Historic Royal Palaces is the charity that looks after:
Tower of London
Hampton Court Palace
Banqueting House
Kensington Palace
Kew Palace
Hillsborough Castle
We help everyone explore the story of how monarchs and people have shaped society in some of the greatest palaces ever built.
We raise all our own funds and depend on the support of our visitors, members, donors, sponsors and volunteers.
Welcome to another chapter in our story

Our work is guided by four principles

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London; the West Front,
Hampton Court Palace;
the East Front, Kensington
Palace; the South Front,
Hillsborough Castle; Kew
Palace; Banqueting House.
Welcome to another chapter in our story

• It has been a record-breaking 12 months with more than 4.7 million visits to our sites, membership topping 101,000 and our commercial teams exceeding their targets.

• It was our busiest ever year at Kensington Palace as visitors flocked to see our exhibitions of Princess Diana’s dresses and ‘Enlightened Princesses’, and a new display of diamond and emerald jewellery. At Hampton Court, we came close to reaching a million visitors for the first time.

• The palaces continued to play a central role in royal life throughout the year.

• Our major project to conserve and restore the Great Pagoda at Kew drew to completion, while the transformation of Hillsborough Castle in preparation for its relaunch in 2019 gathered pace.

• It was also a year of awards: for the Magic Garden at Hampton Court, innovation for the ‘Lost Palace’ in Whitehall and for our outstanding contribution to tourism, amongst many others.

• We have removed barriers to access through our schools Access Fund, LGBT+ programmes, dementia-friendly guidance and out-of-hours programming such as ‘The People’s Revolt’.

Our work is guided by four principles

Guardianship:
We exist for tomorrow, not just for yesterday. Our job is to give these palaces a future as valuable as their past. We know how precious they and their contents are, and we aim to conserve them to the standard they deserve: the best.

Discovery:
We explain the bigger picture, and then encourage people to make their own discoveries, in particular, to find links with their own lives and with the world today.

Showmanship:
We do everything with panache. Palaces have always been places of spectacle, beauty, majesty and pageantry, and we are proud to continue that tradition.

Independence:
We have a unique task, and our own point of view. We challenge ourselves to find new ways to do our work. We are a financially independent charity and welcome everyone who can support us in our Cause.

Historic Royal Palaces was established in 1998 as a Royal Charter Body with charitable status and is contracted by the Secretary of State for Digital, Culture, Media and Sport to manage the five London palaces on his behalf. The palaces are owned by The Queen in right of Crown.

Historic Royal Palaces is also contracted by the Secretary of State for Northern Ireland to manage Hillsborough Castle in Northern Ireland. The Castle is owned by the Government.

Historic Royal Palaces is governed by a Board of Trustees, all of whom are non-executive. The Chief Executive is accountable to the Board of Trustees.
Chairman and Chief Executive
Introduction and reflection

Our Annual Review for 2017/18 celebrates another exceptional year for Historic Royal Palaces. We welcomed over 4.7 million visits across the six sites in our care, surpassing our previous record of 4.4 million visits in 16/17. It was our most successful year to date at Kensington Palace, where the phenomenal popularity of ‘Diana: Her Fashion Story’ attracted unprecedented numbers of visitors from all over the world. At Hampton Court Palace, we were thrilled to be within reach of a landmark million visitors a year, and at the Tower of London we have continued to sustain high visitor numbers in an increasingly challenging environment. None of this would have been possible without the dedication and commitment of our talented staff, to whom we offer sincere thanks.

Throughout the year, we continued to invest in major projects across the six sites. Our conservation of the Great Pagoda at Kew, complete with 80 new dragons and restored to the glorious spectacle William Chambers intended when he designed this unique building in 1762, is complete. Meanwhile, the £20 million transformation of Hillsborough Castle continues apace. As we put the finishing touches to the stunning State Apartments, this summer our gardeners will be busy planting the new Walled Garden. We are tremendously excited to unveil the results of our work at the Castle in spring 2019.

The palaces continued to play a central role in royal life throughout the past year. In May, Their Royal Highnesses The Prince of Wales and The Duchess of Cornwall stayed at Hillsborough Castle for their official visit to Northern Ireland, and His Royal Highness viewed progress of our project. In June, we welcomed Her Majesty The Queen, HRH The Duke of Edinburgh and a host of distinguished guests to the Chapel Royal at Hampton Court Palace for a wonderful service marking the centenary of the Order of the Companions of Honour. In August, we hosted a visit of TRH The Duke and Duchess of Cambridge and Prince Harry to the Sunken Garden at Kensington Palace, which was transformed into a White Garden in honour of Diana, Princess of Wales. Finally, in November, we were thrilled that Prince Harry and Ms Meghan Markle chose the Sunken Garden as the spot to announce their engagement.

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It has been a year of transition within the Executive team. In July 2017 we said farewell to outgoing Chief Executive Michael Day, who led the organisation so brilliantly for 14 years. John Barnes succeeded him as Chief Executive and we welcomed two Directors to the organisation in new roles. In July 2017, Adrian Phillips, previously Surveyor of the Fabric, became our first Palaces and Collections Director. In September we welcomed Tom O’Leary, who joined us from the Science Museum as our first Public Engagement Director. With our team in place, bringing fresh vision and insight to the organisation, we look forward to future years with confidence.

