



National  
Trust



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**National Trust**

**Annual Report 2020/21**

# The National Trust in brief

## Our purpose

To look after special places throughout England, Wales and Northern Ireland for everyone, for ever.

## About us

In 1895, our founders, Octavia Hill, Robert Hunter and Hardwicke Rawnsley, pledged to preserve our historical and natural places. Their aim was not only to save important sites, but to open them up for everyone to enjoy.

From this trio of environmental pioneers, the National Trust was created – and their original values are still at the heart of everything we do 125 years later.

As Europe's largest conservation charity, we look after special places for the nation to enjoy. We rely on our millions of members, volunteers, staff and supporters. Without your help, we wouldn't be able to protect the miles of coastline, woodland and countryside, and the hundreds of historic buildings, gardens and precious collections that are in our care.

The National Trust cares for:

- more than 500 historic houses, castles, parks, and gardens
- more than one million items in our collections
- more than 250,000 hectares of land
- more than 780 miles of coastline

This Annual Report can also be viewed online at [www.nationaltrustannualreport.org.uk](http://www.nationaltrustannualreport.org.uk)

The National Trust for Places of Historic Interest or Natural Beauty is a registered charity (no. 205846). It is incorporated and has powers conferred on it by Parliament through the National Trust Acts 1907 to 1971 and under the Charities (National Trust) Order 2005.

The Trust is governed by a Board of Trustees whose composition appears on page 48. A brief description of the Trust's organisation is given on pages 37 to 47. Our bankers, investment advisers and independent auditors are identified on page 88 and the contact details for our principal offices are listed on page 106. This Annual Report has been prepared by the Board of Trustees and covers the period March 2020 to February 2021.

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# Message from the Chair and Director-General

**We are pleased to present this report describing how the National Trust responded to the unprecedented challenges which arose due to the Covid-19 pandemic during 2020/21, the Trust's 125th anniversary year.**

The kind, energetic and dedicated way that our staff and volunteers have responded to everything that this tumultuous year has thrown at us has been humbling, and we are immensely proud of what we have achieved together.

It is therefore with great sadness that we report the passing of both staff and volunteers as a result of Covid-19 and we extend our sincere condolences to their families and friends.

2020 was a year of firsts for the National Trust. Never had every single property been legally obliged to close, and almost the whole organisation was put into hibernation, with the majority of our staff furloughed and most volunteers asked to pause their support. Lockdown made our day-to-day lives unrecognisable.

While managing lockdowns and reopenings, we faced difficult decisions as we looked for a way to contend with our significantly reduced visitor income and the resulting financial loss. These decisions meant re-shaping our organisation to make us leaner, more flexible and more resilient so that we could readily adapt to the quickly changing environment. We are confident that we will emerge from the pandemic with the right resources in place to implement our strategy.

Octavia Hill, one of the National Trust's founders, once said that without space 'we cannot reach that sense of quiet in which whispers of better things come to us.' More than a century later, her words feel more relevant than ever.

The pandemic has not impacted every person equally, and those living without access to nature or culture were particularly affected by lockdown restrictions. Our legacy from this period of time should ensure that everyone can enjoy nature-rich green spaces on their doorstep and access local heritage and the shared cultural spaces that help bring communities together.

As we recover from the pandemic, we will continue to play our part in supporting the nation. The National Trust remains steadfastly committed to conservation and to helping everyone enjoy the special places in our care for the long term.

Your membership and support are the National Trust's future. Thank you to everyone who has supported our work over this most challenging year.



Photography © National Trust Images



Photography © National Trust/John Willar

A handwritten signature in black ink, reading 'Tim Parker'.

**Tim Parker**  
Chair  
21 July 2021

A handwritten signature in black ink, reading 'Hilary McGrady'.

**Hilary McGrady**  
Director-General  
21 July 2021

## A personal message from our outgoing Chair

In October I will step down from my role as Chair. During this time, I have met wonderful people and visited astonishing places. I have learned more than I could ever have imagined and been inspired by a charity whose knowledge and expertise is needed today as much as at any time in its history.

The last year has been one of the most difficult in the history of the Trust. Having completed two terms, I agreed to stay on as Chair to provide stability during the pandemic. I took the decision to stand aside this year in the knowledge that the Trust is well placed for post-pandemic recovery and already resuming its work to protect and care for places so that people and nature can thrive.

The Director-General and her team, the Board of Trustees and the Council are strong and determined to deliver a strategy that meets the conservation challenges of the day.

I wish them and all involved with the National Trust well and thank you for your support during my time as Chair.

**Tim Parker, Chair**

A handwritten signature in black ink, reading 'Tim Parker'.

# Board of Trustees' report for 2020/21

**The Trustees are pleased to present the 2020/21 Annual Report & Accounts of the National Trust. The financial year began three weeks before the start of the first lockdown in the UK and concluded when the nation was in its third lockdown.**

## **A year like no other**

In the year that marked 125 years since the foundation of the National Trust, we expected to hold celebrations, continue or complete important and exciting nature and conservation projects and welcome record numbers of visitors to our places.

The pandemic changed all that, for the National Trust as for so many others. For the first time ever we were legally required to shut down all our houses, our estates and our offices. It was a huge shock to all who work or volunteer for the organisation.

Emergency structures and decision-making processes were quickly developed: the Board worked very closely with the Executive team to reflect on the implications and to examine and approve action plans. The Board met 20 times during the year, adapting to and making the best of virtual working, both to conduct the normal business of the Trust and to consider pandemic-related matters ranging from the change in the security needs of our houses to the challenging financial picture as it unfolded.

## **Responding to secure our long-term future**

The pandemic abruptly reversed a long period of growth in membership and revenues. It quickly became clear that operating income would reduce by more than £200 million in the 2020/21 financial year compared to the budget that we had set, which would cause the Trust to face substantial operating losses unless costs were reduced immediately. We were able to save £41.8 million by substantial cuts in non-staff costs and a further £114 million by immediately stopping many projects and all but essential conservation work. The Government's Coronavirus Job Retention Scheme ('furlough'), which launched in April, enabled the Trust to relieve the loss of income while retaining many staff members. At many points during 2020 most of our staff were furloughed. In total the charity saved £197 million of planned spend to mitigate against the £213 million of reduced income in year.

It was also clear that the fall in membership would result in lower revenues in the following years, even if all limitations were lifted by the end of the year. This necessitated a reduction in costs on an ongoing basis too. In July 2020, having reviewed the financial forecasts, the Board authorised the Executive Team to launch a consultation on a structural cost reduction programme, including reductions in staff numbers. This is never easy, but the overarching requirement to avoid a rapid and continued drain on reserves made this an essential step. The restructure led to the loss of 1,767 staff, out of an overall headcount of 12,389, made up of 845 voluntary and 922 compulsory redundancies.

These combined actions resulted in an annual reduction in costs of £94.5 million. While these losses are individually very hard, the overall headcount of the Trust after this programme is at levels comparable to 2013.

These decisions were made after much deliberation. We remain immensely proud of our dedicated and loyal staff and determined to maximise the amount we continue to spend on our conservation work without jeopardising our future sustainability. We are already seeing the reintroduction of some of our most pressing projects. The actions that we took, alongside the signs of recovery that we have seen in recent months, give us confidence in the long-term sustainability of the organisation.



## Membership and donations

For much of the year we were unable to welcome members to our properties. We supported members by offering payment holidays and freezing renewal costs. We were very heartened by the fact that our membership retention rate reduced by only 1.2%. We closed the year with 5.4 million members, a drop of just over 0.5 million, caused mostly by not being able to carry out face-to-face recruitment at Trust places. We are delighted that we have seen a small but consistent growth in membership since the end of the financial year. We are also very pleased that donations have held up and philanthropy met or exceeded targets. We are hugely appreciative of the continued support of our members and donors.

## Visiting our places

Within the legal frameworks of lockdowns, we were determined to continue to offer the best experience we could to visitors in a safe and compliant manner. Despite restrictions we welcomed 13.6 million visitors during the year at our pay for entry places. This was made possible through the rapid introduction of a booking system alongside the design and introduction of comprehensive Covid-safe processes.

## Annual General Meeting

Restrictions meant that we were unable to hold the Annual General Meeting in 2020 as the Trust's legal framework did not provide the flexibility to host an online event. An informal members' broadcast in the autumn was joined by hundreds of members, many of whom submitted questions and were able to interact virtually with our Chair, Director-General and Secretary.

We fully expect to host an Annual General Meeting in the autumn of 2021, and work is in hand to make the necessary changes to our rules to provide flexibility in future for both in-person and digital hosting of these events.

## Reputational matters and the Charity Commission

In the latter part of 2020 there were a number of critical press articles about the Trust and the Charity Commission received a formal complaint regarding the interim report we published detailing the links to the transatlantic slave trade and centuries of British colonialism at some of the places the Trust cares for.

We welcome the Charity Commission's conclusion that there were no grounds for regulatory action against the Trust. We are also pleased the Commission is satisfied that we gave due consideration to how the report, and the research behind it, would help us explain the history of our properties and thus further our charitable purpose.

## Thank you

We finish by thanking our staff and our volunteers for their resourcefulness, resilience and forbearance throughout this difficult time. We also thank our historic families, donors, funders, partners, Council, Regional Advisory Boards and Specialist Advisory groups, whose support has proved more valuable than ever despite the difficulties of meeting in person. Special thanks go to our members who have demonstrated a remarkable commitment to our cause. We are extremely grateful to everyone who has helped us get through this challenging year and look forward to working with all in the Trust 'family' in the years of recovery to come.



# Nature, beauty, history. For everyone, for ever – our strategy 2020–2025

Last year we reported that we had reached the midway point of our 10-year strategy ‘Playing our part’ and had subsequently reviewed our ambitions and objectives for the next five years.

The pandemic, however, saw the world change rapidly, and plans for working towards our renewed goals were heavily impacted. Less capital expenditure was available and there were fewer opportunities for our people, contractors and partners to deliver projects.

This prompted us to pause and reflect on what was needed at that time. We adjusted our short-term plans and reviewed our long-

term plans to help us recover from the impacts of the pandemic on our people and finances.

The Trust’s core purpose, to care for nature, beauty and history throughout England, Wales and Northern Ireland, continues to guide us as it has for the past 125 years. Our overall strategy remains the same, but our organisation has changed. It has been a challenging year but, going forward, we are leaner, more flexible and ready to focus our efforts on our biggest priorities.

## What we are doing:

### Looking after:

we will care for places and give them a sustainable future



### Land and nature:

we will improve the state of nature in the UK



### Experiences:

we will make sure our places keep evolving, attracting people and inspiring them



### Urban places:

we will address unequal access to nature, beauty and history where people live



### Growing support:

we will give people more opportunities to get involved and support our work



### People and resources:

we will be an inclusive, welcoming and sustainable organisation



You can read more about work carried out to achieve our ambitions on pages 6 to 25.

# Our performance 2020/21

We use Key Performance Indicators (KPIs) to measure progress against our strategic objectives. To focus on essential work during the pandemic, we suspended measurement in some areas, including our Conservation Performance Indicator and monitoring service delivery at properties. In addition, as stated in our 2019/20 Annual Report, we did not set KPI targets for this year.

Our performance against core measures is detailed throughout the strategic report and illustrates the impact that Covid-19 had during 2020/21. In 2021/22 we will continue to monitor the strength of our recovery against similar core measures while carrying out a review of our KPI measures which will be published in 2022/23.





In the face of restrictions related to the pandemic, looking after our places remained a priority throughout the year. We were able to provide essential care for our collections, put procedures in place to reopen gardens and houses safely, and deliver the most important conservation projects.

## Conservation Performance Indicator (CPI)

The use of the Conservation Performance Indicator – a measurement tool that helps us monitor the condition of our most important assets – was paused during 2020/21. This allowed us to focus on reopening properties and to recover from the impact of Covid-19.

The Trust's commitment to high conservation standards meant that, despite the need for redundancies during the Reset programme, significant specialist curatorial expertise was retained, with levels remaining above those of five years ago. We also introduced new curatorial roles at houses with significant collections, such as Belton House, Lincolnshire and Blickling, Norfolk. This meant we could continue to meet conservation demands and ensure public engagement in collections of historic libraries, paintings and sculpture, furniture, decorative art, textiles, photography and social history.

## Houses reopening

During the year, our collections and house teams operated on a skeleton staff who worked through essential tasks to care for our assets. This included keeping our precious collections secure, carrying out delicate cleaning and battling pests that thrived in the absence of visitors.

In readiness for lockdown measures easing in July 2020 and in an atmosphere of uncertainty we launched a pilot at seven properties to ensure that we could welcome staff, volunteers and visitors back safely and with confidence. Measures included one-way systems and rigorous cleaning regimes. The success of the pilot paved the way for us to reopen.

The nation faced further lockdown measures in November 2020. The teams worked rapidly to close properties again as it became clear that there was no likelihood of them reopening before spring 2021.

## Parkland and gardens

Our parkland and gardens provided a valuable outdoor escape for millions of people throughout the pandemic, when restrictions allowed, with fewer staff and volunteers than usual working creatively on low-cost displays and maintenance. We asked for the public's help at Ham House, London, where visitors were invited to help cut the lavender parterre. In return, they were given bunches to take home with them.

Each year we use the vegetables grown in our gardens in our restaurants. With our places closed this year, we donated these vegetables to local food banks where possible.

## Notable conservation projects this year included:

### Old stairs, Dyrham Park, South Gloucestershire

As part of a £10 million site-wide revitalisation, the Old Stairs originally installed in the 1690s were repaired, reinforced and redecorated, removing a weight restriction that had limited the number of people allowed on the staircase. Work involved stripping away modern paint layers and following the historical decorative approach to grain soft woods to imitate the expensive and rare walnut used originally.

### State bed, Erddig, Wrexham

Crafted in the 18th century, the Erddig state bed is gilded and hung with beautiful but fragile Chinese silks. We are part-way through a £400,000 conservation project to stabilise and repair the silk, with match funding of £100,000 provided by the Wolfson Foundation. The conservation work is being carried out at our Textile Conservation Studio in Blickling, Norfolk.

### Excavation photographs, Sutton Hoo, Suffolk

A remarkable series of photographs by amateur photographers Miss M K Lack and Miss B Wagstaff provides first-hand accounts of the excavation in 1939 of the Anglo-Saxon ship burial at Sutton Hoo. The collection, gifted to the National Trust by Andrew Lack, great-nephew of one of the photographers, has been conserved, re-housed and professionally digitised. Page-turning technology allows visitors to experience for themselves the unfolding story of the excavation through the photographers' eyes.



The Trust cares for over 200 collections containing a total of more than a million items.

### Seaton Delaval Hall, Northumberland:

2020 was a significant year for the £7.5 million restoration project at Seaton Delaval Hall, once a flamboyant party house. Work has included re-roofing of the west wing, transformation of the historic brewhouse into a 90-seat café, installation of an accessible path network and the opening of our new Baroque theatre-inspired play area, made possible with funding from the National Lottery Heritage Fund.

*'Keeping the project going throughout the last 12 months has taken teamwork, trust, openness, resilience, perseverance and a good sense of humour. The positive feedback we received from visitors when we reopened in July 2020 is testament to the passion and hard work shown by the team.'*

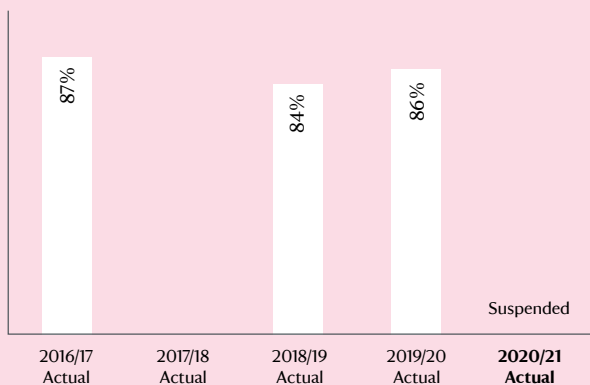
**Helen Nisbet, Project Manager**

### An update on Clandon Park House, Surrey

In 2015 Clandon Park House was badly damaged by fire. The Trust and its insurer Zurich have reached an agreed position on the damage, the terms of which are confidential between the parties. As a result, subject to statutory consents, essential conservation works to repair the core structure of the house will commence in late summer 2021 and run for approximately two years. Designs for the renewal of the house and its future cultural, community and visiting use are being developed in parallel. The house and gardens at Clandon continue to be open to members and visitors as works allow.

#### % CPIs static or improving

The Conservation Performance Indicator measures how well we are maintaining or improving the condition of the places in our care.



In 2017/2018 the KPI was rebaselined and therefore no figure was recorded.

### Carneddau Landscape Partnership

Climate change, farming patterns, invasive species and visitor pressures are impacting the fragile landscapes and rich biodiversity of Carneddau, in the far north of Snowdonia, Gwynedd. Traditional knowledge, place names and stories that connect people with the landscape are also at risk of being lost.

Funded by a £1.7 million grant from the National Heritage Lottery Fund, this partnership is being led by the Snowdonia National Park Authority with the Trust being one of the core partners.

The scheme will be carried out over five years and is made up of several projects designed to increase understanding and enjoyment of the area's history, cultural traditions and wildlife.

#### Work to date has included:

- assessment of the condition of 99 Scheduled Monuments across the area, 30 of which are on Trust land. Local communities will assist with removing invasive vegetation from the worst affected, providing them with the opportunity to learn about archaeology, local history and wildlife;
- tree planting and meadow creation;
- research into montane heath restoration. Montane heath is one of only two natural types of heathland and is found at altitudes above 700m.

#### Future projects will include:

- a research and oral history project which will share stories, memories and information about Carneddau farming communities;
- public archaeology exploring 6,000-year-old stone quarries and the beautiful axes that were traded and exchanged over long distances across Britain.



The nation's outdoor spaces played a huge part in helping us all through a hard year. There has never been a more important time to both look after the priority habitats and ecosystems in our care, and to support and encourage others to do more for nature.

Environmental issues ranked as the third most important issue facing the UK in 2020 with 86% of adults reporting that protection of the environment is important to them.<sup>1</sup>

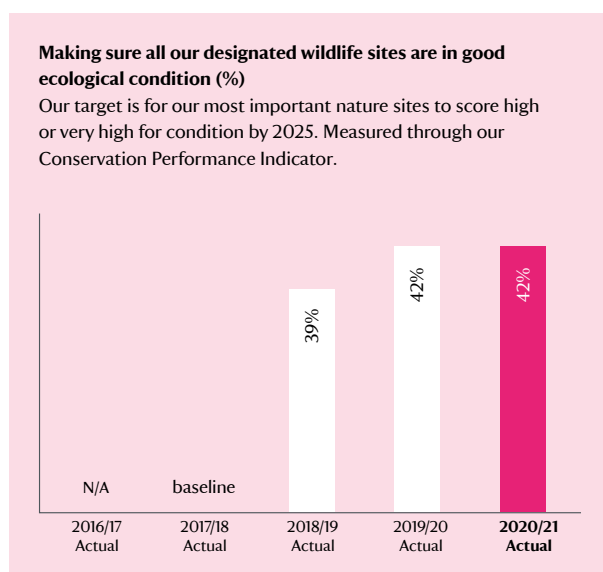
### Improving our land

The Trust looks after over 250,000 hectares of land with 41% designated as nationally important for nature.

Disappointingly, progress towards our four key targets for helping nature's recovery slowed significantly this year with pandemic restrictions in place. Whilst this provided some opportunities for nature to flourish in areas that would normally be too disturbed, we will need to resume our conservation work with renewed vigour as soon as possible.

#### 1. Making sure all our designated wildlife sites are in good ecological condition

Constant and long-term effort is needed to restore many of our wildlife sites and ensure that they are as resilient as they can be to environmental change. This year, 42% (against a target of 50% for 2025) of our most important sites and habitats scored highly against the Conservation Performance Indicator, remaining static from last year.



We are pleased to report that we received funding from Natural England which will help us to monitor the condition of 6,500 hectares of nationally important sites. This work will inform our conservation management and ensure that remedies are put in place to improve the condition of Sites of Special Scientific Interest such as Dovedale Wood, Staffordshire, which contains diverse plant life and where unusual birds such as pied flycatchers can be seen.

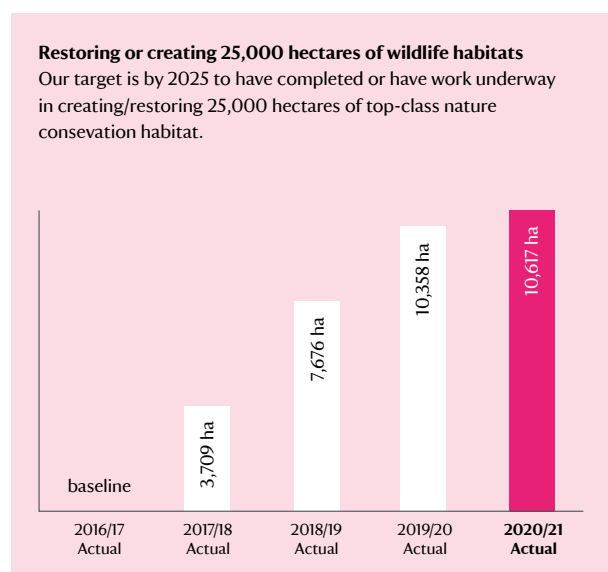
We are working with other major landowners to ensure our activities are co-ordinated at a landscape scale.

#### 2. Create and restore 25,000 hectares of wildlife habitats

Since last year, a further 267 hectares of priority habitat have been created or restoration is underway making a total of 10,617 hectares. This included work to restore dynamic sand dunes at key sites across England and Wales.

At Sandscale Haws National Nature Reserve, Cumbria, the amount of bare sand has dropped from 34% to less than 2% since the 1940s, resulting in the loss of scarce plants and specialist sand-dune species such as natterjack toads.

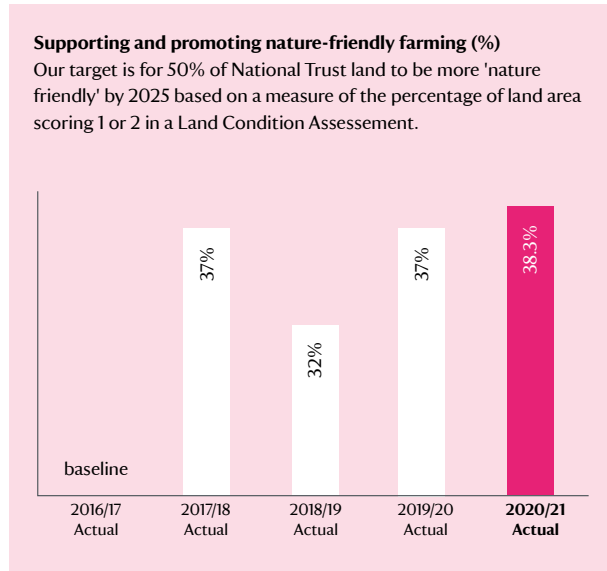
Our restoration has included restoring dune slacks, creating a breeding ground for natterjacks and removing invasive plants and hawthorn scrub to help a diverse range of plants flourish. This work, funded through a £12 million EU LIFE and National Heritage Lottery Fund partnership, is helping to establish good conservation practice.



<sup>1</sup>Source: The People and Nature Survey for England, Natural England

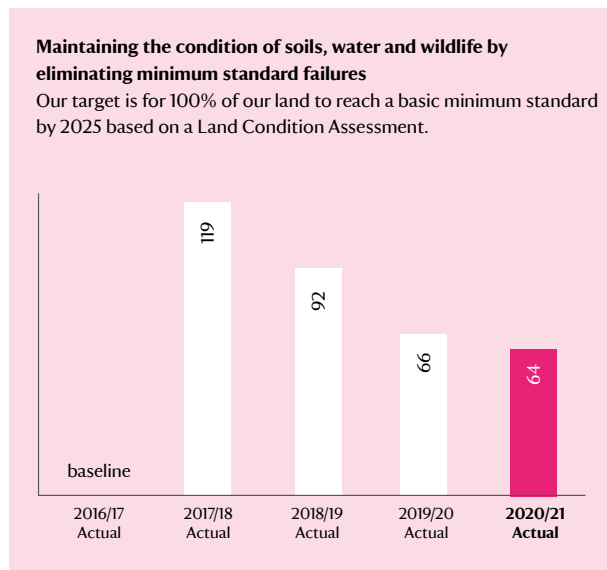
### 3. Supporting and promoting nature-friendly farming

We achieved 38.3% against our target of 50% (up from 37% in 2019/20). This slight uplift was the result of conservation work carried out in previous years and further progress will be made as we return to focusing on our strategy.



### 4. Maintaining the condition of soils, water and wildlife

We are making practical improvements through infrastructure investment and changes to land management to ensure all our land meets a basic minimum standard. In 2020/21 we tackled two areas ending the year with 64 cases of non-compliance against a target reduction to zero by 2025 (down from 66 in 2019/20).



## Our nature and climate ambitions

Last year we announced some ambitious environmental pledges to help tackle climate change. We have made good progress integrating them into our work. This will help us meet our target to become net-zero carbon by 2030.

Our ambition to plant 18,000 hectares of new woodland steadily gained momentum, with around 50,000 trees established since January 2020 and in Stroud, Gloucestershire we created new wildlife habitats and corridors as part of a larger landscape project to increase biodiversity (see case study).

Looking forward, we will utilise external funding and partnership opportunities to support the acceleration of our conservation work. This includes income received from the Green Recovery Challenge Fund to deliver £3.8 million of projects at some of our treasured historic estates.

We will continue to care for our natural places and ensure they are enjoyed by our supporters and the public.

## Influencing the debate

Covid-19 and policy changes linked to Brexit meant that we have been working with the Government and devolved administrations. Highlights include:

- responding to the impacts of Covid-19 for the National Trust and the wider heritage, nature and environmental sectors.
- promoting the opening of National Trust's outdoors spaces in ways which protected public health at the same time as enabling access to parklands, gardens, coast and countryside for recreation.
- publicly calling on the UK Government to seize on the opportunity of pursuing a 'green recovery' from Covid-19 – to grow the sectors, skills and investment needed to restore and enhance nature and achieve the UK's net-zero goal.
- working with our partner Greener UK to influence and strengthen the Government's Environment Bill, with the aim of helping to restore and enhance the environment.

*'Following Brexit and the coronavirus pandemic, farming has a once in a generation opportunity to create a more sustainable industry that puts nature and climate at the very heart of its business model.'*

**Rosie Hails, Nature and Science Director**

## Future farming policy

Farming is the Trust's primary land use spanning over 200,000 hectares. Working with our 1,350 tenants and in-hand farms remains key to delivering our strategy and we want our farmers to be in the strongest possible position as they head towards a world without subsidy for the first time in 50 years.

We welcomed the new Agriculture Act at the end of 2020, quickly followed by the release of the Government's Agricultural Transition Plan to implement it in England. Together, they provide an opportunity to put sustainability, wildlife, protecting and nurturing vital soils, improving water quality and flood prevention at the heart of land management.

While we continue our work with the Department for Environment, Food and Rural Affairs to help design the necessary schemes, we will explore how we and our tenants can become more involved in the piloting and practical roll-out of the new farming system. We will also pursue the same support for nature and farming in Wales and Northern Ireland.



**More than 126,000 hectares of our land is within a National Park. That's an area the size of Berkshire.**

<sup>2</sup>Source: PREDICTS project Natural History Museum

## Stroud landscape project

The UK has only half of its natural biodiversity left due to centuries of habitat loss, land management changes and development, putting it in the bottom 10% of all countries globally.<sup>2</sup>

The Stroud landscape project, Gloucestershire, is a pioneering partnership working with partners such as the Gloucestershire Wildlife Trust and the Woodland Trust as well as 24 local landowners, to help reverse these changes. The project aims to make our network of wildlife sites more joined up, creating havens for wildlife that will boost diversity.

### To date the project has:

- created eight hectares of wildflower meadows;
- harvested 275kg of wildflower seed and sown more than 11 hectares to improve plant diversity and encourage pollinating insects such as bees and butterflies;
- restored 10 hectares of land lost to non-native species back to grassland;
- reintroduced the globally endangered Large Blue Butterfly in the largest ever numbers in the UK, with an estimated 750 butterflies emerging; and
- restored four and a half hectares of ancient woodland to provide a better habitat for wildlife.

The more connections between habitats we can create, the more it will help wildlife to move across the landscape and thrive. Plans for 2021 include expanding into other parts of Stroud and the surrounding areas.

*'We are taking decisive action to reconnect and revitalise this magnificent stretch of the Cotswolds so wildlife can not only recover but prosper long into the future.'*

**David Armstrong, Lead Ranger and Stroud Landscape Project Manager**

# Experiences

We will make sure our places keep evolving, attracting people and inspiring them.

After a record-breaking year in 2019/20, the pandemic and subsequent restrictions saw visitor numbers drop from 28 million to 13.6 million. With many of our places closed for much of the year, we sought new ways to inspire and connect people to our cause.

## Digital experiences

With places closed, we increased digital activity taking the breadth of the National Trust, nature, beauty and history, directly to people in their homes by providing accessible and engaging digital experiences.

### Highlights included:

- information from the national curatorial team on a range of subjects, including: wassailing, the history of Easter eggs, and the history of the Persian carpet inspired by the carpet in the Drawing Room at Nuffield Place, Oxfordshire;
- a series of behind-the-scenes films which took supporters on a virtual journey from Castle Ward, County Down to Red House, London and beyond;
- tips from our garden specialists through a 'From our garden to yours' hub and a question and answer session on Twitter;
- virtual tours with archaeologists of Sutton Hoo, Suffolk, following interest in the Netflix film, *The Dig*, based on the story of the discovery of a royal burial;
- a refreshed family online hub providing members with a range of activities to do at home, including 39 activity packs which have had 90,000 downloads.

### Rising at DAWNS

Commissioned as part of our 125th anniversary celebrations from artists non zero one, DAWNS invited people to experience the moment of dawn together through music. Originally intended to involve live audiences gathering in person, it was adapted into a digital experience.

At 3.43am on Saturday 16th May 2020, more than 7,000 people tuned in to the online broadcast. Six musicians gave a live performance of a piece composed by artist James Bulley that celebrated darkness turning to light across the UK. The experience reached new audiences with only 18% of participants having taken part in a National Trust event before.

*'Especially meaningful in lockdown, it was lovely to join my daughter 175 miles away in watching the dawn together.'*

Event participant

## Other programming

### 'What a World' at Penrhyn, Gwynedd

Penrhyn worked with local children and poets Martin Daws and Aneurin Karadog to respond creatively to objects with a colonial past. Their poems, displayed in lights, highlighted the colonial history of these objects, as well as Penrhyn's links with Jamaica and the transatlantic slave trade. 'What a World' opened briefly in 2020 and reopened in 2021.

### Seasonal sparkle at Dunham Massey, Cheshire

Working with partners Raymond Gubbay Ltd, the team at Dunham Massey created a safe, socially distanced, outdoor experience for this after-dark trail, with more than 134,000 tickets sold. Where dates were cancelled due to a change in restrictions, bookings were carried over to Christmas 2021.

*'Well done National Trust for making it happen. Lots of space...and as always the staff were brilliant.'*

Member

### Heritage Open Days

The festival took place in September 2020 with the theme of 'Hidden Nature'. Despite the pandemic, 1,788 Covid-safe events ran with two-thirds of organisers producing digital experiences for the first time. The festival attracted 168,000 visits in person and 665,000 digital visits. Highlights included:

#### • 575 Wandsworth Road, London

This terraced property was turned into a work of art by former owner Khadambi Asalache, a Kenyan-born poet, novelist, philosopher and civil servant, who bequeathed it to the Trust. Tours are limited to six people in person but, during the festival, we trialled interactive online tours which meant that more people could have access to the hand-carved fretwork.

• **Rangers Reveal**

Ranger staff who care for countryside, coast and parklands shared some of their favourite walks for Heritage Open Days in a series of downloadable walking trails. The trails gave directions, detailed highlights of the routes, gave hints on wildlife to look out for and the rangers gave their perspective on the walk.

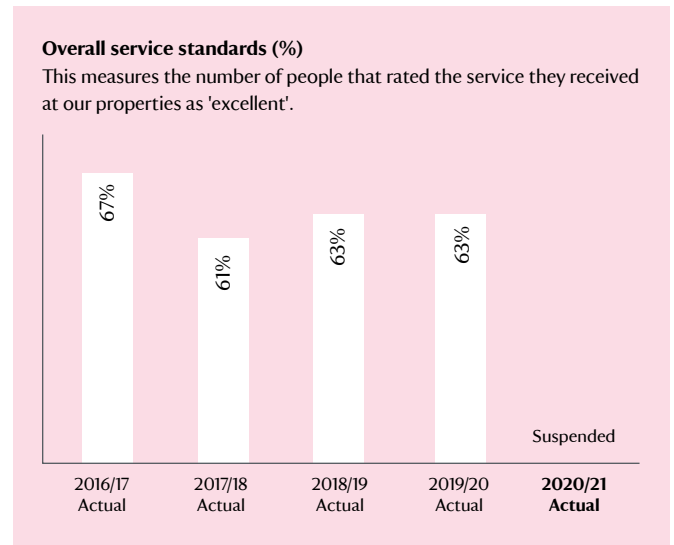
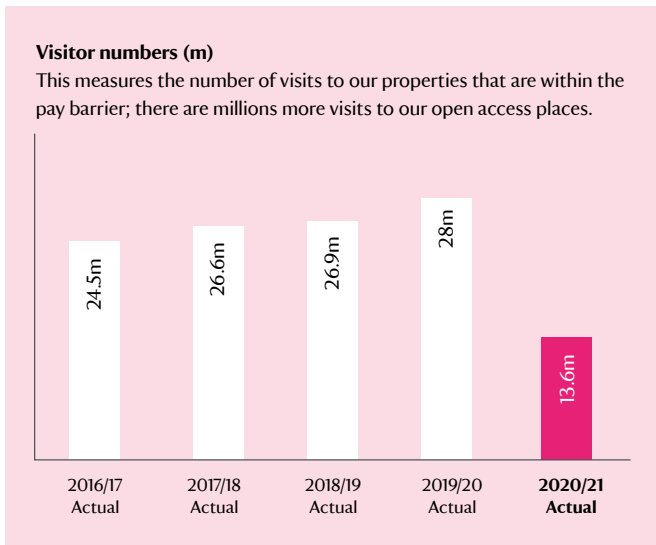
**Access for all**

Efforts to make *everyone welcome* have continued. At Castle Ward, County Down, a new pathway inspired by archival material has recreated a historic route through the grounds with a modern

approach. The path provides an accessible route to the house and collections, offering spectacular views of the Gothic façade and Strangford Lough, with seating along the way. This project was funded by the Department for Communities and the Northern Ireland Museums Council as part of their Access and Inclusion programme.

**Overall service standards**

Our service standards measure was suspended for 2020 due to the pandemic.



**Peter Rabbit's™ Winter Adventure**

Normally our properties create a range of family activities for visitors but with restrictions in place and many staff furloughed this year this was not possible. We adapted by taking a new approach.

Inspired by our connection with Beatrix Potter and her Cumbrian home Hill Top, Peter Rabbit's™ Winter Adventure was created as an activity supported centrally and promoted through a national plan. Properties benefited from a ready-made product that could be easily rolled out and visitors benefited from a high-quality creation.



Working with Penguin Random House, the outdoor Peter Rabbit™-themed trail was safe, fun and engaging. It encouraged a connection with nature and highlighted the importance of friendship and supporting others as Peter asked for help to get his friends ready for winter.

For those not able to visit a property, we produced digital activities including puzzles, and crafting and baking inspiration.

A total of 77,000 people participated in person at 87 properties and there were 79,000 engagements with the digital content.



**Beatrix Potter left 4,000 acres of land, including 15 farms, to the care of the National Trust. Her legacy has helped ensure the survival of the Lakeland landscape.**

# Urban places

We will address unequal access to nature, beauty and history.

In the spirit of our founder Octavia Hill, we are committed to working with others to increase access to parks and green spaces in and around urban areas. We want everyone to have access to nature and green space close to where they live.

In 2020/21 the pandemic saw people confined to their neighbourhoods. We know that regular use of natural environments for physical activity can cut the risk of suffering mental ill health by half, and it became more important than ever to encourage people to connect with nature on their doorsteps and to realise the benefits it brings.<sup>3</sup>

## Valuing our parks through the Future Parks Accelerator Programme

The Future Parks Accelerator Programme, in collaboration with National Lottery Heritage Fund and the Ministry of Housing, Communities and Local Government, aims to support local authorities in Newcastle, Nottingham, Plymouth, Edinburgh, Camden and Islington (London), Cambridge and Peterborough, Birmingham, Bournemouth and Christchurch and Poole, to:

- transform the whole green space estate of their city or place;
- grow public benefit created by these places and spaces; and
- ensure they are financially sustainable into the future.

With one in eight households in the UK having no access to a garden, urban parks experienced a 300% increase in visits during the first lockdown. Covid-19 brought a shift in focus to the programme with several participants placing a greater emphasis on reducing inequality of access. It also motivated participants to consider how green space could play a role in ensuring a green recovery from the pandemic.

