

**Compton Verney House
Trust**

**Annual Report and Financial
Statements**

31 December 2020

Charity Registration Number
1032478

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Reference and administrative information

Governors	Penny Egan, CBE (Chair) Janet Bell Smith Philip Bunt Sarah Carthew Oliver Cox Loyd Grossman (retired 31 December 2020) Samantha Henney Howard Jones (retired 31 December 2020) Helen Rose Jon Sheaff Ross Sleight Paul Smith Lydia Thomas Peter Wilson
Chief Executive	Julie Finch, CEO-Director
Strategic Leadership Team	Sarah Bunney (Finance & Assets) Amy Banks (Creative & Engagement) Jess Wolinski (Marketing & Sales)
Registered address	Compton Verney Warwick CV35 9HZ
Charity registration number	1032478
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank plc 48B & 50 Lord Street Liverpool L2 1TD
Solicitors	Bates Wells & Braithwaite Scandinavian House 2-6 Cannon Street London EC4M 6YH

Chair's Welcome

I am delighted to welcome you to our 2020 Annual report. I took over the Chair in January 2020 just as the pandemic struck: the impact has been significant, but it has been handled with resilience and determination, ensuring that we have done all that we could to keep visitors coming to site. It is a tribute to the wise guidance of my fellow governors, our amazing staff team and our loyal members, that that our visitor numbers for 2020 were 78,758, a triumph as we were closed for many weeks.

We have also raised £1.8m in fundraising which has supported all areas of lost income and allowed us to bring forwards our new strategy to make Compton Verney sustainable in the long term. We are grateful to our local politicians, council leaders for their support and to Department of Digital, Culture, Media and Sport (DCMS) in championing our applications for Cultural Recovery Funds.

We are fortunate that Compton Verney is set in an outstanding landscape, which has remained open for 32 weeks of the year. This beautiful, green space acts as a balm for mind and body, enabling our visitors to escape from pandemic fatigue. Our creative team have embraced all the changes in 2020 and developed a range of new opportunities to entertain and engage our visitors across the grounds.

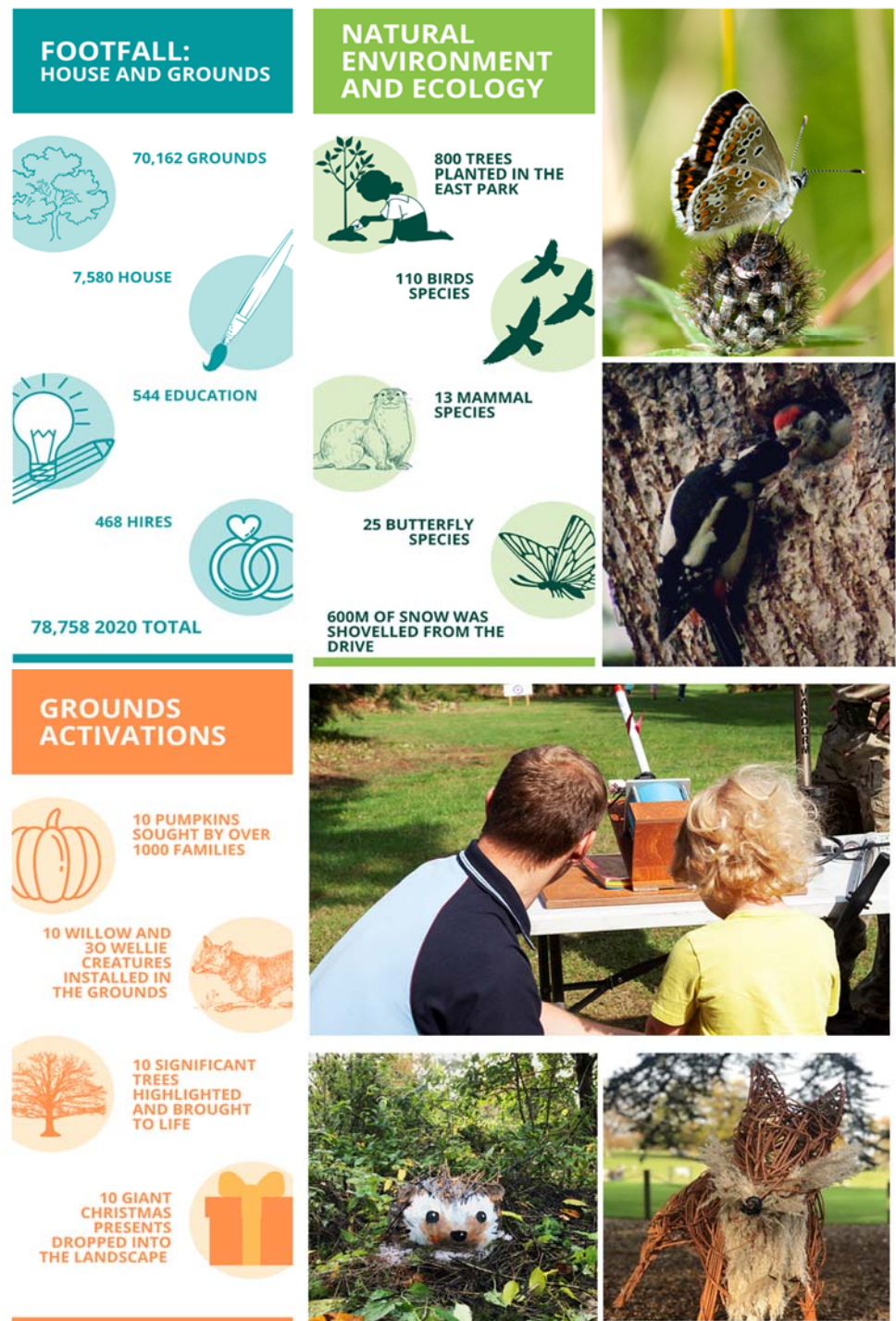
Throughout the year we have focused on strengthening our charity. We are working towards incorporation, establishing transparent financial reporting, ensuring we are an inclusive organisation, formalising our structures and building the technical infrastructure to digitise tasks and streamline the interface with our visitors.

I am most proud of the resilience and positive attitude of everyone involved in keeping Compton Verney open for as much of the year as possible and of seeing those carefully curated, socially distanced events in the grounds draw in the local community.

I am looking forward to repositioning Compton Verney as a One Compton Verney offer, a place where everyone is welcomed, surprised, entertained and can engage in creative pursuits all year round.

Penny Egan CBE

Chair





Compton Verney House Trust (CVHT) is an outstanding cultural venue with huge potential to develop and contribute, as a creative institution, to the 'Levelling Up' agenda and convene all those interested in the arts and the natural environment. Building out from the foundations laid by Sir Peter Moores, during 2020 Compton Verney embarked upon the next phase of development.

The 2020 Forward Plan mapped a transitional year, however, Covid-19 intervened, but despite this, 2020 was genuinely an evolutionary year, we worked hard to reposition the organisation in developing a One Compton Verney proposition. We remain excited and committed to a truly activated cultural programme across the house, galleries and the landscape, year-round opening and deep engagement with the widest possible audiences in all that we do, in addition to ensuring that we are a financially sustainable and efficient organisation. On a practical basis, Covid-19 disrupted plans due to changing restrictions, enforcing several operational models throughout the year and in managing staff resources and finance, as follows:

- ◆ Monday 23 March 2020 – Site Closed (Lockdown 1)
- ◆ Tuesday 2 June 2020 – Grounds only opened
- ◆ Tuesday 7 July 2020 – House (including galleries), Welcome Centre and Grounds opened
- ◆ Thursday 5 November 2020 – House Closed – Grounds and Welcome Centre open (no retail) (Lockdown 2)
- ◆ Thursday 3 December 2020 – Grounds, Welcome Centre and retail open - Tier system, Compton Verney placed in Tier 3
- ◆ Tuesday 5 January 2021 – Grounds only to 17 May 2021 (Lockdown 3)

The reduced operational hours resulted in a shift from gallery visitation to grounds engagement, highlights of the year are set out below:

- ◆ Our 2020 plan anticipated a changing and vibrant exhibition programme, however, Cranach - Artist and Innovator, and Fabric-Touch and Identity, remained on site throughout the year from March 2020.
- ◆ The Northern European Collection redisplay was launched in March 2020, supported by a National Gallery Curatorial Trainee, the collections being considered as a whole rather than individual objects.
- ◆ The Compton Verney Collections Settlement accepted a donation of 70 portrait miniatures from the Estate of the late Lady Grantchester on behalf of CVHT.
- ◆ The grounds became the most significant proposition for our visitors, Compton Verney successfully introduced Dog Walking and year-round opening, focusing on a seasonal programme of events which bridged arts, heritage, creativity, community engagement, natural environment and ecology, realising a total number of visitors overall of 78,758.

- ◆ Our Digital development has been accelerated; our work in this area has become more sophisticated and of relevance to wider audiences; we were swift to adapt and recognise that digital content is a feature of any future forward plan and activity.
- ◆ We focused on how we will generate increased surpluses, develop our commercial model and recruit appropriate staff to deliver this, ensuring a more financially sustainable and resilient organisation.
- ◆ We sought a broad range of opportunities to fundraise to and as a result of the Pandemic a number of new fundraising options arose; Department for Digital, Culture, Media and Sport (DCMS) Cultural Recovery Funds (CRF) supported overhead costs and development funding acting as a bridge to a post Covid-19 period. Other funding was received through the National Government Job Retention Scheme and Local Authority Grants.
- ◆ We began work on incorporation, and refreshing Compton Verney with a new sense of purpose and positioning. A 'One Compton Verney' approach has now been adopted. This work supports formalisation of our work with audiences, whether through our commercial membership strategy or in support of our equalities, diversity and inclusion strategy.

Compton Verney is more ambitious than ever, as we reposition the venue, its reach and impact, the importance of excellence in cultural programming, digital fluency, environmental commitment, clarity of brand, efficiency in commercialising to support charitable objectives, building relationships with audiences and stakeholders and presenting a cultural venue which is open to everyone, as we embark on deepening our approach to equality, diversity and inclusion.

The Strategic Plan 2021-2024 will set out the direction of travel, objectives and Key Performance Indicators. This year has enabled Compton Verney to develop as a more agile organisation, one that can amplify and adapt activities in order to meet the needs of audiences, position the venue within the wider cultural infrastructure and adapt to the global drivers for change.