Meanwhile, in March 2018 we were delighted that Her Majesty The Queen re-appointed Rupert Gavin as Chairman of Historic Royal Palaces for a second three-year term. In the same month, the Minister for Tourism, Arts and Heritage, Michael Ellis, showed confidence in our future when he renewed the contract under which we manage the five palaces in England for ten years from April 2018.

None of the achievements of the organisation over the past year would have been possible without the guidance of the Board of Trustees. We said farewell to Liz Cleaver after six years as the lead for learning and digital, and Sir Jonathan Marsden who retired as Director of the Royal Collection. We thank them both for their long service and dedication to the palaces and the work of Historic Royal Palaces. We were delighted to welcome Sue Wilkinson, Chief Executive of the Reading Agency, and Tim Knox who succeeds Sir Jonathan as Director of Royal Collection, to the Board of Trustees. Their exceptional credentials and expertise bring important experience to the organisation.

Finally, as we look ahead to a busy 2018/19, which will see us preparing to launch the transformed Hillsborough Castle and celebrating the 200th anniversary of Queen Victoria’s birth at Kensington Palace, we must pay tribute to all of our donors, sponsors and members. None of our achievements – over the past year or in the years to come – would be possible without their continued support and generosity, for which we remain extremely grateful.
Guardianship
Our job is to give the palaces a future as valuable as their past.

The restoration of the Queen Anne’s throne canopy reached its dramatic climax when it was lifted into place in the King’s Presence Chamber at Kensington Palace. It has been worth the three-year wait, while a large cast of conservators, curators, surveyors, upholsterers and engineers all played their parts in transforming a glorious but faded relic into a magnificent structure.

Conservators were also tasked with specialist cleaning of some exciting new objects for display at Kensington in April 2018 – beautiful items of jewellery once belonging to Princess Louise and her grandmother, Queen Victoria. (See also page 16)

In the second phase of our long-term project to repair, conserve and re-present the Banqueting House, we are focusing on the interior. This spring, the Banqueting House closed to visitors for just under three months, to allow specialist conservators the opportunity to carry out close inspections and conservation investigations of the Rubens ceiling paintings and their framing in the Main Hall.

They are the only surviving set of ceiling paintings by Rubens, still in place where they were originally installed, in the building designed to display them. Historic Royal Palaces is conducting the first ever full and systematic technical conservation study of these works. Conservators and other experts from all over Europe gathered to view them at close quarters on two specially-built scaffolds, 17m above the Main Hall floor.

Working with a group of dedicated volunteers, the Information Management team have successfully deposited 900 public records, 200 plans and drawings and 3,500 photographs with The National Archives in Kew. These records, which were transferred from the Property Services Agency in 1987, will now be available to the public and researchers to reveal the development of the palaces up to the point when we became a charity in 1998.

This represents a milestone in safeguarding the records of the palaces. The culmination of this three-year project is a fulfilment of our legal duties, as well as HRP’s commitment to increasing public knowledge and understanding of the palaces.
collections on site. Meanwhile, the representation of the State Rooms has occupied a small army of skilled craftspeople, from master marblers to silk weavers, meticulously remodelling the handsome Throne Room and Drawing Room.

Following redecoration of the Red Room, a revised picture hang will now feature some outstanding paintings from the Royal Collection and the Schorr Collection, including paintings by van Dyck, Sir Joshua Reynolds and William Hogarth together with 16th- to 18th-century European old masters, including works by Italian painters Carracci and Guercino.

A new picture hang in the Dining Room will give the room more of an early 19th-century appearance, while the glittering dining table will be set as it was for HM Queen Elizabeth during a royal visit in the 1950s. The newly restored Drawing Room will reflect the room’s use for important royal and political discussions, and we plan to display exciting work by contemporary Northern Irish artists.

At the Tower, work continues on the internal conservation of 4 & 5 Tower Green. The safe removal of historic wood panelling has enabled study of the interior walls, including of a section of important 17th-century fictive painted panelling. In the Flamsteed turret of the White Tower, the Surveyor of the Fabric team have been working with consultant architects, engineers and contractors to design a new timber ‘over-stair’ for Flamsteed’s stone staircase, which will improve public safety and safeguard the medieval fabric.

In December, the Magic Garden won the Landscape Institute Award in the category of Design for a Small Scale Development. The award, presented to Robert Myers and Associates on 23 November, was cited as ‘a beautiful, fantastical response to a site that offers both physical and symbolic/narrative stimuli. It has a strong sense of identity that would be a pleasure to experience by people of all ages’.

The Orangery at Kensington Palace, built for Queen Anne, is now closed to prepare for conservation both inside and out. Last year HRP was granted planning permission to clear away the accumulation of small sheds and stores behind the Orangery and to construct a new building in the Orangery Yard to house a part of the Royal Ceremonial Dress Collection, conservation offices and a new up-to-date catering kitchen. Permission was also given to recreate an 18th-century inspired garden in front of the Orangery, designed by Todd Longstaffe-Gowan.

