concessionary loans have been recognised and measured at amount that was initially received, and are adjusted to reflect repayments and impairment on the loan.

Going Concern

The financial statements of the Trust have been prepared on the going concern basis which assumes that the Trust will continue to be able to meet its liabilities when they fall due. The trustees consider that the going concern basis remains appropriate having reviewed income and expenditure and cashflow for a period of at least twelve months from the approval of these financial statements.

The COVID-19 crisis had a significant impact in the heritage and cultural sector, and will do so for the foreseeable future, having caused significant uncertainty in visitor numbers and associated revenues. To counter this, planned expenditure has been reduced or postponed until income returns to pre COVID levels. Both budgets and cashflow forecasts have been adjusted accordingly. The Trustees have incorporated the full impact of the crisis and the detailed scenario and risk planning in arriving at their going concern assurance position.

2. DONATIONS AND LEGACIES

	Restricted	Unrestricted	Total 2021	Total 2020
	£	£	£	£
Grants and donations				
Church Commission donation in kind for use of property	62,500	-	62,500	62,500
Walled Garden	16,000	-	16,000	16,000
LBHF core funding grant	-	122,443	122,443	117,034
Education programme	500	-	500	35,000
NLHF Emergency Fund	-	193,900	193,900	659,742
Campaign: Restoring and Renewing Fulham Palace	119,397	-	119,397	79,021
Other project grants and donations	<u>51,725</u>	<u>248,064</u>	<u>299,789</u>	<u>49,981</u>
	<u>250,122</u>	<u>564,407</u>	<u>814,529</u>	<u>1,019,278</u>

“LBHF” refers to the London Borough of Hammersmith and Fulham.

3. FULHAM PALACE ENTERPRISES COMMUNITY INTEREST COMPANY

Fulham Palace Enterprises Community Interest Company is a wholly-owned subsidiary incorporated in England and Wales whose principal activity is to support the charity. The subsidiary is limited by guarantee and therefore there is no investment to disclose. The guarantee is limited to £100.

The income and expenditure of the CIC as shown in the published accounts is as follows:

	2021	2020
	£	£
Turnover events and functions	212,618	346,349
Cost of sales	(2,821)	(25,445)
Administrative expenses	(7,533)	(2,151)
Interest receivable and similar income	<u>2</u>	<u>32</u>
Retained profit for the year	<u>202,266</u>	<u>318,785</u>
Balance sheet		
Fixed assets	-	8,368
Current assets	248,014	376,034
Current liabilities	(45,748)	(65,617)
Net assets	<u>202,266</u>	<u>318,785</u>
Income and expenditure account	<u>202,266</u>	<u>318,785</u>

Due to changes in recognition of gift-aid payments amounts are now recorded as disbursements once the payments have taken place. During the year £318,785 was paid to the parent company, Fulham Palace Trust. There was an additional £93,940 paid to the parent company to cover the CIC portion of the VAT liability. The anticipated gift aid payment for next year is £202,266.

Current assets include an amount due from the parent company, Fulham Palace Trust, of £23,033 (2020: creditor (£52,246)).

4. FULHAM PALACE TRUST

INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Income		
Café income	17,191	25,000
General rents, service charges and utilities reimbursements	760,694	744,044
Education	9,253	41,958
HMRC CJRS income	91,796	-
Other income	<u>26,401</u>	<u>79,572</u>
	<u>905,335</u>	<u>890,574</u>

The company is entitled to the following future income from non-cancellable tenancy operating leases:

	2021	2020
	£	£
Not later than one year	29,893	725,143
Later than one year and not later than five years	1,610,233	3,228,938
Later than 5 years	304,333	611,086

5. INVESTMENT INCOME

Investment income consists solely of interest receivable.