We are extremely grateful to the patience and endeavours of our Governors who have provided wise counsel at board level and through the Covid-19 Committee. We are also grateful to our staff who have persevered through the iterations of operational models and to our loyal volunteers. Our partners have enabled flexibility in the programme, supporting Compton Verney through this difficult time and we are especially grateful to our visitors, some of whom have discovered the venue for the first time and others as loyal members.

Our Benefactors, Patrons and Supporters have continued to support Compton Verney, believing in a better future and supporting our fundraising campaign, #CreativeVitality. We are also extremely indebted to National and Local Government, DCMS, ACE and the National Lottery Heritage Fund (NLHF) who have worked hard to support the cultural and heritage sectors. We have valued the support of local Members of Parliament and local leaders who have supported Compton Verney throughout the year.



The Board of Governors (the board) is pleased to present the annual report of Compton Verney House Trust together with the consolidated financial statements including the subsidiary company Compton Verney Publications Limited.

The financial statements have been prepared in accordance with accounting policies to the financial statements and comply with the charity's trust deed, applicable law and the requirements of the Statement of Recommended Practice - Accounting and Reporting by Charities: (SORP) applicable to charities preparing their accounts in accordance with FRS 102. The organisation is an unincorporated charity, constituted under a trust deed dated 27 August 1993 and registered as a charity on 1 February 1994.

Our Mission and Objectives

Our Mission

To care for, interpret and animate Compton Verney's site and culture, engaging audiences with art, heritage and the environment, providing outstanding visitor experiences, and securing a sustainable and accessible future.

Our Values

Inspired by our founder, Sir Peter Moores, we believe that great art is for everyone, and that culture should have no boundaries. At Compton Verney, all are welcome and there is space for everyone.

How we achieve our objectives

- ◆ Compton Verney, having been restored by the Peter Moores Foundation opening in 2004 with the intention of attracting visitors who would not normally visit galleries or museums, actively welcomes the broadest audiences. The Grade 1 Listed House and 120 acres of Grade II* Listed landscape, includes the park commissioned from Lancelot 'Capability' Brown in 1768 and recently restored grounds as a result of a successful bid to National Lottery Heritage Fund. The Assets are open to the public either through ticket purchase or subsidised entry to enable the development of audiences who have not visited before.
- ◆ We present world class art providing access to six permanent collections, of national and international standards supporting the National Government's 'Levelling Up' agenda, providing access to outstanding art in the regions, and global reach through digital content.
- ◆ We ensure our creative programme engages with new and existing audiences. Our annual exhibition programme is diverse and dynamic, drawing on loans from across the UK and abroad. Having secured Arts Council England (ACE) National Portfolio Funding (NPO) of £150,000 per annum to 2022, we experiment in creating connections between the landscape, art, collections and the exhibition programme to engage the most diverse audiences.

How we achieve our objectives (continued)

- ◆ We commission, loan and originate art, working with artists across all art forms, including digital.
- ◆ We maintain and develop our natural environment in a sustainable way through planting new species, undertaking careful land management and recording ecological developments. We are seeking proactively to ensure the whole of the estate becomes activated socially, environmentally and creatively underpinned by an Environmental and Ecological Grounds Master Plan.
- ◆ We encourage holistic engagement through volunteering, school visits, wellbeing activities, specific projects, consultation and employment. With over 100 volunteers, 6,000 school visits and many engagement projects, Compton Verney is working towards diverse engagement opportunities across all functions.

The Board members confirm they have complied with their duty to have due regard to the Charity Commission's guidance concerning public benefit. The Board considers all these initiatives as important means to delivering public benefit.

In order to finance these activities, Compton Verney House Trust and Compton Verney Publications Limited are engaged in generating income through a wide range of commercial activities, including membership, ticket sales, hires, weddings, events, publications, retail and sales of food and beverage. We also fundraise to activities, projects and undertake both of these income generation functions in order to financially support our charitable objectives.



Project Spotlight - Activating the Natural Environment during the Global Pandemic



Compton Verney began 2020 with a full exhibition programme, anticipating a year of transition as the organisation focused on strategic alignment with the needs of contemporary society. After reopening on 7 March 2020, and then closing fully for the first lockdown on 23 March, we recognised there was a potential opportunity to adapt the way in which Compton Verney operated, if we acted quickly.

Strategically, we had already identified that utilising the natural environment as part of the wider proposition was critical to our relevance to audiences, as we worked towards the 'One Compton Verney' proposition, bringing together art, heritage, the natural environment, ecology, creativity and people.

Project Spotlight - Activating the Natural Environment during the Global Pandemic
(continued)

During the first lockdown, the small (non-furloughed) core team began working up options to fully activate the grounds, as it was clear that gallery reopening could be many months away. Hyper local audience needs became very important, providing safe spaces for various configurations of groupings based on restriction requirements, and focusing on ensuring that local communities knew that Compton Verney sat on their door step. Adapting our model seven times during the Covid-19 period, with iterations of signage, PPE, toilet cleaning, queueing, ticket purchasing, food offers, types of programme, ways to keep visitors occupied during their visit as they took their daily exercise, levels of contact and non-contact visitor experiences, retail and no retail, social distancing and removal of 'touch' based aspects of the visitor experience were all part of our adaptations and flex during the 12 months that followed.

A year on, we have learnt much and significantly changed the way we work, this kind of organisational change would normally take two to three years. The teams grew in confidence as they successfully dealt with Health and Safety dilemmas, visitor experience scenarios and in reacting quickly to regular national Government announcements.

With income loss so significant, any cultural programme we developed did not only have to be low cost, of a quality and durability that would serve our visitor expectations, but also be time-ticketed to provide the much-needed income and visitor assurances. We focused on two strategies, firstly to engage communities in everything that we proposed and secondly to ensure that digital content and reach was maximised, with digital consultation a new part of the way we worked.

Titania's Dream – July - Our activities began with a contribution to the 2020 Make it West Midlands' *Midsummer Festival* WM Weekenders: Democratising Creativity and Culture, partnering with Royal Shakespeare Company and Culture Central. We engaged both digitally and physically with audiences as they enjoyed *Titania's Dream*, a 10-minute piece based around the single character of Titania, Queen of the Fairies, using the text of her speeches from Shakespeare's play. There were three socially distanced performances and content was available online, this was possibly the first outdoor theatrical performance in the region.

The Open Arms: Foka Wolf with People United – July to October - We teamed up with participatory arts organisation, People United, who investigate kindness in the arts and its influence on prosocial behaviour, also exploring the theme of humour with our local communities. This led to public art interventions across the parkland, Foka Wolf was appointed following an open call with more than 40 artists applying to take part. His work was informed by our collection and conversations from our online laughter café, hosted by Janice Connolly, Artistic Director of Women & Theatre. This project celebrated young creatives in the West Midlands, with content both on line as well as in the grounds.

Music of the Spheres - August – Eye Music Trust Our first Covid-safe, sold out event brought 900 visitors to the grounds on an August Sunday to enjoy and experience a variety of visual artists and musicians on the front lawn, culminating on the lake in a 12m diameter floating sphere containing an Arial Silk Artist. Visitors were very pleased to attend a safe event, many attending an event for the first time since March 2020.

Project Spotlight - Activating the Natural Environment during the Global Pandemic
(continued)

Light in the Dark Event – October Half Term – NLHF - Culture Recovery Fund - We embarked on a project to involve local communities in dressing the grounds in advance of the Light in the Dark Event. A trail of over 500 lanterns was made by children and young people from local schools, community groups and after school clubs (after school children's club, Go-Go Makers, families at Kineton Ministry of Defence Base (MOD), Escape Arts, year 8 and 9 students from Futures Institute Banbury school and our volunteers). Visitors who came to see the installation were able to participate in a number of ways. Online sharing workshops with the Chinese Community Centre, Birmingham exploring the Chinese Moon Festival, were held making connections with the Chinese Collection at Compton Verney. The poems that were produced from sharing were 'hidden' across the grounds, and the public could explore these through a UV interactive light trail, day time activity included Rocket Launching delivered by Kineton MOD, lantern making and storytelling.

Winter Festival – December – ACE - Culture Recovery Fund - A Fire Garden across five nights by the acclaimed outdoor arts company Walk the Plank, became the first winter night time event that Compton Verney had held. This sell-out event formed part of the wider winter festival which included a giant art 3D advent calendar covering the house, created by local artists (24 selected from 90 diverse applications). We held Saturday Night Lates, opening for food by the fire and light trails. Other trails encouraged visitors to explore our site and the grounds were 'dressed' to create a magical experience.

As we look forward to reopening the site fully in 2021, our seasonal creative programme will make links between audiences, art and nature. We open with a visually arresting installation by Rebecca Louise Law (drawing on the work of Starfish Creative) and a retrospective exhibition on work by Mary Newcomb. We are excited about the wider programme, working with Woodland Tribe, Arts Night, Morag Myerscough, new residencies and our seasonal programme of wider events. Compton Verney has utilised this challenging time to refresh the cultural and creative programme, embrace diversity, inclusion and equity; capture the connections between audiences, creativity and the natural environment. We are positioning Compton Verney as a year-round creative kaleidoscope of activity for everyone.

Our achievements and performance

In addition to the aforementioned projects in the Project Spotlight, Compton Verney also presented:

Exhibitions and engagement

During 2020, there were two important exhibitions:

Cranach: Artist and Innovator - 14 March to 3 January 2021; Positioning Compton Verney's four paintings by Cranach in the spotlight with loans from across the UK, both historical and contemporary, contributing to the 'Levelling Up' agenda, enabled people in the Midlands to gain access to national collections. The exhibition displayed works of art by modern and contemporary artists including Picasso, Claire Partington, Raqib Shaw, Michael Landy and Wolfe von Lenkiewicz.

Our achievements and performance (continued)

Exhibitions and engagement (continued)

Fabric: Touch and Identity running for the same period being curated by Professor Alice Kettle (Manchester Metropolitan University) and Professor Lesley Millar (University for the Creative Arts). The exhibition explored the many facets of fabric, touch and identity through the lens of art, design, fashion, film and dance.

Collections

During March 2020 we launched the redisplayed Northern European Collections including a rehanging of the works, interpretation, digital content and a loan from Mullany Fine Art, a Millefleurs Tapestry. This project was undertaken with the assistance of a National Gallery Curatorial Trainee.