The major project begins next year and will be completed in 2021. The whole set piece of Orangery, new building and garden will finish the external transformation of Kensington Palace and Gardens which began in 2012 with opening the East Front of the palace to the park, the level access Wiggly Walk and the restored Cradle Walk around the Sunken Garden.

We are tremendously excited by the prospect of re-opening Hillsborough Castle in 2019. This year, we laid the foundations and began to build our new visitor facilities and car park, ready to welcome visitors in time for the grand re-opening. In April, we completed a new, purpose-built conservation store in the grounds, housing everything needed to care for the art and collections on site. Meanwhile, the representation of the State Rooms has occupied a small army of skilled craftspeople, from master marblers to silk weavers, meticulously remodelling the handsome Throne Room and Drawing Room.

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Princesses from an earlier era were also the subject of a summer exhibition at Kensington. ‘Enlightened Princesses: Caroline, Augusta, Charlotte and the Making of the Modern World’, was the culmination of a fruitful four-year academic partnership with the Yale Center for British Art. The exhibition opened in June at the palace, after a successful run in New Haven, USA and following the publication of an accompanying book, co-published with Yale in 2017. The launch generated a raft of national press coverage, with the exhibition being described in the *Telegraph* as ‘a fascinating portrait of the modern princess’.

Just before Easter 2018, we were delighted to unveil an exciting new permanent display at Kensington Palace. A stunning selection of royal jewellery went on public show on Good Friday, and attracted extensive media coverage, which picked up on the strong theme of royal marriage and romance in 2018!

The Fife Tiara, which was accepted by HRP in lieu of inheritance tax from the Duke and Duchess of Fife, belonged to Princess Louise, grand-daughter of Queen Victoria, given to her by her husband to be, the Marquis. The Romanoff ‘fringe’ diamond tiara, which can also be worn as a necklace, was given to the Princess Louise by her parents Edward VII and Queen Alexandra, when they were Prince and Princess of Wales. Perhaps most romantic of all is a diamond and emerald tiara of Queen Victoria’s, designed by Prince Albert who presented it to his beloved wife in 1845. It was made to complement Victoria’s emerald and diamond parure (a matching set comprising necklace, brooch and earrings) given to her in 1843.

Showmanship
We do everything with panache.

Previous page: The stunning Fife Tiara, once belonging to Princess Louise, grand daughter of Queen Victoria, now on permanent display at Kensington Palace.

Above: some of the designer dresses worn by Diana, Princess of Wales, on display at Kensington Palace as part of the exhibition ‘Diana: Her Fashion Story’.

Above right: A new work by artist Yinka Shonibare, commissioned for the ‘Enlightened Princesses’ exhibition at Kensington Palace and inspired by some of the stories it explored.

Opposite page
Top: This exquisite emerald diamond and tiara, also now on display at Kensington, was designed by Prince Albert for Queen Victoria.

Left: The tiara is displayed with complementary emerald and diamond necklace, earrings and brooch.

Bottom left: Princess Louise’s Russian Fringe tiara.

Bottom right: Before being put on public display, all the historic jewels were conserved by Historic Royal Palaces experts.
Recent acquisitions

Opposite page: We were delighted to acquire at auction a precious memorial to the young Princess Victoria, made by her governess Baroness Lehzen. This scrapbook, dated 1841, full of treasures collected by the doting governess contained letters, drawings and even a lock of Victoria’s hair.

This page
Top: In July we acquired a set of drawings of the young Princess Victoria, aged around 3, by amateur artist and family friend Lady Elizabeth Heathcote. These are four of the sketches made during a family holiday at Ramsgate, a compelling and extremely rare record of the very young Princess.

Above and right: These splendid jodphurs, which once belonged to George VI, are part of an important collection of royal riding clothes made by the well known London tailoring firm Bernard Weatherill Ltd. The collection, acquired at auction in September, also contains clothes worn by HM The Queen, Queen Elizabeth the Queen Mother and HRH Prince of Wales between 1933 and 1970.

Bottom right: This Tyrolean suit (detail) made for the Duke of Windsor, was added to our excellent collection of royal menswear. We also acquired a pair of his lederhosen.
We staged an Elizabethan Christmas at Hampton Court with music and daily live performances.

Right: the Beating of the Bounds ceremony at the Tower of London.

Opposite page:
Clockwise from top left: At Hampton Court, we marked the centenary of the Representation of the People Act in February, with a month of live interpretation exploring stories of suffragettes at the palace; medieval dressing up at the Tower; Chapel Royal choristers performing in Hampton Court’s Great Hall; trainee knights at school and following a drummer into action at the Tower.
our collaboration with Water City Music and renowned violinist Michael Bochmand for seven memorable days of song and music performed by bands, orchestras and choirs of young people. This year, stories from the Tower were closely woven into the performances, including a musical adaption of Sir Walter Ralegh’s last poem written at the Tower the night before his execution.