6. COSTS OF GENERATING INCOME

	2021	2020
	£	£
Entertaining	-	3,077
Activities and events	4,875	9,745
Marketing, PR and website costs	15,082	12,014
Fundraising staff	<u>36,799</u>	<u>41,313</u>
	<u>56,756</u>	<u>66,149</u>

7. CHARITABLE ACTIVITIES

	Activities undertaken directly	Support Costs (note 8)	Total 2021	Total 2020
	£	£	£	£
Activity				
Maintenance of historic buildings	138,265	851,461	989,726	923,881
Community & education	9,015	567,640	576,655	615,920
Governance costs (note 9)	<u>9,960</u>	-	<u>9,960</u>	<u>12,978</u>
	<u>157,240</u>	<u>1,419,101</u>	<u>1,576,341</u>	<u>1,552,779</u>

8. ALLOCATION OF SUPPORT COSTS

	Maintenance of historic buildings (60%)	Community & Education (40%)	Total 2021	Total 2020
	£	£	£	£
Support costs				
Premises	81,146	54,097	135,243	169,996
Staff & staff related costs	525,970	350,647	876,617	868,920
Other overheads	<u>244,345</u>	<u>162,896</u>	<u>407,241</u>	<u>377,244</u>
	<u>851,461</u>	<u>567,640</u>	<u>1,419,101</u>	<u>1,416,160</u>

Allocation of support costs was based on the level of costs in activities undertaken directly.

9. GOVERNANCE COSTS

	2021	2020
	£	£
Preparation of annual accounts and group audit fees	9,000	8,700
Trustee meetings (minute taking)	960	1,778
Trustee training and recruitment	—	<u>2,500</u>
	<u>9,960</u>	<u>12,978</u>

10. EMPLOYEE COSTS

	2021	2020
	£	£
Wages and salaries	745,551	756,411
Social security	64,599	66,262
Pension contributions:		
Employer contributions to pension schemes	36,175	49,239
Other pension and finance costs	<u>16,000</u>	<u>63,000</u>
	<u>862,325</u>	<u>934,912</u>

The number of employees whose annual emoluments exceeded £60,000 in the period were as follows:

	2021	2020
	No.	No.
£80,001 - £90,000	<u>1</u>	<u>1</u>

Staff costs include remuneration costs (salary, employer's NI contributions and employer's pension contributions) for key management personnel amounting to

	<u>91,026</u>	<u>90,294</u>
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The average monthly number of employees in the group during the year was made up as follows:

	2021	2020
	No.	No.
CEO	1	1
Commercial & Visitor Experience Manager	1	1
Finance Manager	1	1
Assistant Accountant	1	2
Visitor welcome team	3	3
Head Gardener	1	1
Gardener	1	1
Senior Gardener	1	1
Project Manager	1	1
Apprentice/Trainee Gardeners	3	3
Learning and Engagement manager	1	1
Learning Officer	1	1
Volunteer Development Officer	1	1
Administration	2	1
Handyman/Caretaker	1	1
Fundraising Officer	1	1
Community Archaeologist	1	1
Marketing Officer	1	1
Conservation Assistant	1	1
Curator	1	
Collections and Research Officer	1	1
Facilities Manager	1	1
Communications and Development Manager	-	1
Cleaning team	<u>2</u>	<u>2</u>
	<u>29</u>	<u>29</u>

The 2020 figure was mis-stated as 27 in 2019/20. With the cleaning team it should have been 29.

No Trustee received any remuneration or reimbursement of expense during the year.

11. NET INCOME

	2021	2020
	£	£
Is stated after charging:		
Auditors' remuneration – audit	9,000	8,700
Auditors' remuneration – other financial services	11,588	5,258
Rent	62,500	62,500
Depreciation	<u>125,681</u>	<u>140,764</u>