Our partnership with Outside-In, an organisation that supports artists who face significant barriers to the art world due to health, disability, social circumstance or isolation resulted in a project called 'Signs', as part of a redisplay of Folk-Art Collection.

The Compton Verney Collections Settlement (CVCS) accepted a donation of 70 portrait miniatures from the Estate of the late Lady Grantchester, which will form part of our engagement programme and new displays.

Performative art

Our work in this area is captured in the Project Spotlight

Public art

Ariel Schlesinger's work was installed in July 2019, *Ways to Say Goodbye*. Ariel, an Israeli artist with a gallery in Berlin, produced a sculpture for the grounds and a curated gallery with related work. This is the second in a series of projects funded by ACE NPO Funds, exploring the links between the grounds, galleries and art. The sculpture settled in the landscape and remains a centre piece for visitors to the grounds until the autumn of 2021.

Engagement and volunteering

Our commitment to equalities, diversity and inclusion is deepening as we develop our strategy around audiences and audience needs, programming and organisational change.

During the year we combined digital and physical resources to build relationships with new audiences and worked with a wide range of organisations throughout the year, developing our practice and ensuring that new audiences were represented.

Our volunteers supported both seasonal festivals, set dressing the grounds and supporting events when safe to do so, they contributed over 2,500 hours in total during 2020. Importantly, they also supported the delivery of Compton Verney craft kits to Food Banks.

Our achievements and performance (continued)

Engagement and volunteering (continued)

Compton Verney donated Local Memberships to families in the local area throughout the Covid-19 period to those families where children receive Free School Meals or are from NHS Key Worker families.

Whilst the number of school visits was relatively low in 2020, the Forest School remained ever popular and will be refreshed for schools to return to in 2021.

Natural environment, sustainability and ecology

The Grounds Team remained on site throughout the whole year, ensuring that visitors had the best experience possible at all times. The team focused on expanding wildlife sites and habitats with trail cameras on fox dens and tracking otter access to the lake, leaving grass strips in the East Park to encourage small mammals and raptors. A new native hedge 160m long has been planted along the edge of the far meadows to encourage ecological habitation.

Visitor engagement

Visitors commented on how welcomed they felt throughout the year, Compton Verney successfully balanced opening the site, when possible, with visitor and staff safety. The complexities of different restrictions and lockdowns were well communicated throughout. We welcomed visitor feedback throughout opening periods. In addition, we ran evaluation exercises testing the response to the creative programme, worked with the Chinese Community on line, consulted on other projects in the grounds with local communities, and undertook a population survey which included 1,100 participants.



Corporate developments

Strategy

During 2020 we agreed that there were two parts to our strategy, a Core Strategy and an Agile Strategy, both being delivered simultaneously.

Our Core Strategy has enabled us to look at our systems, processes and ways of working, make improvements and address gaps. We have repositioned our expertise through a staff reorganisation, attracting new talent and enabling other staff to develop, streamlining our front-line team and operating with a more flexible model that can scale up and down as needed seasonally, this necessitated a small number of redundancies. We have improved financial reporting through automation, undertaken an internal audit, appointed a new auditor and introduced weekly performance reporting.

Corporate developments (continued)

Strategy (continued)

The Agile Strategy has been supported by the appointment of Morris Hargreaves McIntyre who worked with us to develop our revised Charitable Objects, a One Compton Verney Manifesto, a Culture Code and supported the development of a bold new vision and brand for the post Covid-19 period. Our business model will focus on increased commercial income through memberships and day tickets in tandem with a commitment to equalities, diversity and inclusion through projects and a broader pricing strategy.

Marketing and PR

Despite Covid-19, Compton Verney received a large amount of press coverage from across the UK and the globe. Cranach: Artist and Innovator has been a monumental exhibition digitally during 2020 with press coverage and digital reach overshadowing physical viewing. There have been over 100 pieces of international media coverage, and Compton Verney has been profiled nationally and regionally through all mediums. Compton Verney has developed a much higher social media profile during the pandemic.

Fundraising

We launched a campaign called #CreativeVitality a focused appeal related to the Covid-19 situation and in support of creativity, we are grateful to everyone who contributed and to our Benefactors, Patrons and Supporters.

As part of the support from National Government through DCMS, Compton Verney was able to apply for funding from NLHF Cultural Recovery Funds and ACE Cultural Recovery Funds. We were successful in bidding for £223,500 from NLHF and £980,000 from ACE.

ACE awarded Compton Verney a Kick Start Grant of £30,000, funds are still to be received on completion of work in 2021. There was in-kind support from Eye Music Trust, Moreton Morrell College, Woodland Trust and Ardon Farming and Wildlife Network totalling over £12,000.

Technological and digital development

Compton Verney has focused on developing digital content and will continue to shape and prioritise digital creative content to reach audiences across the globe. A new CRM system and website have been commissioned to enable ease of visitor journey and access. To improve financial processes, we have invested in SAGE Commercial. PC equipment has been updated and home working enabled through the use of Zoom accounts. The Digital Group will continue to meet to drive forward these developments.

Corporate developments (continued)

Compton Verney's Environmental Sustainability Approach

The Green Team Committee meets to assess progress on Compton Verney's commitment to environmental sustainability. We continue to report against ACE's, Julie's Bicycle, sustainability reporting model. We are focusing on improving: reduction of energy consumption, water usage and waste, recording travel statistics, exploring carbon offsetting for activities that cannot be avoided, establishing a long term environmental and biodiversity strategy.

Human Resources

Throughout 2020 staff were furloughed, flexibly furloughed or worked full time. Communications have been regular utilising Zoom for general staff updates weekly and a bi-weekly newsletter has been circulated to all staff and volunteers. The staff reorganisation changed the focus and shape of the organisation, new skills were brought in, including: commercial, cultural programming, fundraising, creative production, engagement, learning and equalities, diversity and inclusion, digital and environmental communications. The overall structure is focused on a core team with the ability to upscale depending on activity, with a number of staff on casual contracts, being based on an income surplus creating model. The business model for the reorganisation was based on the need to reduce the overall costs of staffing, and develop a readily skilled and agile organisation that can deliver against the strategic objectives of the charity.

Compliance and asset improvements

Health and Safety has been an extremely high priority throughout 2020, with significant expenditure on measures to enable a safe environment for staff and visitors.

We have focused on the conservation and maintenance of the asset base; a full Impairment Review has been commissioned with the results due in April 2021. In the meantime, maintenance projects have included: lift repairs, lighting and IT updates, implementation of safe dog walking, installation of lighting and Wi-Fi in the grounds, safe storage of food, completion of the car parking project, resolution of the catering contract and updating the Old Servants Hall.

CVHT commissioned an internal audit to ensure that appropriate financial processes were in place. The report highlighted a small number of improvements and policy changes which are currently being drafted. This project will tighten controls, HMRC reporting, streamline purchase and sales processing, ensure compliance in reporting to the Charity Commission and the across Audit process. The internal controls and financial procedures manual will form part of the induction manual. Buzzacott was appointed as auditor in 2020 to audit the 2019 accounts, and have undertaken a site visit in 2020 to complete this audit.

CVHT concluded an historic Value Added Tax (VAT) matter that arose in 2014, resolving this through a detailed and transparent assessment working with VAT specialists and HM Revenue and Customs (HMRC), finalising the issue with an agreed settlement of £710,000. CVHT has received confirmation of closure of this matter from both HMRC and the Charity Commission.

Future Plans

Our future plans are based on a 'One Compton Verney', a Manifesto for an extraordinary place. This new manifesto has been approved by the Board of Governors and forms the basis of our three-year strategy which will be published in the spring 2021. Our strategy is to develop an offer that is more inclusive, and recognisable by a wider range of people, grow revenues and surpluses and improve the overall financial position of the charity. The basis of the strategy is rooted in the new Manifesto and brand development.

One Compton Verney – A Manifesto for an extraordinary place

An extraordinary place

We are One Compton Verney; more than an art gallery, a house and a park. Rather than separate elements, our exhibits, interpretation, education, activities, experiences, events, facilities, services and digital presence are deeply integrated. We deliberately blur the perceived boundaries between visual and performing arts, indoor and outdoor, architecture and landscape, science and nature, creativity and learning, digital and analogue, and visiting and participating.

We connect everyone to art, nature and creativity

Our galleries, spaces and grounds are places for contemplation, conversation, music, performance, storytelling, learning, making, gardening, play and creative response. This fascinating and ever-changing cultural kaleidoscope is magical, it envelops you and invites your engagement. This engagement promotes visitors' wellbeing, physical and mental health.

We are a catalyst for ideas

We are a platform for dialogue, debate and interaction with society; a generator of new ideas and a facilitator of how to action them. To do this, we convene artists, creatives, writers, dancers, musicians, scientists, academics and specialists with our audiences. Together, through discussion, debate, research, experiment, co-creation, dynamic encounters and unique experiences, we explore contemporary ideas, innovative solutions to pressing problems, new interpretations, multiple perspectives and challenge traditional narratives.

We invite you to spend deep, meaningful time

A visit to Compton Verney is an extraordinarily immersive experience with a profound sense of place. We want you to relax and spend deep, meaningful time in our landscape, and with our art. But we can also animate and provoke, stimulate and heighten all of our senses. We invite you to roam, explore and discover, to be yourself, lose yourself and find yourself, feel free, and maybe try something you have never done. For you and those you love, we want your visit to be joyful, playful, surprising and delighting. Your search for truth and beauty will bring food for thought and a feast for the soul. A visit to Compton Verney is a tonic; it energises, nourishes, rejuvenates and uplifts.

One Compton Verney – A Manifesto for an extraordinary place (continued)

We experiment, influence, ignite and inspire

Everything we do is done with careful reflection, great commitment and attention to detail. Our knowledge base, expertise, reach and international standing give us the authority to innovate. We are agile and proactive, inventive and entrepreneurial and have the courage to take and manage risks, learning from every experiment. We influence arts practitioners, environmentalists and scientists, igniting and inspiring the next generation.

We think globally and act locally

We take a stand and contribute to a better, kinder world. Specifically, we champion environmental sustainability, build audience diversity and equity, deliver transformative learning outcomes and commit to social responsibility in everything we do.

We are for everyone

We reach out to engage the widest possible audience. We welcome you and your family to ours and invite you to join us. We support our visitors to feel safe, at ease and at home. We count on your support to sustain Compton Verney for the future. We want one visit to mean that you will carry a piece of us with you until you return.