In Edinburgh, the FPA project team has made huge progress towards creating a framework to make sure parks and green spaces are at the heart of communities and accessible by all. A pilot scheme helped them to develop and test a green infrastructure mapping app for smartphones used at five selected parks to monitor the quality of the green spaces considering biodiversity and ecosystem services. The information gathered will inform plans to improve the spaces to benefit both people and wildlife.

The mapping took place with the help of students on the undergraduate Nature, Greenspace and Health course at the University of Edinburgh, along with community group members. The app was also used to carry out interviews with participants to monitor their response as they volunteered and supply further evidence of the wellbeing benefits provided by green space.



80% of the UK population live in towns or cities, and that's forecast to grow to over 90% by 2030.

<sup>3</sup>R Mitchell (2013) Is physical activity in natural environments better for mental health than physical activity in other environments?



## Priority cities

We are progressing urban green space and built heritage projects in cities that we identified as a priority. These are Newcastle-Gateshead, London, Manchester and Birmingham. Each city has its own approach on how best we can intervene based on current need and opportunity.

Out of 325 local authorities, Birmingham ranks at the bottom of the Heritage Index in respect of its built environment. This is due, in part, to eleven Grade II\*-listed buildings being at risk. We are working in partnership to protect its rich and varied heritage.

## Four ways that we are helping

### 1. A business plan for Birmingham Botanical Gardens

The charity running the Birmingham Botanical Gardens, a historic green oasis in the heart of the city with a unique botanical heritage, had been struggling to secure its future.

Thanks to funding from Greater Birmingham and Solihull Local Enterprise Partnership, we worked with the charity to better understand what makes the gardens unique and helped them to develop a sustainable business plan.



### 2. Restoring the Roundhouse

A unique example of Birmingham's civic and industrial heritage, the Grade II\*-listed Roundhouse was at risk. In 2020, the building was subject to a full-scale renovation to save its historic fabric and to re-purpose the site for the 21st century.

This work took place thanks to a landmark partnership with the Canal & River Trust, and funding from the National Lottery Heritage Fund and Historic England.

Roundhouse Birmingham is now a heritage enterprise and independent charity. It operates as a city-centre visitor destination providing city and canal tours guided by volunteers while securing a sustainable future for the building through a range of lettable space. The Canal & River Trust and National Trust are its parent organisations.

### 3. A toolkit for delivering economic value through heritage investment

Working with Historic England, we developed a toolkit for the Greater Birmingham and Solihull Local Enterprise Partnership. This demonstrated how investing in heritage can support economic recovery and growth and bring public benefit to communities.

Historic England's research shows that 80% of people believe that local heritage makes their area a better place to live, and one in four businesses say that the historic environment is an important factor in deciding where to locate.



### 4. Contemporary art at the Moseley Road Baths

As the oldest Grade II\*-listed pool still open for public swimming in the UK, these council-owned and community-run Edwardian baths contain many unique features, including Britain's only surviving set of 46 slipper baths and steam-heated drying racks. However, due to steady dilapidation, they have been at risk for many years.

During 2020, Trust New Art, the Trust's programme of contemporary art, commissioned Birmingham artists, Juneau Projects, to work with local people to create a hand-painted animation that celebrated the baths and the community that surrounds them. This formed part of an art installation in the magnificent Gala Pool hall, where viewers were invited to relax on specially created wave furniture and soak up the atmosphere of the unique heritage space.

Work continues to ensure that this internationally important building remains at the heart of the Balsall Heath community as a source of pride and statement of intent for heritage in Birmingham.

*'As individuals, the historic environment enriches our lives. It's a source of pride and identity; it provides a deep emotional connection; it is a focus for shared experiences.'*

**Duncan Laird, Head of Urban Places**

# Growing support

We will give people more opportunities to get involved and support our work.

Our supporters – Trust members, visitors and donors – play a vital role in providing the funding we need to look after the special places in our care.

We have been overwhelmed by the generosity, loyalty and commitment of our supporters during such challenging times. This continued support made us more determined than ever to bring people closer to nature, beauty and history.

## Keeping our supporters informed

On page 12 we wrote about some of the digital experiences which helped people remain connected to our cause through the pandemic. These were part of the member engagement programme started in April 2020.

In addition, we sent at least two emails a month to members who had given their permission. A designated members' area on our website shared Trust news as well as up-to-date visit information. 975,000 supporters engaged with our communications and at the end of September there were 78,289 views of our members' area in one week, the highest spike for the year.

The number of people viewing our website increased. With people spending more time at home, many turned to the Trust for culinary inspiration. Our Development Chef, Rebecca Janaway, engaged the nation from her kitchen with interactive recipe videos and our online recipe pages saw an annual 292% rise in website views.

We continued to tell our stories through film and TV. Highlights included BBC's Springwatch and Countryfile, alongside BBC Two's Great British Railway Journeys, ITV's A Year In The Beacons and the Channel 4 series George Clarke's National Trust Unlocked.

*'You cannot imagine what a pleasure it has been to walk around Tyntesfield's beautiful and tranquil grounds on paths free of mud, knowing that we are perfectly safe. The staff are so friendly, and we always end one of our walks with a hot chocolate and Cornish pasty served from your well organised, socially distanced café. It is the highlight of our week.'*

Visitor

## Membership

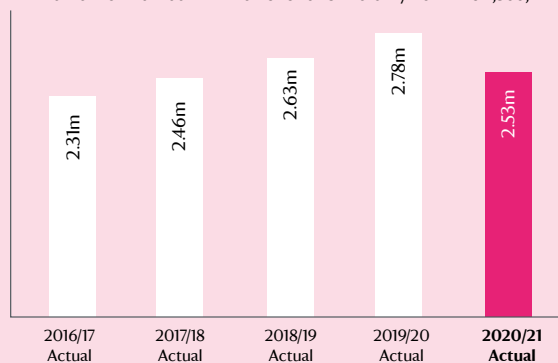
The first lockdown occurred during our busiest months. When normally we would see our peak recruitment of members, our places were closed. We reversed a price rise and offered payment breaks and discounts to our members.

As anticipated, the pandemic led to a decline in membership in 2020/21. We started the year with 5.95 million members (2.78 million memberships) and finished with 5.37 million (2.35 million memberships). Despite the challenges that people faced, the number of people who renewed their membership remained relatively consistent with previous years at 84.2% (2019/20: 85.4 per cent) for which we were thankful. Property closures limited opportunities to attract new members. Despite this we recruited 213,056 new memberships in 2020/21, compared to 546,647 in 2019/20.

We are pleased to report that since April 2021 we have seen a small yet consistent growth in membership numbers.

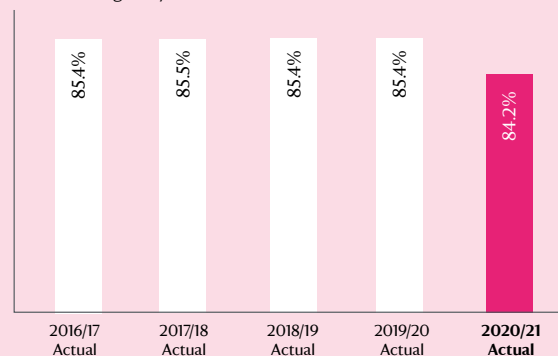
### Membership numbers (m)

This measure is based on the the numer of membership packages sold. The number of individual members as at 28 February 2021 was 5,366,727.



### Membership retention (%)

This KPI measures the propoertion of total memberships that are renewed in a given year.



## Commercial

As restrictions began to lift, some properties reopened into a busy summer as visitors looked to us to provide a safe space to enjoy the outdoors. We served over 4.9 million hot drinks from June to February.

With shops closed, our online retail saw a 65% increase in sales contributing more than £500,000 towards conservation projects.

With the pandemic halting most overseas travel, UK holidays were in demand. We achieved a record-breaking 96% holiday cottage occupancy rate in August 2020 and became a Which? Recommended Provider.<sup>4</sup>

## Fundraising

The financial impact of Covid-19 meant that fundraising was more critical to the Trust's work than ever.

Generous support totalling £79 million from individual donors, charitable trusts, grant funders and gifts in wills meant that essential work could continue at our places.<sup>5</sup>

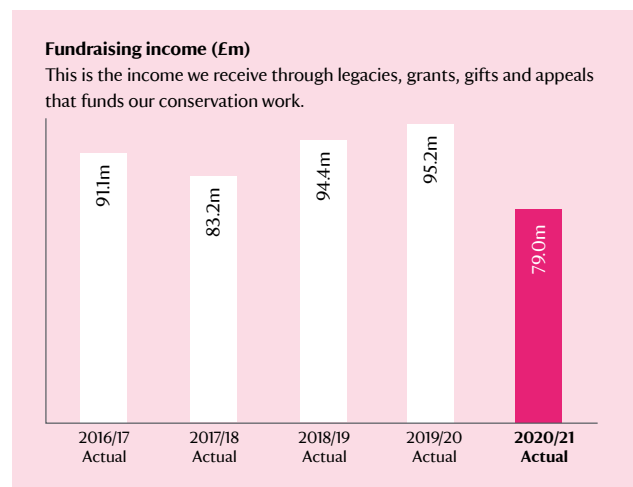
The Royal Oak Foundation marked the Trust's 125th anniversary year with their largest ever gift – \$4 million (£2.92 million) for the purpose of collections conservation. In recognition of this transformative gift, the Trust renamed the conservation studio at Knole, The Royal Oak Foundation Conservation Studio, for a period of 10 years.

We were awarded £13.8 million in Covid-related grants including:

- £5.36 million from the Department for Digital, Culture, Media and Sport Cultural Recovery Fund for urgent building repairs at 18 places, including restoration of the 18th-century dam restoration at Prior Park and repairs to the Wellington Monument, both in Somerset.
- £3.85 million through the Department for Environment, Food and Rural Affairs' Green Recovery Challenge Fund for critical countryside work at five sites, including Wimpole, Cambridgeshire and Dunham Massey, Cheshire.
- £997,000 from The National Lottery Heritage Fund for cleaning and personal protective equipment, helping 56 places to reopen safely.

Remarkably, online donations totalled more than £865,000, growing 383% from 2019/20. Appreciating the solace that nature provided during the pandemic, thousands donated to our Everyone Needs Nature appeal, raising more than £580,000. This funding will help us create meadows, replenish woodland, grow wildlife-friendly habitats, and create accessible green spaces. Supporters were also invited to text to donate for the first time, providing a quick way to give.

Gifts in wills remained an important income source, and we received £44.6 million in support of our work.



<sup>4</sup>Source: UK Holiday Cottage Company Reviews 2021 - Which?

<sup>5</sup>An additional £1.4 million of fundraising income was generated through our trading subsidiary The National Trust (Enterprises) Ltd, bringing the total fundraising income across all sources to £80.4 million in 2020/21.

## Dedicate a Tree

In January 2020, the Trust set out its ambition to plant 20 million trees and become net-zero carbon by 2030. Planting trees such as oak, beech, and hazel contributes to reducing emissions by providing carbon-secure habitats and diffusing pollution. They also create habitats for wildlife, such as the red squirrel and the greater spotted woodpecker.

Dedicate a Tree launched in September 2020 as part of our larger Plant a Tree initiative. It allows supporters to celebrate or remember a loved one while also giving back to nature.

By February 2021, more than 13,000 saplings had been planted thanks to Dedicate a Tree donations of £297,665.

*'Having helped to plant trees has really inspired my mum and it's lovely to see her enthusiasm after such a difficult year.'*

**Donor**

## Holiday cottages

By repurposing buildings as holiday cottages, we generate income for our core purpose and engage guests with our work.

Recently renovated holiday lets Pentire Farmhouse and Pengirt Cottage are part of a major project at Pentire Head, Cornwall. Working with the tenant farmer, new habitats are being developed to restore the landscape. This is generating more space for wildflowers and creating different ways of farming that benefit wildlife and encourage rare birds – the skylark population has already increased. The cottages provide an opportunity to enjoy this precious landscape.



**We operate over 505 cottages, bothies and bunkhouses and 23 campsites across England, Wales and Northern Ireland.**



## Our fundraising promise

As a charity, fundraising is essential to the National Trust's ability to meet our core purpose and deliver public benefit. We are committed to a transparent and ethical approach to all our fundraising activity. We are registered with the Fundraising Regulator and abide by the Code of Fundraising Practice and the Fundraising Promise. We are also organisational members of the Institute of Fundraising and support the professional development of our staff in relation to excellent fundraising practice.

### We do:

- send appeal letters, raffle tickets and other fundraising communications to selected supporters who have opted-in to marketing;
- engage in fundraising activity at properties, in which staff and volunteers sometimes ask for donations or signpost supporters to giving mechanisms such as Text-to-Give and Tap-to-Give, sell raffle tickets and promote the importance of gifts in wills to our work;
- encourage supporters to fundraise in aid of our conservation work (this area of activity has not been encouraged or promoted during the Covid-19 pandemic);
- seek philanthropic support from major donors, trusts and foundations;
- invite donations via our website, other giving platforms and collection boxes.

### We do not:

- sell or pass on supporter or customer details to any other organisation or buy lists of other charities' donors;
- use external agencies or commercial participators to fundraise on our behalf;
- engage in street or door-to-door fundraising; nor
- make unsolicited calls to supporters asking for donations.

We make every effort to ensure that our fundraising activity never feels unreasonably intrusive, persistent or pressurised, but rather focuses on inspiring support and celebrating the impact of fundraised income. In 2020, we issued a comprehensive guidance document to provide all Trust staff with the correct and compliant ways of handling fundraised income, ensuring our fundraising messaging and subsequent use of income is clear and transparent.

All supporters who share their details with us, in relation to any fundraising activity, will be shown a privacy policy, clearly stating how we will use their data. We operate a robust data retention policy, ensuring controls over the amount and type of data we store. All our fundraising mass marketing appeals are on an opt-in only basis, and supporters can manage their permissions online or by calling our Supporter Service Centre (SSC). We also operate a rigorous contact planning process that limits the number of communications a supporter might receive, and we respect the wishes of supporters who do not wish to receive fundraising communications, including those who have registered with the Fundraising Preference Service.

In 2019 we implemented a robust policy, and developed accompanying guidance, for all fundraisers, on engaging with people in vulnerable circumstances. These policies follow Charity Commission and Institute of Fundraising recommendations and were complemented by comprehensive mandatory training for all fundraising staff during 2020. A further round of training is being planned for 2021 to ensure we address changes in staff and roles over the last year.

Processes have been implemented to ensure all supporters are able to engage with the National Trust in the way that is right for them, without experiencing undue pressure or intrusion into their privacy. Our ethical approach to fundraising is reflected in the low number of fundraising complaints that we receive (18 in 2020). If we do receive a complaint, we respond in accordance with our agreed complaint guidelines. We welcome feedback from supporters about how we can improve our fundraising practice in future.



# People and resources

We will be an inclusive, welcoming and sustainable organisation.

In response to the pandemic, we focused our efforts on supporting and looking after the welfare of our dedicated and skilled people – 50,000 volunteers and almost 10,000 staff – helping them to respond to a fast-changing environment.

## A year of change and recovery

We took swift action in March 2020 to keep people safe, ensure compliance with Government restrictions and limit long-term damage to the Trust. Many of our places were closed and, with the support of our trade union, Prospect, we placed around 80% of staff on furlough. We retained a small number of essential staff and volunteers to look after our places during this period.

As the restrictions started to lift at the end of the summer, we were able to bring staff and volunteers back to prepare for reopening properties and welcoming visitors.

In late autumn, we were once again forced to close our indoor spaces and placed many of our staff back on furlough. This situation remained in place at the end of the reporting year, though we looked ahead to welcoming back our staff, volunteers and visitors in spring 2021.

## Reset programme

It was with enormous regret that the Trust took the decision to undertake a major staff restructure to ensure that it remained financially stable in the long-term. This resulted in 922 compulsory and 845 voluntary redundancies, 1,767 people in total. At an already challenging time we acknowledge how difficult this was for those affected and we thank everyone involved for their professionalism throughout these changes.



## Wellbeing and resilience

Looking after our people during this difficult year was our priority. We initiated several wellbeing and resilience activities, including:

- holding virtual meetings, allowing us to connect and reduce isolation;
- creating an online hub containing advice on maintaining physical and mental wellbeing;
- signing Mind's Time to Change pledge to support creating a more understanding culture about mental health;
- adopting the 'Five Ways to Wellbeing' framework supported by the NHS and Mind;
- providing a mandatory e-learning module on safe operating procedures in the context of the pandemic, to give confidence to our teams in welcoming visitors back in a protected way.

## Developing our future talent

During the year, we continued our commitment to develop our future talent by supporting our current apprentices. Further apprenticeship schemes were put on hold, with plans for them to recommence in 2021.

## Volunteering

To keep volunteers safe, this year the majority were asked to pause their support while government restrictions were in place.

A small number of volunteers, such as beekeepers, pony monitors and animal care teams, continued their roles across the year. Some other volunteers adapted their roles to support the Trust from home with tasks such as:

- carrying out research
- making costumes
- writing newsletters

In preparation for reopening, around 12,000 volunteers completed the mandatory e-learning module on safe operating procedures via an online volunteering training tool introduced in 2020.

## Volunteering at Quarry Bank, Cheshire

Amy is undertaking a master's degree in Arts and Cultural Management. Part of her course involves learning about how people access and participate in culture. She has been volunteering at Quarry Bank as an Accessibility Project Volunteer to research how we can make the property as open and welcoming as possible to visitors with autism.

Amy said, 'Volunteering through lockdown has been a challenging yet amazing experience. With help from my manager, I've been able to undertake my research remotely. So far, I've surveyed adults with autism, parents and carers of children and adults with autism, and professionals supporting individuals with autism.'

'Having this opportunity has allowed me to focus on my project and forget about the outside world. Lockdown has been an anxious and stressful time. Volunteering has been a source of relief and relaxation that I am truly grateful for.'



## Acknowledgments

We thank our staff and volunteers for their commitment and support during this challenging time.

## People engagement

In March 2020 we paused our annual survey to measure staff and volunteer satisfaction and rescheduled it for June 2021. More than 5,500 staff and 17,000 volunteers took time to share their feedback. Overall the results give us confidence that we are doing well and that we have high levels of engagement from both staff and volunteers with scores of 78% and 88% respectively. We'll use the survey results to define a national action plan that we will deliver in 2021/22.

### Staff satisfaction (%)

This indicator measures the number of staff who would 'strongly recommend' the National Trust as a place to work.



## Safeguarding

We further strengthened our safeguarding policies and processes. Mandatory training was in place to increase confidence in identifying and reporting potential safeguarding issues. Our audit committee continues to oversee our safeguarding plans.

## Everyone welcome

We paused many of the planned inclusion activities for 2020 because of the pandemic. These will recommence in 2021, with a focus on building and developing the capability and confidence of our people in inclusive practice.

## Our pay policy

We recognise the importance of being transparent and accountable in all aspects of our work, including how we recognise and reward our staff. As a charity, we strive to use the money entrusted to us by our supporters wisely, while ensuring we can retain and recruit great people with the right skills to help us deliver our strategy.

Our reward policy recognises our staff are not motivated or attracted solely by pay. This enables us to build a distinctive employer reputation, which confirms why the National Trust is a special place to work. We reward our staff on their individual performance and contribution to the delivery of the Trust's strategy. We also ensure that staff who perform well progress through our pay bands within a reasonable timeframe. Every year, we compare our pay scales against those in the public and not-for-profit sectors, and we agree our pay arrangements with our trade union, Prospect, as part of our Partnership Agreement.<sup>6</sup>

<sup>6</sup> This is the agreement between the Trust (employer) and the Trade Union (Prospect), which has a strong focus on partnership working. This agreement formally outlines how we will work together.

## Gender pay gap

Our gender pay gap report was published on our website in March 2021 and provides a snapshot as of 5 April 2020. The report shows the balance of men and women at all levels of the organisation and the effect this has on average hourly rates of pay.

In April 2020, the median average of the hourly rate paid to men employed at the Trust was 7.9% higher than the average hourly rate we paid to women employed at the Trust. This is a 3% improvement on the previous year's gender pay gap and is below the national average of 15.5%.<sup>7</sup>

Our gender pay gap is mainly caused by having a higher proportion of women employed in our lower graded roles and we have a plan in place to close it.

Our gender pay gap was affected by how we calculated furlough payments in April 2020 for staff paid hourly, making it harder to measure the effectiveness of our actions to address it. However, since we started to report our gender pay gap in 2017, we have seen it reduce year-on-year, which gives us confidence our action plan is having a positive impact. With staff still furloughed in April 2021, this will also affect reporting in 2021/22.

## Senior manager pay

The pay arrangements for senior managers are determined by the Senior Management Remuneration Committee. The Committee is appointed by the Board of Trustees and oversees the remuneration of the Director-General, the Executive Team and other senior staff. The Committee includes three members of the Board of Trustees and two external independent members. All members of the Committee have the experience and skill to make appropriate remuneration decisions.

In 2020/21, the Committee agreed not to award a pay increase to senior managers.

Each year, the Trust monitors the 'pay ratio' – the relationship between the highest salary and the median salary level – to ensure that salaries remain fair and appropriate. In 2020, the Director-General's salary was 1:9.3 times the median salary. This pay ratio compares favourably to external benchmark data.

## Director-General remuneration

In 2020/21 the Director-General, Hilary McGrady, was paid a salary of £195,700. However, in response to the pandemic, the Director-General took a voluntary 20% pay cut, receiving 80% of her salary for six months of the year reducing her salary to £176,130. In addition, the Director-General received benefits to the value of £15,165. This comprised £13,699 of employer contributions to the Trust's Defined Contribution Pension scheme and £1,466 for access to health benefits. The Trust's Defined Contribution Pension scheme is open to all employees regardless of grade. The scheme matches an employee's pension contribution up to a maximum of 10% of the employee's salary. The Director-General does not receive any bonus or long term incentives.

The Director-General leads a large and complex national organisation, with an annual income of £600 million, and more than 50,000 volunteers and 10,000 staff. The National Trust is one of the highest income-generating charities in the UK. Our pay benchmark data confirms that the Director-General's salary is comparable to the leaders of other major charities, senior government civil servants and the chief executives of medium-sized private-sector organisations.



<sup>7</sup> UK Median Figure – Office of National Statistics.



## Executive Team Remuneration actual February 2021

Title	Brief description of role	Annual base salary <sup>1</sup>	Additional staff benefits <sup>2</sup>	Full Time Equivalent Factor
<b>Director-General</b>	Accountable for the strategic direction of the National Trust and delivering charitable purpose and governance.	170 - 179 <sup>3</sup>	10 - 19	1.0
<b>Chief Financial Officer</b>	Accountable for providing strategic leadership for financial sustainability and executive oversight of the IT function.	140 - 149	10 - 19	1.0
<b>Director of Communications &amp; Audience Insight</b>	Accountable for developing and implementing strategies for communications, marketing and audience insight.	110 - 119	10 - 19	1.0
<b>Director of Culture &amp; Engagement</b>	Accountable for developing and implementing strategies for the key priority of 'Move, Teach and Inspire'.	120 - 129	10 - 19	1.0
<b>Director of Land &amp; Nature</b> (11 Jan 2021 to 28 Feb 2021)	Accountable for developing and implementing strategies to restore a healthy and beautiful natural environment.	10 - 19	0 - 9	1.0
<b>Director of Land &amp; Nature</b> (1 Mar 2020 to 10 Jan 2021) <sup>4</sup>		110 - 119	10 - 19	1.0
<b>Director of Operations &amp; Consultancy</b> (11 Jan 2021 to 28 Feb 2021) <sup>5</sup>	Accountable for the operational management of the Trust, responsible for delivery of strategy and the organisation's overall performance.	10 - 19	0 - 9	1.0
<b>Director of Operations &amp; Consultancy</b> (1 Mar 2020 to 10 Jan 2021)		110 - 119	10 - 19	1.0
<b>Director of People</b>	Accountable for developing and implementing strategies to ensure our people (both staff and volunteers) can perform their roles with confidence and ease.	100 - 109	10 - 19	0.8
<b>Director of Support &amp; Revenue</b>	Accountable for the developing and implementation of an integrated supporter and revenue growth plan.	120 - 129	10 - 19	1.0
<b>General Counsel &amp; Secretary<sup>6</sup></b>	Accountable for providing legal services and leadership on constitution, governance and regulatory matters.	100 - 109	10 - 19	1.0

## Notes

- <sup>1</sup> This shows the gross base salary paid to each Executive Team incumbent in the financial year.
- <sup>2</sup> This shows the value of additional benefits received by each Executive Team incumbent in the financial year; and can include voluntary health benefits and the employer contribution to the Defined Contribution pension scheme. The Trust will match an employee's pension contribution up to a maximum of 10% of the employee's salary; this is the same for all staff, including the Executive Team.
- <sup>3</sup> In response to the coronavirus pandemic, the Director-General took a voluntary 20% reduction in salary for six months between June and November 2020. This reduced her annual base salary from £195,700 to £176,130. This is reflected in the table above.
- <sup>4</sup> This shows a change to the incumbent in role of Director of Land & Nature due to a retirement. A new Director of Land & Nature was appointed from within the Executive team, previously the Director of

Operations & Consultancy. The table shows the executive remuneration earned by each incumbent in role in the financial year. The annual base salary of the Director of Land & Nature in role from 1 March 2020 to 10 January 2021 was £130 - 139k; the annual base salary of the Director of Land & Nature in role from 11 January 2021 to 28 February 2021 was £120 - 129k.

- <sup>5</sup> This shows the appointment of a new Director of Operations & Consultancy through internal promotion. The table shows the executive remuneration earned by each incumbent in role in the financial year. The annual base salary of the Director of Operations & Consultancy in role from 1 March 2020 to 10 January 2021 was £120 - 129k; the annual base salary of the Director of Operations & Consultancy in role from 11 January 2021 to 28 February 2021 was £120 - 129k.

- <sup>6</sup> Change in role title from The Solicitor to General Counsel & Secretary.

# Climate and environment

In January 2020, we announced the National Trust's goal to be net-zero carbon by 2030, committing to emissions cuts across our operations and ensuring our land maximises its potential to capture and store carbon. But it is not just about cutting carbon. We want to become more resilient to climate change and tell our story of change and adaptation in a way that engages and inspires people.

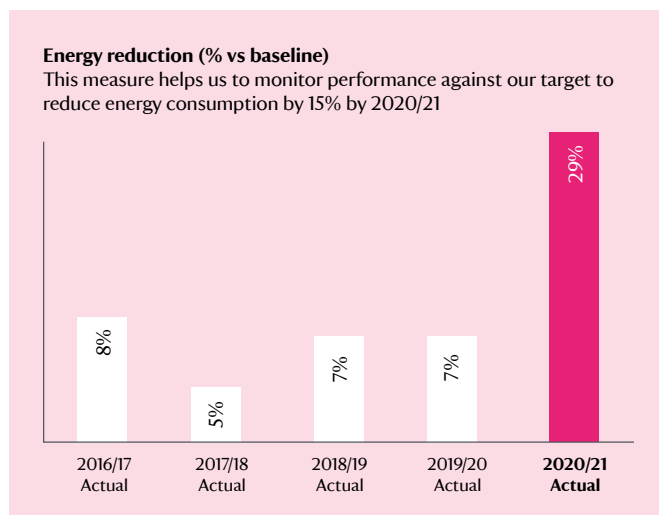
## Our carbon account

Our carbon emissions reduced this year by 30% (see table below). This was due in part to the pandemic as we saw reductions in travel, in what we bought and in the services we used. However, we also saw a significant drop of 68% in emissions in our investment portfolio, achieved by moving funds out of fossil fuels and into lower carbon investments.

	Percentage reduction	This year (2020/21) CO2 equivalent (tonnes)	Last year (2019/20) CO2 equivalent (tonnes)
Direct emissions (combustion of fossil fuels for heat, vehicles and machinery, in-hand agriculture)	13%	14,554	16,803
Electricity – location based	37%	8,007	12,751
Electricity – market based		0	0
Indirect emissions (including tenanted agriculture, investments, supply chain, staff travel and tenanted buildings)	30%	583,190	834,284
<b>Total</b>	<b>30%</b>	<b>605,751</b>	<b>863,838</b>

## Monitoring our performance

This was the final year of our 10-year energy strategy, aimed at reducing overall energy use and switching half of fossil fuels to renewable sources. We fell short of our targets but will continue our focus in both areas as these actions will play an important part in achieving our net-zero carbon goal by 2030.



\*This figure was distorted by property closures as detailed under Reduction of energy use.

### Reduction of energy use

This year we achieved a significant reduction in energy use of -29% against our baseline year of 2009/10 and so exceeding the target of -15%. However, this outcome was distorted by property closures. We estimate that the actual figure would have been closer to -10% against the baseline, a 3% improvement on last year but 5% below target. We continue to work through our Energy Action Implementation plan introducing measures such as installing LED lighting and improving insulation at properties.

### Investing in renewable energy

The Renewable Energy Investment (REI) programme commits the National Trust to:

- conserving energy
- creating our own electricity and heat
- moving away from heating oil
- inspiring our people and visitors

This year we completed four renewable technology projects (which include hydro and biomass) to make a total of 76. Together, these generate more than 19,966,000kWh per year, the equivalent of 6,680 average sized houses.

Our target was for 50% of the energy we use to come from renewable sources by 2020. With some projects suspended during the pandemic, we fell short of our target achieving 44%. With projects resuming we aim to reach our goal by April 2022.

We have met our target of reducing the use of heating oil to less than 10 per cent of our total energy use, further reducing the risk of pollution at our environmentally sensitive locations.



**The Trust has over 100 renewable energy projects up and running including hydropower, solar power, heat pump energy and biomass boilers.**

## Waste management

We achieved a 43% reduction in waste compared with 2019/20, though this was largely through closures driven by the pandemic.

Crisis measures taken, such as enhanced hygiene procedures and a much greater reliance on takeaway food packaging, reduced recycling rates by 6%. We took measures to reverse this trend, including sourcing reusable certified cotton facemasks for our staff and reinstating and incentivising the use of reusable coffee cups.

There was an unprecedented rise in the amount of litter, waste and fly-tipping on Trust land this year. This has an impact on nature sites and wildlife, compromised the safety of our staff and is expensive to dispose of. We have provided additional support and training to staff to help manage this.

## Environmental Management System

Our Environmental Management System helped us to focus on essential tasks and on meeting our environmental compliance obligations. This included ensuring that energy and water usage followed anticipated patterns during lockdown and making sure that we carried out maintenance of our sewage treatment systems.

### Glencoyne Hydro scheme, Cumbria

The Lake District has a history of hydro turbines being used to power mills. Due to the number of watercourses and high rainfall, this technology is ideally suited to the area. Hydro turbines have not only shaped our industrial past but have a key role to play in building a greener future. The Renewable Energy Investment programme has completed 13 operational hydro schemes to date with a further four to be completed in 2021/22.

This year saw the completion of the Glencoyne Hydro scheme. It will generate over 415,000kWh hours a year,

equivalent to the electricity use of over 140 homes, saving over 107 tonnes CO<sub>2</sub>e/ per annum in emissions. The energy generated will be sold to the National Grid and the money raised used to look after our landscapes.

We carry out construction of the turbines in a way that minimises any impact on the surrounding landscapes. During this project an access track needed to be built in a prominent location visible from the Ullswater lakeshore. We have reinstated the topsoil and vegetation layers and are confident that the track will disappear after a full growing season.



# Financial review

## Financial review

The Covid pandemic is having a very significant financial impact on the National Trust. It abruptly stopped our long period of growth, as well as the Trust's 125th anniversary celebration. Instead, like many other charities, the Trust has seen its income fall sharply and has had to change its cost structure to ensure the long-term survival of the organisation and enable it to continue to protect special places for ever.

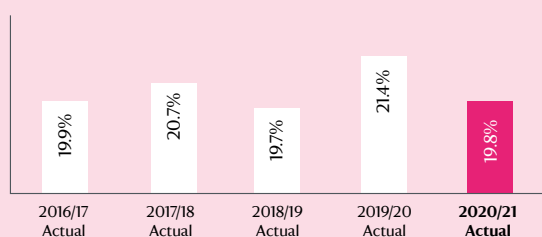
The financial challenge started with a liquidity squeeze, as revenues dropped sharply after the Trust's sites had to close in March 2020, but it quickly became clear it could pose a threat to our longer-term sustainability. The Executive Team and Board of Trustees took swift action to address the in-year impact, and in May 2020 announced the need to act to address the longer-term impact of the pandemic. This has meant that the reserves of the organisation remain sound and will protect the charity from the uncertainty and risks in the years ahead.

The Trust has placed staff, volunteers and supporters at the heart of its decisions throughout the year. It was therefore with deep regret that we had to announce the restructure of the organisation, after exhausting all other financial options. This means the Trust cannot undertake the same amount of conservation work as it did before, when income was higher, but we are working hard to regrow our revenues over time and restore a higher level of expenditure on our conservation objectives.

This financial review explains the various ways in which the pandemic has had an impact on our finances, and the measures we have taken. The Trust has been able to strengthen its liquidity and has made both immediate and more structural cost savings to sustain its unrestricted reserves to meet the demands of ongoing uncertainty and the need to return to investing confidently in its charitable purposes. Whilst we are seeing growth in our membership base post-year end, we believe it will take several years before our membership base recovers to pre-pandemic levels.

### Operating margin (%)<sup>8</sup>

This is the total ordinary income less total ordinary expenditure, expressed as a percentage of total ordinary income.



## Overall year-on-year comparison

The Trust's primary measure of financial performance is the Operating Margin, which shows the contribution of our normal operating activities to the funding of projects and acquisitions.<sup>9</sup> The impact of immediate cost savings and government support has resulted in the Trust limiting the year-on-year reduction in its Operating Margin to a fall from £131 million in 2019/20 to £94 million in 2020/21.

The Consolidated Statement of Financial Activities brings together all our financial income and expenditure (both our operating performance and our project expenditure) and is shown on page 52 of the Financial Statements. An aggregated view showing the year-on-year changes is given below:

	2021 £m	2020 £m	Change £m
Income	508	681	(173)
Expenditure (including taxation)	(513)	(701)	188
<b>Net expenditure before exceptional items</b>	(5)	(20)	15
Exceptional income	116	-	116
Exceptional expenditure	(26)	-	(26)
<b>Net income/(expenditure) after exceptional items</b>	85	(20)	105
Net investment gains	93	26	67
Actuarial losses	(3)	(60)	57
<b>Movement in funds</b>	175	(54)	229

<sup>8</sup>Although the operating margin % has only fallen modestly, overall operating margin in monetary terms has fallen from £131m to £94.2m. The Financial Review sets out the impact of lost revenues on the Trust's overall financial position and the actions the Trust has taken to sustain its ability to deliver its charitable purposes.

<sup>9</sup>Operating Margin excludes legacy receipts and project-related grants and expenditure on projects and acquisitions. The Operating Margin and how it relates to our net income is set out on page 90 of the financial statements.

Excluding exceptional income from insurance proceeds and the coronavirus support grants, underlying income fell by £173 million (25.4%) against the previous year. The main reductions were seen in our commercial activities undertaken through our trading subsidiaries and in our direct property income where income fell by a combined £142 million.

Membership income benefited from the introduction of a reduced VAT rate which served to limit the reduction in income to just £2 million year on year.

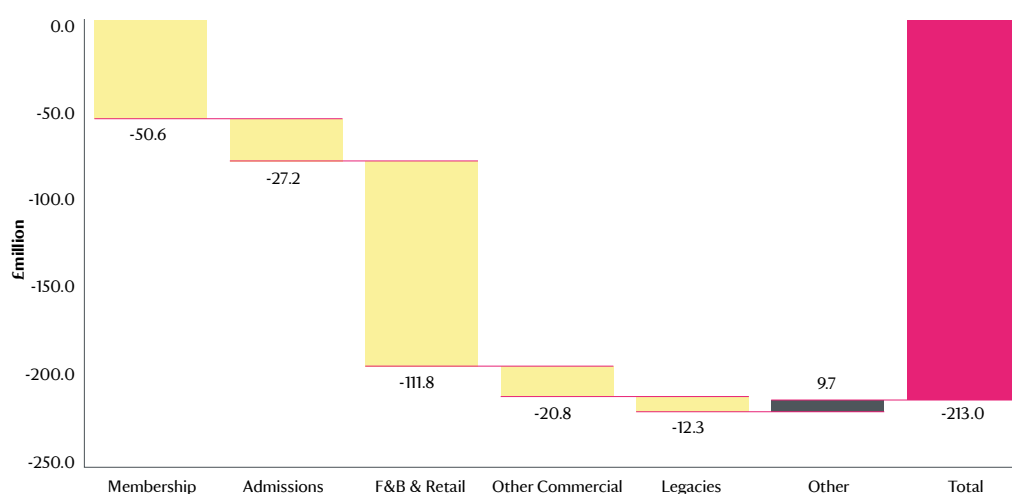
Legacy income reduced by £17 million after two years of exceptionally high levels. Finally, Investment income was £12 million lower than in 2019/20 due to a decision to shelter a portion of our reserves from market volatility by moving into lower yielding, principal secure asset classes.