12. FIXED ASSETS

Tangible assets for the Group

	Plant & machinery	Office equipment	Fixtures & fittings	Leasehold improvements	Group Total
	£	£	£	£	£
Cost or valuation:					
At 1 April 2020	29,129	69,326	141,286	4,026,839	4,266,580
Additions	-	5,818	4,508	92,323	102,649
Disposals	-	-	-	-	-
At 31 March 2021	<u>29,129</u>	<u>75,144</u>	<u>145,794</u>	<u>4,119,162</u>	<u>4,369,229</u>
Depreciation:					
At 1 April 2020	15,560	57,680	107,896	214,016	395,152
Charge for year	2,968	6,682	12,680	103,351	125,681
On disposal	-	-	-	-	-
At 31 March 2021	<u>18,528</u>	<u>64,362</u>	<u>120,576</u>	<u>317,367</u>	<u>520,833</u>
Net book value:					
At 31 March 2021	<u>10,601</u>	<u>10,782</u>	<u>25,218</u>	<u>3,801,795</u>	<u>3,848,396</u>
At 31 March 2020	<u>13,569</u>	<u>11,646</u>	<u>33,390</u>	<u>3,812,823</u>	<u>3,871,428</u>

Tangible assets for the Company

	Plant & machinery	Office equipment	Fixtures & fittings	Leasehold improvements	Company Total
	£	£	£	£	£
Cost or valuation:					
At 1 April 2020	29,129	69,326	62,281	4,026,839	4,187,575
Additions	-	5,818	4,508	92,323	102,649
Disposals	-	-	-	-	-
At 31 March 2021	<u>29,129</u>	<u>75,144</u>	<u>66,789</u>	<u>4,119,162</u>	<u>4,290,224</u>
Depreciation:					
At 1 April 2020	15,560	57,680	37,259	214,016	324,515
Charge for year	2,968	6,682	4,312	103,351	117,313
On disposal	-	-	-	-	-
At 31 March 2021	<u>18,528</u>	<u>64,362</u>	<u>41,571</u>	<u>317,367</u>	<u>441,828</u>
Net book value:					
At 31 March 2021	<u>10,601</u>	<u>10,782</u>	<u>25,218</u>	<u>3,801,795</u>	<u>3,848,396</u>
At 31 March 2020	<u>13,569</u>	<u>11,646</u>	<u>25,022</u>	<u>3,812,823</u>	<u>3,863,060</u>
Depreciation provided:	10-33% SL	33% SL	25% SL	5-20% SL / Duration of lease	

13. STOCKS

	Group 2021	Company 2021	Group 2020	Company 2020
	£	£	£	£
Goods for resale	<u>8,640</u>	<u>8,640</u>	<u>10,037</u>	<u>10,037</u>

14. DEBTORS

	Group 2021	Company 2021	Group 2020	Company 2020
	£	£	£	£
Trade debtors	139,391	96,533	45,301	42,838
Prepayments and accrued income	61,425	260,192	9,531	326,381
Other	63,734	63,734	71,281	71,281
Due from subsidiary	-	-	-	52,246
	<u>264,550</u>	<u>420,459</u>	<u>126,113</u>	<u>492,746</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021	Company 2021	Group 2020	Company 2020
	£	£	£	£
Trade creditors	24,731	24,081	65,985	62,748
Other taxes and social security	43,081	19,473	42,216	42,216
Other creditors	4,242	4,242	5,113	5,113
Concessionary loan from LBHF Architectural Heritage Fund	250,000	250,000	250,000	250,000
Loan	108,000	108,000	-	-
Due to Subsidiary	-	23,033	-	-
Accruals and deferred income	<u>145,949</u>	<u>124,459</u>	<u>112,824</u>	<u>112,824</u>
	<u>576,003</u>	<u>553,288</u>	<u>476,138</u>	<u>472,901</u>

Income in advance

Brought forward	7,592	7,592	8,768	7,548
Utilised in year	(7,592)	(7,592)	(8,768)	(7,548)
Arising in year	<u>22,785</u>	<u>1,295</u>	<u>7,592</u>	<u>7,592</u>
	<u>22,785</u>	<u>1,295</u>	<u>7,592</u>	<u>7,592</u>

Income in advance relates to rent/service charges and events billed in advance.