Brand and strategic objectives

Through the intensive change programme that has been developed throughout 2020, the three-year Strategic Plan will focus on the following areas:

The Lived Brand

- ◆ To strengthen governance and strategic leadership (governance, environmental leadership, equalities, diversity and inclusion).
- ◆ To establish a positive and purposeful organisational culture (people and processes).
- ◆ To fulfil our stewardship of the Compton Verney estate and assets (assets – buildings and landscape).

The Experienced Brand

- ◆ To invest in the management and accessibility of our collection (collections care, relevance and accessibility).
- ◆ To develop an interdisciplinary approach to delivering immersive experiences (programme and visitor experience).
- ◆ To bring local schools community groups and young people into the heart of our practice (On and off site, partnerships and consultation).

Brand and strategic objectives (continued)

The Communicated Brand

- ◆ To establish Compton Verney as a singular destination (brand and marketing, PR, social media).

The Engaged Brand

- ◆ To achieve financial sustainability (fundraising and commercial income generation)

Financial review

Overview

Group funds increased by £903,981 (2019 increase £191,839).

Group income of £3,872,657 and costs of £2,909,865 in 2020 resulted in a surplus before net losses on investments of £962,792. This was above our internal plan and an improvement on the previous year's deficit of £333,298.

Group income has risen by £1,004,591 despite the pandemic. This is because of the timing of recording the income from the ACE Cultural Recovery Funding where SORP requires we show all the £980,000 income in 2020, with £40,079 of restricted expenditure in 2020. The remaining restricted funding of £339,921 will be spent in 2021.

Group investments fell by £58,811 in 2020, compared to an increase of £525,136 in 2019.

Total income

Group income came from three main income sources: 84% from donations and grants (£3,244,717), 12% from charitable activities (£459,296) and 4% from trading income (£164,227).

Pre-Pandemic, the three main income sources relied less on donations and grants, with 60% of Group 2019 income from donations and grants (£1,736,142), 17% from charitable activities (£473,579) and 23% from trading income (£651,332).

Donations and grants

Income from donations and grants rose 87% – an increase of £1,508,575.

Our largest donor was the Compton Verney Fund, which donated £1,400,000 in both years.

In 2020 Compton Verney received £1,507,625 of donations and grants linked to the pandemic. This comprised £980,000 from ACE Culture Recovery Fund, £223,500 from Culture National Lottery Heritage, £228,018 from Coronavirus Job Retention Scheme, £70,000 from Compton Verney Settlements Collection and £6,107 from local recovery grants.

Financial review (continued)

Donations and grants (continued)

In March 2020, Compton Verney completed its four-year Chapel and Landscape Restoration Project. Total project costs of £3,406,011 were 1% below plan. The final NLHF payment of £96,767 was received in March (NLHF project funding totalled £2,277,489).

The organisation received £152,760 of income from ACE as part of the band 1 NPO status (2019: £150,000). Wider work was supported by other trusts and foundations as set out in note 1b to the financial statements.

Charitable activities

Opening restrictions due to the Pandemic saw admissions income fall in the year. Income from charitable activities (mainly admissions income) amounted to £459,296 (2019: £473,579) a 3% decrease.

Sales of day tickets showed a larger decline than our annual membership schemes. Day tickets sales of £179,221 (2019: £297,819) fell 40%. Membership sales of £212,164 (2019: £155,841) fell 36%, Income from events, talks and lectures £67,911 (2019: £19,919) increased by 240% with successful autumn and winter events supported by grants encouraging paid visitors.

Income from other trading activities and investments

Income from other trading activities amounted to £164,227 (£651,332 in 2019) a reduction of 75% as the Pandemic severely impacted on trading opportunities in hire, shop and catering.

Operational review

Review for the year

Compton Verney House Trust delivered an operating surplus of £962,792. This includes £470,031 of grant income recognised in the year for 2021 activity. Adjusting for this, the Group generated an underlying operating surplus of £492,761.

Garden House

The Garden House tenancy ended in December 2019 and the property remained unlet during 2020.

Expenditure

The Group continued to maintain a tight control over its expenses and savings were made in several areas including staffing, maintenance, office and travel costs and reduction in exhibition spend. Expenditure in total reduced by 9%.

Staffing costs represent our largest area of expenditure but our people are also the charity's most valued asset. Costs of £1,285,062 were 44% (2019: 43%) of expenditure, as staffing costs fell by £107,607.

Operational review (continued)

Expenditure (continued)

The Board approved the new structure and appointment of the Commercial Director, Head of Content and Engagements. Creative Producer and Head of Fundraising. We conducted a spending review and business modelling exercise to establish the staff structure that would best serve the business and the post Covid-19 period.

As a result, we have established a dedicated front-line staffing to complement our permanent back of house staff team. We will use casual roles to manage additional activity on a commercial basis.

The direct costs of public display of the permanent collections rose 5% to £1,025,232 (2019: £979,243). The direct costs of special exhibitions and projects fell 16% to £389,366 (2019: £464,945). These changes reflect the mix of fixed and variable costs of Group activities.

The direct costs of raising funds fell 44% to £376,612 (2019: £668,125) with significant reductions in the cost of exhibitions and catering due to lower activity levels.

Support and Governance costs rose by 3% to £1,118,655 (2019 £1,089,047). There were savings due to lower activity levels. Professional fees on legal and taxation work increased to £98,024 (2019 £26,284) as work progressed on governance work for incorporation.

The VAT matter was resolved in 2020 without penalties. The agreed settlement comprised of £667,282 of tax and £40,040 of interest, with £45,528 of the £750,000 provision being reversed, against which CVHT incurred professional fees of £50,444 (2019 and 2020) CVHT have received confirmation from HMRC and the Charity commission in 2020 that the matter is now closed.

Pricing policy

Accessibility is a key element of our public benefit offering. We are committed to enabling as many people as possible to view art and enjoy the grounds regardless of their income and ability to pay. Our commercial pricing policy is underpinned by a series of concessions. During 2020 we particularly focused on Blue Light workers, families with children who receive free school meals, local communities and young people.

Investment policy

CVHT has commissioned an Impairment Review which will inform the amount of funds required to maintain and develop the assets. This will inform the Investment Policy which is currently being considered in the post Covid-19 era.

Reserves policy

The Group balance sheet shows total reserves of £28,530,750 comprising restricted funds of £350,119, designated funds of £27,344,009 and general funds of £836,622.

Operational Review (continued)

Restricted funds

Of a total of £350,119, the largest restricted fund is the unspent balance on the ACE – Culture Recovery Fund of £339,921. A broad range of activities is expected to utilise this during 2021.

Designated funds

Designated funds are ring-fenced by the Governors for special purposes and the largest is the Building and gallery fund of £23,840,132. This represents the investment in the development of the gallery, grounds and other fixed assets. The value of the fund fell by £87,364 in 2020 – being the excess of annual depreciation of £249,647 over capital investments of £162,283. With the exception of the Garden House investment of £900,000 which could be sold if needed, the most of this fund is represents sunk costs.

The second largest fund is the Building and gallery sustainability fund which is valued at £3,360,631 – an increase of £489,280 in the year. The purpose of this fund is to support ongoing development, conservation and maintenance of the estate as well as provide funding for strategic, artistic and commercial activities.

The Arts Council NPO fund includes £23,300 brought forward for the deinstallation of the grounds art installation and £119,912 spent on the Rebecca Louise Law exhibition (originally programmed for 2020 but rescheduled to Spring 2021).

Unrestricted funds

The Governors have set a level of reserves consistent with our ability to protect future activities prior to the pandemic, nominally unexpected financial risk as a minimum of three months of expenditure would have been sufficient, however, this is currently under review. The current level equates to 3.5 months expenditure.

The Charity's Assets

Acquisitions and disposals of fixed assets during the period are recorded in the notes to the financial statements.

Our governance and administration

The Charity structure

CVHT was established by the Peter Moores Foundation under the leadership of Sir Peter Moores and the venue opened in 2004, under the original Articles. Compton Verney House Trust is currently in the process of incorporating and is updating its governing document to reflect this and current best practice.

A Board of Governors is responsible for governance and overall control of the charity and meets up to five times a year. The staff of the Charity, under the direction of the CEO-Director, is responsible for the day-to-day delivery of the charity's objectives and the policy decisions, as agreed by the Board.

Our governance and administration (continued)

Directors and Governors

The following Governors were in office during the year and since the year-end:-

Penny Egan CBE – Chair

Janet Bell Smith

Philip Bunt

Sarah Carthew

Oliver Cox

Julie Finch (1 February 2020) Ex-Officio (Staff appointed role)

Lloyd Grossman (retired 31 December 2020)

Samantha Henney

Howard Jones (retired 31 December 2020)

Helen Rose (appointed 1 January 2021)

Jon Sheaff

Ross Sleight

Paul Smith

Lydia Thomas

Peter Wilson

All members of the Board constitute as Governors of the charity for the purpose of charity law.

The Board comprises a maximum of 13 elected Governors, each of whom is recruited through an open call, and appointments are finalised through the Nominations Committee and one appointed Ex-Officio Governor. The Governors are recruited for their expertise in diverse areas, including governance, finance and risk management, HR, marketing, commercial skills, culture and heritage, environmental sustainability and natural environment, digital development and major projects. On appointment to the Board, Governors are sent a comprehensive pack of relevant documents to enable them to understand their legal responsibilities to fulfil their roles as Governors. Governors are generally appointed for a term of up to four years, which is set to conclude at the end of the (calendar) financial year. At the end of their term of office, Governors either retire or may be asked by the Chair to offer themselves for one four-year term of re-appointment.

All members of the Board receive regular information from the CEO-Director, Executives and Corporate Manager on matters related to CVHT. Governors give their time voluntarily and receive no benefits from the charity, but their expenses are covered to ensure that an individual's ability to participate is not dependent upon their financial means. The CEO-Director is remunerated for her executive capacity and not for her role as a Governor.

Our governance and administration (continued)

Executive Team

Julie Finch	CEO-Director
Sarah Bunney	Finance and Assets Director
Bernadette O Sullivan	Commercial Director (November 2020)
Thomas Williams	Head of Fundraising (January 2021)
Abigail Viner	Head of Content and Engagement (March 2021)

Organisation

The Governors consider that they, together with the executive team, comprise the key management personnel of the charity, in charge of directing and controlling, running and operating the charity on a day-to-day basis. The CEO-Director is responsible for the day-to-day management of the charity and for implementing all policy decisions as determined by the Board.