We cut our total expenditure (excluding £26 million of exceptional costs associated with our response to the coronavirus crisis) by £188 million. We reduced our spending on projects significantly (by £97 million). Short-term cost controls (both pay and non-pay), coupled with reduced trading volumes in our visitor and commercial activities meant that we reduced our operating expenditure by £91 million.

Net expenditure excluding all exceptional items would have been £5 million. Including the exceptional insurance receipt (see page 30) and government support, the Trust's net income for the year was £85 million (2019/20: net expenditure of £20 million). This surplus will provide the Trust with some additional resilience as it heads into 2021/22 with significant restrictions on opening still in place.

## The impact of lost income

### National Trust Income versus original budget 2020-21



Shortly after the World Health Organisation declared coronavirus a global pandemic in March 2020, the Trust forecast that the crisis would reduce our income by more than £200 million in the 2020/21 financial year, compared against the budget we had set.

Actual performance for 2020/21 confirms a reduction of £213 million when compared to the budgeted revenues arising in the following key categories (membership income reductions are presented on an underlying basis, before the impact of savings resulting from the Government's reduction in the VAT rate).

## The impact on liquidity

The opening liquidity of the Trust on 1st March 2021 comprised a small cash position of £3 million and an undrawn credit facility with Barclays of a further £19 million. Within three weeks, the Trust had to close its properties and revenues dried up quickly. We continued to see high levels of cash outflows as conservation works undertaken over the winter months become payable in March and April. Access to the investment portfolio was hindered by the high volatility in the investment markets. The Trust's investment portfolio declined in value by 15% in late March compared to its peak only a matter of weeks earlier.

### *Measures taken:*

- The first instalment of £50 million from the Private Debt Placement (see page 54 of the financial statements) was received on 4 March 2020. The receipt of these funds was kept in cash to shore up liquidity.
- Cash outflows were reduced by stopping non-essential spend, pausing £114 million of project work (see page 29) and putting a recruitment freeze in place.
- Essential cash outflows on salaries were recovered by accessing the Coronavirus Job Retention Scheme. At its peak, 81% of Trust staff were furloughed.
- The bank covenant governing the Trust's Revolving Credit Facility (see page 77 of the financial statements) that provides day-to-day working capital liquidity was stress tested, and amendments were negotiated with Barclays to ensure that the credit line remained available for the life of the facility.
- A successful application was made to the Bank of England's Covid Corporate Financing Facility (CCFF). In May 2020, a total of £30 million was drawn for a period of six months.
- As equity markets recovered over the summer months, the investment portfolio was rebalanced to hold more cash to be able to be able to guarantee cash distributions for up to three years. Additionally, £186 million of the organisation's unrestricted reserves (its minimum reserves level – see the reserves and funds section below) was withdrawn from equities and is now held in highly liquid instruments with their capital value protected.

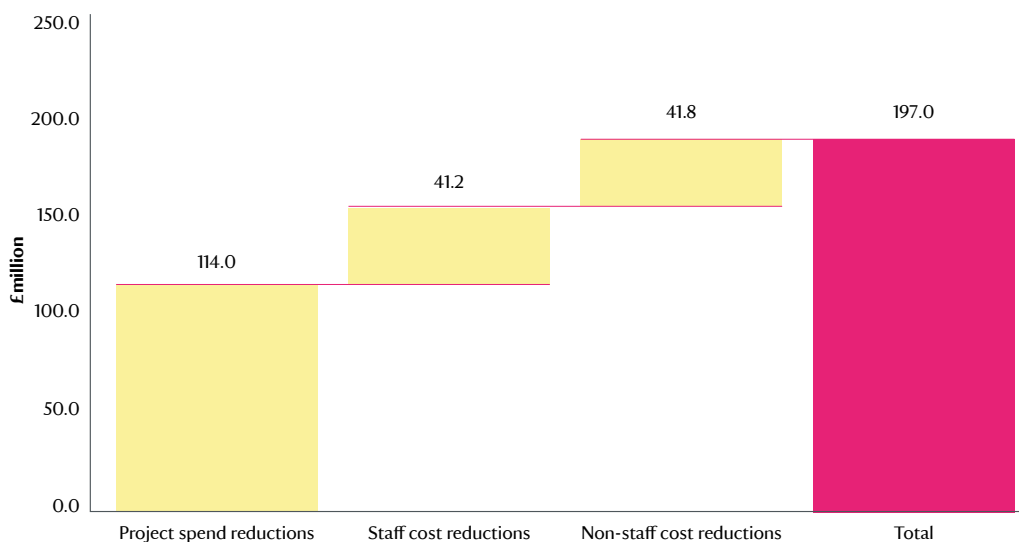
## Responding to the fall in income

This scale of looming income loss threatened the depletion of our unrestricted reserves to unsustainable levels. Faced with this threat, the Executive Team and Board of Trustees took immediate and wide-ranging cost reduction measures. All cost reduction plans prioritised and maximised savings that did not impact our staff. The following were the key impacts on the 2020/21 financials (when compared to original budget):

- Project spend was curtailed heavily, and only essential projects remained active. This reduced project spend by £114 million compared to our budgeted level. It was with deep regret that the Trust had to part with 441 staff as projects were stopped (of these staff leavers, sadly 162 left through redundancy).

- Operating staff costs were reduced by £41.2 million compared to budget, through only awarding statutory pay increases and having a recruitment freeze in place from the start of the pandemic.
- Non-staff costs were reduced by £41.8 million, by stopping all non-essential spend and introducing an emergency scheme of delegation.

### Cost savings enacted (all benefits shown against original budget)



## Government support

The Trust's main cost savings were internally generated, but we were very grateful for the ability to draw on selected support provided by Government, amounting to £85.3 million in total. Of total Government grant support of £56 million, the main source of support was the Coronavirus Job Retention Scheme (CJRS). A total of £53.7 million was claimed from CJRS (for the charity and its trading subsidiaries) and a further £2.3 million in other support grants for our retail and hospitality activities). The CJRS support was equivalent to around 2.4 months of regular staff payroll costs. The support was essential at the start of the pandemic and as circumstances developed, the Trust continually evaluated whether its use of the CJRS was responsible.

The Government's VAT rate reduction applicable to visitor attractions and hospitality served to reduce the element of membership subscriptions payable in tax (by £23.9 million) and provided a benefit to our food and beverage and holidays businesses of £5.4 million. This enabled a softening of the impact of the income lost from a near elimination in our ability to recruit new members and the significantly reduced secondary spend at our properties.

## Clandon insurance claim

The National Trust and its insurer Zurich have reached an agreed position on the 2015 fire damage at Clandon, the terms of which are confidential between the parties. The National Trust is now in a position to continue with its plans for the future of Clandon and will share more details in due course. This resulted in an inflow of funds of £66.3 million.

To ensure the Trust can continue to care for Clandon Park, Trustees have taken account of likely costs when setting the reserves designations referred to above.

## Staying resilient

The unrestricted reserves, comprising of the general fund and other designated reserves, stood at £317.7 million at the start of the financial period. These funds represent the resources that the Trust can use for any of its charitable purposes, including to cover expenditure when unforeseen circumstances affect the organisation's ability to operate. At the start of the year these reserves represented 5.5 months' expenditure. Initial forecasts prepared at the start of the pandemic estimated the Trust needing to use in excess of £100 million of its unrestricted reserves in 2020/21 were it to take no action.

At the end of the year the Trust had unrestricted reserves of £410.6 million, reducing to £273.6 million after essential designations of £137 million are accounted for (see below). This represents 6 months' expenditure (based on expenditure incurred in 2020/21). The difficult decisions taken during the pandemic were swift yet always evidence based and have allowed the charity to maintain strong charitable reserves.

### Measures taken:

- Unrestricted reserves were reforecast each month to ensure the organisation had access to the necessary resources and future plans remained affordable.
- Minimum reserves calculations were tested in light of the pandemic and the trustee board confirmed keeping the minimum reserves target at £186 million to cover the ongoing risks faced by the Trust.
- No equity investments were liquidated during the volatile trading months at the start of the pandemic. This has meant that no losses were crystallised before equity markets recovered. This represents a significant improvement in the forecast for the Trust's unrestricted reserves.
- Upon equity markets recovering, the Trust sold £186 million of its investments in order to safeguard access to its minimum unrestricted reserves. Re-investment will be considered once trading recovers and economic uncertainty subsides.
- The trustee board reviewed the forecast year-end reserves and agreed on targeted designations to underwrite the financial risk in 2021/22, and ensure adequate funds are set aside for the Trust's essential work. A total of £137 million of designations are held to manage these financial risks (see note 17 to the financial statements), this represents £20 million to provide funding for the Trust's renewal plan, £70 million of funding for essential building maintenance and £47 million of protection against potentially adverse trading conditions in 2021/22.

## Pensions

The tri-annual valuation of the Trust defined benefit pension scheme took place in April 2020. The scheme is closed to new entrants and future accrual. The valuation highlighted the impact of the pandemic on the pension investments in the scheme. The valuation reported the scheme was £133 million adrift from its recovery plan. A new recovery plan was agreed between charity and pension trustees and implemented in October 2020.

### Measures taken:

- The Trust resolved to use some of the equity market recovery to make a one-off cash injection into the scheme of £32.6 million. This is commensurate with the value of the Conditional Funding Deed, which was removed as a result (see Note 27 to the Financial Statements).
- The pension trustees accepted that the Trust would take at least three years to recover from the pandemic, and as an increase in annual payments would hamper this recovery further, it was decided to maintain annual payments agreed in the 2017 recovery plan into the 2020 recovery plan. The health of the pension scheme is intertwined with the health of the organisation, and it was agreed to reflect the Trust's three-year recovery period in the pension recovery plan, by extending it by the same number of years.



## Ongoing impact

While rapid organisational restructuring and government support enabled the Trust's reserves to be sustained (see the reserves and funds section below), the ongoing effect of the pandemic on National Trust finances will be felt for years to come.

The first national lockdown in March 2020 only had a limited impact on member retention but highlighted the challenge of recruiting members to replace normal levels of membership turnover. Membership recruitment restarted in earnest when our sites opened again but could not reach the levels seen pre-pandemic. This has resulted in a net decline in membership numbers in most months. At the year-end we had 581,000 fewer members (this is the decline from our closing base in FY19/20 to our closing base in FY20/21). This loss of membership, along with any on-property giving or spend those members would have made, will have an impact on the Trust's future revenues.

The likelihood of this significant long-term financial impact was apparent from April 2020, and the executive team started examining structural cost reduction options. In July 2020 the trustee board reviewed the three-year forecasts and the financial data convincingly showed the need to reduce the Trust's underlying running costs to ensure its longer-term financial stability. The trustee board authorised the Trust's executive to consult on a cost reduction plan and the final plan was approved on 1st October 2020. The impact on our staff was minimised by the £41.8 million of non-staff cost savings referred to above, but regrettably staff cost savings were necessary as well. Ongoing staff costs have been reduced by £52.7 million, leading to the loss of 1,767 posts through redundancy (this included 845 staff leaving through voluntary redundancy).

Whilst the decision to reduce costs was taken early in the pandemic, a financial review undertaken post-year end reconfirms that the cost saving measures were necessary to ensure the financial viability of the organisation.

### *Measures taken:*

- A £94.5 million structural savings programme was prepared during the year and embedded in operating budgets to take effect from 1st March 2021. This will deliver an annual cost saving and ensure the organisation's costs do not exceed the revenues it receives.

- Non-staff saving plans were drawn up first to minimise the impact on staffing numbers.
- The cost reduction plan aimed to minimise the impact on the organisation's ability to deliver its charitable cause. It set out to 'right-size' the staff base for the lower membership numbers and accelerate productivity initiatives.
- Redundancy costs of £19.8 million were incurred during the period. This represents 5 months' worth of salary costs for the affected roles. Staff savings represent £52.7 million of the total annual savings of £94.5 million.

The Trust's financial projections prepared on the basis of proceeding without these savings and without having limited spending on projects in 2020/21 show that unrestricted reserves would have breached their minimum threshold level (of £186 million) during the middle of the 2021/22 financial year.

## Our cause remained central to our decision making

Despite the enormous financial challenge the pandemic posed, the Trust made sure that its charitable purpose and values remained at the heart of all financial decisions taken. In many instances this meant incurring costs when the outlook was still highly uncertain.

- Additional security arrangements ensured our valuable collections remained safe at a time when properties were closed. The Trust incurred an additional £0.5 million in security costs.
- Where permitted, our properties stayed open for the benefit of the nation. This continued to give people access to Nature, Beauty and History. We invested £4.4 million in hygiene and PPE equipment to ensure staff, volunteers and visitors were always safe. A booking system was introduced to help visitors plan an enjoyable visit at a cost of £0.8 million.
- In addition to opening our sites, we were able to delight visitors again when restrictions were eased further and we made investments in Christmas lights and children's trails.
- To support those who could not reach our properties we invested in digital outreach. This included behind the scenes videos and a family hub with activity packs. Minimal incremental cost was incurred as we refocused our staff to support this work.
- Restrictions stopped some work, but we tried to keep as much going as possible. Sound progress has been made in addressing the impact of climate change, and other strategic priorities.

## Looking forward

Even with a robust recovery, it will take several years for our membership to re-attain the level that generated our pre-pandemic revenue levels. The combination of the measures we have taken to reduce costs and strengthen reserves, alongside rising membership and visits, gives us confidence in the organisation's ability to remain a strong going concern.

### Measures taken:

- We have maintained adequate reserves to be able to withstand additional financial losses, such as the impact of potentially needing to re-introduce lockdown measures next winter, and these reserves have ample liquidity.
- We have implemented the cost savings from our £94.5 million restructuring programme and our operating costs are commensurate with the reduced income.
- Since April 2021 we have seen consistent growth in our membership numbers. We are confident the charity can regrow its membership supporter base within the next few years.

## Investments

### Policies and powers

As trustees, we are responsible for the financial policies under which the Trust is managed. We report here on the main policies. Full details are provided in the financial statements.

We invest the majority of our funds in our "General Pool". (This is a "Common Investment Fund", a scheme facilitated by a Charities Commission to enable the pooling of trusts.) This is run on a "total return" basis, i.e. targeting both capital gain and investment income. Any permanent endowments included in the General Pool can only distribute part of their capital gain if they are covered by a "total return order" (see also Note 21 to the financial statements).

The largest portion of our funds outside the General Pool is £186 million of the Trust's unrestricted funds which were withdrawn during the Summer and separately invested into bond funds. These funds have a high degree of principal security albeit at the cost of very low return. The decision to withdraw them was driven by the rapid trading deterioration taking place at the time due to Covid-19 coupled with a concern that this could be compounded by market volatility. This separate investment of £186 million remains in place at year-end.

During the year the investment strategy for the General Pool was updated in conjunction with our new investment advisers Cambridge Associates. As before, the portfolio continues to aim for a return well ahead of inflation, thereby supporting the Trust's long-term conservation needs, coupled with a high level of diversification to reduce risk but it also now seeks to achieve

a vigorous de-carbonisation target and to have much greater resilience than hitherto so that cash can always be distributed back to the Trust regardless of prevailing market conditions.

In terms of assets it continues to have a large allocation to UK and overseas equities, including emerging markets, an allocation to 'absolute return' funds which invest across a wide range of different asset classes and also a long standing and building allocation to private assets/venture capital. In addition, there are now new allocations for 'illiquid diversifiers' and for a 'liquidity reserve'. As with private equity, illiquid diversifiers comprise investments in private companies and will also build over time. They will be heavily slanted towards strategies with environmental overlays such as renewables, sustainable woodland, sustainable agriculture, thereby supporting our de-carbonisation agenda. The liquidity reserve will primarily invest in liquid assets such as bonds to support, as noted above, the portfolio's ability to distribute regardless of market conditions going forward.

The National Trust supports the Principles for Responsible Investment (PRI) and expects all its investment managers to be signatories thereof. In keeping with the spirit of those Principles, we expect our investment managers to take an interest in the management of the companies in which the Trust invests and to exercise voting rights wherever possible. We consider it essential that in making investment decisions our investment managers take account of acceptable codes of management conduct and practice in terms of socially responsible, environmentally aware and ethical management, all of which could affect shareholder value.

### Environmental Investment Policy Statement

During the previous year the National Trust adopted an Environmental Investment Policy statement. This was designed, **without compromising our financial returns or increasing our financial risks**, to align our investment strategy far more closely with the ambitious environmental strategies being adopted by the Trust. It has four pillars:

- **Dis-investment from Fossil Fuels over the 3 years to September 2022:** The Trust has made significant progress, reducing holdings to de minimus levels, with the amount as at 28th February 2021 being barely c. £2 million. All of these are legacy private assets which will not be renewed and will be removed over time. They preceded our dis-investment decision and are significantly harder and more expensive to liquidate. The Trust will nevertheless take a final decision on these during the coming months.

- **De-carbonisation as part of the Trust's Net Zero by 2030 target:** During the year the carbon footprint of the portfolio was rigorously assessed and quantified and, as a consequence of a number of fund manager changes, reduced by roughly two thirds. It now stands at a fraction of the level of a global equity benchmark.
- **Collaborate and Engage:** Our ambition is to collaborate and engage with the financial industry, and our fund managers and invested companies, to:
  - demonstrate the leadership behaviours that the financial system needs to address the climate crisis;
  - encourage changing behaviours to reduce consumption and emissions and;
  - support the development of new investment products that meet our environmentally focused requirements, to increase investment in the industries of the future and reduce investment in the industries of the past.

Further to this ambition, during the year, a Stewardship and Engagement Working Group was set up as a sub-set of the full Investment Committee. This Working Group met with almost all the Trust's fund managers to assess current alignment with the Trust's ESG (Environmental, Social and Governance) goals, with a particular focus on the attitude to climate change, and to encourage improved performance by those funds or support disinvestment by the Trust if appropriate. Under the auspices of this Group the Trust also joined and has played an increasingly active role in the Institutional Investors Group on Climate Change (IIGCC) and ClimateAction 100+.

- **Invest for positive impact:** We aim to invest selectively in new companies that seek to have positive environmental impacts in order to speed up the transition to a low-carbon economy. A critical aspect to this is the "impact" element of our private equity portfolio and our new illiquid diversifiers allocation.

The Trust will be re-shaping its financial reporting during 2021-22 and is committed to aligning its annual report and financial statements with the requirements of the Task Force on Climate-Related Financial Disclosures (TCFD).

### Private Equity and Illiquid Diversifiers portfolios

We continued to make further investments during the year under our private asset mandate with Cambridge Associates which has a long-term target of 15% of the General Pool. At 28 February 2021 there was a total of 36 investments with a value of £72.7 million, and a total commitment of £159.7 million, (at the year-end dollar/sterling exchange rate) in a range of US, European and Asian domiciled funds across a broad spread of private asset classes.

Within this 15% allocation we have allocated a portion for impact investing. Investments within this allocation must also target one of seven specific environmental outcomes: reduce CO2 emissions; reduce energy consumption; reduce water use; improve water quality; reduce landfill; increase recycling; and reduce single use plastics. By year end we had made investments into two funds within this portion of the portfolio. These invest in a very diverse range of companies in environmentally beneficial and cutting-edge technologies. Examples include hydrogen fuel cell propulsion systems for aircraft, solar powered community scale grids across Africa, electric ferry providers in Scandinavia and manufacturers of compostable, thermal shippers and coolers.

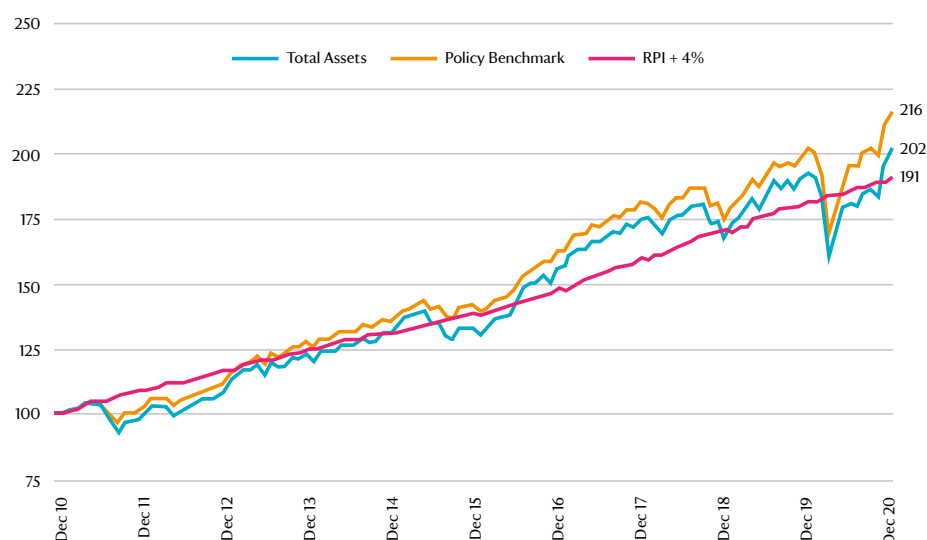
As noted, we also now have a new illiquid diversifier target allocation. This is also with Cambridge Associates and will build overtime to 10% of the General Pool. We were pleased to make our first investment here during the year in a renewables fund with a particular emphasis on offshore wind around the world.

## Investment performance

In the year to 28 February 2021, the total value of all non-pension investments increased from £1,307 million to £1,474 million. As noted above, the General Pool comprises the majority of our investments, and its funds under management increased from £1,055 million (excluding the £186m separately invested during the course of the year) to £1,221 million at the end of the financial year.

We are a long-term investor given our commitment to the care of the nation's heritage in perpetuity – as such we monitor investment performance over the very long-term. The performance of the General Pool overtime is shown below. (Note we measure manager performance against benchmarks over the calendar year rather than our financial year):

## Comparison of National Trust Investment Growth versus RPI +4% (December 2010 = 100)



Data as at 31st December 2020. Portfolio returns are net of fees.

## In terms of the position as at 28th February 2021:

Fund	Benchmark	% of Portfolio	Trailing 12-Month Returnw	
			Fund	Benchmark
Aberforth UK Small Companies Strategy	Numis Smaller Companies ex Investment Trusts Index	6.1%	(14.2)	(4.3)
LGIM All World TPI Index ex Fossil Fuels Fund	LGIM Custom Benchmark	21.6%	9.2	9.7
Longview Global Equity	MSCI World Index (Net)	10.5%	(1.2)	12.3
Ownership Capital Global Equity	MSCI World ex Japan Index (Net)	13.7%	29.5	12.4
Comgest Growth Emerging Markets Plus	MSCI Emerging Markets Index (Net)	9.4%	18.7	14.3
Private Equity	Private Equity - MSCI ACWI (N) (Lagged)	5.9%	-	-
Newton Real Return Strategy	50% MSCI Worl Index £-hedged, 40% BB Global Agg £-hedged, 10% UK T-Bills	4.3%	8.6	8.5
Nordea 1 - Alpha 15 MA Strategy	Hedge Fund Research Fund of Funds Conservative Index (Hedged) - GBP	8.8%	16.1	5.4
BlackRock	London Interbank Bid Rate	19.6%	-	-
<b>Total Assets</b>		<b>100.0%</b>	<b>5.0</b>	<b>7.0</b>

Asset allocation as at 28th February 2021. Returns to 31st December 2020 (net of fees). Comgest returns are shown since inception in portfolio on 29th January 2020. Final Private Equity returns data for 2020 not yet available.

Investment management fees were £13.0 million (2019/20: £10.8 million). The fee level the Trust paid in 2020/21 represents 0.9% of the value of the investment portfolio (2019/20: 0.8%).

We consider the fee level appropriate in the context of this long-term strategy, reflecting both the higher return expectations of illiquid asset classes and the active management needed to deliver our objectives.

The selection of our investment managers is determined by the Investment Committee who regularly review performance and the rate of income distribution. A more recent slight deviation from the target of RPI+4% has resulted in a reduction to 3.5% in the portfolio distribution rate.

## Funds and reserves

### Why we hold funds and what they represent

The Trust has a unique obligation to conserve places of historic interest or natural beauty in perpetuity for the benefit of the nation. It requires considerable financial resources and extensive long-term planning to protect such a significant part of the nation's heritage for ever, for everyone. Reliance simply on day-to-day income to fund our work would be an unacceptable, high-risk strategy. Therefore, the Trust holds what might appear to be a large funding level to enable us to fund our work securely and sustainably – these funding levels have been of central importance to the Trust in managing its finances during the coronavirus pandemic.

### The Trust has three principal categories of funds:

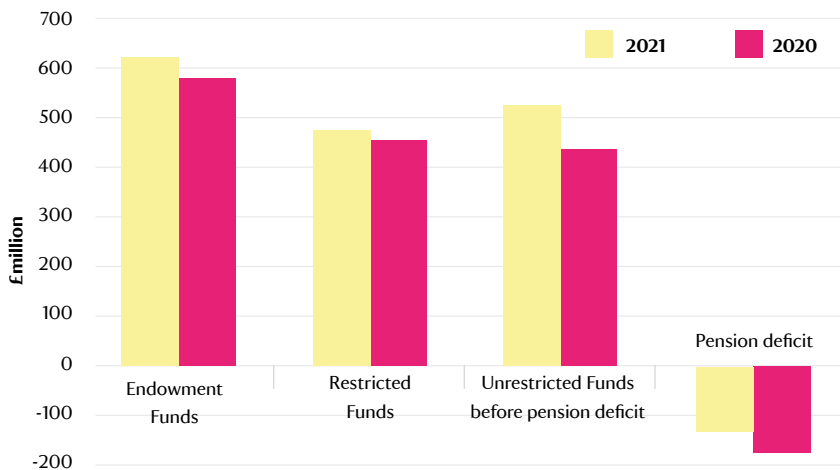
- Endowment funds, which are capital sums permanently set aside to generate income to fund our work at specified properties. These funds can arise either through the terms of donations to the Trust, or through the Trust's own decisions to allocate funds in perpetuity;
- Restricted funds, which are income funds that can only be spent in ways specified by the donors. These legal restrictions are scrupulously adhered to by the Trust and they often mean the Trust needs to hold the funds in the long-run until a suitable project comes forward;
- Unrestricted funds, which represent the Trust's "safety net" against income fluctuations whilst also providing flexibility to fund other projects. These are the only funds over which the Trust has complete discretion to spend as it wishes on our core purpose.

Strong financial performance that reinforces its reserves position plays a key role in helping the Trust to respond to the need to increase investment in our core conservation purpose.

### National Trust funds at 28 February 2021

The funds shown in our consolidated balance sheet on page 53 of the financial statements (and analysed further in Note 17) are as follows:

#### National Trust Funds



Endowment and restricted funds comprise a very large proportion of our funding - £1,094 million of total funds of £1,467 million. We cannot spend the capital element of endowment funds and are committed to spending restricted funds on particular purposes as defined by donors.

Therefore, to maintain as much flexibility as possible, we endeavour to use restricted funds before unrestricted reserves when funding projects and acquisitions.

The fixed asset reserve and the pension reserve, though included within unrestricted reserves in the balance sheet, are excluded from total unrestricted reserves for reserves policy purposes.

### Our policy for unrestricted reserves

The Trust defines its total unrestricted funds as the general fund plus other designated funds i.e. excluding the fixed asset reserve and the pension fund deficit. These reserves represent the resources that the Trust can use for any of its charitable purposes.

We aim to hold total unrestricted funds of at least £186 million, a threshold that increases annually by inflation as measured by the RPI. This threshold was set by the Board after considering the following needs and was reviewed in the context of the coronavirus pandemic to ensure its continued sufficiency and relevance:

- Short-term smoothing of fluctuations in annual revenues or capital receipts, such as legacies;

- Provision of long-term strategic financial support to properties, or funding of development work and central infrastructure;
- Funding of unplanned projects and acquisitions when opportunities arise;
- In extremis funding if unforeseen circumstances affect the charity's ability to operate;
- Protecting the Trust's conservation expenditure in the event of investment market volatility and pensions risk;
- Retaining the ability to make strategic investments.

Total unrestricted reserves, comprising the general fund and other designated reserves, stand at £410.6 million (2020: £317.7 million), £224.6 million in excess of our policy threshold (2020: £131.7 million above the threshold). Excluding essential designations of £137million referred to above, the surplus is £87.6million above threshold – this surplus will provide the Trust with some additional financial resilience as the charity begins a new financial year faced with continued uncertainty

#### **The General Fund: £240.5 million (2020: £150.8 million)**

The General Fund is the Trust's central unrestricted reserve. Its purposes are to provide finance for central infrastructure, to provide funding for large projects to properties with insufficient local reserves, and occasionally to fund unforeseen projects and acquisitions if restricted funds are not available. The fund also provides financial protection against income volatility (e.g. from investment markets).

#### **Designated Funds £170.1 million (2020: £166.9 million)**

The remainder of the Trust's unrestricted reserves are usually held at properties or in funds designated specifically to fund conservation and repair work at properties. Property reserves represent operating surpluses after meeting the costs of conservation repair and improvement work, commercial development and the purchase of plant and equipment.

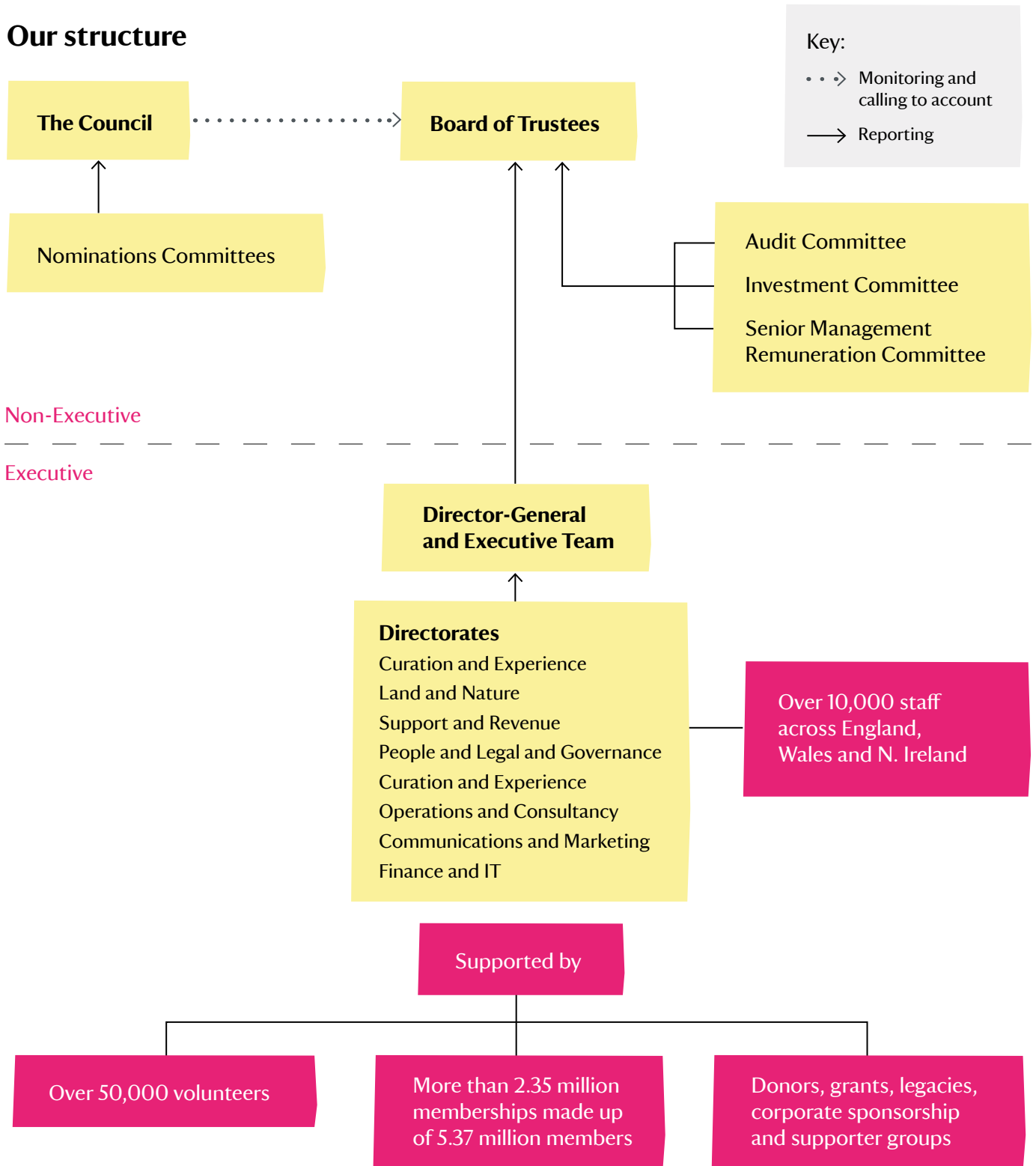
While the Trust recovers from the effects of the coronavirus pandemic, property reserves have been released back to the General Fund (leaving £33.1 million relating to investment property and other designations). The finance model governing the use of the property unrestricted reserves is being reviewed and revised and will be re-launched in 2022/23.

The trustee board reviewed the forecast year-end reserves and agreed on targeted designations to underwrite the financial risk in 2021/22, and ensure adequate funds are set aside for the Trust's essential work. As mentioned above under the 'staying resilient' section, a total of £137 million of designations are being held in designated funds to manage these financial risks.

# Governance

## Structure, management and internal control

### Our structure



## Our constitution

The National Trust was first incorporated in 1894 as an Association Not-for-Profit under the Companies Acts 1862-90. The first National Trust Act was passed by Parliament in 1907. Paragraph 4 (1) of that Act describes the general purpose of the Trust. It states:

*The National Trust shall be established for the purposes of promoting the permanent preservation for the benefit of the nation of lands and tenements (including buildings) of beauty or historic interest and as regards lands for the preservation (so far as practicable) of their natural aspect features and animal and plant life.*

Further Acts of Parliament followed to clarify further the Trust's purpose and to develop its governance model. The Charities (National Trust) Order 2005 describes our current governance arrangements.

## Charity Governance Code

The Trust's governance arrangements are described in its constitution. The latter is rooted in a series of Acts of Parliament dating from 1907 together with a Parliamentary Scheme introduced in 2005. In addition, the Board of Trustees and the Council have agreed a range of policies and procedures that assist with the practical application of our statutory obligations.

The Trust has ensured that its governance is broadly aligned with the Charity Governance Code and endorsed by the Charity Commission. It also draws on guidance from other appropriate governance codes reflecting the size and complexity of the organisation.

## Board of Trustees

Since 1 September 2005, Trustees have been responsible for the administration and management of the Trust.

The Board of Trustees is appointed by the Council (see page 50). It currently has 12 members, who are listed on page 48. It has ultimate responsibility for what the National Trust does, consistent with section 177 of the Charities Act 2011. This states that charity trustees are 'the persons having the general control and management of the administration of a Charity'.

During the year John Sell and David Smart stood down as Trustees. We thank them for their contributions. We were delighted to welcome Denise Jagger as a Trustee, appointed for an initial three-year term by Council.

## Board diversity

We believe that a Board of Trustees with diversity of perspectives and experience and a balance of age and of gender is fundamental to the effectiveness of our governing body. Our Board recruitment practices aim to attract individuals who will help lead the National Trust in a way that embraces inspiration, diversity and fresh thinking in the delivery of our strategy, and who will champion our work across all communities.

## Trustee induction

All Trustees complete a bespoke induction programme designed to inform them about the Trust's structure, strategy, financial planning arrangements and delegation framework, which shapes the Trust's decision-making processes and to ensure that they are fully aware of the responsibilities of being a Trustee. The induction takes the form of a combination of meetings, visits and the provision of appropriate reading material.

## Statement of the Board's responsibilities as Trustees

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

The law, applicable to charities in England and Wales, requires the Trustees to prepare Financial Statements for each financial year that give a true and fair view of the Charity and the group and of the incoming resources and application of resources of the Charity/group for that period.

In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP) in the preparation of Charity accounts in accordance with the applicable Accounting Standards in the UK;
- 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; and
- prepare the Financial Statements on the going-concern basis unless it is inappropriate to presume that the Charity will continue in business.



The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and group and enable them to ensure that the Financial Statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the National Trust Act 1971. 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.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Council

The Council is the guardian of the spirit of the Trust and of its long-term objectives. It provides a wide range of expertise and a forum for debate about the major issues affecting the Trust. The Council's report to members on its activities is presented on page 50.

Council members serve for elected or appointed terms of three years, and members can be re-elected or re-appointed. The Council comprises 18 members elected by the Trust's membership. Elections take place annually to fill any vacancies that arise. The 2020 election was suspended due to the pandemic and all members' terms were extended by one year. An election is scheduled to take place in 2021.

The remaining 18 members are nominated by organisations which are elected by the Trust's membership every six years – these organisations are referred to as Appointing Bodies. The Chair and Deputy Chair are also members of the Council. All members are volunteers.

The Council is responsible for appointing Nominations Committees for the appointment of the Chair, Deputy Chair, and Trustees. Nominations Committees also make recommendations for the appointment of non-Trustee members of the Board's committees, candidates standing for election to the Council, and the six-yearly review of Appointing Bodies.

Procedures for the appointment and election of non-executive volunteers to our various governance groups are consistent, open, fair and robust. There is outside involvement through external, independent members on the Nominations Committees.

## Appointment terms

Members of the Board of Trustees are normally appointed for two terms of three years, subject to re-appointment.