There was more music to be enjoyed at Kensington Palace. Our evening concert ‘From baroque to rock’, was a first. HRP worked in partnership with the Orchestra of the Age of Enlightenment’s Night Shift programme to create a concert linked to the ‘Enlightened Princesses’ exhibition, with the aim of creating a wider audience for baroque music. Despite the rain, over 300 people came to enjoy works by Handel and songs by Björk, Beyoncé and Radiohead, arranged for the baroque musicians by composer Benjamin Tassie.

The three year ‘Curious Stories’ literacy project run by the Schools team at Kensington Palace, in collaboration with Coventry University, drew to a close, yielding some startlingly positive results. The project provided robust qualitative research into the impact of cultural learning on literacy attainment in primary schools, and involved working with local school children, their teachers and parents. Research findings demonstrated significant improvements to children’s vocabulary, story-building skills and confidence in communicating, and there are plans to build on this exciting work for the future.

The return of the Music at the Tower festival in July once again brought local children into the fortress, and put the Tower at the heart of the community. The festival saw the reprise of

Discovery
Learning is at the heart of everything we do.
They were faced with a series of moral choices when met by their underground operative on-site and challenged to decide what actions are justifiable when governments undermine the rule of law.

We have had another busy and productive year in the Research & Development (R&D) Studio, including developing LGBT+ themed content (Long Live Queen James at Banqueting House and out-of-hours tours at Hampton Court and the Tower), created to commemorate the 50th anniversary of the partial

In June we were delighted to co-host the final of the BBC Radio 2 ‘500 Words’ competition live from the Tower of London. The show aired as part of the Chris Evans’ Breakfast Show, which attracts 10m listeners from all over the country. HRH The Duchess of Cornwall was a special guest and gave an inspiring speech drawing on the history of the Tower. The event was supported by well known people, including actors David Walliams, David Suchet and Jenny Agutter, who gave readings of the winning stories.

A question that heritage professionals constantly ask – are we doing enough to stay relevant? – was the central theme of this year’s ‘Relevance’ conference in October. The event was hosted by HRP, partnered with the International Committee of Museums (ICOM), the International Committee for Historic House Museums (DEMHIST) and the Committee for Education and Cultural Action (CECA). We were delighted to host nearly 200 international delegates to the Tower of London and Hampton Court Palace for the event.

New HRP publications this year (left) included Terrible True Tales from the Tower of London, co-published with Walker books in July. In partnership with Yale Books, we produced the beautifully illustrated Tudor Fashion, written by HRP dress collection curator Eleri Lynn, which drew on her new research findings into the period.

This year also saw some very successful digital storytelling. We worked with online production company Rusty Quill to create a historic fiction podcast series Outliers, a selection of relatively unknown Tower stories, retold by award-winning contemporary writers. The podcasts achieved a total of 27,942 downloads across 92 countries.

Another innovative offer, The People’s Revolt was an immersive theatre run in March and October 2017. This reimagined the events of the 1381 Peasants’ Revolt for the 21st century. Participants gained access to a fictional social media platform prior to arriving at the Tower, enabling them to interact with each other and understand the motives of their ‘cell’, tasked with breaking into the Tower.
and Canon Anthony Howe, at Hampton Court Palace, aired on BBC4 and featured wonderful performances from the Chapel Royal Choir. A second series of Tracy Borman’s ‘The Private Lives of Monarchs’, filmed at Kensington Palace among other places, was aired on the Yesterday channel in November. Tracy also spoke at several events and delivered lectures in the US based on her most recent book of the same title. (See also page 38)

decriminalisation of male homosexuality in 2017. We also held a workshop with playwrights and directors to explore stories of Hampton Court’s Tudor history and look at new ways they might be told to visitors in a variety of styles and for different performance situations.

A six month residency from movement and period dance expert, Charlotte Ewart, as part of the Studio’s continuing Associate Artist programme, has helped us develop audience offers, including Christmas at Hampton Court and the Tower. Charlotte has also been exploring performance surrounding Tudor tournaments.

In another exciting new collaboration, we are working with Danish digital experience creators MAKROPOL to investigate how HRP could use virtual reality technology to help us tell our stories.

The Learning & Engagement team hosted Hillsborough Castle’s first Annual History Lecture in November. Joint Chief Curator Lucy Worsley delivered a highly entertaining lecture, ‘Queen Caroline: Britain’s funniest, cleverest and fattest queen ever’, which was followed by a Q&A section.

It was another splendid year of broadcast coverage of the palaces. A new documentary on the history of Evensong, devised by Lucy

Above: An audience in Northern Ireland enjoy the First Annual History Lecture at Hillsborough Castle, delivered by HRP’s Joint Chief Curator Lucy Worsley.