While still retaining final responsibility, the Board delegates oversight of certain important areas of governance to two committees, each of which reports to and is accountable to the Board. These committees are the Finance and Audit Committee and the Nominations Committee. During the Covid-19 period a Covid-19 Governors Committee has operated, this will come to an end once full reopening is achieved in 2021. Remuneration of the Executive Team is overseen by the Nominations Committee, with reference to sector benchmarks.

Compton Verney House Trust is an equal opportunities employer, recruitment criteria and procedures ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. Wherever possible, employees are provided with further specialist training to enable them to broaden their knowledge and skills and to advance their careers in the charity and arts sector.

The Charity has welcomed interns and those seeking work experience during the year, the interns receiving a short contract. We have also employed consultants and specialists able to support certain areas of change in relation to audience and business development, finance and VAT, governance and marketing and Public Relations.

Our charitable work is reliant on the commitment of our loyal supporters. In particular, to the teams of volunteers who share a range of diverse skills, we are grateful for all of this support. In addition, our members, benefactors, patrons and supporters have remained loyal throughout the pandemic period, we are also very grateful for their support.

Trading activities are mainly undertaken through Compton Verney Publications Limited, a trading company registered with Companies House (registered number 3101327).

Our governance and administration (continued)

Fundraising

Compton Verney House Trust is registered with the Fundraising Regulator, and has been compliant with regulations throughout the year. The Charity is reliant on its own team for all fundraising activities and for attracting donations to the charity. Any funded project is carefully managed to ensure that outcomes are met. The Governors receive regular reports of compliance as part of their meetings. No complaints relating to fundraising have been received during the year.

Our policies

The charity has policies and guidelines in place to cover wide ranging areas of our business encompassing financial management, asset management, HR, operational management including Health, Child Protection and Safeguarding Vulnerable Adult Policy, Equal Opportunities Policy.

All staff are required to understand and comply with these policies, which we review biannually to ensure that they are suitable for the organisation's structure and objectives. We strive to update our policies through on-going consultations with Governors, staff, volunteers and the public.

The Finance and Audit Committee

Chaired by Philip Bunt, the Finance and Audit Committee reports to the CVHT Board of Governors. The CVHT Finance and Assets Director submits quarterly accounts and strategic financial reports to each sub-committee meeting; the meeting minutes are then circulated to the CVHT Governors, who are ultimately responsible for reviewing financial performance. The Chair and CEO-Director of CVHT also attend on a regular basis.

The Finance and Audit Committee provides high-level oversight of the accounting systems, procedures and policies and financial reporting, including budgets and medium-term plans, and makes recommendations to the CVHT Board on any changes that are required.

Nominations Committee

The Nominations Committee, chaired by Janet Smith, is responsible for recruiting new Governors within a defined process, considering staff remunerations and staff reorganisations.

Related parties

Compton Verney House Trust (CVHT) co-operates with two related charities and one related company in order to achieve its objectives. The two charities are the Compton Verney Collections Settlement (CVCS) and the Compton Verney Fund (CVF), both founded by Sir Peter Moores.

Our governance and administration (continued)

Compton Verney Collection Settlement (CVCS)

CVCS is a charitable trust (number 1085810), set up at the same time as CVHT in 1993. CVCS is chaired by Brian Allen, the trustees of CVCS oversee the permanent collection at Compton Verney, and a loan deed outlines the terms upon which the collection is displayed at CVHT.

New CVCS trustees are appointed on either the recommendation of the executive or of existing trustees on the basis of their relevant expertise. They tend to be museum professionals, able to advise on collection-related issues. The CVHT CEO-Director and other staff attend every board meeting; other senior CVHT staff attend meetings as appropriate.

The Compton Verney Fund (CVF)

CVF (number 1134907) was established by trust deed in March 2010 to hold an endowment of £25 million on Compton Verney's behalf. CVF is a separate trust, with a separate Board from CVHT, and stands independently to ensure its assets cannot be compromised by any potential difficulty encountered by CVHT. During the year Philip Bunt was appointed as a CVF trustee.

Compton Verney Publications Limited (CVPL)

Chaired by Helen Rose, Compton Verney Publications Limited is wholly owned by CVHT, and undertakes the educational, hire, catering and retail activity at Compton Verney. The Chair of CVHT's Board of Governors, Penny Egan and Julie Finch CEO-Director, were unpaid directors of CVPL during 2020.

Management of risk

The executive and the Board have a strategy for the management of risks faced by the charity. Risk processes are kept under constant review and comprise the following key controls:

- ◆ Weekly executive meetings with an aim of identifying potential risks at any early stage and escalating them when appropriate
- ◆ A formal quarterly assessment of all the risks by the Finance and Audit Committee, in conjunction with the senior charity staff, which leads to the updating, monitoring and circulation of a Risk Register to mitigate these risks throughout the year
- ◆ A formal annual review of the charity's risk management process by the Finance and Audit Committee
- ◆ A review of the charity's Risk Register is carried out at each meeting of the Board
- ◆ Through the implementation of these risk management controls, the Board has evaluated the main financial and non-financial risks to the organisation and is satisfied that the risks identified are adequately monitored and managed

Our governance and administration (continued)

Management of risk (continued)

The key risks for the charity, as identified by the Governors are described below, together with the principal ways in which they are mitigated:

- ◆ If CVHT lacks strategic direction, the future of the Trust could be at risk from deterioration of assets, lack of refreshment of assets and lack of investment in the future. CVHT's three-year strategy will be considered at the April 2021 Board Meeting, an Impairment Review is currently being conducted to assess the annual cost of repair, conservation and maintenance for the next 20 years, this information will underpin the strategy.
- ◆ If CVHT fails to identify capital and revenue growth opportunities, increased income will not be achieved and the future sustainability of CVHT will be threatened. This is being addressed through modernising and repositioning the commercial opportunities for CVHT as we accelerate out of Covid-19.
- ◆ If CVHT introduces unplanned additional work, or is not realistic about the capacity of the team this can affect morale and delivery. This is being addressed through development of the three-year strategic plan, any new business developments will be assessed against the resources required.
- ◆ If CVHT fails to comply with legal requirements (Charity, Equalities, Data Protection, Employment, tax, Health and Safety, National Government legislation related to Covid-19 restrictions) there could be an impact on reputation. The Covid-19 Governors Committee monitors responses to the Covid-19 situation; measures are in place to check other aspects of legislation, which include policy reviews, internal audit process, specialist health and safety advice, progression with equalities monitoring and developing practice, a full VAT review has been conducted, any new use of data is checked against GDPR regulations, all reporting to the Charity Commission is kept up to date.

Compton Verney instructed a Covid-19 Governor Committee to oversee the operational and strategic progress from March 2020, it continues to monitor risk and revert to the Board as appropriate. A full revised risk assessment was established in April 2020, action has been taken to mitigate risks, reopening under a new model assessing the cost basis, a restructure to reduce fixed costs, slowing down and stopping some expenditure, assessment of new business units, use of the grounds and diversification of income streams.

Statement of responsibilities of the governors

Law applicable to charities in England and Wales requires the Governors to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the Governors should follow best practice and

- ◆ Select suitable accounting policies and then apply them consistently;

Statement of responsibilities of the governors (continued)

- ◆ Observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounting in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland;
- ◆ Make judgements and estimates that are reasonable and prudent;
- ◆ State whether applicable UK Accounting Standards and statements of recommended practice 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 operation.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate 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.

Auditor

During 2020, Buzzacott was appointed as the auditor.

Approved by the Governors on 21 June 2021 and signed on their behalf by:

Penny Egan

Chair

Independent auditor's report to the members of Compton Verney House Trust

Opinion

We have audited the accounts of Compton Verney House Trust (the 'parent charity') and its subsidiary (the group) for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the balance sheets, the consolidated statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charity's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept by the parent charity; or
- ◆ the parent charity accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

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

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

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the group and determined that the most significant frameworks which are directly relevant to specific assertions in the accounts are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and those that relate to data protection (General Data Protection Regulation).

We assessed the susceptibility of the group's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates for the calculation of the annual depreciation charge; the allocation of support costs between charitable expenditure categories; and the estimation of future income and expenditure flows for the purpose of assessing going concern were indicative of potential bias.

Auditor's responsibilities for the audit of the accounts (continued)

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

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

9 July 2021

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

Consolidated statement of financial activities Year to 31 December 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total £	Unrestricted funds £	Restricted funds £	2019 Total £
Income from:							
Donations and legacies	1	2,538,950	705,767	3,244,717	1,593,012	143,130	1,736,142
Charitable activities:							
. Public displays of art collections	2	459,296	—	459,296	473,579	—	473,579
Other trading activities	3	164,227	—	164,227	651,332	—	651,332
Investments		4,417	—	4,417	7,013	—	7,013
Total income		3,166,890	705,767	3,872,657	2,724,936	143,130	2,868,066
Expenditure on:							
Raising funds:							
. Fundraising costs		140,338	—	140,338	311,381	—	311,381
. Trading activities		527,124	—	527,124	639,897	—	639,897
Charitable activities:							
. Public displays of permanent collections		1,685,239	—	1,685,239	1,621,402	381	1,621,783
. Special exhibition/project costs		266,308	290,856	557,164	472,059	156,244	628,303
Total expenditure	4	2,619,009	290,856	2,909,865	3,044,739	156,625	3,201,364
Net income (expenditure) before net (losses) gains on investments		547,881	414,911	962,792	(319,803)	(13,495)	(333,298)
Net (losses) gains on investments		(58,811)	—	(58,811)	525,136	—	525,136
Net income (expenditure)	5	489,070	414,911	903,981	205,333	(13,495)	191,838
Transfers between funds	19	32,761	(32,761)	—	22,836	(22,836)	—
Net movement in funds		521,831	382,150	903,981	228,169	(36,331)	191,838
Reconciliation of funds							
Total funds brought forward		27,658,800	(32,031)	27,626,769	27,430,631	4,300	27,434,931
Total funds carried forward	19	28,180,631	350,119	28,530,750	27,658,800	(32,031)	27,626,769

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 19 to the financial statements.