Members of the Council are normally appointed or elected for up to three terms of three years, subject to re-appointment or re-election.

External members of the Council's Nominations Committees are appointed for one term of five years.

Independent members of the Board's committees are appointed for terms determined by individual committees, subject to re-appointment.

## Service arrangements

All Trustees, Council and independent and external committee members are unpaid, although expenses are reimbursed.

## Code of conduct

All our non-executive volunteers are expected to adhere to our code of conduct which provides clear guidelines on expected standards of behaviour, responsibilities and best practice in fulfilling their obligations to the Trust.

## Public benefit

In reviewing our aims and objectives and planning future activities, the Trustees ensure that the activities undertaken are in line with our core purpose of looking after special places for everyone, for ever as demonstrated on pages 6 to 25 of this report.

## Modern slavery

The National Trust is committed to ensuring modern slavery is not present in our supply chains. We continue to develop policy and procedures to manage the way we obtain goods and services to ensure the integrity of the supply chains. A full statement can be found at: <https://www.nationaltrust.org.uk/features/modern-slavery-statement>

## Whistleblowing

The Trust acknowledges that, however strong our commitment to openness, transparency and accountability, we may not always get matters right. We have a clear whistleblowing process in place through which everyone involved with the organisation can raise significant issues.

## Members' Annual General Meeting

The Trust is one of the largest membership organisations in the UK. Members are entitled, and invited, to attend the Annual General Meeting as part of which they receive the Annual Report and Financial Statements, approve the appointment of the auditor and vote in advance on the election of Council members and Appointing Bodies. Members would normally be given the opportunity to submit resolutions to be taken at the Annual General Meeting (AGM); however, due to the pandemic, in consultation with the Charity Commission the 2020 AGM was cancelled. Resolutions were rolled over to the 2021 AGM.

In lieu of the AGM we hosted a Members' Broadcast. We were delighted in the level of interest it attracted with more than 1,200 questions being submitted.

## Committees of the Board of Trustees

We have three standing committees which help us with our work:

### The Audit Committee

The Audit Committee is an advisory committee of the Board of Trustees. The Audit Committee operates in accordance with the agreed Terms of Reference, which are periodically reviewed to maintain alignment with Charity Commission expectations and guidance. The Audit Committee's role is to help the Trustees meet their responsibilities for risk management, confirming the effectiveness of internal controls and assessing the efficient and effective use of funds. The Audit Committee is part of the overarching governance arrangements of the Trust. As a delegated committee of the Board of Trustees, a clear line of communication to the Board has been established and quarterly updates are provided. Part of the Committee's remit is to assess and evaluate risk management. Its membership constitutes at least three Trustees and two independent external members with responsibility to:

- Oversee the outcomes of external and internal audits, including financial reporting processes.
- Review the Trust's processes of internal control and risk management.
- Consider the Trust's compliance with relevant statutory and finance regulations.
- Oversee the Trust's whistleblowing arrangements.
- Oversee anti-fraud activity and the results of fraud investigations including assessing the adequacy of any control improvement measures.
- Review the Trust's safeguarding and legal compliance.
- Advise the Board of Trustees of any relevant matters.

The Audit Committee carries out its work by testing and challenging the assurances it receives on the effectiveness of internal controls and risk management, including the management priorities on which they are based. The Audit Committee may also seek contributions from others when it considers that its work can be enhanced by specialist support. This practice is reinforced by management-led 'Deep-Dive' sessions which are held as a standing item on the Audit Committee agenda. The Audit Committee meets formally four times a year and holds a fifth meeting to consider the draft Annual Report. In addition, the Chair of the Committee has regular discussions and liaison with senior management and the Head of Risk and Assurance to ensure standards are maintained and to facilitate open and unfettered risk-focused discussions. Maintaining openness, transparency, a clear line of sight and independence are at the heart of the way the Trust's Audit Committee operates.

### During the year, the Audit Committee has also undertaken the following:

- 'Risk and Control Assessments' (Deep-Dives). Due to the impact of the coronavirus the normal deep-dive schedule was placed on hold for some of the reporting period. The management-led sessions covered the Trust's approach to controlling risks associated with operational security risk. Also, Covid-19 Response and Compliance Updates were considered by the Audit Committee. In addition, the Committee has received a detailed update in respect of the Support and Revenue Platform Programme progress, which includes improvements to the membership and donations process.
- Received and considered progress reports on the delivery of the Trust's Risk Management Strategy and continuous improvement.
- Received and considered an Annual Report on the Trust's insurance arrangements, levels of cover and renewal of insurance policies for the current policy year.
- Received and considered an update from the Chief Information Officer in respect of Technology, Digital and Cyber Security.
- Received and considered the quarterly Operational Risk Report.
- Maintained oversight of the quality of Internal Audit assignments.

### Audit Committee: Covid-19 Response (Viability and Going Concern)

The Audit Committee have remained alert to the fact that control measures taken to contain the coronavirus (Covid-19) are having an impact on the Trust's operations and financial reporting. In particular, the Audit Committee has been mindful of the Charities SORP guidance in respect of 'going concern' obligations and risks. Audit Committee members and the Board of Trustees have worked to satisfy themselves that the Trust's financial health can be adequately maintained beyond the end of the 2020/21 reporting period.

UK Government measures to control the pandemic involve a high degree of social disruption which has an impact on the delivery of, and demand for the activities of the Trust, including the availability of staff for work. Whilst the implications of the crisis have been severe, they have not cast doubt upon the Trust's overall financial sustainability. However, to achieve this level of sustainability, a number of difficult but informed decisions have needed to be made at pace.

**As part of the overall response to the Covid-19 crisis measures, the Audit Committee has considered:**

- The many ways the crisis may impact on the Trust, the delivery model, governance and financial ramifications for the Trust.
- Risk monitoring has been proactive and a Strategic Crisis Risk Register has been utilised to identify potential scenarios and impacts and confirm appropriate, prudent and proportionate mitigations are in place.
- Financial models in respect of cash flow and measures taken to minimise expenditure and optimise income in both the short and longer term. In addition, evaluating the stress testing of financial models and the credibility of the downside scenarios used to assess sustainability.
- The need to right size the Trust for the Reset programme and Renewal Plan to be effective in the coming months and years.

The Committee has supported the Board in its assessment of both going concern and viability. Members have considered whether, in the demanding risk scenarios identified, the Trust has adequate liquid resources to meet its obligations as they fall due in the next 12 months and to remain commercially viable into the future. Attention has been given to the available unrestricted reserves, use of restricted funds, liquidity available, credit facilities and other forms of financial assistance open to the Trust.

As a result of the assessments undertaken, and the responses received from management in relation to questioning, the Committee has satisfied itself that the going-concern basis of accounts preparation is appropriate and that the Trust is commercially viable going forward.

**Audit Committee: External Audit**

The Audit Committee discusses with the external auditors the scope of their audit and makes recommendations before the audit commences. The significant audit risks are appraised and confirmed as both relevant and appropriate. The continued independence and objectivity of the Trust's external auditors is at the centre of the Committee's approach and remit. The Audit Committee meets with the external auditor without Executive Directors being present, to facilitate open and frank discussions.

The Committee reviews the performance of the external auditors, discusses this with management and recommends their continued appointment or otherwise.

KPMG LLP were the Trust's external auditor for 2020/21. They provided the Audit Committee with relevant reports, reviews and information and advice throughout the year in accordance with their engagement letter.

The Audit Committee recognises that the independence of the external auditor is essential to protecting the interests of the Trust. Therefore, the Committee confirms that the external auditor is independent with respect to the audit.

**Audit Committee: Internal Audit**

The National Trust has an 'in-house' internal audit function which is supplemented using a co-source partner providing external expertise where relevant. The Head of Risk and Assurance reports functionally to the Chair of the Audit Committee who appraises his performance and considers the work done by the team as a whole. Internal Audit assignments are founded and performed on a risk-based assurance plan which is reviewed and approved by the Audit Committee prior to implementation. Throughout the reporting period the rolling plan is regularly evaluated and updated, taking into account the Trust's evolving risk profile. At each meeting, the Audit Committee receives an update on audit reports completed and assurance opinions provided. This enables the Committee to develop an informed opinion of the system of internal control and the Trust's ability to manage risk effectively. In addition, there are updates in respect of progress on completion of actions arising from the audits. The Committee maintains oversight of open and overdue recommendations for control and governance improvements, with an ongoing focus on action-owner accountability for delivery.

The Internal Audit work plan was structured to align with the key objectives and risks of the Trust and covered both advisory and assurance-related reviews of operational, financial and IT processes as well as areas of significant change in relation to key projects and programmes. In response to the challenging and changing crisis environment, the Committee has moved to reviewing and approving the scope of the Internal Audit work programme on a six-month rolling basis. To enable this change, the approach to Internal Audit was also adapted to accelerate delivery and insight, e.g. shorter, advisory-type reviews in place of longer, traditional assurance assignments. During the year it was vital for Internal Audit to provide real-time feedback to management. Internal Audit review activity undertaken during the year aligned with the justification for its inclusion in the revised plan. This ensured that coverage was sufficient to provide the necessary assurance and maintain the integrity of the function.

In addition to agreed audit assignments, the Internal Audit team have also delivered a number of: whistleblowing investigations and reports; investigations of potential fraud; real time input to the Trust's daily Business Continuity Group; and risk management systems enhancements. Since February 2020, the focus of the Trust has been upon safe operation within a pandemic and surviving through a time of extended closure. Internal Audit ensured that the Executive Board, Audit & Risk Committee, and the Board of Trustees have been kept abreast of significant alterations to the framework of governance, risk management and control throughout this process. A vital part of the Trust's response to the pandemic has been the wellbeing of staff, volunteers and supporters. We have observed that management's focus was the maintenance of Covid-Safe operations.

The Audit Committee periodically meets with the Head of Internal Audit without Executive Directors being present, to facilitate open discussions and challenge. This ensures the Internal Audit function can operate with sufficient independence.

The Trust's Internal Audit function is periodically subject to independent external quality assessment (EQA). The most recent review was delivered in the 2018/19 reporting period. This approach ensures compliance with the Institute of Internal Auditors (IIA) standards, which requires independent EQA every five years.

#### **Audit Committee: Risk Management and Internal Control (including fraud, bribery and whistleblowing)**

The Committee monitors and reviews risk management processes and the standards of risk management and internal control, including the processes and procedures for ensuring that material business risks are properly identified and managed. Evaluating and managing risks is a vital part of protecting the Trust's reputation and complying with Charity Commission standards. It is also recognised by management as a key component to achieving the Trust's objectives. The scope of the Committee is broad and encompasses both active and long-term risks to the Trust. Following the coronavirus crisis, the Audit Committee considered the Trust's Strategic Crisis Risk Management approach and mitigation. Due to the significant impact of coronavirus on a global scale, the Audit Committee considered this risk to pose a continued threat and has monitored the impact throughout the reporting period.

In November 2020 David Smart stood down as a member of the Audit Committee. David was thanked for the significant amount of time, involvement and expertise he had given to the Trust.

In January 2021, Denise Jagger joined the Audit Committee and was subsequently confirmed as a member of the Board of Trustees. Denise brings a wealth of legal and risk expertise to the Trust and Audit Committee.

#### **The Investment Committee**

This committee reviews the management of our investments. It recommends to the Board of Trustees an appropriate investment strategy, advises on the selection of investment managers, and monitors their performance against agreed benchmarks. Further details on National Trust investments are given in the Financial Review on page 32.

During the year the investment strategy for the General Pool was updated in conjunction with the Trust's investment advisers Cambridge Associates. The portfolio continues to aim for a return well ahead of inflation, thereby supporting the Trust's long-term conservation needs, coupled with a high level of diversification to reduce risk but it also now seeks to achieve a vigorous net zero 2030 de-carbonisation target and to have much greater resilience so that cash can always be distributed back to the Trust regardless of prevailing market conditions.

The Committee has established a Stewardship and Engagement Working Group was set up as a sub-set of the full Investment Committee. This Working Group met with almost all the Trust's fund managers to assess current alignment with the Trust's ESG (Environmental, Social and Governance) goals, with a particular focus on the attitude to climate change, and to encourage improved performance by those funds or support dis-investment by the Trust if appropriate. Under the auspices of this Group the Trust also joined and has played an increasingly active role in the Institutional Investors Group on Climate Change (IIGCC) and ClimateAction 100+.

The Committee continued to oversee investments under the private asset mandate with Cambridge Associates. Within these investments, the Trust has allocated a portion for impact investing. Investments within this allocation must also target one of seven specific environmental outcomes: reduce CO2 emissions; reduce energy consumption; reduce water use; improve water quality; reduce landfill; increase recycling; and reduce single use plastics.

As equity markets recovered over the summer months, the Committee ensured that the portfolio was rebalanced to hold more cash to be able to be able to guarantee cash distributions for up to three years. Additionally, the Committee took steps to protect the organisation's minimum unrestricted reserves level by allocating these to liquid instruments with their capital value protected.

#### **The Senior Management Remuneration Committee**

This manages the remuneration and terms of employment of senior managers in the National Trust and reviews the Trust's succession planning and development activities for senior management.

## Subsidiary companies

The National Trust owns five subsidiary companies, two of which, The Porthdinlleyn Harbour Company and Countryside Commons Ltd, are dormant. Details of the three active subsidiary companies are provided below:

### Historic House Hotels Limited

Historic House Hotels Limited is a wholly owned subsidiary of the National Trust and runs three hotels held on leases from the National Trust. One of the hotels, Hartwell House, is in turn leased by the National Trust on a long lease from the Ernest Cook Trust. The Board of Directors of Historic House Hotels Limited is responsible for the company's activities.

The performance of Historic House Hotels Limited during 2019/20 and 2020/21 is set out in Note 5 to the Financial Statements.

### The National Trust (Enterprises) Limited

The National Trust (Enterprises) Limited is a company wholly owned by the National Trust. It forms the Trust's trading arm and is responsible for running its commercial activities such as retail. It transfers its taxable profits to the Trust and Gift Aid is added to this.

The Board of The National Trust (Enterprises) Limited is responsible for the company's activities. The Board's members (appointed by the Board of Trustees) include both non-executives and senior Trust staff. The Board performs the same role as any company board, overseeing the running of the company, reviewing the major risks facing the company, agreeing and monitoring its budget, approving major expenditure and approving its annual report and financial statements.

The performance of The National Trust (Enterprises) Limited during 2019/20 and 2020/21 is set out in Note 5 to the Financial Statements.

### National Trust (Renewable Energy) Limited

National Trust (Renewable Energy) Limited is a company wholly owned by the National Trust. The Trust has a Renewable Energy Investment Programme, part of which involves trading the electricity we generate through renewable energy projects by selling it to the National Grid. National Trust (Renewable Energy) Limited carries out this trading. It transfers its taxable profits to the Trust and Gift Aid is added to this.

The Board of National Trust (Renewable Energy) Limited is responsible for the company's activities. The Board's members (appointed by the Board of Trustees) include both non-executives and senior Trust staff. The Board performs the same role as any company board, overseeing the running of the company, reviewing the major risks facing the company, agreeing and monitoring its budget, approving major expenditure and approving its annual report and financial statements.

The performance of National Trust (Renewable Energy) Limited during 2019/20 and 2020/21 is set out in Note 5 to the Financial Statements.

### Wider network

We are a founder member of the International National Trusts Organisation (INTO) and we host the INTO Secretariat at our London office, 20 Grosvenor Gardens, London, SW1W 0DH. INTO is a registered charity in the UK (charity number 1128224). INTO exists 'to promote the conservation and enhancement of the natural and cultural heritage of all nations for the benefit of the people of the world'.

### Executive Team

The Executive Team comprises the Director-General and senior Trust staff who support her in fulfilling her responsibilities.

The Board of Trustees delegates various functions to the Executive Team and other staff, through the leadership of the Director-General. These functions are summarised in a Scheme of Delegation.

The Executive Team formulates strategy for the Board of Trustees' consideration and approval, ensures it is carried out and oversees the day-to-day operation of the Trust.

### Meetings during 2020/21

During the pandemic the Board of Trustees, Council, committee and subsidiary meetings have been held virtually to enable members to safely carry out their duties. Recognising the seriousness of the impacts of the pandemic the Board of Trustees met with significantly increased regularity to ensure sufficient oversight at a time of great challenge.

## Risk Management

Our risk management framework seeks to effectively and efficiently mitigate risk to a practical level which is based on the activities and responsibilities the Trust fulfils. This approach is in keeping with Charity Commission guidance. The process identifies the significant risks that apply to the Trust and supports us in making decisions about how to respond to the risks we face. The system of risk management and internal control is designed to minimise the risk of failure to achieve the Trust's objectives. The approach is measured but cannot eliminate all risks. Therefore, the system does not provide an absolute assurance against risks materialising.

Our risk management processes help us identify and manage the most significant risks to the Trust. By significant we mean those long-term risks that could stop us achieving our strategic objectives or have a significant detrimental impact on the organisation. Therefore, we assess a range of possible impacts which need to be considered such as financial, regulatory, operational, reputational and environmental. The risk management process is embedded within the Trust's approach to delivery. This allows us to make the most of opportunities and develop them with confidence. In addition, forward and strategic planning are improved.

The Trustees are ultimately responsible for risk management, and we are satisfied the Trust has appropriate risk management processes in place. The Audit Committee supports the Board of Trustees in forming this view by receiving quarterly reports from the Executive Team on the most significant risks and how they are being managed. The Audit Committee is also provided with an annual opinion from Internal Audit on the effectiveness of the Trust's internal controls and associated risk management processes. In addition to the annual opinion on risk management, our Risk and Assurance Team deliver a strategic rolling programme of risk-based internal audits and will be supported by Pricewaterhouse-Coopers (PwC) LLP going forward. The results of all internal audit work are reported to the Executive Team and Audit Committee each quarter, including progress in implementing any internal audit recommendations.

Risk management is a standing agenda item at each quarterly Audit Committee meeting. This provides an opportunity for members of the Audit Committee to challenge the Executive Team on whether they have identified the key risks, whether they are taking sufficient mitigating actions to manage the risks and the effectiveness of the internal controls.

Identified risks are owned by a member of the Executive Team who has ultimate accountability for ensuring it is managed. The Executive Team will usually delegate responsibility for the actions which need to be taken to a member of their functional or regional team. Owners of the most significant risks are

periodically invited to the Audit Committee to present a 'Deep Dive'. This adds to the Audit Committee's wider understanding of how risks are being managed and whether that is in keeping with the Trust's risk tolerance.

As Trustees, we concentrate our efforts on ensuring that the most significant risks are being identified and managed effectively. We participate in risk identification and analysis through our regular review of risk registers and consideration of updates from the Audit Committee.

**During 2020/21 the most significant risks to our strategy were identified as follows:**

### 1. Impacts of coronavirus – looking ahead

The longer-term restrictions and associated impacts to operations, fundraising and resourcing caused by the coronavirus (Covid-19) pandemic have been and remain the most critical external risks currently facing the Trust. The scale and force of the crisis has impacted many aspects of the Trust's operation. This may slow our ability to deliver all of our charitable aims in the short-term. However, we remain confident that in the medium-term our reset and renewal plans will enable a recovery that enables the Trust to deliver on its mission.

The pandemic has impacted the Trust's overall capacity and capability to maintain the levels of resilience in evidence prior to the crisis. The changes introduced to protect the Trust from the impacts of the pandemic were assessed in a considered manner prior to implementation. Creating experiences and responding to needs and conservation ambitions will present new challenges but also new opportunities as the Trust revisits how it works. Seeking alternative ways to generate experiences that support the organisations environmental aspirations and capitalise on charitable aims will form part of the approach as well as utilising these changes to focus on conservation standards and by applying new techniques afford an opportunity to meet strategic aims whilst using less resource.

Further impacts of the pandemic may see changes to government environmental and planning policy. To protect the Trust's strategic and charitable objectives, the Trust will be focusing attention on prudent, sustainable, economic and viable models for land use to manage this risk in the longer-term.

There is no clear timeline for the recovery of the UK economy from the pandemic and therefore the on-going financial sustainability in relation to the capacity and capability of the Trust to recover from the significant economic downturn predicted for the foreseeable future has been considered and planned for. Modelling analysis has taken account of a number of potential recovery scenarios. The impact of Covid-19 on investment is monitored to ensure a timely and effective

response from the Trust where there may be an impact on the Trust's income. Constant vigilance will be required to mitigate the impact of risks materialising post-pandemic that may have the potential to affect the financial stability of the Trust.

The Trust has responded to the challenges created by the pandemic over 2020/21 in a pragmatic and measured manner. Mitigations are in place for 2021/22 should there be further waves of the virus or if there is a continued challenge to the Trust's ability to carry out its charitable objectives.

## 2. Organisational impact of climate change

The risks associated with the impact of climate change are numerous and diverse. In progressing the delivery of our strategy, we are focusing significant time and attention on this unfolding threat to ensure organisational readiness and wider societal influence. The impact of being unable to effectively adapt to climate change would be considerable and could significantly impede the delivery of our wider strategic aims. In particular, there may be implications for our ability to care for places to give them a sustainable future and improve the state of nature in the UK, both now and into the future. Limiting the detrimental impact on our conservation assets, our ability to provide access to these assets, and our business processes are central to the approach we have adopted.

Protecting the range of assets in our care, and the way that our supporters can enjoy them, such as our wildlife, gardens, woodland and buildings, are core elements of the risk management operation we are applying. We have revitalised and refreshed our internal approach to promote understanding and awareness of climate change adaptation. The Executive Team and Trustees have developed and agreed a four-point plan to further improve our ability to respond at pace to climate change. The plan will deliver: low carbon, greener day-to-day working practices, including forming an effective carbon accounting system; optimise carbon sequestration and storage from our extensive land holdings; adapt our places to cope with the change that is inevitable; and telling compelling stories which will allow and encourage our supporters to make their own contributions. We will advocate to Government and with partners, changes to policy (including as part of our work on post-Brexit farming and land management) which will help respond effectively within and beyond our boundaries.

The Board and senior management have increased the emphasis and priority of meeting the climate change challenge and associated threats. Responding positively and in a timely manner to climate change is flagged as one of the top five strategic priorities. This ensures awareness of the need to maintain momentum in risk resolution activity and promoting the Trust's readiness. We continue to progress our commitment to reduce energy usage and significantly increase renewable sources of energy across our estate, leading by example and demonstrating the benefits of responding constructively to climate change.



### 3. Maintaining the relevance of the National Trust

The Trust continues to monitor the changes in society and is aware of the need to remain relevant to all audiences. There is a recognised risk that stakeholders may stop being interested in the work of the Trust if our relevance is not proactively maintained. Without this approach both the current and next generation of stakeholders may stop supporting the conservation and charitable work, which would reduce the Trust's ability to care for the places in its care in the longer term.

The Trust acknowledges that the behaviour of future visitors and supporters is likely to change in the medium term. The Trust needs to be equipped to deal with this technologically to ensure it can remain relevant to its supporters and deliver charitable aims and objectives. To minimise the potential disruption of this risk, the Trust is currently exploring the required investments in new technology and developing plans to ensure that our content and campaigns cover key segments across traditional and contemporary audiences. The focus is to maintain a broad and inclusive appeal in engaging support, interest and delivery of charitable aims.

Membership remains a significant source of funds for the National Trust. We have retained a core base of members but there remains significant opportunity for growth post-pandemic. We review the future trends of UK audiences and their demography, regional variances and needs/wants in order to continuously adapt our offer to remain relevant to people's lives and deliver our strategic purpose. Our memberships not only deliver income, but importantly they are our biggest beneficiaries of nature, beauty and history. Members and supporters are the lifeblood of the National Trust.

We recognise that in order to continue to be both appealing and relevant, we need to ensure we keep abreast of changing UK trends and respond to them in an appropriate and sustainable way. There is more we want to do to develop an integrated membership and fundraising offer and to create different types of access products. We are currently working on a project to improve our central membership and fundraising systems to give us the flexibility to do this. In addition, we are improving the Trust website and digital channel to ensure we keep pace with member expectations and ways of engagement.

As we respond and develop to the needs of new audiences and of demographic and social changes, we remain mindful that many of our existing audiences place a high value on our traditional offer, so it is important to balance change with continuity and reassurance for long-standing members. In addition to new work to build our appeal to families and new audiences, we are renewing our commitment to high standards of presentation and programming around our collections and houses.

### 4. Cyber and digital threats

The Trust takes the protection of all individuals' privacy seriously. As an organisation we recognise the persistent threat from cyber and information security risks. For this reason, we continuously monitor cyber and information risk to maintain focus and vigilance. We take a proactive approach to identifying and managing the risks associated with loss of key staff, member, volunteer or business data, due to a breach of IT or data security and/or failure to protect the integrity and availability of data. Minimising the threat of financial, regulatory, legal and reputational damage, as well as disruption to business operations, forms the basis of our mitigation approach.

We have implemented a Cyber Resilience Task Force to ensure we constantly review and react to new risks. In addition, we have created more robust policies and monitoring processes to confirm compliance with regulatory and good practice standards. Training and awareness sit at the heart of our procedures and ensure that those tasked with handling information or data understand their responsibilities to be aware of threats and maintain security. Security Operations update our response playbooks to review cyber attacks and know what actions to take if further attacks occur. During the year we have continued to improve our infrastructure and ability to effectively manage, monitor and govern our data and information security. In addition, we have made enhancements to our systems and controls to improve resilience. By applying a strategy of 'cloud' first, we can better manage business interruption scenarios. The security and resilience of our network is routinely tested, and vulnerabilities addressed. The focus of our risk mitigation activity is preventive rather than reactive. Cyber and Information security are embedded within our change and transformation procedures.

During the reporting period one of the Trust's third party suppliers of information technology services (Blackbaud) was subject to a ransom attack and data breach. The Information Commissioners Office (ICO) found that the Trust acted appropriately in the use of Blackbaud and that regulatory action was not required in this case against the Trust. Lessons have been learned from this incident which also affected a number of other charities and the education sector. Throughout the year we have continued to make significant improvement gains in relation to cyber and information security and we will continue to build on this going forward.



### Health & Safety and operational risk management

The National Trust takes its health and safety duty of care towards staff, volunteers, visitors and contractors very seriously. We are an active member of the Visitor Safety Group and we apply their guiding principles to proportionately manage risks to visitors. We also have a tripartite agreement with the Health and Safety Executive (HSE) and Swindon Borough Council which helps ensure that our approaches to health and safety throughout our operations are consistent, proportionate and in line with regulatory requirements. During the financial year 2020/21 we have not been subject to any enforcement action taken by the HSE or Local Authorities in relation to health and safety matters.

### Fraud, bribery and theft

With information increasingly being held digitally, the Trust recognises that any digital fraud or theft would have a greater impact than it would ever have done in the past. To adequately protect our information, we have invested in both preventive and monitoring controls. We also ensure we remain abreast of cyber developments to ensure we respond swiftly to any changes in the cyber risk landscape.

The Bribery Act came into effect in 2010 and introduces the offences of offering or receiving bribes, bribery of foreign public officials and of failure to prevent a bribe being paid on an organisation's behalf, all of which apply to charitable organisations. The Trust will not accept illegal payments, allowances or gifts in kind, and staff and volunteers are required to report any bribery proposition made to them in connection with the Trust that may warrant investigation. An independent external whistleblowing hotline is in place for staff and volunteers to report any suspected fraud, bribery or theft with arrangements in place to investigate any reported incidents. A Fraud, Bribery and Theft Instruction has been documented which clearly states the Trust's position with regard to bribery, fraud and theft and what is expected of staff and volunteers. The Fraud, Bribery and Theft Instruction, use of the whistleblowing hotline and the nature of issues raised is monitored and reviewed annually by the Audit Committee who provide oversight and governance in the event of any significant incidents of suspected fraud as they occur.

**Committees of the Board of Trustees:** we have three standing committees which help us with our work. Their members are listed on page 49 of this report.



## Membership of the Board of Trustees, the Council, Committees and Executive Team

All correct as of 28 February 2021

### Board of Trustees

Tim Parker, *Chair*  
Orna NiChionna, *Deputy Chair*  
Michael Day CVO  
David Fursdon  
Denise Jagger  
Caroline Kay  
Aideen McGinley  
Sandy Nairne CBE, FSA  
Zarin Patel  
Ade Rawcliffe  
Nick Stace  
Dr Tom Tew DPhil, FRSA, FRSB, MCIEEM

### Council

Tim Parker, *Chair*  
Orna NiChionna, *Deputy Chair (appointed by the Soil Association)*  
Steve Anderson (*elected member*)  
Peter Bate (*appointed by the Tenants' Association of the National Trust*)  
Austin Brady (*appointed by the Woodland Trust*)  
Ian Brown (*appointed by The Wildlife Trusts*)  
Prof. Valerie Brown (*appointed by RSPB*)  
Christopher Catling (*elected member*)  
Anne Casement (*elected member*)  
Robert Caudwell (*appointed by the National Farmers' Union*)  
Heather Clarke (*appointed by the Canal & River Trust*)  
Jane Dean (*elected member*)  
Jim Gardiner (*appointed by the Royal Horticultural Society*)  
Sarah Green (*elected member*)

Inga Grimsey OBE (*elected member*)  
Dr Ruth Hall CB (*appointed by Natural Resources Wales*)  
Elizabeth Hamilton (*appointed by the Campaign to Protect Rural England*)  
Dr Marion Harney (*appointed by The Gardens Trust*)  
David Heath MA, Dip Arch, GradDipCons(AA), FSA, FRCGP(Hon), IHBC  
(*appointed by the Society for the Protection of Ancient Buildings*)  
Sarah Hollingdale (*elected member*)  
Doug Hulyer (*elected member*)  
Robert Hunter (*appointed by Historic Houses*)  
Caroline Kay (*elected member*)  
Deborah Lamb (*elected member*)  
Duncan Mackay (*elected member*)  
Emma Mee (*elected member*)  
Philip Mulligan (*appointed by The Conservation Volunteers*)  
Tom Platt (*appointed by the Ramblers*)  
Paul Roberts (*elected member*)  
Simon Sansome (*elected member*)  
Michael Salter-Church MBE (*elected member*)  
Nick Stace (*elected member*)  
Elizabeth Staples (*elected member*)  
Prof. David Stocker MA(Cantab. & York), DLITT, FSA, MCIfA  
(*appointed by the Council for British Archaeology*)  
Nichola Tasker (*appointed by English Heritage*)  
Guy Trehane (*elected member*)  
Phil Treleven (*appointed by the Duke of Edinburgh's Award*)

### Appointing Body observers to the Council\*

Graham Bathe (*appointed by the Open Spaces Society*)  
Alex Bird (*appointed by the Museums Association*)

\* Observers will be appointed formally to Council when a vacancy arises.

## Standing Committees of the Board as at 28 February 2021

### Audit Committee

Zarin Patel, *Chair*  
Justin Atkinson  
Natalie Gammon  
Denise Jagger  
Orna NiChionna

### Investment Committee

Nicholas Sykes, *Chair*  
Alice Bordini  
Sir Edward Greenwell  
Tamlyn Nall  
Orna NiChionna  
Victoria Sant  
Dr Tom Tew DPhil, FRSA, FRSB, MCIEEM  
Richard Williams

### Senior Management Remuneration Committee

Tim Parker, *Chair*  
Sandy Nairne CBE, FSA  
Orna NiChionna  
Elizabeth Spencer  
Daniel Thompson

## Committee of the Council

### Nominations Committee for elections to the Council

Anne Casement, *Chair*  
Liz Hamilton  
Duncan Mackay  
Karen McArthur

### Nominations Committee for Trustees

Jane Dean, *Chair*  
James Bigwood  
Prof. Valerie Brown  
Sarah Green  
Dr Tom Tew DPhil, FRSA, FRSB, MCIEEM

### The Trust's Secretary

The Board of Trustees, the Council and the Executive are supported by Jan Lasik, General Counsel and Secretary to the National Trust.

## Subsidiary Companies as at 28 February 2021

### Board of Historic House Hotels Limited

Richard Broyd, *Chair*  
Lionel Chatard  
Chris Feeney  
Matthew Johnson  
Neil Kenyon (*and Company Secretary*)  
Celia Richardson  
Elgan Roberts  
Sarah Staniforth  
Peter Vermeulen

### Board of The National Trust (Enterprises) Limited

Orna NiChionna, *Chair*  
James Bennett  
Michael Day  
Tim Moore  
Tim Parker  
Sharon Pickford

Jo Cooke FCG (Secretary)

### Board of National Trust (Renewable Energy) Limited

Orna NiChionna, *Chair*  
James Bennett  
Michael Day  
Tim Moore  
Tim Parker  
Sharon Pickford

Jo Cooke FCG (Secretary)

### Board of Countryside Commons Limited

Jan Lasik  
Tim Nicholson

Jo Cooke FCG (Secretary)

## Executive Team

Hilary McGrady, *Director-General*  
Andy Beer, *Director of Operations and Consultancy*  
Harry Howell, *Director of Land and Nature*  
Jan Lasik, *General Counsel and Secretary*  
Tina Lewis, *Director of People and Legal Services*  
John Orna-Ornstein, *Director of Culture and Engagement*  
Sharon Pickford, *Director of Support and Revenue*  
Celia Richardson, *Director of Communications and Audience Insight*  
Peter Vermeulen, *Chief Financial Officer*

# Annual Report of the Council 2020/21

## Introduction

The Board of Trustees is legally responsible for all aspects of the National Trust. Its role is to hold the Director-General and her staff to account for the delivery of the Board's strategy.

The role of Council is separate but complementary to that of the Board. Its key governance responsibilities are to appoint the Board of Trustees and to hold it to account. Drawing on its members' broad range of skills, views and experience, it acts as the 'spirit of the Trust', ensuring that the Trust's long-term objectives are being met and that its purposes continue to be carried out for public benefit.

A short report on the Council's activities during 2020/21 follows.

## Council

The Council comprises 36 members made up of 18 elected members and 18 members from Appointing Bodies with the wide range of skills, knowledge and perspectives to offer effective challenge and advice in alignment with the National Trust's strategy. Members also use their networks to inspire support for the Trust among members and the wider public.

At the start of 2020 a recruitment process was underway to appoint six Council members. As the pandemic unfolded and the scale of its impact on the Trust became clear, the process was suspended. Noting agreement from the Charity Commission, the Council endorsed the Board of Trustees' decision to cancel the 2020 AGM and replace it with a members' broadcast and subsequently cancelled the 2020 Council elections. The terms of all elected members were extended for one year to preserve the even stagger of election rotation in future years.

## Board of Trustees Changes

The Council appointed one new Trustee. Denise Jagger was appointed for an initial term of three years from 1 January 2021. She was specifically selected for the capabilities and experience which we felt would most benefit the Trust in fulfilling its For Everyone, For Ever strategy having extensive business, legal and governance experience across multiple sectors.

We reappointed Nick Stace for a second three-year term as Trustee from September 2020. We also reappointed Sandy Nairne as a Trustee for an exceptional third term of three years commencing on 1 April 2021 to ensure stability and retain expertise during the pandemic.

## Holding the Board to account

Throughout the pandemic the Council has stepped up its role of monitoring the performance of the Board as it responded to new and various challenges. We adapted to meeting virtually and increased our number of formal meetings over the year from three to four. We also conducted an additional three briefing sessions to ensure that Council had the opportunity to question the Trust's response to the situation as it developed, with priority given to the welfare of visitors, staff and volunteers. Members challenged constructively on pertinent issues relating to sustainability, strategy and risk. Areas of scrutiny included the financial and operational response to the pandemic, the choices made in the Reset programme and reputational risk. These are areas which Council continues to monitor especially closely in the current year.

As Council members we receive Board meeting minutes, performance reports, strategy updates and the Board's three-year plan as well as a significant amount of operational information to give us an appropriate level of oversight.

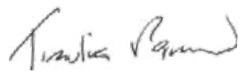
The annual cycle of activity continues to be refined by the Council to ensure that it is fully effective in carrying out its responsibilities.

## In summary

We are pleased to report that overall, we are satisfied that the Board is fulfilling its role very well in what has been one of the most challenging years in the history of the Trust, and we retain confidence that the Trust is operating fully in accordance with its charitable purpose.

We thank everyone connected with the Trust for their role in supporting the Trust through unprecedented times.

A full list of Council members is set out on page 48.