Below: A second series of Tracy Borman’s ‘The Private Lives of Tudor Monarchs’, filmed at Kensington Palace among other places, was aired on the Yesterday channel in November. Tracy also spoke at several events and delivered lectures in the US based on her most recent book of the same title. (See also page 38)
A ROYAL YEAR

It was a particularly busy year for royal visits, and we were delighted to welcome several members of the Royal Family to the palaces. We were especially pleased that HRH Prince Harry and Ms Meghan Markle chose the Sunken Garden in the grounds of Kensington Palace to announce their engagement in November 2017.
July

HRH Prince Harry launched the Invictus Games with a photocall held with the Yeoman Warders of the Tower of London. The Prince created this international parasport event for wounded, injured or sick armed services personnel in 2014. The 2017 Games, also opened by the Prince, were held in Canada in September.

August

Their Royal Highness The Duke and Duchess of Cambridge and Prince Harry were shown around the Sunken Garden in the grounds of Kensington Palace, transformed for summer 2017 into a White Garden celebrating the life of Diana, Princess of Wales. The royal visitors were welcomed by HRH Chairman Rupert Gavin and new CEO John Barnes, and given a tour. The Duke said that he was thrilled a garden had been designed in their mother’s memory, and remembered how, as a child, the Princess had brought him to play in the gardens.

September

HRH Prince Harry made his first official visit to Northern Ireland. Despite heavy rain his welcome was warm and high-spirited, as he met local schoolchildren on arrival at Hillsborough Castle. At the end of a busy day of engagements, which included planting an Irish Peach Apple tree – the first fruit tree for the restored Walled Garden – he attended the Garden Party at the Castle. This annual event is hosted by the Secretary of State for Northern Ireland and 2000 guests are invited from a cross section of Northern Ireland society.

November

HRH Prince Harry announced his engagement to Ms Meghan Markle at Kensington Palace. The couple spoke briefly with waiting journalists and posed for photographs in the Sunken Garden. An interview with the Prince and Ms Markle was also filmed at Kensington Palace, during which Ms Markle revealed the Prince went down on one knee to propose!
In collaboration with partners CALM (Campaign against Living Miserably) and the Royal Botanic Gardens Kew, we offered three days of mental well-being activities at Kew Palace, linked to World Mental Health Day in October, using the stories of George III and his mental illness as a focus.

‘Lost Palace’, our immersive visitor experience for families and adults that brought to life the story of the vanished Whitehall Palace, won the Innovation award at the Museums & Heritage Awards 2017 in June 2017. Judges described it as ‘a genuinely innovative project which has successfully harnessed new technology to bring to life the history which surrounds us in a new multi-sensory, tangible way’. It also won two European Heritage in Motion awards held in Macedonia in September 2017 for Best Game/Interactive Experience and overall ‘Best Achievement’.

This year marked the conclusion of our fundraising campaign: ‘The Next Chapter in Our Story’. Five years ago, we appealed to our donors, sponsors, members and visitors to help us raise £30 million by March 2018. The support we have received since then has been magnificent, exceeding our original goal.

Our donors and sponsors have helped us to achieve so much more than would have been possible with visitor and earned income alone. The conservation of the Chapel Royal of St Peter ad Vincula, the creation of the Magic Garden, the transformation of Hillsborough Castle and the restoration of the Great Pagoda at Kew have all been made possible because of their support. Likewise, many of our most important conservation and education projects. We greatly value the support of all our donors and we are proud to be able to record the contributions to our Cause many of them have made in the list of supporters in this review.

Within the year, particular highlights of the Campaign have included the popularity of our ‘buy a dragon’ appeal at Kew, the sponsorship by Estée Lauder Companies of the exhibition Diana: Her Fashion Story and the support received for the conservation of two important new acquisitions to our collections: the Bacton altar cloth and the Queen Anne throne canopy.

This year saw the launch of the HRP Access Fund, one our initiatives in the ongoing challenge to remove barriers to entry to our palaces and to broaden our reach. We offered children from state-funded London schools the chance to visit the Tower or Hampton Court free of charge. The Fund was promoted to state schools in inner and outer London and sparked much interest. 106 schools applied, adding up to nearly 7,000 children coming from 19 secondary schools, 84 primary schools and three special needs schools.

We have also been striving, through our Sensory Palace sessions, to make our palaces more accessible to people living with dementia and their carers. In 2016 we set up the Dementia Friendly Heritage Group, in partnership with the Alzheimer’s Society to bring together other heritage organisations working towards becoming more dementia friendly. In November 2017 this group completed a pioneering guide, Rethinking Heritage: A practical guide to making your site more dementia-friendly. The guide was celebrated and shared at two well-attended launch events at Hampton Court Palace and Beamish Museum in County Durham.

To celebrate the 50th anniversary of the partial decriminalisation of homosexuality in 1967 we held a podcast discussion ‘How we used to talk about LGBTQ’ bringing together historians Lauren Johnson, Matthew Storey from HRP, Dr Clare Hayward and Bernard Donaghe from the Kaleidoscope Trust, to discuss historical views on homosexuality and same-sex relationships. In just one week after the podcast was launched, it was downloaded 1,400 times and tweeted to 93,000 HRP followers and 130,000 Arts Council followers.

HRP staff and friends were cheering riotously when they walked in the Pride in London parade in July under the banner ‘1,000 years of Kings, Queens and In-betweens’ (left), while in February 2018 we reprised our flamboyant production of ‘Long Live Queen James!’ at the Banqueting House.
Membership offers an opportunity to get the inside story of the palaces. We are delighted to welcome our members, and closed the year with more than 101,000.