Balance sheets 31 December 2020

	Notes	Group		Charity	
		2020 £	2019 £	2020 £	2019 £
Fixed assets					
Tangible assets	9	23,840,133	23,927,496	23,830,133	23,927,496
Investments	10	2,128,961	2,187,775	2,128,961	2,187,777
		25,969,094	26,115,271	25,969,094	26,115,273
Current assets					
Stock	13	27,723	31,376	—	31,376
Debtors	14	785,818	296,169	778,912	258,098
Cash at bank and in hand		2,122,177	2,235,146	2,112,007	2,214,792
		2,935,718	2,562,691	2,890,919	2,504,266
Liabilities					
Creditors: amounts falling due within one year	15	(374,062)	(1,051,193)	(329,265)	(1,152,576)
Net current assets		2,561,656	1,511,498	2,561,654	1,351,690
Total net assets		28,530,750	27,626,769	28,530,748	27,466,963
Funds	19				
Restricted income funds		350,119	(32,031)	350,119	(32,031)
Unrestricted income funds					
. Designated funds		27,344,009	26,822,177	27,344,007	26,822,177
. General funds		836,622	836,623	836,622	676,817
Total unrestricted funds		28,180,631	27,658,800	28,180,629	27,498,994
Total reserves	18	28,530,750	27,626,769	28,530,748	27,466,963

Approved by the Board of Governors on 21 June 2021 and signed on their behalf by:

Penny Egan
Chair

Consolidated statement of cash flows 31 December 2020

	Notes	2020 £	2019 £
Cash flows from operating activities	A		
Net cash provided by (used in) operating activities		44,898	(219,926)
Cash flows from investing activities			
Dividends, interest and rents from investments		4,417	7,013
Purchase of fixed assets		(162,284)	(736,272)
Purchase of COIF deposit		(2,218,189)	—
Sales of COIF investment for cash		2,218,189	1,000,000
Net cash (used in) provided by investing activities		(157,867)	270,741
Change in cash and cash equivalents in the year		(112,969)	50,815
Cash and cash equivalents at the beginning of the year		2,235,146	2,184,331
Cash and cash equivalents at the end of the year	B	2,122,177	2,235,146

Notes to the statement of cash flows for the year to 31 December 2020.

A Reconciliation of net income to net cash flow from operating activities

	2020 £	2019 £
Net income for the year (as per the statement of financial activities)	903,981	191,838
Adjustments for:		
Depreciation charges	249,647	242,978
Losses (gains) on investments	58,811	(525,136)
Dividends, interest and rent from investments	(4,417)	(7,013)
Decrease (increase) in stocks	3,653	(1,068)
(Increase) decrease in debtors	(489,646)	10,657
Decrease in creditors	(677,131)	(132,182)
Net cash provided by (used in) operating activities	44,898	(219,926)

B Analysis of cash and cash equivalents

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	2,235,146	(112,969)	2,122,177
Total cash and cash equivalents	2,235,146	(112,969)	2,122,177

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Statutory information

Compton Verney House Trust is a charitable trust. The registered office address and principal place of business is Compton Verney, Warwickshire, CV35 9HZ.

Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involve following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Compton Verney Publications Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented as the summary of the result for the year is disclosed in the notes to the accounts.

Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Governors and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ the useful economic lives attributed to tangible fixed assets used to determine the annual depreciation charge;
- ◆ the allocation of support costs between charitable expenditure categories;
- ◆ the estimation of future income and expenditure flows for the purpose of assessing going concern (see below).

Going concern

The Governors consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The Governors acknowledge and recognise the potential impact of Covid-19 on the future operations of the charity, its beneficiaries, partners and stakeholders and on wider society. As well as the personal risk to health of its staff, the charity may lose planned income as the result of the cancellation of events and/or the absence of key personnel, although there may also be some compensating expenditure savings. The reduced opportunities for scheduled face to face interaction may well impact on the ability to plan effectively for the medium term but, at the current time, it is not anticipated that the financial solvency of the charity is materially threatened. As detailed in the Governors' report we continue to take account of the challenges and opportunities that the pandemic poses. This will help ensure Compton Verney remains relevant and can meet its charitable objects.

The Governors do not consider that there are any sources of estimation uncertainty at the reporting date that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

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

Income received in advance of the provision of a specified service is deferred until the criteria for income and recognition are met.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other income received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the Governors for particular purposes.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- ◆ *Cost of raising funds* relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- ◆ *Expenditure on charitable activities* includes the costs of exhibitions undertaken to further the purposes of the charity and their associated support and governance.
- ◆ *Other expenditure* represents those items not falling into any other heading.

Allocation of support and governance costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Cost of raising funds	26%
Public display of permanent collections	59%
Special exhibitions/projects	15%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Operating leases

Rental charges are charged on a straight line basis over the term of the lease

Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold property	see below
Plant and machinery	4 years

Tangible fixed assets (continued)

Fixtures and fittings	4 years
Motor vehicles	5 years

The Governors consider the residual value of the freehold property to be at least equal to its cost, and therefore there is no depreciation charge on the property. The Governors carry out a review of the property at least annually to ensure there is no indication of an impairment to the property. The balance sheet includes £21,324,213 for the value of the House and Garden House.

However, the cost of the freehold property includes fit out costs such as gallery lighting. In 2016 new buildings were constructed on the estate and in 2017 an additional property. Garden House, was purchased by the state. The Car Park is treated as fit out cost. The assets will be written down to estimated residual value over their expected useful life and depreciated as follows:

New buildings	25 years
Fit out costs	10 years
Garden House	no impairment

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet.

Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains (losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Investment in subsidiaries

Investments in subsidiaries are at cost.

Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Pensions

Compton Verney operates a defined contribution pension scheme. The assets of the scheme are held separately from Compton Verney in an independently administered fund. The pension cost charge represents contributions payable under the scheme by Compton Verney to the fund. Compton Verney has no liability under the scheme other than for the payment of those contributions.

Since the onset of auto enrolment in April 2015, the charity has been required to enrol staff who meet set criteria based on earnings and age. If new staff meet the criteria they are typically enrolled into the scheme after a 3 months postponement period. Staff who do not meet the criteria are given the option of joining the scheme on a voluntary basis if they wish. Contributions are in line with the statutory minimums set out under the auto enrolment legislation although there is an option for staff to have their contributions matched at a higher level.

1 Income from donations and legacies

	Unrestricted £	Restricted £	2020 Total £
Donations (see note 1a)	1,476,077	2,500	1,478,577
Grants (see note 1b)	1,062,873	703,267	1,766,140
	2,538,950	705,767	3,244,717

	Unrestricted £	Restricted £	2019 Total £
Donations (see note 1a)	1,436,094	11,370	1,447,464
Grants (see note 1b)	156,918	131,760	288,678
	1,593,012	143,130	1,736,142

1a Donations

	Unrestricted £	Restricted £	2020 Total £
Compton Verney Fund – Endowment funding	1,400,000	—	1,400,000
Other donations	76,077	2,500	78,577
	1,476,077	2,500	1,478,577

Other donations includes unrestricted gift in kind donations of £12,280, valued in accordance with the Charities SORP.

	Unrestricted £	Restricted £	2019 Total £
Compton Verney Fund – Endowment funding	1,400,000	—	1,400,000
Other donations	36,094	11,370	47,464
	1,436,094	11,370	1,447,464

1b Grants received

	Unrestricted £	Restricted £	2020 Total £
Arts Council England – Cultural Recovery Fund	600,000	380,000	980,000
Coronavirus Job Retention Scheme	228,018	—	228,018
National Lottery Heritage Fund – Cultural Recovery	—	223,500	223,500
Arts Council England – National Portfolio	152,760	—	152,760
National Lottery Heritage Fund	—	96,767	96,767
Compton Verney Collection Settlement	70,000	—	70,000
Local Recovery Grant	6,107	—	6,107
Rural Payments Agency	5,988	—	5,988
University of Warwick	—	2,000	2,000
Other grants (under £1,500)	—	1,000	1,000
	1,062,873	703,267	1,766,140

1b Grants received (continued)

	Unrestricted £	Restricted £	2019 Total £
<i>National Lottery Heritage Fund</i>	—	90,318	90,318
<i>Arts Council England</i>	150,000	31,142	181,142
<i>Compton Verney Collection Settlement</i>	—	—	—
<i>Rural Payments Agency</i>	5,918	—	5,918
<i>Daiwa Foundation Grant</i>	—	2,000	2,000
<i>Finnis Scott Foundation</i>	—	2,350	2,350
<i>Paul Mellon</i>	—	—	—
<i>Digital, Culture, Media & Sport</i>	—	—	—
<i>Rowlands Trust</i>	—	1,000	1,000
<i>GB SASAKAWA</i>	—	2,000	2,000
<i>Bonham Carter</i>	—	—	—
<i>Saintbury Trust</i>	—	—	—
<i>Other grants (under £1,500)</i>	1,000	2,950	3,950
	156,918	131,760	288,678

2 Income from charitable activities

	Unrestricted £	Restricted £	2020 Total £
Public display of permanent collections:			
. Gallery grounds and admissions	179,221	—	179,221
. Membership	212,164	—	212,164
Talks and lectures	67,911	—	67,911
Total	459,296	—	459,296

	Unrestricted £	Restricted £	2019 Total £
Public display of permanent collections:			
. Gallery grounds and admissions	297,819	—	297,819
. Membership	155,841	—	155,841
Talks and lectures	19,919	—	19,919
Total	473,579	—	473,579

3 Income from other trading activities

	Unrestricted £	Restricted £	2020 Total £
Shop turnover	70,895	—	70,895
Educational activities	8,201	—	8,201
Hire and onsite catering	50,714	—	50,714
Catering income	20,032	—	20,032
Touring income	8,048	—	8,048
Sundry income	6,337	—	6,337
	164,227	—	164,227

3 Income from other trading activities (continued)

	Unrestricted £	Restricted £	2019 Total £
Shop turnover	139,511	—	139,511
Educational activities	32,894	—	32,894
Hire and onsite catering	208,308	—	208,308
Catering income	207,401	—	207,401
Property rental	23,979	—	23,979
Touring income	36,109	—	36,109
Sundry income	3,130	—	3,130
	651,332	—	651,332