**Tim Parker**  
Chair

21 July 2021



**Paul Roberts**  
Senior Member of the Council

21 July 2021

## Become involved

If you have read this report, the chances are that you have a serious interest in the work of the National Trust and that you have voted in the annual election of Council members. If so, we would like to thank you very much. What about taking the next step and putting yourself forward as a candidate next year? Information about how to apply can be found on our website with applications usually sought each March: <https://www.nationaltrust.org.uk/features/the-council>



## Consolidated Statement of Financial Activities for the year ended 28 February 2021

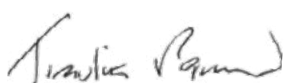
	Note(s)	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000	Total 2020 £'000
<b>Income and endowments from:</b>						
<b>Donations and legacies</b>						
Appeals and gifts		2,767	8,089	5	10,861	12,856
Legacies		32,117	12,139	375	44,631	61,574
Operating grants and contributions	2	-	8,019	-	8,019	7,226
<b>Other trading activities</b>						
Enterprise and renewable energy income	5	33,242	-	-	33,242	79,295
Hotel income	5	-	4,051	-	4,051	8,808
<b>Investments</b>	21	4,827	5,175	7,253	17,255	29,178
		72,953	37,473	7,633	118,059	198,937
<b>Charitable activities</b>						
Membership income	3	267,565	-	-	267,565	269,690
Project grants and contributions	2	-	12,260	-	12,260	13,545
Direct property income	4	78,279	26,921	-	105,200	196,899
		345,844	39,181	-	385,025	480,134
<b>Other</b>						
Other income	7	2,860	1,717	-	4,577	1,881
<b>Total income</b>		421,657	78,371	7,633	507,661	680,952
<b>Expenditure on:</b>						
<b>Raising funds</b>						
Fundraising costs	12	3,556	-	-	3,556	4,546
Enterprise and renewable energy costs	5, 12	35,521	-	-	35,521	61,345
Hotel costs	5, 12	-	5,525	-	5,525	8,960
Investment management costs	12, 21	3,948	3,457	5,583	12,988	10,447
		43,025	8,982	5,583	57,590	85,298
<b>Charitable activities</b>						
Property operating costs	12	210,330	53,514	-	263,844	308,150
Expenditure on property projects	12, 13	47,807	36,004	-	83,811	168,778
Acquisitions	12, 20	2,612	-	-	2,612	7,407
Internal conservation and advisory services	13	51,225	2,710	-	53,935	64,421
Membership costs	12, 14	52,751	-	-	52,751	65,301
		364,725	92,228	-	456,953	614,057
<b>Total expenditure</b>	17	407,750	101,210	5,583	514,543	699,355
<b>Net income/(expenditure) before exceptional items</b>	17	13,907	(22,839)	2,050	(6,882)	(18,403)
<b>Exceptional items</b>						
Coronavirus support grant income	8	50,054	-	-	50,054	-
Income from insurance proceeds	8	66,353	-	-	66,353	-
Coronavirus costs	8	(6,067)	-	-	(6,067)	-
Redundancy costs	8	(19,823)	-	-	(19,823)	-
		90,517	-	-	90,517	-
<b>Net income/(expenditure) before gains on investments</b>		104,424	(22,839)	2,050	83,635	(18,403)
<b>Net gains on investments</b>	17, 21	11,441	28,550	52,431	92,422	25,793
<b>Net income before taxation</b>		115,865	5,711	54,481	176,057	7,390
<b>Taxation</b>	16	1,889	-	-	1,889	(1,906)
<b>Net income</b>	17	117,754	5,711	54,481	177,946	5,484
Transfers between funds	17	983	20,975	(21,958)	-	-
Actuarial expenditure on defined benefit pension scheme	17, 27	(2,638)	-	-	(2,638)	(59,578)
<b>Net movement in funds</b>		116,099	26,686	32,523	175,308	(54,094)
Fund balances carried forward	17	256,540	452,955	581,796	1,291,291	1,345,385
<b>Fund balances carried forward</b>	17, 18	372,639	479,641	614,319	1,466,599	1,291,291

The net expenditure of unrestricted funds is analysed between the General Fund, designated funds and pension deficit in Note 17. All amounts above derive from continuing operations and the National Trust has no recognised gains or losses other than those passing through the Consolidated Statement of Financial Activities. There is no material difference between the net expenditure before transfers and their historical cost equivalents.

## Balance Sheets as at 28 February 2021

	Note(s)	Consolidated		The Charity	
		2021 £'000	2020 £'000	2021 £'000	2020 £'000
<b>Fixed assets</b>					
Intangible assets	19	3,701	10,619	3,701	10,619
Tangible assets	19	157,868	169,552	155,343	167,034
Investments	21	1,473,798	1,306,945	1,473,798	1,306,945
Investment in subsidiary undertakings	5	-	-	19,382	19,382
		<b>1,635,367</b>	<b>1,487,116</b>	<b>1,652,224</b>	<b>1,503,980</b>
<b>Current assets</b>					
Stocks and work in progress	22	10,253	14,532	1,289	2,146
Debtors: amounts falling due within one year	23	145,096	142,526	149,707	138,982
Cash at bank and in hand	21, 26	2,174	3,244	1,366	1,839
Total current assets		<b>157,523</b>	<b>160,302</b>	<b>152,362</b>	<b>142,967</b>
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	24	(107,710)	(121,815)	(118,384)	(129,139)
<b>Net current assets</b>		<b>49,813</b>	<b>38,487</b>	<b>33,978</b>	<b>13,828</b>
Total assets less current liabilities		<b>1,685,180</b>	<b>1,525,603</b>	<b>1,686,202</b>	<b>1,517,808</b>
Creditors: amounts falling due after one year	24	(78,753)	(52,329)	(78,753)	(52,329)
<b>Net assets excluding pension liability</b>		<b>1,606,427</b>	<b>1,473,274</b>	<b>1,607,449</b>	<b>1,465,479</b>
Defined benefit pension liability	27	(139,828)	(181,983)	(139,828)	(181,983)
<b>Net Assets including pension liability</b>		<b>1,466,599</b>	<b>1,291,291</b>	<b>1,467,621</b>	<b>1,283,496</b>
<b>The funds of the group and charity</b>					
Endowment funds	17, 18	614,319	581,796	614,319	581,796
Restricted income funds	17, 18	479,641	452,955	480,776	445,160
<b>Total restricted funds</b>		<b>1,093,960</b>	<b>1,034,751</b>	<b>1,095,095</b>	<b>1,026,956</b>
Designated funds	17, 18	271,964	287,689	271,964	287,689
General Fund	17, 18	240,503	150,834	240,390	150,834
<b>Unrestricted income funds excluding pension reserve</b>		<b>512,467</b>	<b>438,523</b>	<b>512,354</b>	<b>438,523</b>
Pension reserve	17, 18	(139,828)	(181,983)	(139,828)	(181,983)
<b>Total unrestricted income funds</b>		<b>372,639</b>	<b>256,540</b>	<b>372,526</b>	<b>256,540</b>
<b>Total group and charity funds</b>	<b>17, 18</b>	<b>1,466,599</b>	<b>1,291,291</b>	<b>1,467,621</b>	<b>1,283,496</b>

The financial statements on pages 52 to X were approved by the Board of Trustees on 21 July 2021 and signed on its behalf by:



**Tim Parker**  
Chair

21 July 2021



**Orna NiChionna**  
Deputy Chair

21 July 2021

## Consolidated Cash Flow Statement for the year ended 28 February 2021

	Note(s)	2021 £'000	2020 £'000
<b>Cash flows from operating activities:</b>			
Net cash provided by/(used in) operating activities	26	46,748	(23,259)
<b>Cash flows from investing activities:</b>			
Investment income		17,255	29,178
Purchase of investments	21	(1,042,911)	(481,073)
Proceeds on sale of investments	21	962,734	499,879
Other movements in investment cash	21	5,746	332
Purchase of tangible fixed assets	19	(16,124)	(29,124)
Proceeds on sale of tangible fixed assets		102	398
<b>Net cash (used in)/provided by investing activities</b>		<b>(73,198)</b>	<b>19,590</b>
<b>Cash flows from financing activities:</b>			
Receipt of endowments		380	8,029
Receipt of short-term loans		30,000	-
Repayment of short-term loans		(30,000)	-
Cash repaid under revolving credit facility		(25,000)	(5,000)
Receipt of long-term loans		50,000	-
<b>Net cash provided by financing activities</b>		<b>25,380</b>	<b>3,029</b>
<b>Change in cash and cash equivalents in the reporting period</b>	26	<b>(1,070)</b>	<b>(640)</b>



# 1 Accounting Policies

The financial statements have been prepared in accordance with the provisions of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in October 2019 ('SORP 2019'), the Charities (Accounts and Reports) Regulations (2008), the Charities Act (2011) and applicable accounting standards in the United Kingdom.

Additionally, the National Trust is governed by Acts of Parliament – the National Trust Acts. The National Trust Act (1971) ('the Act') lays down legally binding requirements and provisions that are relevant to the way the Trust prepares its annual financial statements. Accordingly, the Trust has prepared its financial statements based upon the requirements and provisions within the Act.

An important provision set out in the Act relates to the Trust's heritage assets. The Trust considers its inalienable property and other property or personal chattels held in trust, or acquired by the Trust for preservation, to be heritage assets. The Act permits the Trust not to include a value for these assets in the financial statements and hence to depart from the requirements of FRS 102 section 17 – Property, Plant and Equipment and the capitalisation provisions of FRS 102 section 34 – Heritage Assets. Accordingly, no amounts have been included in the Parent Charity or Consolidated Balance Sheets in respect of heritage assets. The Trust has considered this position carefully and has concluded that the inclusion of heritage assets on its balance sheet would not be appropriate, given that any value attributable to these properties would be subjective and would be more than outweighed by the obligation to maintain them in perpetuity.

The Trust has adopted the disclosure requirements set out in FRS 102 section 34. Detailed information concerning the nature, scale and significance of the Trust's heritage asset holdings and policies for acquisition, management and care of this property are set out in Note 20.

## Accounting convention

The financial statements are prepared on a going-concern basis under the historical cost convention (as modified by the revaluation of investment properties and listed investments to market value) and in accordance with applicable accounting standards in the United Kingdom, which have been consistently applied. The going-concern basis is considered appropriate due to the strength of the Trust's balance sheet, which would allow the Trust to continue to operate in the event that there was either a significant and

prolonged reduction in income or an unexpected increase in costs, or both.

## Going Concern

On 11 March 2020, the World Health Organisation declared Coronavirus Covid-19 a pandemic. The UK government adopted restrictive measures to contain the spread of the virus and the situation is significantly affecting the economy. This has resulted in, among other things, widespread social distancing measures which have had a direct impact on the Trust's ability to welcome visitors to its properties for a prolonged period.

To mitigate the financial impacts of the pandemic, the Trustees have implemented cost control measures over both operating and project expenditure and are making use of government support mechanisms through the Coronavirus Job Retention Scheme, VAT payment deferral permissions, obtaining rates relief and securing access to the Bank of England's Covid Corporate Financing Facility.

The Trustees have designated £137m of unrestricted reserves to provide additional financial resilience against a continuation of reduced visitor numbers in 2021-22 and to provide funding for the recovery of the organisation and reinvestment in its core purpose. The charity holds unrestricted reserves in excess of the charity's reserves policy threshold (see the Board of Trustees Financial Review), these reserves are held in liquid and principal secure investments.

The Trustees note that the major variables affecting the financial risks to the charity are the depth and the duration of the pandemic restrictions. As such, the Trustees have reviewed the principal risks to National Trust operations and a series of financial forecasts that include severe but plausible downside outcomes including:

- Visitor flows and commercial income streams suffering reductions for a prolonged period beyond 2020/21 and
- Membership retention and recruitment of new members trending below the levels that the Trust would normally expect.

The Trustees have adopted the going-concern basis for the preparation of these financial statements because throughout a period of 12 months from the date of approving these financial statements, the forecasts reviewed by the Trustees demonstrate that the Trust has access to sufficient liquidity, unrestricted reserves and financial covenant headroom to be able to continue in operation.

## Basis of consolidation

The consolidated financial statements consist of the Charity and its subsidiaries: The National Trust (Enterprises) Limited, Historic House Hotels Limited, National Trust (Renewable Energy) Limited and Countryside Commons Limited. The National Trust has taken advantage of the exemption available not to present a Statement of Financial Activities for the Charity. The net income of the Charity is disclosed in Note 17 to the financial statements. The turnover and expenditure of the subsidiaries are included within the Consolidated Statement of Financial Activities. The assets and liabilities of the subsidiaries are included on a line-by-line basis in the Consolidated Balance Sheet in accordance with FRS 102 section 9 – Consolidated and Separate Financial Statements. Uniform accounting policies are adopted throughout the group and any profits or losses arising on intra-group transactions are eliminated in the Consolidated Statement of Financial Activities.

## Income

Income is shown within five categories in the Consolidated Statement of Financial Activities:

- Income from donations and legacies
- Income from charitable activities
- Income from other trading activities
- Income from investments
- Other income

Income from donations and legacies includes appeals and gifts, legacies, operating grants and contributions. Income from charitable activities includes membership income, project grants and contributions and direct property income. Income from other trading activities includes enterprise, renewable energy and hotel income (activities undertaken by the Trust's trading subsidiaries). Other income includes the net gains arising on the disposal of alienable operational properties.

## Appeals and gifts

Appeals and gifts are recognised when the cash is received. Gift Aid thereon is accounted for on a receivable basis and is added to restricted funds or unrestricted funds as appropriate. Where the use of the income has been restricted in accordance with the donor's wishes, appeals and gifts income is credited to an appropriate fund until it can be spent for the purpose for which it was given. No value is placed on heritage assets gifted to the Trust in accordance with the National Trust's policy on heritage assets.

## 1 Accounting Policies (continued)

### *Legacies*

Legacies are accounted for on a receivable basis. Pecuniary legacies are recognised following formal notification from the estate. Residuary legacies are recognised only when the National Trust's interest can be measured, which is normally on grant of probate. Bequeathed properties awaiting sale are included in legacy income at their probate value when the National Trust takes ownership of the property. Where there are uncertainties surrounding the measurement of the Trust's entitlement to an estate, or there is a prior or life interest before the legacy comes to the Trust, no income is recognised (see Note 30). No value is placed on heritage assets bequeathed to the Trust.

### *Grants and contributions*

Grants and contributions are accounted for on a receivable basis when the National Trust has probable and measurable entitlement to the income (i.e. the conditions for its award have been satisfied). Operating grants relate to property operating activities, and project grants relate to expenditure on property projects, acquisitions and also fund property development projects (which are capitalised).

### *Enterprise, hotels and renewable energy income*

The National Trust holds 100% of the issued share capital of The National Trust (Enterprises) Limited, Historic House Hotels Limited, National Trust (Renewable Energy) Limited and Countryside Commons Limited. The turnover of The National Trust (Enterprises) Limited is recognised in the period in which a sale is made. Hotel revenue from rooms, food and beverages is recognised on a daily basis. Income from spa membership fees is recognised evenly over the period of the membership. The income of National Trust (Renewable Energy) Limited includes hydro-electric power income which is recognised in the period in which it is generated.

### *Investment income*

Investment income is recorded in the period in which it is earned.

### *Membership income*

Income that is attributable to future visits that members will make to National Trust properties is deferred and released to the Consolidated Statement of Financial Activities over the period to which the membership relates. The portion of life membership subscriptions deemed to be of the nature of a gift is recognised in full in the

year in which it is received, with the remainder deferred and released to income in equal instalments over the average period over which the life membership is expected to be used. Gift Aid and deed of covenant income resulting from membership is matched to the period to which it relates, as is all other income.

### *Direct property income*

Income reported under this heading includes charitable trading activities (catering, holidays and car parks), rents and admission fees, all of which are recognised in the period to which the income relates. Admission fees are included based on the point at which the sale is made.

### *The contribution of volunteers*

In accordance with Charities SORP 2019, no amounts have been included in these financial statements to reflect the value of services provided free of charge to the National Trust by volunteers. Volunteer roles range from house guides and countryside rangers to project management and IT support.

### *Expenditure*

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Depending on the nature of the related expenditure, irrecoverable VAT is either charged to the appropriate expenditure heading or it is capitalised.

The Consolidated Statement of Financial Activities defines costs in two specific categories:

- Raising funds
- Charitable activities

Raising funds includes fundraising costs incurred in seeking voluntary contributions. Costs of charitable activities relate to the work carried out on the core purposes of managing our properties, conservation projects, acquisitions, education initiatives and membership services.

Support service costs are allocated to expenditure on raising funds and charitable activities on the basis of staff costs or on the estimated time spent by the support service if this is more appropriate. More detail is provided in Note 15. Governance costs, included within support service costs, are those incurred in connection with the administration of the Charity, compliance with constitutional and statutory requirements and the costs of executive management and strategic governance of the Charity.

### *Property operating costs*

Property operating costs relate to the day-to-day running costs of National Trust properties and are charged to expenditure in the year they are incurred.

### *Expenditure on property projects*

These costs include cyclical repair work to buildings, backlog work, the costs of conservation of contents and conservation improvement work such as restoration or improvements in land condition and biodiversity and are charged to Resources Expended in the year they are incurred.

### *Recognition of liabilities*

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

### *Pension costs*

The defined benefit pension scheme, which is closed to new entrants and future accrual, provides benefits based on final pensionable salary. The costs of providing pension benefits under the defined benefit pension scheme have been recognised in accordance with FRS 102 section 34 – Retirement Benefit plans: Financial Statements.

Under FRS 102 section 34, the assets and liabilities of the pension scheme are essentially treated as assets and liabilities of the sponsoring employer – the National Trust. The operating costs of providing retirement benefits to employees are recognised in the period in which they are earned by employees, and finance costs and other changes in the value of pension plan assets and liabilities are recognised in the period in which they arise.

The pension costs for the Trust's defined contribution scheme, its other money purchase schemes and the defined contribution scheme operated by Historic House Hotels Limited, are charged in the year they are incurred.

### *Operating leases*

Rentals applicable to operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the life of the lease and to the activity to which the lease charges relate: enterprise costs, hotel costs, property operating costs, internal conservation and advisory services, membership costs and support services.

# 1 Accounting Policies (continued)

## Exceptional income and expenditure

The Trust discloses as exceptional any material items of income and expense that are unusual either in their incidence, size or nature. Such disclosures are made to enable the reader to better understand the Trust's financial performance. The items treated as exceptional are fully described in Note 8 to the financial statements.

## Intangible fixed assets and amortisation

Computer software is stated at historic purchase cost less accumulated amortisation and accumulated impairment losses. Software is amortised over its estimated useful life, of between 3–7 years, on a straight-line basis.

## Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation with the exception of administrative properties. Individual assets costing less than £5,000 are written off in the year of purchase and treated as property operating costs or support services as appropriate.

Properties owned and occupied for administrative purposes are stated at cost. No material depreciation arises on the administrative properties of the Trust as the significant portion of their cost relates to land (which is not depreciated) and as the lives of the properties are considered to be so long and their residual values based on cost to be high enough to ensure that any annual depreciation is immaterial.

Property Development Projects constitute structural improvements, new buildings and associated fit-out costs incurred at National Trust properties to improve visitor and commercial infrastructure. Associated costs are capitalised and written off over their useful economic lives.

An annual review takes place to establish any permanent diminution in the value of tangible fixed assets. Depreciation has been calculated so as to write off the cost of the assets in equal annual instalments over their useful lives, not exceeding the following:

Plant and equipment	4–10 years <sup>10</sup>
Motor vehicles	3–4 years
IT hardware	3–7 years
IT software	3–7 years
Fit-out costs	5–10 years

Structural improvements and new buildings 20–30 years

Renewable energy installations 10–25 years

Depreciation is first charged in the calendar month following acquisition or on the bringing into use of the asset, whichever is the later.

## Heritage assets

The Trust does not capitalise heritage assets in accordance with the Act. All costs relating to the acquisition, restoration and ongoing maintenance of heritage assets are charged to Resources Expended in the year in which they are incurred.

## Investments

All listed investments (including derivative-based instruments) are stated at market value at the balance sheet date. Unlisted private equity investments are measured at fair value through the Consolidated Statement of Financial Activities, using a selection of valuation methodologies depending upon the nature, facts and circumstances of the underlying holdings.

The movement in valuation of investments is shown in the Consolidated Statement of Financial Activities and comprises both realised and unrealised gains and losses. Investment properties are included at valuation on an open market, existing-use basis. Valuations are carried out on an annual basis and are mainly undertaken by the Trust's own professionally qualified surveyors.

The investments held in the subsidiary undertakings are held at cost or at fair value at acquisition.

Cash held for reinvestment in the General Pool is shown as Investments in the Consolidated and Charity Balance Sheets (see Note 21 to the financial statements).

## Interests in joint ventures

The Trust has a joint venture with the Canal & River Trust that is established through an interest in a company limited by guarantee. The Group recognises its interest in the entity's assets and liabilities using the equity method of accounting in accordance with FRS 102 section 15 'Investments in Joint Ventures.' The name of the joint venture, the nature of its business and details of the interest held by the Trust are disclosed in Note

5 to these financial statements. Intra-group balances and transactions, and any unrealised gains arising from intra-group transactions with the joint venture, are eliminated in preparing the consolidated financial statements.

## Stocks

Stocks are stated at the lower standard cost and net realisable value after making due provision for slow-moving and obsolete items. Stocks consist of trading stocks, building materials and other (including livestock and sundry farm stocks).

## Creditors and provisions

Short-term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

## Government grants

Grants are accounted for under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Consolidated Statement of Financial Activities at the same rate as the depreciation of the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income. Grants of a revenue nature are recognised in the Consolidated Statement of Financial Activities in the same period as the related expenditure.

## Financial instruments

The charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Other derivative-based assets included in the investment portfolio are held at their fair value.

## Funds

These divide into two distinct categories: unrestricted and restricted.

## Unrestricted funds

The use of these funds has not been restricted to a particular purpose by donors or their representatives. They are subdivided into the General Fund and designated funds.

<sup>10</sup> Included in Property Development, Plant and equipment in Note 19

### General Fund

The General Fund is the working fund of the Trust and is available for use at the discretion of the Trustees in furtherance of the Charity's objectives. Among the uses of the General Fund are the general administration of the Trust, the servicing of membership and publicity. The General Fund also provides funding for property operating and projects expenditure where properties are unable to fund project and repair work using their own reserves.

### Designated funds

Designated funds are those which have been allocated by the Trustees for particular purposes. Further information on the nature and basis of the various designated funds used by the Trust is given on pages 68 to 70.

### Restricted funds

#### Restricted income funds

These include gifts and legacies which have been given or bequeathed to the Trust to be used in accordance with the wishes of donors or their representatives. Both the capital and the income may only be applied for the purposes for which the funds were donated.

### Endowment funds

Many of the properties held for preservation are supported by endowments. Endowments typically arise when donors or grant-giving bodies provide funds on the condition that they must be retained in order to generate investment income for the long-term needs of a property.

The Trust is in a unique position requiring it to commit to the perpetual upkeep and maintenance of its inalienable property and, as such, it is important that it is able to provide funds for its future as well as its current needs. The Trust has therefore, where it has felt it appropriate, also used its own funds to create endowments or to augment existing donor-provided endowments. The Trust makes these fund transfers after due assessment of the capital requirements of a property over the very long term.

The funds transferred to create or augment existing endowments are not considered to be legal endowments but they are accounted for as such because the intention is to retain these funds for the very long term. Augmentations to existing funds are accounted for as permanent endowments while transfers to create new funds

are considered expendable. The approximate value of expendable endowments at 28 February 2021 was £27 million (2020: £26 million).

Income arising on endowment funds is generally expendable and is distributed as income to funds in order to be spent.

### Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### (i) Useful economic lives of tangible and intangible assets

The annual depreciation and amortisation charge for assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

#### (ii) Stock and work in progress provisioning

The largest component of stock and work in progress comprises retail stock. It is necessary to consider the recoverability of the cost of this stock and the associated provisioning required. When calculating stock provisions, management considers the nature and condition of the stock, as well as applying assumptions around anticipated saleability. Stock held as raw materials, such as building materials is assessed in terms of its likely usage.

#### (iii) Impairment of debtors

The Trust makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, the Trust considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

#### (iv) Defined benefit pension scheme

The company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet with support from independent external actuaries. The assumptions reflect historical experience and current trends.

#### (v) Valuation of investment properties

The Trust carries its investment properties at fair value, with changes in the fair value being recognised in the Statement of Financial Activities. Fair value is determined by assessing the current market value with reference to independent valuation specialists and internal RICS qualified surveyors.

## 2 Grants and Contributions

	2021	2020
	£'000	£'000
Natural England*	4,603	5,596
Department for Environment, Food and Rural Affairs*	4,376	3,517
Department for Digital, Culture, Media & Sport	4,000	-
National Heritage Lottery Fund	2,092	4,299
Metropolitan Borough of Stockport	912	888
CADW	660	250
Department of Agriculture, Environment and Rural Affairs Northern Ireland	381	468
Sport England	325	589
Natural Resources Wales	230	111
Ministry of Housing, Communities & Local Government	209	1,607
Viridor Credits Environmental Company	177	-
Welsh Government	157	259
Department for Communities and Local Government	153	144
Newport City Council	150	150
Others (individually less than £150,000 each in the current year)	1,854	2,893
	<b>20,279</b>	<b>20,771</b>
Operating grants and contributions	<b>8,019</b>	7,226
Project grants and contributions	<b>12,260</b>	13,545
	<b>20,279</b>	<b>20,771</b>

## 3 Membership Income

	2021	2020
	£'000	£'000
Annual subscriptions	262,235	264,233
Life membership income recognised in the year (Note 24)	5,330	5,467
	<b>267,565</b>	<b>269,690</b>

## 4 Direct Property Income

	2021	2020
	£'000	£'000
Charitable trading activities	44,510	107,980
Rents	46,590	50,006
Admission fees	8,391	31,045
Other property income	5,709	7,868
	<b>105,200</b>	<b>196,899</b>

Other property income includes produce sales, room hire and amounts the Trust has charged on to third parties for costs it has incurred. Charitable trading activities are analysed further in Note 6.

\*Grant givers where a proportion of the amounts received include payments under the Common Agricultural Policy (CAP). In the CAP funding year October 2019 to October 2020 the National Trust received £11,868,000 (2020: £9,441,000) in grants from the CAP. Elements of these grants are made available to National Trust tenants and are not recognised as income in the Consolidated Statement of Financial Activities.

## 5 Enterprise, Hotel and Renewable Energy Contribution

The National Trust owns 100% of the share capital of The National Trust (Enterprises) Limited, Historic House Hotels Limited and National Trust (Renewable Energy) Limited. All companies are accounted for as subsidiary undertakings, are registered in the United Kingdom and each year donate by Gift Aid to the National Trust from their surplus taxable income – subject to available distributable reserves. The National Trust also owns 100% of the share capital of Countryside Commons Limited, which does not currently generate income or incur expenditure but does hold title to common grazing rights.

The initial costs of investment in the Trust's subsidiaries were as follows:

Company	£
The National Trust (Enterprises) Limited	100
National Trust (Renewable Energy) Limited	1
Countryside Commons Limited	100
Historic House Hotels Limited	19,382,000
<b>Total investment in subsidiary undertakings</b>	<b>19,382,201</b>

At 28 February, the reserves of the Trust's subsidiaries were as follows:

Company (registered number)	Activities		2021 £	2020 £
<b>The National Trust (Enterprises) Limited (1083105)</b>	Retailing, events, sponsorship income and the national raffle	Share capital	100	100
		Profit and loss account	112,429	8,170,357
			<b>112,529</b>	<b>8,170,457</b>
<b>National Trust (Renewable Energy) Limited (08763161)</b>	Hydro-electricity generation	Share capital	1	1
		Profit and loss account	-	-
			<b>1</b>	<b>1</b>
<b>Countryside Commons Limited (2591470)</b>	Ownership of commons and common rights of grazing	Share capital	100	100
		Profit and loss account	-	-
			<b>100</b>	<b>100</b>
<b>Historic House Hotels Limited (1440570)</b>	The operation of hotels at three historic properties in England and Wales	Share capital	15,700,000	15,700,000
		Profit and loss account	2,286,771	3,049,898
			<b>17,986,771</b>	<b>18,749,898</b>

The Trust also holds an interest in a dormant subsidiary, Porthdinllaen Harbour Company in which it holds share capital of £600.

The Trust has a joint venture with the Canal & River Trust – Roundhouse Birmingham Limited - which is established through an interest in a company limited by guarantee. The interest in the joint venture relates to loans made from National Trust to Roundhouse Birmingham Limited

of £625,000 (2020: £500,000) and the Trust's 50% share of the loss of £26,000 (2020: £71,000) generated by the joint venture. The share of income and expenditure of the joint venture is reported in Other Property Income in Note 4. The Trust's interest in the joint venture is held with the aim of restoring the Roundhouse, a significant piece of Birmingham's industrial heritage.

## 5 Enterprise, Hotel and Renewable Energy Contribution (continued)

The contribution of subsidiary companies to Trust funds was as follows:

	Income		Expenditure		Contribution	
	2021	2020	2021	2020	2021	2020
	£'000	£'000	£'000	£'000	£'000	£'000
<b>The National Trust (Enterprises) Limited</b>						
Retail and catering	16,945	55,996	25,783	47,651	(8,838)	8,345
Events and functions	311	6,366	642	3,273	(331)	3,093
Sponsorship and licences	2,014	3,261	869	1,276	1,145	1,985
National raffle	427	1,686	132	846	295	840
Other activities	6,921	10,730	8,045	8,245	(1,124)	2,485
Pension costs	-	-	(55)	(42)	55	42
Exceptional costs: redundancies	-	-	1,354	-	(1,354)	-
Government grants	5,236	-	-	-	5,236	-
	31,854	78,039	36,770	61,249	(4,916)	16,790
<b>National Trust (Renewable Energy) Limited</b>						
Electricity generation	1,388	1,256	105	96	1,283	1,160
<b>Historic House Hotels Limited</b>						
Hotel activities	2,409	8,808	5,525	8,960	(3,116)	(152)
Government support grants	1,642	-	-	-	1,642	-
	4,051	8,808	5,525	8,960	(1,474)	(152)
	37,293	88,103	42,400	70,305	(5,107)	17,798

Other activities include the contribution from film fees and the National Trust Magazine. Government grants are the contributions received towards the employment costs of furloughed staff under the Coronavirus Job Retention Scheme. Countryside Commons Limited did not receive income or incur expenditure in 2020/21 or 2019/20.

## 6 Charitable and Other Trading Activities

Certain charitable trading activities are undertaken by the National Trust itself. The contribution from these activities was as follows:

	Income		Expenditure		Contribution	
	2021	2020	2021	2020	2021	2020
	£'000	£'000	£'000	£'000	£'000	£'000
Catering	29,589	87,040	38,317	70,057	(8,728)	16,983
Holidays	9,405	14,585	7,037	10,176	2,368	4,409
Other <sup>1</sup>	5,516	6,354	2,784	3,290	2,732	3,064
Total charitable trading activities	44,510	107,979	48,138	83,523	(3,628)	24,456
Enterprise, renewables and hotel activities (Note 5)	37,293	88,103	42,400	70,305	(5,107)	17,798
Total contribution from charitable trading and subsidiaries	81,803	196,082	90,538	153,828	(8,735)	42,254

<sup>1</sup> Includes income from car parks. Charitable trading income is included in Direct Property Income (see Note 4); associated costs are included in Property Operating Costs.

## 7 Other Income

This is analysed as follows:

	2021 £'000	2020 £'000
Net gains on disposal of property and insurance claims	4,577	1,881
	4,577	1,881

## 8 Exceptional income and exceptional expenditure

	2021 £'000	2020 £'000
<b>Exceptional income</b>		
Coronavirus Job Retention Scheme	46,826	-
Other coronavirus grants	2,231	-
Government support	49,057	-
National Lottery Heritage Fund coronavirus grants	997	-
<b>Coronavirus support grants</b>	50,054	-
Settlement of fire insurance claim	66,353	-
<b>Insurance proceeds</b>	66,353	-
<b>Exceptional Expenditure</b>		
Covid PPE	4,407	-
Visitor booking system fees	804	-
Property security	487	-
Other costs	369	-
<b>Covid 19 costs</b>	6,067	-
<b>Redundancy costs</b>	19,823	-

### Income

Coronavirus support grants represent the grants received by the Trust from central government, local government and other sources to provide financial support during the pandemic. The principal grant is the Coronavirus Job Retention Scheme, which reimbursed the Trust for a substantial portion of the wages and salaries paid to furloughed employees. Local government grants were the Retail, Hospitality and Leisure grants which offered business rate relief and lump sum grants to support businesses that were forced to close during lockdown.

The insurance income is the final settlement reached with the Trust's insurers in respect of a claim for the damage caused to a property by a major fire in 2015.

### Expenditure

Covid-19 costs are incremental costs incurred by the Trust to operate its properties in a Covid-safe manner. These costs include personal protective equipment for staff, screening and hand gel in catering and retail outlets, and fees associated with the booking system used to manage reduced visitor capacity at properties.

Exceptional redundancy costs were a regrettable consequence of restructuring of the Trust's operations in the light of constrained finances due to the long-term impacts of the pandemic, with the Trust having a lower membership base and reduced visitor capacity while social distancing measures are in force.



## 9 Expenditure

Expenditure includes the following charges:	2021	2020
	£'000	£'000
Depreciation amortisation and movement in provision for impairment	31,296	30,251
Loss/(profit) on disposal of fixed assets	3,328	(174)
Operating leases:		
Land and buildings	3,082	3,540
Motor vehicles	2,182	2,344
Auditor's fees and expenses:		
Audit work	200	200
Other services	-	-
Irrecoverable Value Added Tax	5,623	8,312

The audit fee for the Charity was £171,000 (2020: £171,000).

## 10 Remuneration of Trustees

No remuneration was paid to any members of the Board of Trustees. Travel and accommodation expenses were repaid to 13 individuals totalling £2,272 (2020: 11 individuals were repaid £9,480).

## 11 Staff Costs

	2021		2020	
	Regular £'000	Seasonal £'000	Regular £'000	Seasonal £'000
Wages and salaries	232,331	25,928	212,542	42,294
Employers' social security costs	17,325	411	18,365	593
Employers' pension contributions	23,974	356	26,607	401
	<b>273,631</b>	<b>26,694</b>	<b>257,514</b>	<b>43,288</b>

Wages and salaries includes redundancy costs of £22.3 million (2020: £1.4 million).

The regular staff pension charge of £23,974,000 (2020: £26,607,000) comprises £1,704,000 (2020: £4,146,000) relating to the final salary scheme and £22,088,000 (2020: £22,252,000) relating to defined contribution schemes and £182,000 (2020: £209,000) of defined benefit contributions to the scheme operated for the staff of Historic House Hotels Limited. Payments of £356,000 (2020: £401,000) were made to the Stakeholder Scheme for seasonal staff.

The total of employers' pension contributions includes £670,000 (2020: £nil) paid into the National Trust Retirement and Death Benefit Scheme in respect of certain members of staff who sacrificed redundancy payments for payments into their pension. During the course of the year, 386 seasonal staff (2020: 413) were transferred to the regular payroll.

The numbers of regular employees whose pay (including redundancy) and taxable benefits exceeded £60,000 fell within the following bands<sup>11</sup>:

	2021 (excluding redundancy)	2021 (excluding redundancy)	2020 (excluding redundancy)	2020
£180,000 - £189,999	-	-	1	2
£170,000 - £179,999	-	-	-	-
£160,000 - £169,999	1	2	-	-
£150,000 - £159,999	-	-	-	-
£140,000 - £149,999	-	-	-	-
£130,000 - £139,999	2	3	2	2
£120,000 - £129,999	3	6	3	4
£110,000 - £119,999	6	9	4	5
£100,000 - £109,999	4	18	3	4
£90,000 - £99,999	13	27	13	13
£80,000 - £89,999	11	27	13	13
£70,000 - £79,999	21	62	23	24
£60,000 - £69,999	68	115	60	63

Contributions of £1,175,000 (2020: £775,000) were made in relation to 263 members of staff (2020: 127) earning in excess of £60,000 who participated in the defined contribution pension scheme.

The Executive Team (10 individuals) were paid a total of £1,085,549 (2020: 9 individuals were paid £1,111,000).

The monthly average number of regular employees, including part-time employees and employees on fixed-term contracts on a full-time equivalent basis (but not including seasonal staff), is analysed as follows:

By activity	2021	2020
Property staff	5,410	5,806
Regional staff	831	906
Central services staff <sup>12</sup>	1,337	1,303
	<b>7,578</b>	<b>8,015</b>

<sup>11</sup> Salaries are adjusted for staff benefits received through salary sacrifice arrangements.

<sup>12</sup> Includes regional and property-based staff reporting to central services functions.

## 12 Expenditure on Raising Funds and Charitable Activities

	Note	Staff costs	Depreciation	Other direct costs	Support services <sup>13</sup>	Total 2021	Total 2020
		£'000	£'000	£'000	£'000	£'000	£'000
<b>Expenditure on raising funds</b>							
Fundraising costs		2,264	3	650	639	3,556	4,546
Enterprise and renewable energy costs <sup>14</sup>	5	20,114	-	15,407	-	35,521	61,345
Hotel costs	5	4,014	186	1,325	-	5,525	8,960
Investment management costs	21	-	-	12,988	-	12,988	10,447
<b>Total cost of generating funds</b>		<b>26,392</b>	<b>189</b>	<b>30,370</b>	<b>639</b>	<b>57,590</b>	<b>85,298</b>
<b>Charitable activities</b>							
Property operating costs		154,547	16,004	51,031	42,262	263,844	308,150
Expenditure on property projects	13	17,816	44	60,463	5,488	83,811	168,778
Acquisitions	20	41	-	1,881	690	2,612	7,407
Internal conservation and advisory services		40,178	312	2,571	10,874	53,935	64,421
Membership costs	14	18,698	2,869	26,108	5,076	52,751	65,301
<b>Total charitable activities</b>		<b>231,280</b>	<b>19,229</b>	<b>142,054</b>	<b>64,390</b>	<b>456,953</b>	<b>614,057</b>
<b>Total expenditure</b>		<b>257,672</b>	<b>19,418</b>	<b>172,424</b>	<b>65,029</b>	<b>514,543</b>	<b>699,355</b>

## 13 Expenditure on Property Projects

These costs comprise restoration works, long-term cyclical repairs and backlog work on preservation of properties and other major projects of a conservation nature.