Over the last four years Historic Royal Palaces Inc, the American affiliate of HRP, has developed a rich engagement programme in key cities across North America, in order to raise the profile of the charity, promote the palaces, create engagement with our American supporters closer to home and encourage philanthropy and donations.

As part of this programme, in October, Tracy Borman represented HRP Inc for the USA Fall Lecture Tour, travelling to Chicago, New York and Atlanta to entertain maximum capacity audiences with lectures based on her latest book *The Private Lives of the Tudors: Uncovering the Secrets of Britain’s Greatest Dynasty*. HRP CEO John Barnes, the newly-appointed President of HRP Inc, welcomed enthusiastic HRP members, patrons, donors and friends in New York and Chicago. In addition to the main lectures, the team created opportunities for key donors and partners to help support HRP Inc’s purpose: Promotion, Engagement and Philanthropy in the future. HRP Inc is currently working on a new strategy to guide the charity and its activities over the next three years.

The vital work of our wonderful volunteers was recognised with a clutch of awards at the London Museum Volunteers Awards, including a Highly Commended for Lydia Calma and Runner-up for the team for working on the visitor research project at the Tower and Runner-up for Best Team, for the Visitor Engagement volunteers at The Banqueting House.

As we continue to expand HRP’s social media, we were delighted by a period in Autumn 2017. During one week, we reached over 150,000 followers on Instagram and 100,000 followers on @HRP_Palaces Twitter account. Capitalising on Halloween and the anniversary of the Gunpowder Plot through the Tower’s social media channels, we reached 1,665,960 people with our content in just a few days and gained a month’s worth of Twitter followers in under a week.

On Instagram, the timelapse film of the Conservation team’s work to wash Queen Victoria’s petticoat is our most successful post on Instagram to date with over 96,000 views and reaching over 658,000 people on Facebook alone! On the Tower’s Facebook page, our live-stream of a Twilight Tour with YW Steve McMenamy reached over 480,000 people worldwide. These impressive figures hint at even more exciting levels of reach, and we look forward to next year with confidence.

**Above:** Some of the year’s marketing posters, showing the breadth of audience offers at the palaces.

**Above right:** The launch of the ATP World Finals was held at the Tower of London in November.

**Right:** Social media successes: the washing of Queen Victoria’s petticoat and the Gunpowder Plot.
With 4,733 million visits to our palaces in 2017/18 we have surpassed all our targets in year and an increase of 7% on 2016/17. It was a record year for Hampton Court Palace, Kensington Palace, Kew Palace and Hillsborough Castle.

Admissions income was £63.9m - 65% of total income and 12% more than 2016/17.

Income from retail, functions, catering and other concessions, and sponsorship totalled £28.3m, a slight increase from £27.2m in 2016/17. Retail sales were up £1m.

Fundraising has had another successful year; attracting generous donations for our major projects. Income from grants and donations in the year reached £5.4m. In the final year of our major five-year fundraising campaign, ‘The Next Chapter in our Story’, we have achieved our target of raising £30m.

All of this activity was achieved within budgeted expenditure and we have maintained our free reserves target of £5m.

The strong financial performance in the year has meant that we are able to designate more funds towards the cost of projects within our ambitious strategy for the next three years and beyond. These include the programme of work at Hillsborough Castle to increase public access and improve the visitor experience, the Orangery Project at Kensington Palace, long term development at the Tower of London, opening the private apartments at Hampton Court Palace, and the interiors representation at Banqueting House.

The full statutory accounts were given an unqualified audit opinion on 17 July 2018 and will be filed with the Charity Commission. The full statutory accounts can be obtained from our website www.hrp.org.uk or by writing to:

The Chief Executive’s Office
Historic Royal Palaces
Hampton Court Palace
Surrey
KT8 9AU

Our performance is measured by the Secretary of State by submission of the Operating Plan and by this report.
**Consolidated Statement of Financial Activities for the year ended 31 March 2018**

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<td>91,497</td>
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</tbody>
</table>

**INCOME**

<table>
<thead>
<tr>
<th>Component</th>
<th>2018 £000</th>
<th>2017 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations and legacies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations</td>
<td>2,179</td>
<td>2,775</td>
</tr>
<tr>
<td>Gifts in Kind</td>
<td>3,216</td>
<td>2,479</td>
</tr>
<tr>
<td></td>
<td>5,420</td>
<td>6,466</td>
</tr>
<tr>
<td>Income from other trading activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail income</td>
<td>14,817</td>
<td>13,725</td>
</tr>
<tr>
<td>Functions and events</td>
<td>6,283</td>
<td>6,519</td>
</tr>
<tr>
<td>Licences and rents</td>
<td>3,994</td>
<td>3,905</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>681</td>
<td>586</td>
</tr>
<tr>
<td>Total</td>
<td>25,775</td>
<td>24,735</td>
</tr>
<tr>
<td>Investments</td>
<td>475</td>
<td>424</td>
</tr>
<tr>
<td>Income from charitable activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Admissions</td>
<td>63,949</td>
<td>57,176</td>
</tr>
<tr>
<td>Concessions</td>
<td>2,567</td>
<td>2,497</td>
</tr>
<tr>
<td>Total</td>
<td>66,516</td>
<td>60,427</td>
</tr>
</tbody>
</table>