4 Analysis of expenditure

	Cost of raising funds £	Public display of permanent collections £	Special exhibitions/ projects £	Governance costs £	Support costs £	2020 Total £
Staff costs	278,164	471,844	78,802	131,893	277,409	1,238,112
Consultancy – temporary staff cover	—	20,790	—	—	29,978	50,768
Depreciation	—	—	—	—	249,647	249,647
Utilities	—	206,329	—	—	—	206,329
Funded projects	—	—	205,805	—	—	205,805
Cost of sales and exhibitions	68,875	—	89,120	—	—	157,995
Marketing and PR	—	—	—	—	156,278	156,278
Security	—	116,047	—	—	—	116,047
Office costs and other people costs	8,618	43,484	15,640	—	46,774	114,516
Governance including taxation, legal and audit fees	—	—	—	114,511	—	114,511
Maintenance	—	109,917	—	—	1,796	111,713
Insurance	—	70,400	—	2,933	1,339	74,672
Cleaning, rates and storage	—	50,231	—	—	8,495	58,726
Information technology	—	—	—	—	44,365	44,365
Cost of sales of catering	20,954	—	—	—	21,137	42,091
Strategy projects	—	—	—	—	32,100	32,100
Irrecoverable VAT on charitable activities	—	(63,810)	—	—	—	(63,810)
	376,611	1,025,232	389,367	249,337	869,318	2,909,865
Support costs	226,023	512,898	130,397	—	(869,318)	—
Governance costs	64,828	147,109	37,400	(249,337)	—	—
Total expenditure 2020	667,462	1,685,239	557,164	—	—	2,909,865

4 Analysis of expenditure (continued)

	Cost of raising funds £	Public display of permanent collections £	Special exhibitions/ projects £	Governance costs £	Support costs £	2019 Total £
Staff costs	336,161	563,110	—	—	433,755	1,333,026
Consultancy – temporary staff cover	—	—	—	—	37,975	37,975
Cost of sales and exhibitions	115,261	—	388,315	—	—	503,576
Cost of sales and catering	202,019	—	—	—	—	202,019
Utilities	—	190,117	—	—	—	190,117
Insurance	—	68,585	—	3,420	1,859	73,864
Security	—	116,502	—	—	—	116,502
Marketing	—	—	—	—	124,166	124,166
Telephone/postage/stationery	—	—	—	—	21,432	21,432
Travel/subsistence/entertaining	977	1,857	—	—	8,104	10,938
Maintenance	—	136,957	—	—	9,984	146,941
Information technology	—	—	—	—	45,414	45,414
Cleaning	—	79,385	—	—	—	79,385
Consultancy/professional fees	—	—	—	—	96,274	96,274
Recruitment/training	—	—	—	—	7,716	7,716
Governors' expenses	—	—	—	715	—	715
Auditor's remuneration	—	—	—	17,110	—	17,110
General rates	—	—	—	—	24,149	24,149
Volunteers' expenses/temporary staff	—	—	—	—	11,100	11,100
Other expenses	5,328	35,383	33,911	—	—	74,622
Storage	—	1,961	—	—	2,900	4,861
Signage and print	8,379	6,298	—	—	—	14,677
Depreciation	—	—	—	—	242,978	242,978
Grounds restoration	—	—	42,719	—	—	42,719
Irrecoverable VAT on charitable activities	—	(220,912)	—	—	—	(220,912)
	<u>668,125</u>	<u>979,243</u>	<u>464,945</u>	<u>21,245</u>	<u>1,067,806</u>	<u>3,201,364</u>
Support costs	277,629	630,005	160,172	—	(1,067,806)	—
Governance costs	5,524	12,535	3,186	(21,245)	—	—
Total expenditure 2019	<u>951,278</u>	<u>1,621,783</u>	<u>628,303</u>	<u>—</u>	<u>—</u>	<u>3,201,364</u>

5 Net income (expenditure) for the year

This is stated after charging:

	2020 Total £	2019 Total £
Depreciation	249,647	242,978
Trustees' indemnity insurance	2,933	3,420
Trustees' reimbursed expenses	737	715
Operating lease rentals:		
. Other	1,579	1,533
Auditor's remuneration (excluding VAT)	14,600	14,577
. Auditor's related company taxation services	32,444	18,000
. Other services	1,150	2,520

6 Analysis of staff costs

Staff costs were as follows:

	2020 Total £	2019 Total £
Salaries and wages	1,113,272	1,224,470
Social security costs	82,778	88,910
Employer's contribution to defined contribution pension schemes	38,244	41,314
	1,234,294	1,354,694
Consultancy – temporary staff cover	50,768	37,975
	1,285,062	1,392,669

The following number of employees received employee benefits (excluding employer pension and employer's national insurance costs) during the year between:

	2020 No.	2019 No.
£80,000 – £89,999	1	—

The total employee benefits including employer's pension contribution and employer's national insurance of the key management personnel were £236,632 (2019: £264,534).

The Board of Governors were not paid nor received any other benefits from employment with the charity in the year (2019: £nil).

Board of Governors' expenses represents the payment or reimbursement of travel and subsistence costs totalling £737 (2019: £715) incurred by 2 (2019: 3) members relating to attendance at meetings of the trustees.

One Governor has been paid remuneration for employment within the charity, in accordance with the Compton Verney House Trust Deed variation 10th February 2020, which appointed the role of CEO to the Governors. In her role as CEO, Julie Finch received gross pay of £86,700 and employer pension contributions of £5,202. There were no other benefits within the remuneration. No 2019 figures are quoted, since the CEO role was not a Governor in that year.

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2020 No.	2019 No.
Raising funds	6	7
Public display of collections	47	51
Support	23	26
Governance	2	3
	78	87

6 Analysis of staff costs (continued)

The average number of employees for the year of 78 (2019: 87) consists of 34 permanent staff (2019: 37) and 44 seasonal staff (2019: 50). Permanent staff rose to 42 in December 2020 with the new front of house organisation.

7 Related party transactions

Compton Verney House Trust receives endowment income annually from the Compton Verney Fund. In 2020 Compton Verney received £1.4 million (2019: £1.4 million).

During the year, Howard Jones was a trustee of both Compton Verney Fund and Compton Verney House Trust and on his retirement, Philip Bunt became a trustee of both.

A number of Governors have voluntarily contributed to the benefactor schemes total value £3,050 (2019: £4,800) and quality for the same benefits of all beneficiaries.

Compton Verney Collections Settlement Trust gave a £70,000 grant in 2020 to help fund the fixed costs of management of the permanent art collections during the Pandemic.

Further details of the related party organisation are included in the Governors' report.

8 Taxation

As an unincorporated trust the Charity is exempt from corporation and income tax.

The charity's trading subsidiary Compton Verney Publications Limited donates available profits to the parent charity under gift aid. No corporation tax was liable for Compton Verney Publications Limited in 2020 (and 2019).

9 Tangible fixed assets

Group and charity	Main Compton Verney land & estate £	New buildings & fit out costs £	Plant and machinery £	Fixtures, fittings & motor vehicles £	Total £
Cost					
At the start of the year	9,227,297	16,141,639	557,109	418,513	26,344,558
Additions	—	64,319	48,645	49,320	162,284
At the end of the year	<u>9,227,297</u>	<u>16,205,958</u>	<u>605,754</u>	<u>467,833</u>	<u>26,506,842</u>
Depreciation					
At the start of the year	—	1,613,793	408,059	395,209	2,417,062
Charge for the year	—	148,560	78,790	22,297	249,647
At the end of the year	<u>—</u>	<u>1,762,354</u>	<u>486,849</u>	<u>417,506</u>	<u>2,666,709</u>
Net book value					
At the end of the year	<u>9,227,297</u>	<u>14,443,604</u>	<u>118,905</u>	<u>50,327</u>	<u>23,840,133</u>
At the start of the year	<u>9,227,297</u>	<u>14,527,846</u>	<u>149,050</u>	<u>23,304</u>	<u>23,927,496</u>

All of the above assets are used for charitable purposes.

10 Investments

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Fair value at the start of the year	2,187,775	2,662,639	2,187,775	2,662,639
Disposal proceeds	(2,218,189)	(1,000,000)	(2,218,189)	(1,000,000)
Purchase value	2,218,189	—	2,218,189	—
Net (loss) gain on change in fair value	(58,814)	525,136	(58,814)	525,136
Fair value at the end of the year	2,218,961	2,187,775	2,218,961	2,187,775
Historical cost at the end of the year	—	900,000	—	900,000

At the start of 2020 the Charity held 11,651.84 units of the COIF Investment fund. On 21 May 2020 these units were sold at a price of £18,264.83 per unit and the proceeds of £2,128,189 were placed in the COIF Charity Deposit account.

11 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Compton Verney Publications Limited, a company incorporated in the United Kingdom and registered in England and Wales (company number 03101327). The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Kirsten Suenson-Taylor (retired chair of Charity) retired as a director in September 2020 and was replaced by Penny Egan (current chair of Charity). Julie Finch was a director of the subsidiary through 2020. Two shares are held by individuals in trust for the Charity. Available profits are gift aided to the parent charity. A summary of the results of the subsidiary is shown below:

	2020 Total £	2019 Total £
Turnover	158,523	644,650
Cost of sales	(69,295)	(310,150)
Gross profit	89,228	334,500
Administrative expenses	(28,718)	(60,527)
Management charge from parent undertaking	(59,734)	(114,166)
Profit on ordinary activities	776	159,806
Total comprehensive income for the financial year	776	159,806
Changes in equity		
Total equity brought forward	159,808	2
Total comprehensive income for the year	776	159,806
Gift aid distribution to parent charity	(160,582)	—
Total equity carried forward	2	159,808
The aggregate of the assets, liabilities and funds was:		
Assets	111,246	341,127
Liabilities	(111,244)	(181,318)
Funds	2	159,808

11 Subsidiary undertaking (continued)

Amounts owed from the parent to undertaking £66,140 (2019: £258,705) are shown in note 15.

12 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2020 £	2019 £
Gross income	3,799,643	2,337,583
Result for the year	962,017	(493,104)

13 Stock

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Finished goods	27,723	31,376	—	31,376

14 Debtors

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Trade debtors	9,116	102,788	4,556	54,993
Other debtors	11,290	32,008	9,880	26,909
VAT	83,376	21,225	83,412	45,221
Accrued grant income	533,607	—	533,607	—
Prepayments and accrued income	148,429	140,148	147,457	130,975
	785,818	296,169	778,912	258,098

15 Creditors: amounts falling due within one year

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Trade creditors	167,956	114,177	160,122	96,025
Taxation and social security	23,735	31,030	23,735	31,030
Amount due to group undertaking	—	—	66,410	258,705
VAT liability	—	750,000	—	717,000
Accruals and deferred income	182,371	155,986	78,998	49,816
	374,062	1,051,193	329,265	1,152,576

16 Deferred income

Deferred income comprises unexpended grants received and deposits for private hires.