The expenditure is analysed as follows:

	2021	2020
	£'000	£'000
Historic buildings and collections	55,146	118,531
Coast and countryside	22,724	40,185
Gardens	5,941	10,062
	<b>83,811</b>	<b>168,778</b>

<sup>13</sup> Includes staff costs and depreciation of £23,877,000 and £11,878,000 respectively.

<sup>14</sup> Enterprise costs include other renewable energy costs that do not form part of the activities of National Trust (Renewable Energy) Ltd.

## 14 Membership Costs

### Membership recruitment and processing

These costs relate to supporter development costs and include three issues of the National Trust Magazine sent to all members, local newsletters, maintaining and processing membership details and the recruitment of new members.

### Membership brand, marketing and publicity

These costs relate to brand and marketing and include publicising the National Trust in general and specific activities relating to visitor brand and marketing.

The expenditure is analysed as follows:

	Membership recruitment and processing	Membership brand, marketing and publicity	Total 2021	Total 2020
	£'000	£'000	£'000	£'000
Staff costs	8,479	10,219	18,698	15,549
Depreciation	2,636	233	2,869	3,142
Support costs	5,076	-	5,076	4,500
Membership processing	7,500	-	7,500	9,194
Advertising, marketing and literature	5,078	4,279	9,357	18,888
Postage	6,187	3	6,190	6,564
Other	2,344	717	3,061	7,464
<b>Total</b>	<b>37,300</b>	<b>15,451</b>	<b>52,751</b>	<b>65,301</b>

Membership processing includes costs associated with the operation of the Trust's Customer Relationship Management (CRM) system. Recruitment includes costs of recruiting new members. Other costs include staff training, occupancy costs and consumables.

## 15 Support Services

Support services have been allocated to the following areas of expenditure. The basis of allocation is either the level of staff costs or the estimated time spent by the support service if more appropriate.

Activity	Governance £'000	HR and Legal £'000	IT and administrative costs £'000	Finance £'000	Total 2021 £'000	Total 2020 £'000
Fundraising costs	3	83	407	146	639	759
Property operating costs	237	5,679	27,769	8,577	42,262	45,283
Expenditure on property projects	27	1,306	3,201	954	5,488	6,654
Acquisitions	-	653	7	30	690	1,057
Internal conservation and advisory services	62	1,476	7,219	2,117	10,874	12,182
Membership costs	29	687	3,360	1,000	5,076	4,500
<b>Total</b>	<b>358</b>	<b>9,884</b>	<b>41,963</b>	<b>12,824</b>	<b>65,029</b>	<b>70,435</b>

## 16 Taxation

	2021 £'000	2020 £'000
<b>a) Analysis of charge in period:</b>		
UK corporation tax on profits of the period	(1,889)	1,906
<b>Total current tax charge</b>	<b>(1,889)</b>	<b>1,906</b>
<b>b) Factors affecting tax charge for period:</b>		
The tax assessed for the period is higher (2020: lower) than the standard rate of corporation tax in the UK of 19.0% (2020: 19.0%). The differences are explained below:		
Income before taxation	174,759	7,390
Income before taxation multiplied by the standard rate of corporation tax in the UK of 19.0% (2020: 19.0%)	33,204	1,404
Charity activities not subject to corporation tax	(33,145)	374
Expenses not deductible	1	33
Tax losses of subsidiary company carried back	(1,073)	-
Differences relating to Gift Aid	(876)	95
<b>Total tax charge for the period</b>	<b>(1,889)</b>	<b>1,906</b>

## 17 Analysis of Funds

The movements in consolidated funds are analysed as follows:

	Balance at 1 Mar 2020	Total income	Total expenditure	Net income/ (expenditure)	Transfers	Net gains on investment assets	Taxation	Actuarial losses	Balance at 28 Feb 2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>General Fund</b>	150,834	537,082	(436,842)	100,240	(22,033)	11,462	-	-	<b>240,503</b>
<b>Designated funds:</b>									
Fixed Asset Reserve	120,829	-	-	-	(18,950)	-	-	-	<b>101,879</b>
Commercial and buildings maintenance	-	-	-	-	137,000	-	-	-	<b>137,000</b>
Other designated funds	166,860	982	(7,101)	(6,119)	(127,634)	(22)	-	-	<b>33,085</b>
<b>Total designated funds</b>	<b>287,689</b>	<b>982</b>	<b>(7,101)</b>	<b>(6,119)</b>	<b>(9,584)</b>	<b>(22)</b>	<b>-</b>	<b>-</b>	<b>271,964</b>
Pension reserve	(181,983)	-	12,193	12,193	32,600	-	-	(2,638)	<b>(139,828)</b>
<b>Total unrestricted funds</b>	<b>256,540</b>	<b>538,064</b>	<b>(431,750)</b>	<b>106,314</b>	<b>983</b>	<b>11,440</b>	<b>-</b>	<b>(2,638)</b>	<b>372,639</b>
Restricted income funds	452,955	78,371	(101,211)	(22,840)	20,975	28,551	-	-	<b>479,641</b>
Endowment funds	581,796	7,633	(5,583)	2,050	(21,958)	52,431	-	-	<b>614,319</b>
<b>Total funds</b>	<b>1,291,291</b>	<b>624,068</b>	<b>(538,544)</b>	<b>85,524</b>	<b>-</b>	<b>92,422</b>	<b>-</b>	<b>(2,638)</b>	<b>1,466,599</b>

Transfers between funds are analysed as follows:

		General Fund	Fixed Asset Reserve	Commercial and buildings	Other designated funds	Total designated funds	Pension Deficit	Total Unrestricted funds	Restricted funds	Endowment funds
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Release of property reserve designations	a	127,272	-	-	(127,272)	(127,272)	-	-	-	-
To create new designations	b	(137,000)	-	137,000	-	137,000	-	-	-	-
Fixed Asset Reserve	c	18,950	(18,950)	-	-	(18,950)	-	-	-	-
To augment endowments	d	(91)	-	-	-	-	-	(91)	(959)	1,050
To support property expenditure	e	1,056	-	-	-	-	-	1,056	(1,056)	-
Payment into defined benefit pension scheme	f	(32,600)	-	-	-	-	32,600	-	-	-
Investment income reclassification	g	380	-	-	(362)	(362)	-	18	22,990	(23,008)
<b>Total transfers</b>		<b>(22,033)</b>	<b>(18,950)</b>	<b>137,000</b>	<b>(127,634)</b>	<b>(9,584)</b>	<b>32,600</b>	<b>983</b>	<b>20,975</b>	<b>(21,958)</b>

**Explanation of transfers:**

- a) Transfer to the General Fund of property reserves balances held at 1 March 2020. The Trust's coronavirus response necessitated spending controls that resulted in the temporary pause of the Trust's delegated financial model. The model is being reviewed and will be re-launched in 2022/23.
- b) The Board of Trustees reviewed the forecast year-end reserves and agreed on targeted designations to underwrite the financial risk in 2021/22, and ensure adequate funds are set aside for the Trust's essential work. A total of £137 million of designations are being held in designated funds to manage these financial risks.
- c) Release of funding from the Fixed Asset Reserve to the General Fund in relation to the reduction in the net book value of fixed assets funded from unrestricted sources.
- d) Transfer from restricted funds to augment endowments for particular National Trust properties.
- e) Transfers to support properties' conservation and development requirements.
- f) See Note 27. During the year, the Trust made an additional contribution to the defined benefit pension scheme of £32.6 million to settle the outstanding value of a Conditional Funding Deed which, under certain circumstances, could have resulted in the Trust paying an additional contribution into the scheme.
- g) Transfers to restricted funds of total return investment income arising on endowments. Income arising on designated funds is transferred to the General Fund.

The total income of the Charity was £594,098,000 (2020: £611,318,000) and its net income was £94,345,000 (2020: net expenditure £28,273,000).

Funds exceeding 5% of the total within their respective class of funds are disclosed separately within the table above. The only other funds exceeding 5% of the total within their respective classes are the Dunham Massey Endowment Fund which amounted to £43,326,000 (2020: £41,151,000) and the Cliveden Endowment Fund of £31,068,000 (2020: £29,508,000).

Other designated funds include £17,644,000 of funding to protect against adverse movements in the Trust's pension deficit (2020: £25,603,000), £9,909,000 (2020: £9,897,000) of chattels acquisition and countryside support funds and £5,532,000 (2020: £4,621,000) of investment property of fixed assets.

## 18 Analysis of Net Assets by Fund

Net assets are analysed between funds as follows:

### Consolidated funds as at 28 February 2021

	General Fund	Designated funds	Pension reserve	Total unrestricted funds	Restricted income funds	Endowment funds	Total 2020
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	15,258	101,876	-	117,134	44,351	84	161,569
Investments	266,899	170,088	-	436,987	422,794	614,017	1,473,798
Stocks	10,127	-	-	10,127	126	-	10,253
Debtors	131,580	-	-	131,580	13,298	218	145,096
Cash at bank and in hand	1,949	-	-	1,949	225	-	2,174
Current assets	143,656	-	-	143,656	13,649	218	157,523
Creditors: amounts falling due within one year	(106,557)	-	-	(106,557)	(1,153)	-	(107,710)
Net current assets	37,099	-	-	37,099	12,496	218	49,813
Creditors: amounts falling due after one year	(78,753)	-	-	(78,753)	-	-	(78,753)
Defined benefit pension scheme liability	-	-	(139,828)	(139,828)	-	-	(139,828)
<b>Total net assets/(liabilities)</b>	<b>240,503</b>	<b>271,964</b>	<b>(139,828)</b>	<b>372,639</b>	<b>479,641</b>	<b>614,319</b>	<b>1,466,599</b>

### Consolidated funds as at 29 February 2020

	General Fund	Designated funds	Pension reserve	Total unrestricted funds	Restricted income funds	Endowment funds	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	10,834	120,828	-	131,662	48,424	85	180,171
Investments	169,838	166,861	-	336,699	392,553	577,693	1,306,945
Stocks	14,361	-	-	14,361	171	-	14,532
Debtors	126,434	-	-	126,434	12,074	4,018	142,526
Cash at bank and in hand	2,150	-	-	2,150	1,094	-	3,244
Current assets	142,945	-	-	142,945	13,339	4,018	160,302
Creditors: amounts falling due within one year	(120,454)	-	-	(120,454)	(1,361)	-	(121,815)
Net current assets	22,491	-	-	22,491	11,978	4,018	38,487
Creditors: amounts falling due after one year	(52,329)	-	-	(52,329)	-	-	(52,329)
Defined benefit pension scheme liability	-	-	(181,983)	(181,983)	-	-	(181,983)
<b>Total net assets/(liabilities)</b>	<b>150,834</b>	<b>287,689</b>	<b>(181,983)</b>	<b>256,540</b>	<b>452,955</b>	<b>581,796</b>	<b>1,291,291</b>

Total net assets of the Charity only were £1,467,621,000 (2020: £1,283,496,000).



## 19 Fixed Assets

### Consolidated and Charity Intangible Fixed Assets

	Software	Software assets under construction	Total
	£'000	£'000	£'000
Cost as at 1 March 2020	90,633	362	90,995
Additions	-	-	-
Disposals	(78)	(277)	(355)
Transfers	84	(84)	-
Cost as at 28 February 2021	90,639	1	90,640
Accumulated provision for amortisation as at 1 March 2020	80,376	-	80,376
Charge for the year	6,641	-	6,641
Disposals	(78)	-	(78)
Accumulated provision for amortisation as at 28 February 2021	86,939	-	86,939
Net book amount as at 28 February 2021	3,700	1	3,701
Net book amount as at 29 February 2020	10,257	362	10,619

### Consolidated Tangible Fixed Assets

	Freehold property	Motor vehicles	Property development, plant and equipment	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost as at 1 March 2020	7,981	5,766	300,145	24,984	338,876
Additions	-	114	2,919	13,091	16,124
Disposals	-	(232)	(12,642)	(2,557)	(15,431)
Transfers	-	108	11,999	(12,107)	-
Cost as at 28 February 2021	7,981	5,756	302,421	23,411	339,569
Accumulated provision for depreciation/ impairment as at 1 March 2020	497	4,692	164,135	-	169,324
Movement in provision for impairment	(4)	-	1,912	-	1,908
Charge for the year	-	495	22,252	-	22,747
Disposals	-	(239)	(12,039)	-	(12,278)
Accumulated provision for depreciation/ impairment as at 28 February 2021	493	4,948	176,260	-	181,701
Net book amount as at 28 February 2021	7,488	808	126,161	23,411	157,868
Net book amount as at 29 February 2020	7,484	1,074	136,010	24,984	169,552

## 19 Fixed Assets (continued)

### The Charity Tangible Fixed Assets

	Freehold property	Motor vehicles	Property development, plant and equipment	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost as at 1 March 2020	7,981	5,765	295,319	24,984	334,049
Additions	-	114	2,721	13,091	15,926
Disposals	-	(232)	(12,580)	(2,557)	(15,369)
Transfers	-	108	11,999	(12,107)	-
Cost as at 28 February 2021	7,981	5,755	297,459	23,411	334,606
Accumulated provision for depreciation/impairment as at 1 March 2020	497	4,690	161,828	-	167,015
Movement in provision for impairment	(4)	-	1,912	-	1,908
Charge for the year	-	494	22,067	-	22,561
Disposals	-	(239)	(11,982)	-	(12,221)
Accumulated provision for depreciation/impairment as at 28 February 2021	493	4,945	173,825	-	179,263
Net book amount as at 28 February 2021	7,488	810	123,634	23,411	155,343
Net book amount as at 29 February 2020	7,484	1,075	133,491	24,984	167,034

Assets under construction include Property Development Projects that are still in progress. No depreciation has been charged in respect of these assets. Freehold properties are included at historical cost; the market value of these properties at 28 February 2021 was £14.0 million (2020: £16.0 million).

## 20 Heritage Assets

Heritage assets are defined as tangible property with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture. The National Trust considers its inalienable properties and other properties and chattels held for preservation to fall within this definition. As explained in Note 1 these assets have been excluded from the balance sheet in accordance with the National Trust Act (1971).

### Significance of our heritage assets

Many of the buildings owned by the National Trust are categorised as listed, but even those without formal grading, which relates to the significance of individual buildings, are of significance for the way in which they contribute to the character and appearance of local places.

National Trust countryside property is designated at many levels including National Parks, AONBs (Areas of Outstanding Natural Beauty) and SSSIs (Sites of Special Scientific Interest). The Trust also owns and manages 149 registered gardens of special historic interest.

Objects in National Trust collections vary from those that are of international significance, through those of national and local significance, to the everyday items that are an essential part of the fabric and social history of places.

### The Trust's acquisition policy

The National Trust acquires historic buildings, coast and countryside in accordance with a statement of principles which requires that, inter alia:

- The property must be of national importance because of its natural beauty or historic interest;
- Ownership by the Trust should benefit the nation;
- The property should normally be under threat; and
- The property will not be acquired unless the Trust is the most appropriate owner.

The Trust seeks to secure or acquire collections in the following categories:

- Indigenous contents for its historic buildings.
- Non-indigenous but associated objects.
- Untied chattels to furnish its properties.

The Trust's heritage assets comprise nationally significant holdings of historic buildings, coast and countryside, and collections. The nature and scale of these holdings are as follows:

### Historic buildings

The Trust protects over 200 historic houses, 47 industrial monuments and mills, 9 lighthouses, 39 pubs, the sites of many factories and mines, 41 castles and chapels, 56 villages and 25 medieval barns.

The total insurance reinstatement value of our historic buildings is approximately £9 billion.

### Coast and countryside

The National Trust protects and preserves over 780 miles (1,255 kilometres) of coastline and approximately 248,741 hectares (614,638 acres) of land, much of outstanding natural beauty. This can be divided into let land and land in-hand:

	Area (Ha)	Area (Ac)
Let estate	138,202	341,496
In-hand	110,539	273,142

Trust land can be classified as follows (these categories are not mutually exclusive of one another and the categories overlap):

### Classification

	Area (ha)	Area (ac)
National Trust managed agricultural land*	14,688	36,293
Common land	48,534	119,928
Woodland	33,187	82,005
Moorland	98,231	242,729
Bodies of water	3,737	9,235
Parks and gardens	19,798	48,920

\* The Trust claims the Basic Payment subsidy on the majority of this land.

### Collections

Cataloguing the Trust's collections is a continuing process. So far just over one million objects have been recorded electronically. The largest broad categories are as follows:

	Quantity ('000)
Books and manuscripts	236
Ceramics and glass	71
Metalwork	61
Photographs	48
Textiles	46
Furniture	45
Prints and drawings	45
Costumes and jewellery	30
Painting and sculpture	22

## 20 Heritage Assets (continued)

The Trust continues to acquire new properties and chattels in accordance with its acquisitions policy. In the last five years, acquisitions have been made as follows:

	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000
Historic buildings	493	2,417	3,187	767	218
Coast and countryside	1,574	4,140	4,732	6,775	7,244
Collections	545	850	3,718	3,923	2,568
	2,612	7,407	11,637	11,465	10,030

This expenditure is shown in Acquisitions under Expenditure in the Consolidated Statement of Financial Activities. Details of amounts spent on the cyclical repair and renovation of heritage property are given in Note 13. As stated in Note 1 the 1971 Act permits the Trust not to include a value in its balance sheet for heritage assets and this includes assets received via donation.

## 21 Investments and Cash at Bank and in Hand

### Returns from investments

The National Trust maintains a highly diversified portfolio of different classes of assets to achieve a relatively high return target at an acceptable risk level.

The Trust operates a policy of total return whereby investment managers are given the flexibility to achieve maximum returns on investments, whether this is through generating interest and dividends or capital growth. To ensure any permanent endowments can distribute part of the capital gain, the necessary authorities have to be put in place with the Charities Commission or under the Charities Act 2011.

Whilst the total return comprises income and capital, only actual income earned in the form of interest and dividends is reported as investment income in the Consolidated Statement of Financial Activities.

	Actual income earned £'000	Capital gains available to properties and funds £'000	Movements to income reserves £'000	Less investment management costs £'000	Total available to properties £'000
Endowment funds invested on a total return basis as part of the Charity Commission Scheme	5,751	17,169	-	(4,339)	18,581
Other endowment funds invested on a total return basis	1,817	4,176	-	(1,434)	4,559
Other endowment funds	(60)	-	-	(4)	(64)
<b>Total endowment funds</b>	7,508	21,345	-	(5,777)	23,076
Other funds invested on a total return basis	9,453	26,661	-	(7,211)	28,903
Other funds	294	64	1,336	-	1,694
<b>Total funds</b>	17,255	48,070	1,336	(12,988)	53,673

## 21 Investments and Cash at Bank and in Hand (continued)

In the year to 28 February 2021, the movement in the value of stored-up capital growth on the Charity Commission Scheme was as follows:

	£m
Unapplied total return at 1 March 2020	280.1
Decrease in value due to capital losses in year	51.7
Amounts distributed to properties (total return applied in year)	(17.2)
Unapplied total return at 28 February 2021	314.6

The National Trust controls the level of distribution of capital on both the permanent endowments, with the Charity Commission or Charities Act approval, and other funds in line with long-term investment growth assumptions that are subject to regular review by the Trustees following advice from the Investment Committee and other external experts.

Under the rules of the Charity Commission, an endowment subject to a total return order but with no unapplied total return cannot make a distribution. All funds included in the total return policy had a positive unapplied total return at 28 February 2021.

The value of the General Investment Pool would have to fall though by just under 4.7% from its level as at 28 February 2021 before one endowment (recently added to our total return order) reached a nil unapplied total return balance and was thereby unable to make a distribution. The vast majority of funds would require a fall of greater than 40%.

It should be noted that, in determining whether an endowment has a negative unapplied total return when making an income distribution, the Trust takes into account the average value of the fund over the year in question.

### Analysis of consolidated investments

Investments and working cash balances are analysed as follows:

	Market Value		Income	
	As at 28 Feb 2021	As at 29 Feb 2020	2021	2020
	£'000	£'000	£'000	£'000
<b>Analysis by type of investment</b>				
British Government stocks	1,300	-	24	269
United Kingdom fixed and variable interest stocks	7,755	6,009	1,928	140
Overseas fixed and variable interest stocks	36,727	73,861	1,012	4,158
United Kingdom equities	106,442	166,067	1,497	8,493
Property unit trusts	310	389	11	16
Overseas equities	709,721	766,852	9,363	13,014
Commodity and hedge funds	3,960	5,925	13	17
Private equity funds	64,353	40,479	2,250	15
Illiquid diversifiers	1,627	-	-	-
Multi asset funds	-	121,126	-	2,478
Deposits and cash	474,687	60,880	923	285
Investment properties	66,916	65,357	219	266
	1,473,798	1,306,945	17,240	29,151
Cash at bank and in hand	2,174	3,244	14	27
	1,475,972	1,310,189	17,254	29,178

Included within the total investments, the following asset categories contain unlisted securities as follows: UK and overseas fixed and variable interest stocks, overseas property funds and private equity funds.

The historic cost of investments held at 28 February 2021 was £1,383,000,000 (2020: £1,214,000,000).

The cash at bank and in hand represents the deposits and cash used to finance the National Trust on a day-to-day basis.

The investments held by the Charity were as stated above with the exception of the investment properties and cash at bank and in hand. Cash held by the Charity amounted to £1,366,000 (2020: £1,839,000). Investment properties held by the Charity amounted to £66,916,000 (2020: £65,327,000).

## 21 Investments and Cash at Bank and in Hand (continued)

There is no single investment representing more than 5% of total investments. The Trust's principal investment funds are as follows:

	2021	2020
	£m	£m
BlackRock Sterling Liquidity Fund (under Cash) - NT Reserves	186.0	-
BlackRock Sterling Liquidity Fund (under Cash)	153.1	-
Comgest	115.8	93.6
Nordea	107.7	106.9
BlackRock Liquidity Environmentally Aware Fund (under Cash)	87.4	-
AQR	-	121.1
Capital International	-	74.2

The Trust has initiated a private asset mandate under the discretionary management of Cambridge Associates. As at 28 February 2021, investments held were as follows:

	2021	2020
	£'000	£'000
Private assets and illiquid diversifiers	65,980	40,479
Cash held by fund managers and not called	6,730	3,236
<b>Total</b>	<b>72,710</b>	<b>43,715</b>

The Trust's objective is that an eventual target allocation of 15% of General Pool assets, or around £183 million at the February 2021 valuation of the Pool, should be represented by this mandate. Cambridge Associates has been set a return target of outperforming the MSCI All Countries World Index in sterling terms by 3% annualised over a rolling ten-year period. Furthermore, the Trust's objective is to have a further 10% target allocation of General Pool assets, or around £122 million, allocated to a private diversifier mandate, also with Cambridge Associates.

At the year-end the Trust has undrawn commitments to private equity/debt funds and illiquid diversifiers of £159.7 million which are expected to be called at various dates between 2021 and 2022. The funds to invest in these positions will be made available from the Trust's wider General Pool investments during the course of this period. Over a similar period the current investments in private assets are to be realised by a return of capital. It is not possible for the Trust to liquidate these investments prior to the future return of capital.

The carrying value of the private assets and illiquid diversifier investments represents the latest valuations of the funds at or prior to 28 February 2021 as provided by Cambridge Associates.

	2021	2020
	£'000	£'000
<b>Movement in market value of investments</b>		
Market value at 1 March	1,310,189	1,304,174
Additions at cost	1,042,911	481,073
Transfers from fixed assets	-	-
Disposals at market value	(962,734)	(499,879)
Other movements in Investment cash	(5,746)	(332)
Additions at market value (arising from legacies and gifts)	-	-
(Decrease) in cash at bank and in hand	(1,070)	(640)
Net gains on investment assets	92,422	25,793
<b>Market value at 28 February</b>	<b>1,475,972</b>	<b>1,310,189</b>

## 22 Stocks and Work in Progress

	Consolidated		The Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Trading stocks	8,404	12,545	620	1,097
Building materials	104	250	104	250
Other	1,745	1,737	565	799
	<b>10,253</b>	<b>14,532</b>	<b>1,289</b>	<b>2,146</b>

Other stocks include livestock and sundry farm stocks.

## 23 Debtors

	Consolidated		The Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
<b>Amounts falling due within one year:</b>				
Rents	2,661	2,945	2,661	2,945
Grants	11,096	11,830	10,708	11,102
Amounts owed by subsidiary undertakings	-	-	7,572	1,365
Other debtors	26,652	23,371	25,115	20,579
Legacies receivable	50,768	58,173	50,768	58,173
Prepayments and accrued income	33,968	36,847	33,037	35,458
Tax recoverable	19,951	9,360	19,846	9,360
	<b>145,096</b>	<b>142,526</b>	<b>149,707</b>	<b>138,982</b>

The amounts owed by subsidiary undertaking The National Trust (Enterprises) Limited are secured by a floating charge over the assets of the company. Interest is charged at 2% over Barclays' base rate on the outstanding balance. Other debtors include trade debtors, VAT recoverable and investment debtors.

## 24 Creditors

	Consolidated		The Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
<b>Amounts falling due within one year:</b>				
Amounts owed to subsidiary undertaking	-	-	16,508	16,338
Bank overdrafts	8,337	15,989	8,337	15,989
Taxation and social security	4,634	7,212	4,327	5,149
Other creditors	20,642	33,313	19,968	30,623
Deferred income	36,010	32,820	36,011	32,820
Accruals	38,087	32,481	33,233	28,220
	<b>107,710</b>	<b>121,815</b>	<b>118,384</b>	<b>129,139</b>
<b>Amounts falling due after more than one year:</b>				
Amounts drawn down on the revolving credit facility	-	25,000	-	25,000
Life membership equalisation account	28,753	27,329	28,753	27,329
Long-term loan	50,000	-	-	-
	<b>78,753</b>	<b>52,329</b>	<b>28,753</b>	<b>52,329</b>
	<b>186,463</b>	<b>174,144</b>	<b>147,137</b>	<b>181,468</b>

The revolving credit facility funds the Trust's seasonal working capital requirements and matures in March 2022. Interest is payable at the relevant LIBOR rate plus 1.05%.

The amounts owed to subsidiary undertaking Historic House Hotels Limited incur interest at 2% over the London inter-bank interest rate on the outstanding balance.

The portion of life membership subscriptions deemed to be of the nature of a gift is recognised in full in the year in which it is received, with the remainder deferred and released to income in equal instalments over the average period over which the life membership is expected to be used; £5.3 million was transferred to income in 2021 (2020: £5.5 million).

## 24 Creditors (continued)

The long-term loan was drawn down in March 2020 at a fixed rate of 2.662% and will mature in March 2058.

Consolidated deferred income is analysed as follows:

	Membership income	Holiday cottage income	Other deferred income	Total 2021	Total 2020
	£'000	£'000	£'000	£'000	£'000
Deferred income as at 1 March	22,886	4,498	5,436	32,820	30,023
Amounts released during the year	(22,886)	(4,498)	(5,436)	(32,820)	(30,023)
Amounts deferred during the year	22,795	8,225	4,990	36,010	32,820
Deferred income as at 28 February	22,795	8,225	4,990	36,010	32,820

Membership income is deferred and released to the Consolidated Statement of Financial Activities (SoFA) over the period to which the membership relates. Holiday cottage deferred income relates to deposits and payments received in advance of bookings and is released to the SoFA in the period to which it relates.

Other deferrals mainly relate to grants and sponsorship income which are released to the SoFA in the period entitlement occurs, and premiums received on the undertaking of leases and rent-free periods which are released to the SoFA over the period until the relevant contractual lease break point.

## 25 Financial Instruments

	Consolidated		The Charity	
	2021	2020	2021	2020
Financial assets that are debt instruments measured at amortised cost:	£'000	£'000	£'000	£'000
Rents	2,661	2,945	2,661	2,945
Amounts owed by subsidiary undertakings	-	-	7,572	1,365
Other debtors	26,652	23,371	25,115	20,579
	29,313	26,316	35,348	24,889
<b>Financial liabilities measured at amortised cost:</b>				
Bank overdrafts	8,337	15,989	8,337	15,989
Amounts owed to subsidiary undertaking	-	-	16,508	16,338
Other creditors	20,642	33,313	19,968	30,623
Accruals	38,087	32,481	33,233	28,220
Revolving credit facility	-	25,000	-	25,000
Long-term loans	50,000	-	-	-
	117,066	106,783	78,046	116,170



## 26 Consolidated Cash Flow

### Net cash flows from operating activities

	2021	2020
	£'000	£'000
Net expenditure for the reporting period (as per the Statement of Financial Activities)	83,635	(18,403)
Adjustments for:		
Investment income	(17,255)	(29,178)
Depreciation, amortisation and movement in provision for impairment	31,296	30,251
Receipt of investments arising from legacies	-	-
Loss on disposal of fixed assets	3,328	(174)
Net income – endowments	(380)	(8,029)
Movement in working capital	(10,507)	9,539
Increase in life membership equalisation account	1,424	2,113
FRS 102 pension adjustment	(44,793)	(9,378)
Net cash provided by/(used in) operating activities	46,748	(23,259)

### Change in net debt

	Balances at 1 March 2020	Cash flows	Balances at 28 February 2021
	£'000	£'000	£'000
Cash at bank and in hand	3,244	(1,070)	2,174
Overdraft facility repayable on demand	(15,989)	7,652	(8,337)
Loans falling due after more than one year	(25,000)	(25,000)	(50,000)
Total	(37,745)	(18,418)	(56,163)

### Reconciliation of net cash inflow to movements in investments

	Cash at bank and in hand	Investments	Total
	£'000	£'000	£'000
Balance at 1 March 2020	3,244	1,306,945	1,310,189
Net cash outflow	(1,070)	-	(1,070)
Net sales of investments	-	74,431	74,431
Non-cash changes:			
Realised/unrealised gains on investments	-	92,422	92,422
Balance at 28 February 2021	2,174	1,473,798	1,475,972

## 27 The National Trust Retirement and Death Benefits Scheme

The Trust operates a funded group pension scheme, established under trust, providing defined benefits based on final salary. The National Trust Retirement and Death Benefit Scheme ('the Scheme') was closed to new members on 1 June 2003 and closed to future accrual on 1 April 2016. The Scheme uses the following investment managers: CQS, Legal and General Investment Management, M&G Investments, Man Risk Premia SPS, Partners Capital LLP, Schroder Investment Management Limited and Systematica. The last funding valuation of the Scheme was carried out by a qualified actuary as at 5 April 2020 and showed a deficit of £240.4m.

The Trust is committed to making deficit elimination contributions of £13.5 million per annum (running until 2029 and rising annually at 1% over CPI). During the year, the Trust made an additional contribution to the scheme of £32.6 million to settle the outstanding value of a Conditional Funding Deed which, under certain circumstances, could have resulted in the Trust paying an additional contribution into the Scheme. The CFD was intended to provide in extremis protection to the Scheme in the event that the Trust's assets suffered a significant fall and/or the pension deficit rose significantly.

A defined contribution scheme has been offered to regular staff from 1 June 2003. This is a Stakeholder Scheme with Legal & General. In addition to this, a subsidiary, Historic House Hotels Limited, operates a defined contribution scheme. The assets of the schemes are held separately from those of the Trust.

The actuary has valued the liability in respect of deferred pensions using consumer price inflation (CPI) as the inflation measure from 2011 rather than retail price inflation (RPI). This was following a UK government change in the measure of price inflation for the statutory minimum rates at which pensions must increase for defined benefit pension plans.

The financial assumptions used by the actuary to calculate the scheme liabilities under FRS 102 section 34 were as follows:

	2021	2020
	%	%
Rate of increase in pensionable salaries	3.3	2.8
Rate of increase in pensions pre-April 1997	2.5	2.0
Rate of increase in pensions in payment post-April 1997	3.0	2.8
Rate of increase in pensions in payment post-March 2007	2.5	2.2
Discount rate	2.0	1.7
RPI inflation	3.1	2.9
CPI inflation	2.5	2.0

The mortality assumptions have been updated and are based on standard mortality tables which allow for future mortality improvements. The assumptions are that the average life expectancy, at retirement age, of a male is currently 88 and a female 90. By 2041, this is expected to increase to 89 and 91 respectively.

It should be noted that the pension deficit calculation can be sensitive to the specific assumptions selected. For example, the impact of the reduction in the assumed long-term differential between RPI and CPI inflation by 30 basis points is to increase the defined benefit pension obligation by £25.3 million. The Trust has also assumed that RPI inflation should be measured in line with market break-even expectations, less an inflation risk premium (IRP). The IRP has been set at 0.3% for 2020-21 (compared to 0.2% for 2019-20). The impact of the increase in IRP is to decrease the defined benefit pension obligation by £9 million.

The market value of the assets of the Scheme was:

	2021	2020	2019
	£'000	£'000	£'000
Equities	508,522	480,628	382,908
Government bonds	202,916	197,458	222,536
Derivatives and swaps	2,614	22,626	22,436
Other	12,325	1,471	(4,878)
<b>Total market value of assets</b>	<b>726,377</b>	<b>702,183</b>	<b>623,002</b>

None of the Scheme assets are invested in the National Trust's financial instruments or in property occupied by, or other assets used by, the National Trust.

The following table provides the reconciliation of funded status to the Consolidated Balance Sheet:

	2021	2020
	£'000	£'000
Fair value of Scheme assets	726,377	702,183
Present value of funded Scheme liabilities	(866,205)	(884,166)
<b>Net pension liability</b>	<b>(139,828)</b>	<b>(181,983)</b>

## 27 The National Trust Retirement and Death Benefits Scheme (continued)

<b>Changes to the present value of Scheme liabilities during the year:</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Present value of Scheme liabilities at 1 March	884,166	754,785
Current service cost	-	-
Past service cost	(1,925)	-
Interest cost	14,803	20,769
Contributions by Scheme participants	-	-
Actuarial (gains)/losses on Scheme liabilities	(3,705)	135,485
Net benefits paid out	(27,134)	(26,873)
Present value of Scheme liabilities at 28 February	866,205	884,166

<b>Changes to the fair value of Scheme assets during the year:</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Fair value of Scheme assets at 1 March	702,183	623,002
Interest income on Scheme assets	12,004	17,256
Actuarial (loss)/gain on Scheme assets	(6,343)	75,907
Contributions by the employer*	46,497	13,524
Contributions by Scheme participants	-	-
Administration costs	(830)	(633)
Net benefits paid out	(27,134)	(26,873)
Fair value of Scheme assets at 28 February	726,377	702,183

\*Includes a one-off additional contribution of £32.6 million to settle the Conditional Funding Deed.

<b>The amounts recognised in net expenditure are as follows:</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Current service cost	-	-
Past service cost	(1,925)	-
Administration expenses	830	633
Interest cost	2,799	3,513
Expense recognised in net expenditure	1,704	4,146

<b>Actual return on Scheme assets:</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Interest income on Scheme assets	12,004	17,256
Actuarial (loss)/gain on Scheme assets	(6,343)	75,907
Actual return on Scheme assets	5,661	93,163

## 28 Financial Commitments

The Trust's total commitments for operating lease payments are due as follows:

Consolidated	2021	2021	2020	2020
	Land and buildings	Motor vehicles	Land and buildings	Motor vehicles
	£'000	£'000	£'000	£'000
Within one year	3,078	1,313	3,017	1,612
Between one and five years	10,065	1,658	10,673	2,358
After five years	59,224	2	55,345	-
	<b>72,367</b>	<b>2,973</b>	<b>69,035</b>	<b>3,970</b>

The Charity	2021	2021	2020	2020
	Land and buildings	Motor vehicles	Land and buildings	Motor vehicles
	£'000	£'000	£'000	£'000
Within one year	2,883	1,290	2,818	1,578
Between one and five years	10,049	1,626	10,461	2,320
After five years	59,224	2	55,345	-
	<b>72,156</b>	<b>2,918</b>	<b>68,624</b>	<b>3,898</b>

## 29 Taxation

The National Trust is a registered charity and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried out in furtherance of the Charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The National Trust, The National Trust (Enterprises) Limited, National Trust (Renewable Energy) Limited and Historic House Hotels Limited are registered for VAT. Any irrecoverable VAT on expenditure is charged to the appropriate heading in the Consolidated Statement of Financial Activities or is capitalised as appropriate. The National Trust (Enterprises) Limited, National Trust (Renewable Energy) Limited and Historic House Hotels Limited give all of their taxable profits to the Charity (subject to available distributable reserves), normally resulting in no liability to corporation tax.

## 30 Legacies

At 28 February 2021, the National Trust had been notified of 106 legacies with an approximate aggregate value of £6.7 million (2020: 80 legacies, approximate value £5.65 million) that had not been included in income as uncertainties exist over the measurement of the Trust's entitlement.

## 31 Commitment to Long-term Borrowing

In July 2019, the National Trust entered into a binding agreement to borrow £100 million to finance a programme of investment in its visitor and commercial infrastructure and its let estate. £50 million was drawn down in March 2020 at a fixed rate of 2.662% and will mature in March 2058. A further £50 million will be drawn down in March 2022 at a fixed rate of 2.651% and will mature in March 2063. Repayment is at the end of the loan terms.