**EXPENDITURE**

<table>
<thead>
<tr>
<th>Component</th>
<th>2018 £000</th>
<th>2017 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costs of generating funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising</td>
<td>717</td>
<td>705</td>
</tr>
<tr>
<td>Retail activities</td>
<td>11,657</td>
<td>11,331</td>
</tr>
<tr>
<td>Other commercial activities</td>
<td>4,539</td>
<td>3,277</td>
</tr>
<tr>
<td>Investment management costs</td>
<td>26</td>
<td>23</td>
</tr>
<tr>
<td>Total</td>
<td>13,739</td>
<td>13,397</td>
</tr>
<tr>
<td>Expenditure on charitable activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Give the palaces the care they desire</td>
<td>27,052</td>
<td>22,947</td>
</tr>
<tr>
<td>Transform the way visitors explore their story:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public access</td>
<td>30,316</td>
<td>27,549</td>
</tr>
<tr>
<td>Interpretation and learning</td>
<td>14,545</td>
<td>14,843</td>
</tr>
<tr>
<td>Have a wider impact in the world</td>
<td>5,834</td>
<td>5,463</td>
</tr>
<tr>
<td>Other</td>
<td>77,747</td>
<td>70,602</td>
</tr>
<tr>
<td>Defined Pension scheme net interest cost</td>
<td>217</td>
<td>116</td>
</tr>
<tr>
<td>Total</td>
<td>95,103</td>
<td>85,854</td>
</tr>
</tbody>
</table>

**Net Income/(Expenditure)**

<table>
<thead>
<tr>
<th>Component</th>
<th>2018 £000</th>
<th>2017 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actuarial (loss)/gain on pension plan</td>
<td>3,083</td>
<td>3,572</td>
</tr>
<tr>
<td>Net (loss)/gain on investments</td>
<td>(63)</td>
<td>(172)</td>
</tr>
<tr>
<td>Total</td>
<td>3,020</td>
<td>3,398</td>
</tr>
</tbody>
</table>

**Net movement in funds**

<table>
<thead>
<tr>
<th>Component</th>
<th>2018 £000</th>
<th>2017 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund balances brought forward at 1 April</td>
<td>43,011</td>
<td>42,013</td>
</tr>
<tr>
<td>Fund balances carried forward at 31 March</td>
<td>49,603</td>
<td>43,011</td>
</tr>
</tbody>
</table>

**Summary Consolidated Balance Sheet as at 31 March 2018**

<table>
<thead>
<tr>
<th></th>
<th>Group 2018</th>
<th>Group 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td><strong>Fixed assets</strong></td>
<td>33,089</td>
<td>26,799</td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td>21,511</td>
<td>24,218</td>
</tr>
<tr>
<td>Creditors: amounts falling due after more than one year</td>
<td>(104)</td>
<td>-</td>
</tr>
<tr>
<td>Provision for liabilities and charges</td>
<td>(28)</td>
<td>(62)</td>
</tr>
<tr>
<td>Pension plan liability</td>
<td>(4,865)</td>
<td>(7,944)</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td>49,603</td>
<td>43,011</td>
</tr>
<tr>
<td>Represented by:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted funds</td>
<td>6,396</td>
<td>8,808</td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td>(4,865)</td>
<td>(7,944)</td>
</tr>
<tr>
<td><strong>Total funds</strong></td>
<td>49,603</td>
<td>43,011</td>
</tr>
</tbody>
</table>

The summary financial statements of Historic Royal Palaces were approved by the Trustees and the Accounting Officer on 13 July 2018 and signed on their behalf by:

Rupert Gavin     John Barnes
Chairman of the Board of Trustees  Chief Executive and Accounting Officer

**Independent Auditor’s Statement to the Trustees of Historic Royal Palaces:** I have examined the summarised financial statements of Historic Royal Palaces for the year ended 31 March 2018 on pages 42-43.

**Respective responsibilities of the Trustees, the Chief Executive and the Auditor:**

The Trustees and the Chief Executive as Accounting Officer are responsible for preparing the summarised financial statements.

My responsibility is to report to you my opinion on the consistency of the summarised financial statements with the full annual financial statements, I also read the other information contained in the Annual Review and consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the summary financial statements.

**Basis of opinion:** My examination involved agreeing the transactions and balances in the summary financial statements to the full annual financial statements. My report on Historic Royal Palaces' full annual financial statements describes the basis of my opinions on those financial statements and the Trustees' Report.

**Opinion:** In my opinion the summarised financial statements are consistent with the full financial statements and Trustees' Report of Historic Royal Palaces for the year ended 31 March 2018.