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Balance at the beginning of the year	77,467	48,693	4,160	7,940
Amount released to income in the year	(59,290)	(39,110)	(910)	(4,173)
Amount deferred in the year	78,294	67,884	12,090	393
Balance at the end of the year	96,471	77,467	15,340	4,160

17 Pension scheme

As at 31 December 2020, contributions amounting to £5,416 (2019: £7,003) were outstanding or owed to the defined contribution pension schemes. At the year end the Aegon administered pension schemes had a total of 36 active members (2019: 41 active members).

18 Analysis of group net assets between funds

	General unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	—	23,840,133	—	23,840,133
Investments	—	2,218,961	—	2,218,961
Net current assets	836,622	1,374,915	350,119	2,561,656
Net assets at 31 December 2020	836,622	27,434,009	350,119	28,620,750

	General unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
<i>Tangible fixed assets</i>	—	23,927,496	—	23,927,496
<i>Investments</i>	—	2,187,775	—	2,187,775
<i>Net current assets</i>	836,623	706,906	(32,031)	1,511,498
<i>Net assets at 31 December 2019</i>	<i>836,623</i>	<i>26,822,177</i>	<i>(32,031)</i>	<i>27,626,769</i>

19 Movement in funds

	At 1 January 2020 £	Income £	Expenditure £	Gains £	Transfers £	At 31 December 2020 £
Restricted funds						
Arts Council England – Cultural Recovery Fund	—	380,000	(40,079)	—	—	339,921
National Lottery Heritage Fund – Cultural Recovery Fund	—	223,500	(224,719)	—	1,219	—
National Lottery Heritage Fund – Park Restoration	(36,880)	96,767	(19,809)	—	(33,980)	6,098
Exhibition funding	1,000	2,100	(1,000)	—	—	2,100
Endowment	2,000	—	—	—	—	2,000
Outdoor activities	—	900	(900)	—	—	—
Gallery	1,849	2,500	(4,349)	—	—	—
Total restricted funds	(32,031)	705,767	(290,856)	—	(32,761)	350,119
Unrestricted funds						
Designated funds:						
Building and gallery fund	23,927,496	—	—	—	(87,364)	23,840,132
Arts Council NPO	23,330	152,760	(32,848)	—	—	143,242
Building and gallery sustainability fund	2,871,351	—	—	—	489,284	3,360,635
Total designated funds	26,822,177	152,760	(32,848)	—	401,920	27,344,009
Arts Council England – Cultural Recovery Fund	—	600,000	(600,000)	—	—	—
Coronavirus Job Retention Scheme	—	228,018	(228,018)	—	—	—
General funds	836,623	2,186,112	(1,758,143)	(58,811)	(369,159)	836,622
Total unrestricted funds	27,658,800	3,166,890	(2,619,009)	(58,811)	32,761	28,180,631
Total funds at 31 December 2020	27,626,769	3,872,657	(2,909,865)	(58,811)	—	28,530,750

19 Movement in funds (continued)

	At 1 January 2019 £	Income £	Expenditure £	Gains £	Transfers £	At 31 December 2019 £
<i>Restricted funds</i>						
<i>Park restoration project</i>	—	90,319	(105,445)	—	(21,754)	(36,880)
<i>Gallery redisplay</i>	—	2,230	(381)	—	—	1,849
<i>Exhibition funding</i>	2,000	5,500	(6,500)	—	—	1,000
<i>Art for café walls/sensory wall</i>	500	3,050	(3,550)	—	—	—
<i>Endowment</i>	2,000	—	—	—	—	2,000
<i>Dementia Café</i>	—	2,100	(2,100)	—	—	—
<i>House & Garden upkeep</i>	—	7,658	(7,658)	—	—	—
<i>Health & safety equipment</i>	—	257	(257)	—	—	—
<i>ACE small capital grant</i>	—	29,666	(29,666)	—	—	—
<i>Pigment garden</i>	(200)	2,350	(1,068)	—	(1,082)	—
<i>Total restricted funds</i>	<u>4,300</u>	<u>143,130</u>	<u>(156,625)</u>	<u>—</u>	<u>(22,836)</u>	<u>(32,031)</u>
<i>Unrestricted funds</i>						
<i>Designated funds:</i>						
<i>Building and gallery fund</i>	23,434,201	—	—	—	493,295	23,927,496
<i>Arts Council NPO</i>	16,098	150,000	(140,470)	—	(2,298)	23,330
<i>Christina Lee</i>	3,545	—	(3,545)	—	—	—
<i>Building and gallery sustainability fund</i>	3,176,244	—	—	—	(304,893)	2,871,351
<i>Total designated funds</i>	<u>26,630,088</u>	<u>150,000</u>	<u>(144,015)</u>	<u>—</u>	<u>186,104</u>	<u>26,822,177</u>
<i>General funds</i>	800,543	2,574,936	(2,900,725)	525,136	(163,268)	836,623
<i>Total unrestricted funds</i>	<u>27,430,630</u>	<u>2,724,936</u>	<u>(3,044,739)</u>	<u>525,136</u>	<u>22,836</u>	<u>27,658,800</u>
<i>Total funds at 31 December 2019</i>	<u>27,434,930</u>	<u>2,868,066</u>	<u>(3,201,364)</u>	<u>525,136</u>	<u>—</u>	<u>27,626,769</u>

Purposes of restricted funds

Arts Council England – Cultural Recovery Fund awarded £380,000 of restricted funds for the period from October 2020 to March 2021 to assist the cultural recovery of the Charity from the impact of the pandemic. In 2020 £40,079 helped finance the Winter creative programme. Further funding of £90,000 will be used in 2021 towards staffing of the gallery and house to meet new socially distancing requirements, interpretation of the collections and culture, a young persons project and a research project into the decentralisation of collections narratives. Funding of £50,000 will be used in 2021 towards digital signage to build younger audiences, a campaign to reach a broad range of audience and social distancing cleaning costs and measures. We will work with consultants in the creative industry and spend £85,000 on a new learning model, market testing for non-visiting focus groups, a redesign of the grounds play area with an artist intervention, and a redesign of our indoor family area. We will spend £40,000 to purchase equipment for our young people's project and for catering equipment to build resilience in an area fraught with commercial issues. We will spend a further £40,000 on programme delivery at the start of 2020, including a digital programme element. We plan to spend £35,000 for improved access for a broad range of visitors.

A further £600,000 of unrestricted funds were awarded.

19 Movement in funds (continued)

Purposes of restricted funds (continued)

National Lottery Heritage – Cultural Recovery Fund awarded £223,500 of restricted funds for the period July 2020 to December 2020. This funded £60,000 of staffing costs to enable the House and Park to open during the many changes in Covid-19 restrictions, £32,000 of additional PPE and cleaning costs, £11,500 to adapt the retail shop and signage needs, £15,000 to adapt and reopen our Forest school, £25,000 investment in grounds equipment for an outdoor offer, £30,000 towards our October half term project which included community heritage work, £35,000 towards redeveloping a website and integrated CRM system to meet the needs of digital consumer, £10,000 to develop community digital content and £5,000 for project evaluation. There was an overspend on the project of £1,219 which was funded by a transfer from the General Fund.

The Park Restoration project – funded by the National Heritage Lottery Fund, concluded in 2020. Further funding of £96,767 for activities included spend on engagement, staff, management costs and the installation of the second eye catcher project, Green Dwelling. Costs incurred in prior years of £33,980 were transferred to the General Fund. The fund balance of £6,098 is for future decommissioning costs.

The Cranach exhibition was funded £1,000 (received in 2019) for general exhibition costs. £2,100 of funding was received for two exhibition activities which have been reimaged (On Colour) or delayed (Mary Newcombe) to 2021. Other outdoor activities received funding of £900.

The redisplay of the Northern European Gallery concluded in 2021, using the £1,849 of 2020 restricted monies. £2,500 was received in an adoption of an artwork.

Purposes of designated funds

Designated funds represent funds ring-fenced by the Governors for special purposes. The largest fund is the Building and Gallery fund £23,840,132 (£23,927,496 – 2019) and it shows the value of monies already invested in the development of the gallery, grounds and other fixed assets. The value of the fund decreased in the year by £87,364 – being the difference between capital investments of £162,283 and annual depreciation £249,647.

The second largest fund is the Building & Sustainability fund which has been built up over the past few years with the help of the Matched Funding from CVF. The purpose of this fund is to support ongoing development, conservation and maintenance of the estate as well as provide funding for strategic artistic and commercial initiatives. There were no major initiatives in 2020 (due to the pandemic). The historic VAT issue was settled in 2020 (at a value in line with the accrual in the 2019 statutory accounts. The balance on this fund is £3,360,634. The fund benefitted from the transfer of £489,283 from the General Fund – representing the net increase in “free” funds in the year.

The designated Arts Council NPO funding was used to fund a number of artistic interventions in the Park. The majority of the NPO 2020/2021 fund has been invested in the commission of Rebecca Louise Law work, which will be shown early in 2021.

19 Movement in funds (continued)

Unrestricted funds

The Governors retain unrestricted reserves to provide for future expenditure, whether of a capital or revenue nature, which cannot be covered by incoming resources. The Governors review the level of unrestricted reserves carried forward annually to ensure they provide a sound underpinning, in terms of cash flow, strategic planning and risk management for ongoing investments in the capital infrastructure of the estate.

The Governors believe that unrestricted general funds should be held to cover between three and six months' running and reorganisation costs, in order to finance operations should extraordinary events beyond the Trust's control affect its revenue streams or operating costs. At the year end, current general reserves stood at £836,623 and was in line with the policy. The net transfer on the fund was a decrease of £369,158.

20 Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	2020 £	2019 £
Less than 1 year	1,579	1,579
1 – 5 years	2,210	3,789
	3,789	5,368

21 Capital commitments

At the balance sheet date, the group had no commitments in respect of capital projects (2019: £nil).