## 32 Related Party Transactions

The Trust has considered the disclosure requirements of SORP 2020 and of FRS 102 section 33 – Related Party Disclosures and believes that the following related party transactions, all of which were made on an arm's length basis, require disclosure.

Related party transactions involving Trustees are fully disclosed here. For all other individuals, only transactions in excess of £10,000 are disclosed. Other individuals are those the Trust considers to have 'control and influence' or are historic donors of land to the Trust. The Trust's Audit Committee has undertaken a review of all other related party transactions disclosed by individuals considered to have control and influence within the Trust.

The contribution to the Trust's funds by its wholly-owned subsidiaries, The National Trust (Enterprises) Limited, Historic House Hotels Limited and National Trust (Renewable Energy) Limited, are disclosed in Note 5.

There are no other related party transactions which require disclosure.

### Transactions with Trustees

- i) Ms C Kay is a member of the National Trust's Board of Trustees and CEO of the Bath Preservation Trust. During the year the Bath Preservation Trust rented an office to the National Trust. Ms Kay played no part in the lease negotiation. The rental costs to the Trust were £4,870 (2020: £3,075) and the balance outstanding at 28 February 2021 was £nil (2020: £nil).

### Other Transactions

- i) Mr J Avent is a member of the Trust's Specialist Advice Network. During the year, the Trust used the structural and consulting engineering services of Mann Williams at a cost of £29,806 (2020: £nil). Mr Avent is a director of Mann Williams. The balance outstanding at 28 February 2021 was £2,280 (2020: £nil).
- ii) Mr N Cox is a member of the Historic Environment Advisory Group. During the year, Nick Cox Architects Limited provided consultancy services to the Trust at a total cost of £57,190 (2020: £67,320). The balance outstanding at 28 February 2021 was £633 (2020: £1,479).
- iii) During the year, the Trust used the services of Agricultural Grant Solutions Limited at a cost of £46,182 (2020: £39,330). Mr G Hunt, the Trust's Land and Estates Director, is a shareholder in Agricultural Grant Solutions Limited and the husband of its sole director. The decision to procure the services of Agricultural Grant Solutions is not influenced by Mr Hunt and the contract is overseen by the Trust's Outdoors and Natural Resources Director. The balance outstanding at 28 February 2021 was £nil (2020: £nil).
- iv) During the year the Trust used the services of Inskip Gee Architects Limited at a cost of £83,990 (2020: £nil). Mr P Inskip, an advisory associate of the Historic Environment Advisory Group, is a director of this company. The balance outstanding at 28 February 2021 was £6,159 (2020: £nil).
- v) Mrs Nicholson is a Rural Surveyor for the National Trust. During the year, the Trust used the services of Landforest Limited, an ecological consultancy, at a total cost of £18,370 (2020: £nil). Mrs Nicholson's husband, Mr Edward Nicholson, is a director of Landforest Limited. The procurement of services from Landforest Limited is not instructed by Mrs Nicholson. The balance outstanding at 28 February 2021 was £13,527 (2020: nil).
- vi) Mr N Pearson is a member of the Trust's Natural Environment Group and a director and shareholder of Nicholas Pearson Associates Limited and partner of Nicholas Pearson Partnership LLP. During the year the Trust used the consultancy services of Nicholas Pearson Associates Limited and Nicholas Pearson Partnership LLP for landscape design and management at a number of Trust properties at a total cost of £82,906 (2020: £151,948). The total balances outstanding at 28 February 2021 were £8,870 (2020: £7,469).
- vii) Mr M Tickner is a member of the Historic Environment Advisory Group and a director of Cookson & Tickner Limited. During the year the company provided consultancy services to the Trust amounting to £19,520 (2020: £nil). The balance outstanding at 28 February 2021 was £nil (2020: £nil).

### Transactions involving historic donors of land

- i) The Trust has an agreement with the Hyde Parker family at Melford Hall whereby the family manages the gardens. The cost to the Trust during the year was £11,606 (2020: £20,455). The balance outstanding at 28 February 2021 was £nil (2020: £270).
- ii) The Trust uses the services of the St Aubyn family's own estate and building companies: St Aubyn Estates, St Michaels Mount Trading and Cornish Heritage Builders for work on the Mount. During the year, these companies provided services at a cost to the Trust of £1,230,345 (2020: £1,767,639). The balance outstanding at 28 February 2021 was £190,713 (2020: £206,210).
- iii) Mr M D McLaren is a trustee of the Bodnant Estate Settlement, a trustee and beneficiary of Lord Aberconway's Will Trust, a director and shareholder of Bodnant Garden Nursery Limited and Furnace Farm Limited. Mr McLaren is also a sole trader trading as Bodnant Estate and the son of Lady Aberconway. A total of £36,254 (2020: £42,293) of goods and services were supplied to the National Trust during the year by these companies. The balance outstanding at 28 February 2021 was £324 (2020: £414).
- iv) The Trust has a management agreement with the Throckmorton family at Coughton Court whereby they are responsible for the daily operational management and regular maintenance of the gardens. The cost to the Trust during the year was £203,209 (2020: £201,942). The balance outstanding at 28 February 2021 was £20,586 (2020: £nil).
- v) During the year the Trust paid rental charges and a contribution towards drainage rates at Horsey totalling £20,086 (2020: £19,925) to the Buxton family (the donors of Horsey). The balance outstanding at 28 February 2021 was £nil (2020: £nil).

## 33 Prior Year Consolidated Statement of Financial Activities

	Note(s)	Unrestricted funds	Restricted funds	Endowment funds	Total 2020	Total 2019
		£'000	£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>						
<b>Donations and legacies</b>						
Appeals and gifts		3,139	9,046	671	12,856	10,268
Legacies		42,213	12,003	7,358	61,574	66,494
Operating grants and contributions	2	-	7,226	-	7,226	7,420
<b>Other trading activities</b>						
Enterprise and renewable energy income	5	79,295	-	-	79,295	72,492
Hotel income	5	-	8,808	-	8,808	8,597
<b>Investments</b>	21	7,759	8,485	12,934	29,178	26,842
		132,406	45,568	20,963	198,937	192,113
<b>Charitable activities</b>						
Membership income	3	269,690	-	-	269,690	243,425
Project grants and contributions	2	-	13,545	-	13,545	10,170
Direct property income	4	142,580	54,319	-	196,899	186,411
		412,270	67,864	-	480,134	440,006
<b>Other</b>						
Other income	7	414	1,467	-	1,881	2,220
<b>Total income</b>		545,090	114,899	20,963	680,952	634,339
<b>Expenditure on:</b>						
<b>Raising funds</b>						
Fundraising costs	12	4,546	-	-	4,546	4,243
Enterprise and renewable energy costs	5, 12	61,345	-	-	61,345	56,589
Hotel costs	5, 12	-	8,960	-	8,960	8,419
Investment management costs	12, 21	2,934	2,881	4,632	10,447	10,440
		68,825	11,841	4,632	85,298	79,691
<b>Charitable activities</b>						
Property operating costs	12	231,406	76,744	-	308,150	296,442
Expenditure on property projects	12, 13	107,534	61,244	-	168,778	148,392
Acquisitions	12, 20	5,944	1,463	-	7,407	11,637
Internal conservation and advisory services	12	61,599	2,822	-	64,421	59,706
Membership costs	12, 14	65,301	-	-	65,301	57,231
		471,784	142,273	-	614,057	573,408
<b>Total expenditure</b>	17	540,609	154,114	4,632	699,355	653,099
<b>Net expenditure before gains/(losses) on investments</b>	17	4,481	(39,215)	16,331	(18,403)	(18,760)
<b>Net gains/(losses) on investments</b>	17, 21	14,057	6,355	5,381	25,793	(3,760)
<b>Net income/(expenditure) before taxation</b>		18,538	(32,860)	21,712	7,390	(22,520)
<b>Taxation</b>	16	(1,906)	-	-	(1,906)	-
<b>Net income/(expenditure)</b>	17	16,632	(32,860)	21,712	5,484	(22,520)
Transfers between funds	17	(1,142)	23,900	(22,758)	-	-
<b>Other recognised expenditure</b>						
Actuarial expenditure on defined benefit pension scheme	17, 27	(59,578)	-	-	(59,578)	(13,060)
<b>Net movement in funds</b>		(44,088)	(8,960)	(1,046)	(54,094)	(35,580)
Fund balances brought forward	17	300,628	461,915	582,842	1,345,385	1,380,965
<b>Fund balances carried forward</b>	17, 18	256,540	452,955	581,796	1,291,291	1,345,385

All amounts above derived from continuing operations and the National Trust had no recognised gains or losses other than those passing through the Consolidated Statement of Financial Activities. There was no material difference between the net income before transfers and the historical cost equivalents.

# Independent Auditors' Report to the Trustees of the National Trust

We have audited the financial statements of the National Trust ("the Charity") for the year ended 28 February 2021 which comprise consolidated statement of financial activities, balance sheets, consolidated cash flow statement and related notes, including the accounting policies in note 1.

## In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 28 February 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011.

## Basis for opinion

We have been appointed as auditor under section 145 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the charity or to cease their operations, and as they have concluded that the group and charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the Charity's business model and analysed how those risks might affect the Charity's financial resources or ability to continue operations over the going concern period.

## Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Charity will continue in operation.

## Fraud and breaches of laws and regulations – ability to detect

### Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud.

### Our risk assessment procedures included:

- Enquiring of management as to the Charity's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board meeting minutes.
- Using analytical procedures to identify any unusual or unexpected year on year movements.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, the risk that Group management maybe in a position to make inappropriate accounting entries, and the risk of bias in accounting estimates and judgements such as the valuation of the defined pension benefits liability.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Group-wide fraud risk management controls.

**We also performed procedures including:**

- Identifying journal entries and other adjustments to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included unusual accounts combinations.
- Testing controls in place around key Income streams such as membership, legacies, and rental income as well as controls over bank reconciliations.
- Substantive testing of membership income, life memberships and project grant income through use of Data and Analytics procedures, recalculation and agreement to supporting evidence.
- Review of the calculations and associated assumptions supporting legacies income.
- Substantively sampled all remaining material Income streams including holiday cottage and deferred income and agreed to supporting evidence.
- Assessed the appropriateness of income recognition in the subsidiary accounts, audited to lower levels of materiality.
- Substantively tested direct property income, enterprise income and renewable energy income by selecting a sample of income and agreeing to supporting documentation such as cash receipts and invoices.

*Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation for the subsidiaries and charities legislation for the Charity), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, employment law, and certain aspects of company and charity legislation recognising the financial and regulated nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Other information**

The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge.

**We are required to report to you if:**

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.



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

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

## Trustees' responsibilities

As explained more fully in their statement set out on page 38, the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

## The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Charity's trustees as a body, in accordance with section 145 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



**Andrew Campbell-Orde**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
66 Queen Square  
Bristol  
BS1 4BE

**22 July 2021**

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

## The Trust's Advisers

### Bankers

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

### Investment Advisers

Aberforth Partners LLP, 14 Melville Street, Edinburgh EH3 7NS

AQR Capital Management Europe, 5-11 Regent Street,  
London SW1Y 4LR

BlackRock Investment Management (UK) Ltd, 12 Throgmorton  
Avenue, London EC2N 2DL

Cambridge Associates, 80 Victoria Street, London SW1E 5JL

Capital Group, 40 Grosvenor Place, London SW1X 7GG

J P Morgan Asset Management Ltd, 20 Finsbury Street,  
London EC2Y 9AQ

Legal and General Investment Management, One Coleman  
Street, London EC2R 5AA

Longview Partners LLP, Thames Court, 1 Queenhithe,  
London EC4V 3RL

Newton Investment Management Ltd, 160 Queen Victoria  
Street, London EC4V 4LA

Nordea Asset Management UK Limited, 6th Floor, 5  
Aldermanbury Square, London EC2V 7AZ

Ownership Capital B.V, Herengracht 105-107, 1015 BE  
Amsterdam, The Netherlands

Rothschild & Co, New Court, St Swithin's Lane,  
London EC4N 8AL

### Independent Auditors

KPMG LLP

Chartered Accountants and Statutory Auditors  
66 Queen Square

Bristol  
BS1 4BE

## Glossary of financial, property and fund terms

Term	Where Used	Explanation
Actuarial Valuation	Pensions	The three-yearly valuation of our pension scheme by a qualified actuary.
Current Service Costs	Pensions	The cost of pension benefits earned by employees over the year.
Designated Funds	Funds	Unrestricted funds allocated by the Trustees for particular purposes.
Discount Rate	Pensions	The interest rate assumed on the scheme liabilities.
Endowment Funds	Funds	Investment funds established for properties to provide income over the long term to fund their maintenance – these funds may have been received as a gift or established by the Trustees from the Trust's own funds. The general policy for new properties acquired is to set up an endowment fund at the point of acquisition.
Fixed Asset Reserve	Funds	Reflects the Trust's investment in offices, plant, machinery and equipment to enable it to carry out its charitable activities.
General Fund	Funds	This is the working fund of the Trust. It pays for the general administration of the Trust and supports properties which have insufficient funds of their own.
Heritage Assets	Assets	Assets which have historic, artistic or environmental qualities and are held or maintained principally for their contribution to knowledge and culture.
Inalienable	Assets	Cannot be sold or mortgaged – the Trust has the power under its Act to declare property inalienable. This also means the property cannot be compulsorily purchased against the Trust's wishes without invoking a special parliamentary procedure.
Internal conservation and advisory services	Properties	Research and advisory services provided by the Trust in relation to conservation of its historic buildings and contents, and its coast, countryside and garden properties. These costs are vital to the delivery of the Trust's projects. These costs also include internal consultancy resource relating to the visitor experience.
Operating Margin	Board of Trustees' Report – Financial Review	Operating Margin % is total operating income, less total operating expenditure expressed as a percentage of total operating income. Achieving a margin of 20% means that for every 80 pence we spend on operating activities we aim to generate at least £1 of income so that at least 20 pence is available to fund capital projects, maintenance and conservation tasks at our properties, implement our strategy and strengthen our reserves
Past Service Costs	Pensions	The cost of any additional benefits granted to members over the year.
Expenditure on property projects	Properties	These costs include long-term cyclical repair costs, backlog work and conservation improvement work.
Property Development Project	Properties	Structural improvements, new buildings and associated fit-out costs incurred at National Trust properties to improve visitor and commercial infrastructure.
Property reserves	Properties and Funds	Many National Trust properties operate with their own financial reserves that are accumulated to help fund projects and capital expenditure. These reserves are part of restricted funds where they represent surplus investment income arising from donor-provided endowments or where properties have been acquired under legal trust to apply the whole income of the property only at that property. All other property reserves are part of designated funds. Designated property reserves were transferred back to the General Fund in March 2020 when the Trust instituted spending controls in response to the coronavirus pandemic.
Related Party	Financial statements	A related party is someone who can act individually or in concert with others to control the financial or operating activities of the National Trust, The National Trust (Enterprises) Limited, National Trust (Renewable Energy) Limited or Historic House Hotels Limited.
Restricted Income Funds	Funds	Gifts and legacies where the donor has placed a restriction on their use.
Total Return	Investments	The income and capital growth on our investments – the Trust operates a total return policy on certain of its endowments.
Unapplied Total Return	Investments	That part of the total return over time that has not been spent on charitable purposes.
Unrestricted Funds	Funds	Unrestricted funds are free from any legal restriction on their application other than they must be spent on the Trust's charitable purposes; they include the General and designated funds. The financial surpluses of properties are transferred to unrestricted funds unless they relate to endowment investment income, specific gifts or where there are legal trusts to apply the whole of the income of a property only at that property.
Unrestricted Legacy Receipts	Legacies	Legacy receipts which can be applied to any charitable purpose of the Trust other than administration.

## Operating Margin

As explained in the Financial Review on page 26, Operating Margin is the principal financial target we use for management purposes. The table below shows how this was calculated for the last five years:

	Note	2017 £m	2018 £m	2019 £m	2020 £m	2021 £m
Membership income	3	200.7	219.8	243.5	269.7	267.6
Rents received	4	45.9	47.5	48.6	50.0	46.6
Admission fees	4	28.4	30.5	30.2	31.0	8.4
Investment income	21	48.2	46.9	49.7	50.7	53.7
Enterprise, Renewables and Charitable trading income	5,6	161.6	167.4	172.6	186.8	73.3
Hotel contribution	5,6	0.1	0.1	0.2	-	(1.3)
Appeals and gifts		11.5	13.2	10.3	12.4	10.9
Operating grants and contributions	2	6.1	5.8	7.4	7.2	8.0
Other operating income <sup>4</sup>	4	6.5	4.7	5.1	5.6	3.1
Exceptional income <sup>3</sup>		-	-	1.9	-	3.2
<b>Total ordinary income</b>		<b>509.0</b>	<b>535.9</b>	<b>569.5</b>	<b>613.4</b>	<b>473.5</b>
Fundraising costs <sup>2</sup>	12	2.8	3.1	3.5	3.8	2.9
Property operating costs <sup>1,2</sup>	12	216.1	236.4	251.7	263.1	221.8
Enterprise and renewable energy costs	5	53.8	52.2	56.6	61.9	29.6
Internal consultancy costs <sup>2</sup>	12	37.2	42.4	48.7	52.2	43.1
Membership costs <sup>2</sup>	12,14	42.7	49.8	53.6	60.8	47.7
Support service costs	15	57.7	62.4	67.0	70.4	65.0
FRS 17/102 pension costs adjustment		4.0	(2.2)	6.5	9.4	12.2
Other project costs <sup>5</sup>		(6.4)	(20.2)	(29.1)	(39.2)	(27.5)
Exceptional income <sup>3</sup>		-	-	-	-	(41.4)
Exceptional costs <sup>6</sup>		-	0.9	(1.0)	-	25.9
<b>Total ordinary expenditure</b>		<b>407.9</b>	<b>424.8</b>	<b>457.5</b>	<b>482.4</b>	<b>379.3</b>
<b>Operating margin £</b>		<b>101.1</b>	<b>111.1</b>	<b>112.0</b>	<b>131.0</b>	<b>94.2</b>
<b>Operating margin %</b>		<b>19.9%</b>	<b>20.7%</b>	<b>19.7%</b>	<b>21.4%</b>	<b>19.9%</b>
<b>Operating margin</b>		<b>101.1</b>	<b>111.1</b>	<b>112.0</b>	131.0	94.2
Less investment income under total return	21	(28.2)	(25.0)	(33.3)	(32.0)	(49.4)
Legacies		61.7	51.9	66.5	61.6	44.6
Project grants and contributions	2	11.8	12.2	10.2	13.5	12.3
Gains on disposal of property and insurance claims	7	1.9	1.2	2.2	1.9	4.6
Long lease buy out	7	20.5	-	-	-	-
Other project income		1.4	3.0	2.3	3.2	1.8
Expenditure on property projects <sup>1,2</sup>	12,13	(134.2)	(133.1)	(142.6)	(161.3)	(79.0)
Acquisitions <sup>2</sup>	20	(9.2)	(10.4)	(10.5)	(6.3)	(1.9)
Other project costs <sup>5</sup>		(6.5)	(20.2)	(29.1)	(39.2)	(27.5)
Exceptional income <sup>3</sup>		-	-	-	-	71.7
Other costs <sup>7</sup>		4.0	(1.3)	3.6	9.2	12.2
<b>Net (expenditure)/income per SOFA</b>		<b>24.3</b>	<b>(10.6)</b>	<b>(18.7)</b>	<b>(18.4)</b>	<b>83.6</b>

## Notes

<sup>1</sup> 2017 restated for short-term cyclical repair costs and small works reported within property project expenditure from 2018 onwards

<sup>2</sup> Exclude allocated support costs

<sup>3</sup> Exceptional income includes Coronavirus Job Retention Scheme grants, other Covid-related grants and insurance claim proceeds

<sup>4</sup> Excludes income attributable to project activity

<sup>5</sup> Project costs shown under headings other than expenditure on property projects

<sup>6</sup> Exceptional costs include redundancy costs and Covid related costs

<sup>7</sup> 2017 onwards relates to pension costs adjustments under FRS 102

# Year on record

## Acquisitions of properties, works of art and other objects

### London and South East

#### *Works of art and other historical objects*

##### **Ham House, Richmond upon Thames**

Hendrick van Steenwyck the Younger (c. 1580–1649), *Cathedral Interior*, 1621. Oil on copper, 16.5 cm. diam. This small ‘cabinet’ painting was first recorded in a 1683 Ham House inventory, but it may have been at Ham even earlier, possibly in the collection of William Murray, 1st Earl of Dysart (c. 1600–55), who created the Green Closet cabinet room in the house. The practice of painting on copper added luminosity to the pigments and allowed for the application of fine details. As a meditation on space, light and shadow, this work is also particularly resonant in relation to the modulated light in the 17th-century interiors at Ham. This painting and a number of others left Ham in the mid-20th century and were inherited by a branch of the Tollemache family – some of those pictures have since been acquired by the Trust through the Acceptance in Lieu Scheme and by purchase. This painting was bought from the art dealers Agnews in March 2020, funded by a contribution from the Monument 1985 Fund (endowed by the late Simon Sainsbury), a grant from the Art Fund, a gift from John Maynard and further gifts from Arthur Drysdale, Johnny van Haeften, the Helmingham, Buckminster and Roundel branches of Tollemache family, the Richmond National Trust Association and the Reading National Trust Association. NT 1140914

##### **Hartwell House, Buckinghamshire**

Jonathan Richardson the Elder (1667–1745), two oval half-length portraits of Elizabeth Sandys (d. 1728) and Judith Sandys (d. 1720), oil on canvas, both 76 by 63 cm. Elizabeth Sandys was a daughter of the London merchant Thomas Sandys and became the wife of Sir Thomas Lee, 3rd Bt (1687–1749) of Hartwell. Judith Sandys was also a daughter of Thomas Sandys and became the wife of Humphry Morice, MP (c. 1671–1731). Their second daughter, Judith (1710–43), married Sir George Lee, MP, PC (c. 1700–58), youngest brother of Sir Thomas Lee, 3rd Bt. The portraits were sold in an auction of the contents of Hartwell House on 26 April 1938, but were recently accepted by HM Government under the Cultural Gifts Scheme from Mr Harold Killingback, in memory of his first wife Monica and her uncle David Melville, and allocated to the National Trust for display at Hartwell. NT 2900387 and NT 2900388



##### **Osterley Park, Hounslow**

Paulus Moreelse (1571–1638), pair of portraits of an unknown man and woman aged 34 and 26 (probably husband and wife, most likely Dutch), 1632. Oil on canvas, one measures 112 x 104 cm and the other about 107 x 94 cm sight size. These portraits do not have a provenance from Osterley, but paintings of similar type and quality are known to have hung there, as part of the Child family art collection, most of which was lost in a warehouse fire in the late 1940s. Although the identity of the man and woman shown in these paintings is unknown, their self-presentation as a wealthy, respectable and sophisticated couple resonates with the history of the Child family of Osterley, who similarly made their fortune through trade and finance in the 17th century and expressed their new-found status and confidence through the collecting of art. This pair of paintings had been on loan at Osterley since 2004. Donated to the National Trust under the terms of the will of George Richard Pinto (1929–2018). NT 773346 and NT 773347

### Midlands

#### *Property*

##### **Sandilands, Lincolnshire coast: Sandilands Golf Course**

(BNG: TF536793 XY: 553639 379399)

The acquisition of 76.60 acres (31 hectares) of land, a Club House and small car park which will provide the opportunity to create priority habitat (sand dunes, lowland wet grassland/coastal grazing marsh, reedbeds and associated habitats, e.g. ponds, scrapes, ditches). The acquisition was funded from the National Trust Neptune fund and a legacy from Mr A Oliver.

### Northern Ireland

#### *Property*

##### **Murlough Nature Reserve, County Down**

(ING: J 403 340 XY: 340264 334035)

The acquisition of a 1.01-acre plot (0.41 hectares) of land within the curtilage of the NT's existing 700-acre ownership at Murlough Nature Reserve. Acquisition will bring an area already effectively cared for by the Trust into ownership and add to an area already designated an Area of Special Scientific Interest (ASSI).

This acquisition was gifted to the Trust as a 10,000-year lease by the 9th Marquis of Downshire.

## Acquisitions of properties, works of art and other objects (continued)

### South West

#### Property

##### Talland Barton, Porthallow, Cornwall

(BNG: SX231514 XY: 223100 051400)

The acquisition of 44 acres (18 hectares) of coastal land, part of which is a Site of Special Scientific Interest. This acquisition will provide the opportunity to enhance conservation, significantly improve existing grazing areas, and widen the coastal corridor. The acquisition was funded by a gift from Colonel and Mrs R Hayne.

##### Lorna Doone and Cloud Farm, Exmoor

#### For Lorna Doone Farm:

(BNG: SS791477 XY: 279180 147784)

#### For Cloud Farm:

(BNG: SS794467 XY: 279424 146752)

This acquisition comprises a freehold campsite offering a varied accommodation mix of 104 camping pitches, 8 holiday cottages, car park, tearoom with bar and kitchens, gift shop and 12 caravan pitches.

This acquisition will provide a more diverse sustainable revenue stream to protect and look after this land along with our existing ownership within Exmoor. The purchase will provide a great touch point for engaging people on our West Exmoor and the Holnicote estates.

The acquisition was partially funded from the National Trust Neptune fund and a legacy from Mrs M L Chappell.

##### Bow Tie Field, Stonehenge, Wiltshire

(BNG: SU140421 XY: 414027 142151)

The acquisition of 52.28 acres (21.16 hectares) of land within the Stonehenge, Avebury and Associated Sites World Heritage Site will allow us to protect significant archaeology and benefit biodiversity.

The acquisition was funded by a grant from the National Heritage Memorial Fund.

### Wales

#### Property

##### Land at Porth Swtan, Cemaes, Holyhead, Anglesey

(BNG: SH300891 XY: 230089 389131)

The acquisition of a triangular parcel of land of 9 square meters (0.009 hectares) from Anglesey County Council.

Acquisition will allow the National Trust to carry out improvements to the entrance to Swtan Cottage required as part of lease negotiations for the lease of Swtan Cottage to Cyfeillion Swtan (Friends of Swtan Charity).

The acquisition was funded using property reserves.

##### Land at Southwood Estate, Roch, Haverfordwest, Pembrokeshire

(BNG: SM867216 XY: 186748 221607)

The acquisition of 136.67 square metres (0.0067 hectares) of Southwood Bungalow's garden adjoining Southwood Estate. Acquisition will benefit public access by connecting the existing footpath on the Southwood Estate with the local village of Roch and Newgale beach.

The acquisition was funded using property reserves.



## Visiting figures

Properties open at a charge with more than 50,000 visitors in 2020/21:

Property	2020/21	2019/20		
Attingham Park	518,863	540,561	Scotney Castle	115,202 187,764
Cliveden	441,133	525,903	Basildon Park	113,514 157,306
Dunham Massey	439,767	329,681	Hatchlands	113,512 173,816
Clumber Park	350,188	655,251	Sissinghurst Castle Garden	111,723 201,072
Calke Abbey	315,150	459,262	Hughenden	104,938 170,721
Polesden Lacey	287,837	401,748	Rowallane Garden	100,709 127,410
Anglesey Abbey	269,029	386,909	Hinton Ampner	99,340 167,477
Fountains Abbey Estate	264,542	400,328	St.Michael's Mount	99,133 351,362
Sheffield Park	256,822	292,866	Speke Hall	97,388 219,207
Belton House	245,228	442,447	Standen House	95,142 161,692
Wimpole Estate	235,239	324,925	Hidcote	93,815 178,287
Kingston Lacy	234,307	409,106	Emmetts Garden	91,955 129,628
Nymans	228,929	378,216	Bodnant Garden	91,133 264,390
Stourhead	222,283	386,458	Petworth	88,600 185,963
Lyme	220,390	129,040	Lacock	86,995 207,813
Stowe	213,721	227,928	Ham House	82,948 128,445
Ickworth	203,967	282,106	Greys Court	79,160 145,806
Tyntesfield	199,170	355,307	Felbrigg Hall	78,187 129,627
Mottisfont	192,901	381,835	Wentworth Castle Gardens	77,448 78,534
Gibside	192,771	297,946	Coughton Court	77,165 118,428
Shugborough Estate	181,541	244,049	Biddulph Grange Garden	75,269 129,272
Croome	175,270	278,745	Castle Ward	74,925 134,826
Mount Stewart	170,366	235,389	Dunster Castle	74,738 205,835
Dyrham Park	159,349	268,510	Beningbrough Hall	74,247 147,773
Quarry Bank	157,678	281,728	Knightsayes Court	74,073 175,796
Wallington	155,618	240,555	Osterley Park	74,064 93,488
Kedleston Hall	154,396	207,181	Montacute House	70,704 183,486
Chartwell	154,364	249,440	Trelissick	68,966 224,716
Hardwick	141,643	288,799	Ightham Mote	67,413 154,776
The Vyne	140,610	216,590	Bodiam Castle	66,757 161,817
Charlecote Park	140,504	248,385	Dudmaston	64,290 100,424
Cragside Estate	137,255	251,733	Giant's Causeway	62,643 685,229
Baddesley Clinton	135,135	227,190	Dyffryn Gardens	61,574 167,274
Hanbury Hall	134,206	225,367	Wightwick Manor	59,030 113,538
Claremont Garden	130,672	184,073	Upton House	58,256 107,108
Winkworth Arboretum	128,950	154,590	Croft Castle	53,967 112,174
Packwood House	125,718	213,885	Sizergh	53,045 125,193
Corfe Castle	117,581	255,400	Erddig	52,108 176,236
Killerton	116,135	276,716	Powis Castle	50,821 185,039
Blickling Estate	115,535	216,293	Sutton Hoo	50,775 121,797

## Individuals, Charitable Trusts and Foundations

We would like to thank all our donors for their generous support, which helps us to protect the places in our care and conserve them far into the future.

### Individuals, £2,500-£4,999

Mr Jeremy Boughton in memory of Mrs Elaine Boughton  
Elizabeth and John Brightwell  
Wendy and David Clegg  
Carolyn Copping in memory of John Illott  
Colin Crawford  
Mrs Joan Dinham  
Charles Glanville  
Anthony Greenwood in memory of Raymond Greenwood  
Richard and Jenny Hardie  
Mr and Mrs Haslewood  
Mr and Mrs Hender  
Mark Howard in memory of Elizabeth Jenks  
Mr Norman Jones  
Peter Law in joyful celebration of Dad Bernard and Mum Veronica  
In memory of Alfie  
In memory of Ellen Cooper  
Mr M O'Callaghan  
Martin Ogden in memory of Andrew John Clough  
Mr Alan Parfett  
David Paul  
Mr Peter Scott  
Peter and Cherry Smith  
Mr Keith Southern  
Mr R Steinbeis and Ms C Pierard  
Mrs Valerie Taylor  
Mr Timothy Wheildon-Brown  
Mr John S B White  
Mr Richard Wilkins  
Andrew Wilson in memory of Denise Wilson  
Professor Tadahiro Yotsumoto

### Individuals, £5,000+

Mr Richard Allan and Mrs Diana Allan QC  
Ms Pat Aste  
Mr Humphrey and Mrs Ginny Battcock  
Sir Michael Bibby, Bt and Lady Bibby  
Martin Burke in memory of Barbara G Burke  
Mr M P Byles

Jane Coker from the estate of my father, Bob White  
Michael Collier in memory of Harry and Emily Collier  
Tim Compton  
Steve Edge  
Richard and Joanna Godden  
Mr Stephen Hale  
Mr Robert Hall  
Davina Hodson  
Mr and Mrs Anders Johansson  
Dr Colin Johnson  
Dr King  
Mr Ian Lennox  
Mr Matthew and Mrs Frances Lindsey-Clark  
Philippe Lintern  
Dr Frank Lowes  
Dr Helen Lumley in memory of Dr Philip Lumley  
Sir Laurie and Lady Magnus  
Mr John Maynard  
Mr and Mrs J B McGrath  
Heather Merrett in memory of the late Bryan Merrett  
Ken Moody and Jean Bacon  
Mr and Mrs Timothy Parker  
Mr and Mrs Richard Pym CBE  
J W Reed  
Dr Alison Rimmer  
Patrick and Susan Russell  
Mr and Mrs Anthony Shoults  
Mr and Mrs David Simmonds  
Tony Teague  
The late Mr J Thomason  
Richard and Jacqueline Worswick

### Charitable Trusts, £2,500-£4,999

The Ardbarron Trust  
The George Dudley Herbert Charitable Trust  
Langdale Trust  
The Helen Isabella McMorran Charitable Foundation  
Mrs I H E M Robertson Deceased Charitable Trust  
The Linley Shaw Foundation

### Charitable Trusts, £5,000+

The Anglesey 2001 Trust  
The Art Fund  
The Charlotte Bonham-Carter Charitable Trust  
Brownsea Island Scout and Guide Heritage Trust  
The Joyce Lomax Bullock Charitable Trust  
The George Cadbury Fund  
The Ellen Mavis Chalk Charitable Trust  
Miss Rene Ethel Checkland Charitable Trust  
Cumbria Community Foundation and English Lakes Hotels Trust Sustainability Fund  
Derwent Trust in memory of A P Gammie  
The Lord Faringdon Charitable Trust  
The Golden Bottle Trust  
Mrs Margaret Guido's Charitable Trust  
The Daphne Hamilton Trust  
Sir John and Lady Heathcoat Amory's Charitable Trust  
The Ada Hillard Charitable Trust  
Historic Houses Foundation  
The Houghton Dunn Charitable Trust  
The Icthius Charitable Trust  
The Robert Kiln Charitable Trust  
The Lidbury Family Trust  
The London Marathon Charitable Trust  
The McCorquodale Charitable Trust  
The Northwick Trust  
The Ofenheim Charitable Trust  
The Oglesby Charitable Trust  
The Pell Charitable Trust  
Players of People's Postcode Lottery  
The Rowlands Trust  
The Royal Oak Foundation  
The Kathleen Smith Foundation  
The Tanner Trust  
The Susan Thomson Charitable Trust  
Wellcome Trust  
Garfield Weston Foundation  
The Wolfson Foundation



## Grant-making bodies, landfill operators and environmental trusts

**We thank the following funders for their support which is crucial to conservation work across the Trust.**

Cadw	Ministry of Housing, Communities & Local Government
Department for Communities and Local Government (DCLG)	National Lottery Heritage Fund
Department for Digital, Culture, Media & Sport	Natural England
Department for Environment, Food & Rural Affairs	Natural Resources Wales
Department for Environment, Food and Rural Affairs (EU)	Newport City Council
Department of Agriculture, Environment and Rural Affairs (NI)	Sport England
Highways England	Stockport County Council
INTERREG	Viridor Credits Environmental Company
LIFE	Welsh Government
	Welsh Government (EU)

## Corporate Donors and Partners

**We would like to thank the following for their support in helping to grow the impact of the Trust's work beyond what we can deliver with our own limited resources.**

J Barbour & Sons Ltd  
Clarity Environmental  
Cotswold Outdoor  
Enterprise Holdings Foundation  
Forthglade  
Gardiner & Theobald  
Sky  
Zilch Technology Limited

## Supporter groups

Under the umbrella of active Supporter Groups for 2020/21 are:

- 163 Centres and Associations:
- 22 Friends Groups
- 29 National Trust Volunteer Groups
- 22 Other committees or property specific groups

Like most people last year, our supporter groups were unable to get out to do the things they love – visiting our properties, volunteering and coming together in support of the National Trust. The impact of coronavirus meant that their overall donations and volunteer hours were down significantly from the year before and yet despite the difficult circumstances these incredible groups still gave generously where they could.

When the crisis struck, many of our groups gave unrestricted donations to their local properties and to our General Fund. We were enormously thankful for this as we were able to direct the funds to the areas of greatest need across the Trust.

In addition 63 of our groups donated a total of £154,731.63 in support of our conservation work.

**These donations have helped support our strategy by:**

- ensuring our wildlife and outdoor places are thriving through the purchase of items such as bees, beehives and bat monitoring equipment;
- nurturing and protecting our outdoor spaces, including the purchase of trees for Buscot and Coleshill, Oxfordshire, Packwood House, Warwickshire, Mottistone Gardens, Isle of Wight and Standen House, West Sussex;
- supporting the conservation of our objects and places, including fountain restoration at Dinefwr, Carmarthenshire and painting conservation at Melford Hall, Suffolk;
- bringing our heritage to life for young visitors through travel bursaries for school visits and funding children's learning resources.

Supporter groups bring like-minded people closer to our cause. As well as fundraising and volunteering, they run activities for their members such as talks with guest speakers, holidays and access all-areas property visits. The contribution that these groups make is widely recognised throughout the Trust but it is especially valued by the properties that directly benefit.

We would like to acknowledge and thank in particular the supporter group committee members who found ways to keep their group members connected and engaged throughout this year despite the challenges they faced.



## Legacies

The National Trust is extremely grateful for the gifts in wills received during the year from the estates of the following people.

Without their generous support it would not be possible to look after the special places in our care, nor to respond to opportunities to purchase land and properties to be safeguarded for the nation.