Sir Amyas C E Morse
Comptroller and Auditor General
17 July 2018
National Audit Office
157-197 Buckingham Palace Road
Victoria, London, SW1W 9SP
Rupert Gavin – Chairman

Rupert Gavin is a British business leader and theatre director.

He is currently Chairman of Historic Royal Palaces and is a former CEO of BBC Worldwide, CEO of the Odeon & UCI Cinema Group. He is also Chairman of the Honours Committee for Arts and Media. As a product of his notable series of successful plays and musicals over 30 years, principally through his company Punchline Colman, his productions/co-productions have won ten Olivier Awards.

He is a Non-Executive Director of Wyevale Garden Centres and Countrywide plc. He is also a co-owner of L’Escargot restaurant and an advisory board member of the Founders Forum, a community for global entrepreneurs, CEOs and founder members of the Worshipful Company of Grooms and a Governor of the Royal Shakespeare Company.

Rupert read economics at Magdalene College, University of Cambridge. After graduation he took a copywriting role at Sharps, advertising agency, becoming an equity partner in the firm before it was sold to Saatchi & Saatchi. While working at Sharps he established links with Dixons Store Group, and would eventually go on to become a Deputy Managing Director. In 1994, he joined British Telecom to work on its internet and multimedia strategy, he went on to become Managing Director of the firm’s consumer division. In 1998 he was appointed Chief Executive of BBC Worldwide, a role he was a member of the BBC Executive Committee for seven years.

Zineb Badawi

Zineb Badawi is a well-known broadcast journalist. She hosts BBC’s Hard Talk and presents Global Questions and World Debates on BBC World TV. Through her career at the BBC. She fulfilled a variety of roles from radio and television productions to launching BBCi, the forerunner of the BBC iPlayer. She was responsible for setting up interactive content and community programmes, and as controller of BBC Learning was responsible for the BBC’s learning online activity. She is currently a Digital Consultant.

Liz Cleaver

Liz Cleaver is an experienced media professional with a long and distinguished career in arts and heritage. She specialises in the development of historic buildings and palaces. She has over 35 years’ experience in the arts and heritage sector and has played a key role in securing the future of some of the finest historic buildings and palaces. Liz was previously the Chair of the Reviewing Committee for the Clothworkers’ Company. Jane Kennedy

Jane Kennedy is a senior partner and former Chairman of Purcell, a large international firm of architects specialising in the conservation and development of historic buildings and palaces. She is currently Chief Executive of the Royal Collection Trust and has been a Trustee of Royal Museums Greenwich for many years. She has held a number of senior appointments within the corporation, including as Chair of the Architecture and Heritage Advisory Committee. She is currently a Trustee of the Royal Academy of Arts, sits on the Board of Visitors of the Oxford Museum of Natural History and is a Trustee of the Oxford Preservation Trust.

Liz Cleaver (until 26 May 2017)

Liz Cleaver is an experienced media professional with a long and distinguished career in arts and heritage. She specialises in the development of historic buildings and palaces. She has over 35 years’ experience in the arts and heritage sector and has played a key role in securing the future of some of the finest historic buildings and palaces. Liz was previously the Chair of the Reviewing Committee for the Clothworkers’ Company. Jane Kennedy

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Baron Houghton of Richmond in the County of North Yorkshire

Lord Houghton is a former United Kingdom Chief of Defence Staff - the professional head of the UK’s Armed Forces. He stood down in July 2016 and is now the Constable of The Tower of London and the Constable of the Honourable Artillery Company. Lord Houghton served as Chief of the Defence Staff for 7 years, having been a professional soldier for over 43 years in the British Army. His career includes 7 years at the command of the Armed Forces. He was appointed at 31 March 2018.

Sir Jonathan Marsden KCVO (until 21 December 2017)

Sir Jonathan Marsden was Director, Royal Collection Trust and Surveyor of The Queen’s Works of Art from 1996 to 2015, with curatorial responsibility for the decorative arts in the Royal Collection.

He is currently an Advisory Council Member of the Attingham Trust, a Trustee of the City and Guils of London Art School and the Royal Yacht Britannia Trust. He was Chairman of the National Portrait Palace from 2010 to 2017 and a Trustee of the Georgian Group for ten years until 2005.

Carole Souter CBE

Carole Souter DBE is the Chief Executive of the British Library. Prior to this, she was the Chair of the Board of Visitors of the Oxford Museum of Natural History, and a Trustee of the Oxford Preservation Trust, the Horniman Museum and the London Emergency Trust. She is also a Lay Canon of Salisbury Cathedral.

Carole is Chief Executive of the Heritage Lottery Fund from 2003 to 2016. Prior to this, she worked in the Departments of Health, Social Security and the Cabinet Office, before moving into the private sector. She was elected a Fellow of the Society of Antiquaries of London in 2014.

Michael Stevens KCVO

Sir Michael Stevens is Keeper of the Privy Purse, Receiver General of the Duchy of Lancaster and a Trustee of the Royal Collection Trust.

Sir Michael was Finance Director of Royal Collection Trust from 1995 to 2014. He joined the department in 1990 as a member of the Administrative Services team. He was appointed at 31 March 2018.

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