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2021 £	Company 2021 £	Group 2020 £	Company 2020 £
Architectural Heritage Fund Loan	<u>282,609</u>	<u>282,609</u>	<u>433,751</u>	<u>433,751</u>

The concessionary loan from LBHF was repayable on 31 March 2019 or earlier if the balance of the loan drawn down which has not been used to fund unforeseen or unbudgeted costs together with the accumulated operating surplus (excluding restricted funds) exceed £500,000. It was therefore being shown as a creditor falling due within one year (note 15) last year. The £250,000 loan was not repaid during the year and is therefore being shown as still being due within one year pending further discussions.

During the year ended 31 March 2019 a loan facility of £400,000 was arranged from the Architectural Heritage Fund, of which £200,000 had been drawn upon at 31 March 2019. A further £200,000 was drawn down on this loan during the year to 31 March 2020. The terms of the loan are such that no repayments are required for the first 2 years. Interest is being charged at 7.5% per annum on the outstanding balance. This interest rate will decrease to 6% once repayments have reduced the outstanding balance below £200,000.

17. PENSION SCHEME LIABILITY

Local Government Pension Scheme

The LGPS is a funded defined-benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 March 2021 was £3,000 (2020: £7,000), of which employer's contributions totalled £nil (2020: £nil) and employees' contributions totalled £3,000 (2020: £7,000).

When the contribution rate was initially determined a deficit was attributed to the Employer. It was later agreed that this was not appropriate and as a result it was agreed that the employer's current contributions for 2020 would be suspended and that they would also receive an asset transfer to correct the initial funding deficit.

The pension valuation used is based on the actuarial valuation at 31 March 2021 prepared by Barnett Waddingham on the instruction of LBHF, in relation to employees of Fulham Palace Trust as at 31 March 2021.

Principal actuarial assumptions

	At 31 March 2021	At 31 March 2020
Salary increases	3.85%	2.95%
Pension increases	2.85%	1.95%
Discount rate	2.00%	2.35%

The following table sets out the impact of a small change in the discount rates on the defined benefit obligation and projected service cost along with a +/- 1 year age rating adjustment to the mortality assumption.

Sensitivity analysis	£'000	£'000	£'000
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	2,426	2,469	2,513
Projected service cost	22	22	23
Adjustment to life expectancy assumptions	+1 year	None	-1 year
Present value of total obligation	2,571	2,469	2,371
Projected service cost	23	22	21

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 March 2021	At 31 March 2020
<i>Retiring today</i>		
Males	21.6	21.8
Females	24.3	24.4
<i>Retiring in 20 years</i>		
Males	22.9	23.2
Females	25.7	25.8

The charitable company's share of the assets and liabilities in the scheme were:

	Fair value at 31 March 2021 £'000	Fair value at 31 March 2020 £'000
Equities	1,089	827
Cash	143	163
Property	232	221
Cash Plus funds	915	591
Inflation Opportunity Funds	<u>-</u>	<u>222</u>
Total	<u>2,379</u>	<u>2,024</u>

Amounts recognised in the statement of financial activities

	2021 £	2020 £
Current service cost (net of employee contributions)	15,000	57,000
Net interest on the defined liability	-	5,000
Administration expenses	<u>1,000</u>	<u>1,000</u>
Total operating charge	<u>16,000</u>	<u>63,000</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS102 is a £163,000 gain.

Movements in the present value of defined benefit obligations were as follows:

	2021 £'000	2020 £'000
At 1 April	2,056	2,282
Current service cost	15	39
Interest cost	47	55
Change in financial assumptions	466	(163)
Change in demographic assumptions	(20)	(62)
Experience (gain) on defined obligation	(24)	(94)
Estimated benefits paid net of transfers in	(74)	(26)
Past service costs, including curtailments	-	18
Contribution by scheme participants	<u>3</u>	<u>7</u>
At 31 March	<u>2,469</u>	<u>2,056</u>

Movements in the fair value of charitable company's share of scheme assets:

	2021 £'000	2020 £'000
At 1 April	2,024	2,108
Interest on assets	47	50
Return on assets less interest	380	(102)
Other actuarial gains/(losses)	-	(12)
Administration expenses	(1)	(1)
Contribution by employer including unfunded	-	-
Contribution by scheme participants	3	7
Estimated benefits paid plus unfunded net transfers	(74)	(26)
Settlement prices received / (paid)	<u>-</u>	<u>-</u>
At 31 March	<u>2,379</u>	<u>2,024</u>

Reconciliation of opening and closing deficit

	2021 £	£	2020 £
Pension deficit at 1 April	(32,000)		(174,000)
Current service cost (including administration expenses)	(16,000)	(58,000)	
Employer contributions (see note below)	<u>-</u>	<u>-</u>	
Additional pension cost	(16,000)		(58,000)
Other finance costs	-		(5,000)
Actuarial gains/(losses)	<u>(42,000)</u>		<u>205,000</u>
Pension deficit at 31 March	<u>(90,000)</u>		<u>(32,000)</u>

The estimated value of employer contributions for the year ended 31 March 2021 is £41,000.

18. UNRESTRICTED FUNDS

	General Total	Non- charitable Trading Funds	Pension	Group Total
	£	£	£	£
Opening funds	3,582,755	-	(32,000)	3,550,755
Net income/(expenditure) before transfers	286,912	-	(16,000)	270,912
Transfers	51,560	-	-	51,560
Actuarial gains/(losses)	<u>-</u>	<u>-</u>	<u>(42,000)</u>	<u>(42,000)</u>
Closing funds	<u>3,921,227</u>	<u>-</u>	<u>(90,000)</u>	<u>3,831,227</u>

19. RESTRICTED FUNDS

	Fund-raising	Education Funds	Restoring and renewing Fulham Palace	Other	Group Total
	£	£	£	£	£
Opening funds	-	23,970	385,634	10,660	420,264
Income	-	500	119,397	130,225	250,122
Expenditure	-	(15,965)	(135,976)	(79,660)	(231,601)
Transfers	-	-	-	(51,560)	(51,560)
Closing funds	-	<u>8,505</u>	<u>369,055</u>	<u>9,665</u>	<u>387,225</u>

Education funds are maintained for the care of collections, acquisition of collections and running our educational service.

The Restoring and Renewing Fulham Palace fund is capital funds generated towards our £3.8m Heritage Lottery Fund Project.

Other funds include projects in the walled garden such as planting fruit trees, funding apprenticeships and gifts of rental services.

20. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted Funds	Unrestricted Funds	Total
	£	£	£
Tangible fixed assets	-	3,848,396	3,848,396
Net current assets	387,225	355,440	742,665
Long term liabilities	-	(282,609)	(282,609)
Pension scheme liability	-	<u>(90,000)</u>	<u>(90,000)</u>
	<u>387,225</u>	<u>3,831,227</u>	<u>4,218,452</u>

21. GENERAL INFORMATION

Fulham Palace Trust is a company limited by guarantee incorporated and domiciled in England. Its registered office address and principal place of business is Fulham Palace, Bishops Avenue, London, SW6 6EA.

In the event of the company being wound up every member undertakes to contribute to the assets for payment of the debts and liabilities an amount not exceeding £1.

22. COMMITMENTS UNDER OPERATING LEASES

Fulham Palace Trust holds the site on a long lease with LBHF, who in turn lease it from the Church Commission. The lease runs to 17 May 2075 and the annual amount payable under the lease is £62,500. The Church Commission have now waived this annual rent until 17 May 2075 and have backdated the suspension to 1 April 2012. This has been disclosed as a donation in kind, with the current year waiver being restricted to the current year rent expense.

23. EVENTS AFTER THE BALANCE SHEET DATE

There are no significant post balance sheet events to note.

24. RELATED PARTY TRANSACTIONS

Fulham Palace Enterprises Community Interest Company is a wholly-owned subsidiary of Fulham Palace Trust (see note 3 for further details).

Aggregate donations from trustees in the year amounted to £10,668 (2020: £10,000).

There were no other related party transactions in the reporting period requiring disclosure.