Figures in brackets show the cumulative total received to the end of the 2020/21 financial year where gifts have been included in previous Annual Reports or Accounts.

### £2,500 and above

Miss R I Abbott	£9,933.33	(£49,933.33)
Miss W R Abbott	£59,400.00	
Mr L Acton	£10,000.00	
Mrs M B Adam	£5,000.00	
Mr M Addicott	£75,000.00	
Miss D Airey	£8,463.51	
Mr R S Akerman	£24,000.00	
Mr W S H Alexander	£228,349.61	
Mr T R Almond	£21,959.79	(£31,959.79)
Miss A B Ambrose	£13,255.91	(£148,255.91)
Ms J Anderson	£20,000.00	
Mrs M K Anderson	£5,933.75	(£62,089.83)
Mrs J Andrews	£72,000.00	
Ms J M Antcliff	£5,000.00	
Miss B S Applegate	£45,000.00	
Mrs A T A Arkell	£10,000.00	(£49,000.00)
Miss P M Armitage-Smith	£74,150.00	
Mrs A K H Aschenagi	£350,000.00	(£472,500.00)
Miss M A N Ashton	£356,855.98	
Mr G W Attwood	£62,286.40	
Mr R J Avery	£13,907.51	
Mr J Ayton	£5,000.00	
Miss J Badrocke	£5,000.00	
Miss J A Badrocke	£10,000.00	
Mrs D Bailey	£34,000.00	
Mrs J B Baines	£3,157.63	(£361,090.48)
Mrs O L Baldock	£5,992.50	(£49,737.74)
Miss M G Ball	£36,332.65	
Mrs O A Ball	£8,582.34	(£63,582.34)
Mrs D G Ballard	£100,000.00	
Mrs C Barnard	£45,661.04	
Miss I E Barnes	£26,233.26	
Mr K A Barratt	£5,000.00	
Miss H L Barron	£333,167.00	
Mrs S J Bastable	£102,170.66	
Miss J L Batey	£11,988.21	
Mr D J Batten	£30,000.00	
Ms P F Batten	£5,000.00	

Professor A R Battersby	£30,000.00	
Dr S E Beare	£4,487.31	(£141,998.96)
Mr D R Bell	£80,548.09	
Ms E Bennett	£5,000.00	
Mr L Best	£52,326.80	
Mrs L M Bevil	£53,000.00	
Mr A W Bibby	£41,978.09	
Miss J Biddulph	£17,395.53	
Dr S P Bidey	£56,000.00	
Mr A S Bilton	£235,000.00	
Miss S Bird	£5,917.52	
Mr R S Black	£10,000.00	
Miss M Blomfield	£25,000.00	
Mrs J M Board	£5,000.00	
Mr L L Boreham	£38,421.34	
Mrs M B A Bowell	£73,776.00	
Mr R J Bradburn	£10,000.00	
Mr N C Bradbury	£5,000.00	
Mr P A Bradley	£160,000.00	
Miss Z E Bremer	£50,000.00	(£190,000.00)
Miss B Brewster	£8,588.91	(£87,201.79)
Miss E M Briggs	£5,000.00	
Mrs F I Briggs	£33,826.26	
Mrs P D Brindley	£20,475.71	
Mr G Britton	£5,000.00	
Mrs M S H Brock	£174,894.30	(£432,894.30)
Mr M C Broker	£14,417.14	(£471,797.45)
Ms P J Brookes	£36,100.00	
Mr W T Brookes	£2,500.00	
Miss P I Brooking	£56,500.00	
Mr G R Brooks	£28,646.78	
Mr A L Brown	£122,873.05	
Mr B D Brown	£5,000.00	
Mrs B J Brown	£10,000.00	
Mrs E M Brown	£60,000.00	
Dr J M Brown	£50,000.00	
Mrs M A S Brown	£3,606.86	(£36,382.42)
Mr M D S Brown	£38,092.75	(£73,092.75)
Mrs M M Brown	£4,752.85	(£204,752.85)
Miss P D Brown	£247,945.39	
Mrs S M Brown	£941,050.39	(£2,191,050.39)
Mr K G Bruce	£53,031.85	
Mr V C Bryant	£132,575.81	
Mr A J Bryer	£10,000.00	(£200,000.00)
Mrs J R Buckingham	£8,333.59	(£93,333.59)
Mr W G Buckley	£46,513.41	(£51,513.41)
Miss C F Bunch	£7,200.00	
Dr A M C Burgess	£20,000.00	
Mr J M Burgess	£26,250.00	

## Legacies (continued)

Ms B G Burke	£5,000.00		Mr W G Dallaway	£25,000.00	
Ms E Burton	£5,000.00		Miss D H Danks	£2,500.00	
Mrs J Burton	£4,367.79	(£38,367.79)	Miss P E Darvill	£39,747.35	
Mr R Burwell	£53,438.67		Mr A N Davenport	£13,473.81	(£249,148.44)
Miss D E Bushby	£156,504.77	(£383,299.71)	Mrs B M Davenport	£5,000.00	(£400,254.89)
Miss J M Butler	£15,000.00		Miss J F Davenport	£15,176.04	(£259,176.04)
Mr G D Caine	£24,318.75		Miss L Davies	£2,695.41	(£24,975.79)
Miss D R Cains	£85,964.00	(£380,964.00)	Mrs P N Davies	£35,000.00	
Mrs B Callaghan	£82,237.47		Miss B Davis	£10,000.00	
Miss L Cantrell	£295,544.65		Mr K C Davis	£96,681.92	
Mrs J A Caton	£23,000.00		Ms T Davis	£50,000.00	
Mrs F J Cazaux	£48,000.00		Miss M L Dawson	£50,000.00	
Mrs B Chambers	£102,077.53	(£201,127.80)	Mr M G Day	£12,000.00	
Mrs B Chant	£3,000.00		Mr D W Daymond	£23,000.00	(£23,994.30)
Miss E Chapman	£60,000.00		Mrs H A Dean	£48,503.73	
Mrs H D Chapman	£5,000.00		Mrs H L R Dean	£2,663.32	
Dr R P T Chen	£33,114.70	(£87,155.11)	Mr K R J Deary	£98,956.53	
Mr P G Chidzey	£337,028.33		Mrs J Diggins	£83,727.01	
Mr A W Chisholm	£15,000.00		Mr F Diggon	£5,000.00	
Mr M C Churly	£25,004.45		Mrs E D S Diplacito	£7,000.00	
Miss A J Clare	£10,000.00		Miss J Donkin	£50,000.00	
Miss F M Clark	£10,000.00		Mrs D D Doran	£25,000.00	
Miss G M Clarke	£8,305.59	(£108,376.59)	Miss S Dove	£50,198.31	
Mr M W Cleaver	£30,017.01		Miss E A Dowman	£84,667.90	
Mr R H E Cleaves	£10,000.00		Mr G D Downing	£91,000.00	
Mr C K Clifford	£10,000.00		Mr C Drayner	£10,000.00	(£620,000.00)
Mr J W Clitherow	£3,500.00		Mr T I Dudley	£5,000.00	
Mr D Clough	£88,086.66	(£1,088,086.66)	Mr F Dunn	£10,000.00	
Mrs P Coates	£5,000.00		Ms N M Dunning	£3,836.11	(£338,836.11)
Mrs H Coffey	£450,000.00		Mrs A Edmonds	£40,373.01	(£227,873.01)
Mrs R J Collier	£389,613.66		Mrs V H Edwards	£21,000.00	
Miss S G Comins	£10,000.00		Mr R Ellacott	£100,000.00	(£150,000.00)
Miss M E C G Cook	£60,881.43		Mr B C Elliott	£10,000.00	
Miss J M Cooper	£11,871.22		Mr C A Elliott	£150,000.00	
Ms M J Corbett	£35,849.05		Miss K A G Elliott	£7,167.89	
Mrs J M Corway	£5,678.01		Mr P J G Ennion	£20,000.00	(£65,000.00)
Miss B S Cottam	£19,208.52		Dr B A Enoch	£150,000.00	
Ms D V Cotton	£44,899.29		Mrs O A Entwistle	£115,774.46	
Mr N Crabtree	£83,461.14		Miss M Evans	£437,955.64	
Dr K P E Crawford	£4,545.45		Mrs M Exley	£7,212.38	(£42,212.38)
Mrs R E Crawford	£10,000.00		Mr R A Fairweather	£8,500.00	
Mrs M J Crawshaw	£450,000.00		Mr D A Faulkner	£59,280.00	(£103,730.95)
Miss M M Croft	£8,332.17		Dr G V Feldman	£24,457.89	(£45,057.89)
Mr J B Cudmore	£4,711.54		Mr M G E Finnikin	£500,000.00	
Miss M Curwen	£31,000.00		Mrs S Fisher	£3,000.00	
Miss V E Dadds	£5,234.78	(£77,971.75)	Miss S M Fisher	£5,779.08	
Mr D J Dale	£931,198.93	(£1,222,917.95)	Mr A C Flint	£10,000.00	
Miss M M Dale	£31,020.18		Ms J M Fluck	£5,000.00	

## Legacies (continued)

Mrs D M Foulkes	£7,919.80		Mrs S E D Harley	£67,031.30	
Mrs H E R B Fowle	£10,342.02		Mr C H Harris	£2,712.59	
Mr R L Fox	£57,673.10		Miss J L Harris	£25,000.00	
Mrs F M Francis-Clare	£54,472.09		Miss R A Harris	£120,612.52	
Mrs G Furber	£7,528.99	(£15,028.99)	Miss S D Harris	£8,855.61	
Mr N B Gallagher	£11,672.09		Mr S A Harrison	£26,911.02	(£66,911.02)
Mrs M A Gardner	£16,249.17		Miss S H Harrison	£5,994.30	(£50,994.30)
Mr M C Gaskin	£5,000.00		Miss U M Harrison	£23,310.65	
Mrs P M Gentry	£15,000.00		Mr R K Harsant	£25,000.00	
Mr T H George	£14,263.20		Mrs M V Hart	£14,185.20	(£198,063.79)
Mr P A Gill	£23,852.72	(£123,852.72)	Mrs V M Haselden	£100,000.00	
Mrs V M Gilmer	£5,000.00		Mrs J Hassell	£2,500.00	
Miss J E Glanvill	£7,466.67		Mrs M F Hawthorne	£185,071.35	
Mrs B Godbert	£101,305.48		Mrs B L Hayllar	£3,174.49	
Mrs J E Godsmark	£5,000.00		Mrs M L Hayne	£3,240.00	(£286,289.98)
Mr D W Golothan	£48,625.98	(£168,625.98)	Mrs C Haynes	£10,000.00	
Mr J R D Goodricke	£13,792.00		Mr D Hazledine	£27,378.11	(£51,378.11)
Mrs A I Goreham	£30,000.00	(£380,000.00)	Miss M L Heard	£4,462.49	
Miss R M Gorman	£8,998.80	(£529,656.97)	Mrs P L Hedley	£24,813.98	
Mrs E M Gough	£23,206.26		Mrs M B Helliwell	£4,000.00	
Mr J A Gould	£139,377.11		Mrs M C Hemming	£41,210.78	
Miss M D Govan	£75,964.00		Miss M J Henshaw	£55,000.00	
Mr J E Grant	£38,120.00		Mrs G E Hepburn	£13,406.20	(£47,020.20)
Mr R H R Green	£549,234.40	(£749,234.40)	Mr C H Hewer	£50,000.00	
Mr R P Green	£63,000.00		Mr P F Hewitt	£150,000.00	
Mr J Greensides	£4,022.34		Mr R W J Hewson	£30,000.00	(£2,151,885.91)
Mrs J G Greer	£335,000.00		Dr J R Hibbert	£240,944.80	(£534,643.49)
Mrs D Gregory	£10,000.00		Mrs B E Hickman	£55,000.00	
Mr C R Gregson	£3,333.00		Mr B J High	£52,854.70	
Mrs M Griffiths	£21,485.52		Miss P J Hill	£4,965.48	
Miss M I M Griffiths	£30,000.00		Mrs A R A Hirschfeld	£50,000.00	
Mrs S M Griffiths	£229,832.85		Mrs D Hodges	£176,000.00	
Mr B W Gudgeon	£523,626.50		Miss M R Hogg	£5,000.00	
Mr E G Guy	£4,000.00		Mr D J Hollingworth	£70,710.29	
Mrs N Hackett	£10,000.00		Ms G Y W Holmes	£12,292.00	
Mr D H Hadley	£50,000.00	(£300,000.00)	Mr M H Hopcraft	£5,000.00	
Mr A B Hailes	£24,215.21		Mr N C Horbury	£49,829.25	
Mr B H Hall	£3,260.00	(£163,779.88)	Miss G Horrocks	£12,500.00	
Mrs C D Hall	£14,031.88	(£134,031.88)	Miss J Hotham	£20,828.09	
Miss R Hall	£8,750.00	(£98,750.00)	Mrs G E Howard	£8,629.67	
Miss A M Hamilton	£26,600.00		Mrs J A Hubbard	£180,000.00	(£210,000.00)
Miss D E J Hammond	£100,000.00		Mr J P Hubbard	£125,000.00	
Mrs J W Hanna	£24,750.00		Mrs P M Huffam	£329,788.29	(£679,788.29)
Mrs W L Hansford	£49,802.83		Mrs C M Hughes	£21,750.00	
Ms A Hardcastle	£92,131.12		Mrs R B M Hughes	£30,000.00	(£280,000.00)
Miss P A Harding	£141,906.94		Mrs P Hughston	£100,000.00	
Dr R O F Hardwick	£4,000.00		Dr J R Hulett	£46,375.00	(£352,375.00)
Miss J M Hare	£13,688.64	(£21,688.64)	Mr A M Hulme	£20,000.00	
Mrs Y Harland	£20,000.00	(£50,000.00)	Miss C E Hulme	£4,504.74	(£104,504.74)

## Legacies (continued)

Mr W M Hulme	£10,000.00		Mrs I Lodge	£400,000.00	
Miss R H Hunter	£15,716.00	(£165,716.00)	Mrs D B Logan	£15,000.00	
Mr D B Huntley	£123,689.59	(£473,647.59)	Mr P M Lord	£2,500.00	
Mr D R Hutcherson	£4,359.06	(£87,905.36)	Mr R Lord	£4,000.00	
Miss S M Ingram	£50,000.00		Miss J A Lovelace	£8,235.88	
Ms J Ireland	£5,000.00		Mr C Lucas	£134,919.13	(£145,919.13)
Miss K E Ireland	£22,172.46	(£122,172.46)	Mr J G Lucas	£152,000.00	(£798,000.00)
Mrs M E Jagelman	£4,159.70	(£504,159.70)	Mr J H Lucas	£11,789.32	
Miss P Jamblin	£9,206.31	(£82,806.31)	Miss A L Luckham	£4,121.89	(£46,038.14)
Mrs M O James	£48,473.51	(£82,223.51)	Miss P MacCallum	£5,000.00	
Mrs B Jebb	£14,000.00	(£122,296.85)	Miss R M Macgillivray	£34,000.00	
Miss J A Jeffs	£10,000.00		Mr L E H Maggs	£224,489.37	
Miss T I Jeffs	£5,007.11	(£15,007.11)	Mr R E Malins	£5,000.00	
Mr S N Jenkin	£250,000.00		Mrs M G Mann	£8,000.00	
Mr R W Jenkins	£14,901.95	(£17,901.95)	Mrs S M L Manning	£417,937.58	(£3,065,943.51)
Mr G H B Johnson	£40,064.11	(£185,897.45)	Mrs S O Marks	£80,000.00	
Mr K A Johnson	£100,000.00		Ms C Marriott	£19,472.97	
Ms L Johnson	£10,000.00		Ms D F C Marsden	£276,129.10	
Mrs M A Johnson	£5,000.00		Mr C Marsh	£54,033.76	(£334,374.54)
Mrs B Jolly	£200,063.96		Miss S J Marston	£51,390.13	
Mrs B A Jones	£200,000.00	(£450,000.00)	Miss R E Mason	£58,730.40	
Mr J K Jones	£9,736.69	(£104,236.69)	Mrs D Mayfield	£100,000.00	
Mr L A Jones	£187,970.22		Mrs E McAllister	£7,000.00	
Miss L M Jones	£6,250.00		Mr D H McCann	£39,331.00	
Miss M M Jones	£17,594.91	(£42,594.91)	Ms D E McConnell	£5,000.00	
Mr N T Jones	£109,346.91	(£809,346.91)	Miss J S McGuinness	£27,500.00	
Ms P Jones	£4,994.00		Mr G & Mrs J McNeil	£6,098.04	(£427,098.04)
Mr P E Jones	£53,193.73		Mr D Melnyczuk	£8,213.92	(£13,213.92)
Miss C P A Jukes	£322,457.22		Mrs E M Mercer	£150,000.00	
Miss P M Keats	£79,529.20		Miss J M Merchant	£41,713.05	
Miss A A Kelly	£50,250.00	(£1,024,624.16)	Dr J W Millbank	£133,494.78	(£300,918.89)
Mrs E Kelly	£140,519.89		Mr V G Miller	£22,713.08	
Mr R S Kennedy	£32,696.20		Miss G J Mills	£83,092.13	
Mrs B M Kipling	£5,000.00		Miss M L Mills	£3,000.00	
Miss H Kirkbride	£17,647.00		Mrs J M Mintern	£8,901.55	(£13,801.55)
Miss S E Ladyman	£85,289.86		Mrs I P Minton	£75,000.00	
Mr D W Lambert	£18,782.70		Mrs R M Misa	£6,250.00	
Mr H R Lambert	£5,000.00		Mr A D Mitchell	£27,186.22	
Miss D L Lamport	£4,875.00	(£115,375.00)	Miss H G Mitchell	£13,743.03	
Mrs C A Lane	£13,625.00		Miss P M Mitchell	£12,661.77	
Mr J M Lapworth	£17,500.00		Miss I E Moll	£5,000.00	
Miss S J Larby	£21,093.67	(£63,093.67)	Mr H W Moore	£249,304.47	(£299,304.47)
Miss M M Last	£5,000.00		Mrs R J Morley	£458,000.00	
Miss G M Law	£5,000.00		Mr J H Morphet	£35,086.65	(£581,435.50)
Mrs J M Lea	£86,663.90	(£161,663.90)	Mr G Morrell	£649,134.14	
Mr P A Liddiard	£3,000.00		Mr L Moseley	£9,630.22	
Mrs J K Lindsay	£10,000.00		Mr D R Mountford	£150,000.00	
Mrs G B Lloyd	£210,302.65		Mr D H Muff	£400,000.00	
Mr P B Lockwood	£10,000.00		Miss S V Munby	£7,966.46	

## Legacies (continued)

Mr K Murton	£97,500.00		Miss J A Pinney	£25,000.00	
Mr J N H Nesbitt	£3,000.00		Mrs M E Poolman	£65,000.00	
Mrs S M R Neville	£16,941.50	(£246,941.50)	Miss B G Pope	£21,000.00	
Mr D V Newbold	£325,000.00	(£900,000.00)	Miss B Powell	£10,000.00	
Mr D C Newton	£750,000.00		Miss C R Pratt	£50,000.00	(£150,000.00)
Mrs G B Nicholl	£6,250.00		Mr R Prebble	£5,000.00	
Mrs J F Nicholls	£5,000.00		Mrs E R Preece	£17,783.21	
Mr P J Nicholson	£7,723.01		Mr C D Prest	£55,000.00	(£90,000.00)
Mrs S P Nixon	£11,939.97	(£24,439.97)	Mr J D Prest	£599,532.00	(£629,532.00)
Miss J A Norris	£5,000.00		Mr J Pringle	£20,000.00	
Miss J M Norwood	£112,735.56		Miss J M Proud	£61,139.82	
Mr D J Notley	£180,372.93		Mr G D G Pursey	£25,000.00	
Mr A J Nuttall	£14,000.00		Miss B M Purvis	£30,000.00	(£1,080,000.00)
Mr B M O'Brien	£3,000.00		Mr P F Pyrah	£9,952.00	
Professor P H Oliver	£13,023.59	(£38,896.31)	Mr A A Ramus	£5,000.00	
Mr C T Oman	£3,549.64	(£142,213.53)	Ms A Rawlence	£4,600.00	
Miss B O'Neill	£10,000.00		Miss T M Read	£10,000.00	
Mr J T Osborne	£84,338.09	(£554,338.09)	Mrs M O Reay	£40,000.00	
Mrs B E Oughton	£200,000.00		Mr R D Revill	£10,000.00	
Ms P P Owen	£178,449.75		Mrs B Reynolds	£5,000.00	
Mrs F C Page	£53,000.00		Mrs D Reynolds	£22,665.09	
Mr I W Pamphilon	£55,000.00		Mr D Reynolds	£100,496.29	
Miss S Pape	£3,974.93	(£48,974.93)	Miss E M H Rice	£5,270.82	(£15,270.82)
Mrs G Parker	£5,000.00		Miss A M Richards	£3,884.75	(£28,884.75)
Mr J S Parker	£30,000.00		Mrs B M Richards	£98,858.85	
Ms M E Parker	£9,103.68		Mr G H Riley	£50,000.00	
Mr D M Parkinson	£4,000.00		Mrs J E Riley	£173,000.00	
Mr D J Parsons	£2,500.00		Miss M W Riley	£30,000.00	
Mrs M Patrick	£71,514.61		Mr D P Ritch	£42,308.19	(£1,917,692.19)
Mrs M R Patterson	£470,000.00		Ms A O Roberts	£35,000.00	
Mr B J Peacock	£190,861.89	(£1,540,861.89)	Mrs H M Roberts	£64,370.73	
Miss S M Peadon	£79,328.26		Mrs J Roberts	£15,000.00	
Mrs M W Pearce	£20,000.00		Miss N M Roberts	£3,000.00	
Mrs E Pearson	£50,073.97		Mr R C Roberts	£93,660.81	
Mr N S Pearson	£160,000.00		Mrs A Robertshaw	£26,102.12	
Mr A W Peeke	£101,220.84		Miss A S Robertson	£171,894.36	
Ms G E B Penfold	£110,000.00		Professor A R Robinson	£40,000.00	
Mrs S M Periam	£20,000.00		Mr C D Robinson	£22,321.98	
Mrs J Perkins	£15,681.58	(£35,681.58)	Mrs V Robinson	£240,000.00	
Mrs S M Perkins	£10,015.61		Mr M A H Roe	£9,072.61	
Miss M Perks	£10,000.00		Miss R C M Roe	£1,000,000.00	
Mr J W Perrin	£400,000.00		Miss S P Roe	£20,000.00	
Mr C A Peters	£75,000.00	(£100,000.00)	Mrs B Rogers	£425,000.00	
Miss B F Pettigrew	£27,000.00	(£61,000.00)	Mrs F L Rogers	£141,883.71	
Mr H G Phipps	£44,267.91		Miss P A Rogers	£30,996.46	
Mr J M Pickard	£225,000.00	(£300,000.00)	Mr J F Rose	£16,202.70	(£182,902.70)
Mr F Pill	£110,170.15	(£126,088.29)	Mrs J P Rose	£75,000.00	
Mr A W Pinchbeck	£29,663.22	(£79,663.22)	Mrs S B D Rosenthal	£261,394.28	
Mrs D S Pinion	£59,625.60	(£885,469.86)	Mr D N Rosling	£2,500.00	

## Legacies (continued)

Miss S M Rowe	£204,302.90		Mr H E H Strudwick	£2,892.24	(£181,434.29)
Mr J Rowett	£26,509.05		Miss M A Sturton	£74,000.00	
Mr M J Rumsey	£125,000.00		Miss R E Sullivan	£200,000.00	
Mrs L J Runes	£4,618.85	(£7,118.85)	Ms S D Sutcliffe	£790,000.00	
Mrs D M H Salmon	£20,872.73		Mr J B Sutton	£19,975.24	(£315,225.81)
Mr G Sanders	£80,000.00		Mr R L Sutton	£320,000.00	
Mr I B Sardharwalla	£50,000.00		Miss A B Swayne	£10,000.00	
Mr R W Saunders	£5,000.00		Mr A R Tanner	£15,000.00	
Mrs J M Sawtell	£585,000.00	(£1,395,000.00)	Miss M Tattersall	£7,479.29	(£42,479.29)
Miss A Sayer	£17,174.07		Mr A Taylor	£3,300.00	
Miss A R Sayer	£44,200.00		Mrs B D Taylor	£5,484.80	(£19,312.98)
Mr I Schraibman	£46,223.50	(£126,223.50)	Ms B E Taylor	£12,815.66	(£62,815.66)
Mrs S A A Scorer	£24,128.25	(£44,128.25)	Mr G L Taylor	£49,500.00	
Mr L E Scott	£55,000.00		Reverend N Taylor	£2,693.00	
Miss A Scrivener	£370,000.00		Mr B V Teece	£37,503.89	(£307,503.89)
Mrs K M Seager	£5,000.00	(£19,551.66)	Miss D F Temlett	£149,195.56	
Mr L A F Searle	£23,436.34		Mr B Thomas	£140,000.00	
Mr D Secker	£50,000.00		Miss P J Thomas	£5,000.00	
Mrs H K Sefton-Smith	£20,000.00		Miss M M Thompson	£558,273.69	(£597,349.96)
Miss C Severn	£10,000.00	(£185,000.00)	Mr R L Thornton	£80,000.00	
Mr B J Seyer	£5,000.00		Miss L Threlfall	£52,259.95	(£62,259.95)
Mr P E Shaw	£90,000.00		Miss K A M Tilley	£7,500.00	(£18,750.00)
Miss E M Sheen	£80,000.00	(£100,000.00)	Mr J C Tipping	£225,000.00	
Miss A C Sheppard	£5,000.00		Mr D J A Todd	£18,000.00	(£18,250.00)
Mr F J Sherwin	£6,000.00		Mr L H Toft	£9,842.24	
Mr Z A Shuaib	£935,262.34	(£1,935,262.34)	Mrs R M Toler	£100,000.00	
Mrs M Sigrist	£103,512.99	(£253,512.99)	Mrs J Tolley	£56,000.00	
Mrs M L Simmonds	£26,720.07		Mr H W Tompkin	£10,000.00	
Mrs M J Skoumal	£280,000.00		Miss V M Tompkinson	£17,487.29	
Mrs F C M Smart	£20,000.00		Mr J A Tooth	£50,600.00	
Miss H R Smith	£91,046.32		Lady Trethowan	£13,149.90	(£58,149.90)
Miss M B Smith	£123,200.00		Miss S E Triggs	£11,070.00	
Mrs P J Smith	£50,000.00		Mr R L F Trimmen	£65,700.00	
Mr R S Smith	£215,338.63		Mr E W Tullett	£5,000.00	
Miss W R Smith	£232,213.83		Mr B Turner	£174,497.55	
Mrs V W H Smyth	£6,612.33	(£240,250.08)	Miss E Turner	£5,500.00	
Miss P V Softley	£12,096.90	(£212,054.90)	Mrs S V Turner	£259,000.00	
Mr A J Southgate	£26,200.00		Mr C S Twigge	£6,642.19	(£122,242.19)
Miss M D Southon	£7,218.51		Mr N Urwin	£38,020.48	
Miss B M Spence	£3,918.25	(£6,598.09)	Mrs S A Veal	£178,474.12	
Mr K Stacey	£37,192.98		Miss E M Wadham	£5,613.86	(£448,014.30)
Mrs J E Stedman	£5,000.00		Miss B K Wadsworth	£80,924.87	
Mr I V Stemson	£25,000.00	(£165,000.00)	Mrs S E Wagstaff	£280,206.02	
Mrs D E Stenson	£14,299.58		Mrs J M Waites	£21,276.20	(£106,276.20)
Mrs E Stewart	£230,000.00		Mrs B Walker	£2,500.00	
Mrs G M Stewart	£11,631.51	(£111,631.51)	Mr V D Walker	£143,073.48	
Mrs A H Stone	£5,000.00		Mr M Wallace	£41,484.20	(£141,484.20)
Mrs T P Stott	£94,000.00		Mr R A Walters	£30,000.00	



## Legacies (continued)

Miss A Ward	£24,000.00	
Miss B D Watkins	£6,640.17	(£81,640.17)
Mr H B J Watson	£8,766.94	(£435,421.62)
Mrs H F Watson	£100,000.00	(£175,000.00)
Mr A C W Weaver	£18,576.62	
Mr R H G Webster	£84,311.13	
Miss A C Western	£15,000.00	(£55,000.00)
Mrs J M Westlake	£8,000.00	
Miss N I Weston	£100,000.00	
Mr R S Weston	£12,600.00	(£24,120.00)
Mrs M M Wheeler	£74,110.32	(£324,110.32)
Mr A F White	£6,184.50	(£72,035.99)
Mr A J White	£600,000.00	
Dr C M White	£130,000.00	
Mr J D White	£264,086.15	(£464,086.15)
Mr J Whitehead	£5,263.37	(£153,249.07)
Mrs D Whitney-Wood	£519,361.75	
Mr E Wilcock	£19,926.49	
Miss M K Wild	£7,500.00	(£107,500.00)
Mr I D Wildbore	£10,000.00	
Mrs P Wilkie	£225,000.00	
Mr K F Wilkinson	£14,285.72	
Mrs C M Williams	£15,709.72	
Mr J A Williams	£260,000.00	(£920,000.00)
Mr R H Williams	£327,037.74	
Mrs H J Williamson	£97,256.11	
Miss E M Willingale	£83,000.00	
Mrs B F Wills	£114,163.93	
Mr B R Wilson	£4,945.83	(£175,945.83)
Miss E C Wilson	£5,065.21	
Miss J M Wilson	£50,000.00	
Mrs L P Winteringham	£5,000.00	
Mr J K R Wood	£25,000.00	
Mrs M K Wood	£10,000.25	
Mr C T P Woodfield	£10,000.00	
Mr B G Woodward	£50,000.00	
Mrs M E Woodyer	£350,000.00	
Miss J M Wright	£103,000.00	(£143,000.00)
Mr R C M Wright	£10,000.00	
Miss I J F Wyatt	£350,000.00	
Mr R G Wyatt	£60,000.00	(£90,000.00)
Mr J R Wynne	£35,000.00	
Miss R N Yale	£2,500.00	
Mrs F E Yandell	£118,030.70	
Mrs M E Yaxley	£335,084.57	
Mr N B Yeadon	£10,586.41	
Miss D J B Young	£53,771.19	(£803,771.19)

## Legacies (continued)

### £1,000 - £2,499.99

Mrs A Y Ames	£1,215.16	Mr K J Flemons	£1,000.00
Mr E T Badham	£1,976.63	Mrs P A M Fox	£1,000.00
Mrs M F Bailey	£1,001.00	Mr N V Franklin Taylor	£1,000.00
Mrs J C Balding	£1,000.00	Miss R M Freeman	£2,323.85
Mrs B O Ballard	£2,000.00	Mrs M E Furniss	£1,000.00
Mrs J A F Banham	£1,000.00	Ms J V Gill	£1,000.00
Miss E Barraclough	£2,000.00	Mr P J W Goodwin	£1,000.00
Miss I M Bellamy	£1,000.00	Miss B K Grace	£1,000.00
Mr D L Berger	£1,000.00	Mr M Greenhill	£2,000.00
Mrs J Blackett	£1,500.00	Miss H E Grinyer	£1,426.27
Miss P M Bonser	£1,700.46	Mrs M E Hannam-Clark	£1,000.00
Mr J G Bottomley	£1,000.00	Mrs E G Heap	£1,000.00
Mr P J D Bridger	£1,000.00	Mrs G E Hemsley	£1,000.00
Mr H Brighouse	£2,485.78	Mrs J A Heron	£2,000.00
Mr R K Burgess	£2,000.00	Mrs R C A Hewetson	£2,000.00
Mrs J L Burgoyne	£2,320.63	Miss R M Higham	£1,464.86
Mr A A Butler	£1,000.00	Ms Y Hinton	£2,000.00
Mrs J R C Chapman	£1,500.00	Miss A E Hogston	£2,108.58
Mrs A M Choat	£1,000.00	Miss R M Hore	£2,000.00
Mrs D M Clarke	£2,452.49	Miss P M E Horner	£1,000.00
Miss A M Coburn	£2,000.00	Mrs J F Hugman	£1,625.63
Mrs E A Colborne	£1,000.00	Miss D Jaynes	£1,000.00
Mr C E Cook	£1,000.00	Mr J E Julier	£1,000.00
Mr W C Cook	£2,000.00	Miss B L Keeble	£2,000.00
Mr E J Cornish	£1,000.00	Mrs J A Keele	£1,191.65
Mrs E M Crombie	£2,000.00	Professor B R Kemp	£1,000.00
Mrs P A Danton	£2,000.00	Mr J Kent	£2,000.00
Mrs P A Darch	£1,000.00	Miss J M King	£2,000.00
Mr P E Davie	£1,000.00	Miss S M Knight	£2,000.00
Mrs E Dawson	£1,100.00	Mr J G Koch	£1,001.62
Mrs C M Dewis	£1,000.00	Mrs R M Lancaster	£1,000.00
Mrs W J Dodd	£1,000.00	Miss M A Lawrence	£2,002.00
Miss C J Donovan	£1,000.00	Mrs J D Lea-Whitaker	£1,006.50
Miss K W Duncalf	£1,000.00	Miss C A Lewer	£1,046.00
Mrs J E Dyer	£1,000.00	Mrs B B I Lewis	£1,000.00
Mrs E E Dyson	£2,000.00	Miss O Long	£1,000.00
Mr A Elliott	£1,000.00	Ms M I Lucas	£1,000.00
Mrs M Elphick	£1,000.00	Mr J H Lucy	£2,000.00
Mr J G Entwisle	£1,000.00	Mrs M A Mahoney	£1,000.00
Mrs C A Evans	£1,000.00	Mrs J J Malcolm	£2,000.00
Mr D E Evans	£1,000.00	Mr K Manson	£1,939.48
Ms J E Fairbrother	£1,000.00	Mrs P L Marsden	£1,000.00
Mrs K M Faulconbridge	£1,404.47	Mr D W Marsh	£1,000.21
Mrs J D Fitzpatrick	£1,000.00	Mrs H Marsh	£1,000.00

## Legacies (continued)

Mrs G R Marshall	£1,260.92	Mrs P M Stephen	£1,000.00
Miss D G B Martin	£1,405.97	Mr S G Stock	£1,000.00
Mr R A & Mrs J W Maslen	£2,000.00	Mrs A Stott	£1,000.00
Miss J Mason	£1,000.00	Mr P V F Sumner	£2,000.00
Ms S Mazonas	£1,000.00	Mrs E M Taylor	£1,000.00
Mrs K G McDonnell	£2,003.40	Mrs J Taylor	£1,819.31
Miss D Mead	£1,000.00	Mrs D I F Thompson	£2,015.47
Mrs J R Morris	£1,000.00	Miss F Thynne	£1,006.90
Mr J T Morris	£2,000.00	Mrs P A Tiller	£1,000.00
Mrs S B Morrison	£1,000.00	Mrs A N M Tonkin	£2,000.00
Mrs M Morton	£2,000.00	Mr R Topham	£1,000.00
Ms V Musgrove	£1,000.00	Mr R H C Tyler	£1,000.00
Mrs P Norman	£1,000.00	Mrs D A Uren	£1,000.00
Mr H R L Palk	£1,000.00	Ms D Urquhart	£2,000.00
Ms J E Panter	£1,000.00	Mrs A J Uttley	£1,000.00
Miss E Parker	£1,000.00	Mr H J Watkinson	£1,000.66
The Hon. N G Parker	£1,000.00	Miss B P Weller	£1,000.00
Mr R E Parr	£1,000.00	Mr L Wheeldon	£1,540.84
Miss J Pickett	£1,733.30	Mrs G T Wild	£1,000.00
Mr D Potter	£1,000.00	Ms M Williams	£1,000.00
Mr C G A L Potts	£1,000.00	Mr A M Wilson	£1,913.28
Mrs B Powter	£1,000.00	Mrs M E I Wilson	£1,963.56
Mr D R S Pratt	£1,000.00	Miss D M Woodrow	£2,000.00
Mr J C Pritchard	£1,000.00	Mr M G Wright	£2,000.00
Mr J D Purdy	£1,000.00		
Mr L G Reilly	£2,000.00		
Mrs E M Richards	£1,652.16		
Mr J G Richards	£1,000.00		
Dr J Roper	£1,000.00		
Ms A J Round	£2,000.00		
Miss E Sankey	£1,330.31		
Mrs M E Sayer	£1,207.70		
Mr I W Scantlebury	£2,000.00		
Mrs S M M Scrivens	£1,000.00		
Mr R G Selley	£2,436.32		
Mrs U Shearring	£2,000.00		
Mr C Sim	£2,000.00		
Miss E D Skinner	£1,000.00		
Mrs M C Slater	£1,000.00		
Mr C A Smith	£1,000.00		
Mrs G M T Smith	£1,000.00		
Miss P J Spooner	£2,000.00		
Mr J L Stacey	£1,829.88		
Mrs E M Staley	£1,000.00		

We are also very grateful for the 158 legacies under £1,000 and to those people who asked to remain anonymous.

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The generosity of our supporters  
was a lifeline as our places  
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