

COMPANY NUMBER: 3394958

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited by Guarantee)

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited by Guarantee)

ADMINISTRATIVE DETAILS

Company Number: Incorporated in England & Wales on 30 June 1997
Company number 3394958

Registered Charity Number: 1066272

Board of Trustees: Andrew W M Fane (Chairman)
John R C Arkwright *
Richard Broyd *
Jeffrey P Haworth *
Mark A Jackson-Stops
Robert C Morley
Annabel Westman
Simon Creedy Smith * **
Julie Brunskill **
David Adshead (Resigned 14 September 2022)
Elizabeth de Burgh Sidley **
Mark Herrod

Secretary: Mark A Jackson-Stops

Registered Office and Principal Office: Stowe House
Stowe
Buckingham
MK18 5EH

Independent Auditor: Saffery Champness LLP
71 Queen Victoria Street
London EC4V 4BE

Bankers: Barclays Commercial Bank
Oxford Team
PO Box 858, Wytham Court
11 West Way
Oxford OX2 0XP

Chief Executive Officer: S Wales

Finance Officer: M Greaves

* These trustees retire by rotation under the Articles of Association, and being eligible, offer themselves for re-election.

** These trustees are also trustees of Stowe School Limited.

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited by Guarantee)

FOR THE YEAR ENDED 31 MARCH 2022

CONTENTS

	<u>Page</u>
Report of the Trustees	1 - 8
Independent Auditor's report	9 - 12
Consolidated Statement of Financial Activities	13
Consolidated and Charity Balance Sheet	14
Consolidated Statement of Cash Flow	15
Notes to the Consolidated Accounts	16 - 25

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited by Guarantee)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL STATEMENTS

The trustees, who are also the directors for the purposes of Company Law, present their annual report and audited consolidated financial statements of The Stowe House Preservation Trust ("SHPT"), a charitable company, and its subsidiary undertaking for the year ended 31 March 2022, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Companies Act 2016, Charities Act 2011, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

OBJECTIVES AND ACTIVITIES

Principal Activities and Objectives

This annual report details the achievements of the Charity against the objects stated in the Memorandum and Articles of Association as amplified by the Trust's strategic plan 2017-2023. The objects of the Charity are "to protect and preserve for the benefit of the public and the nation Stowe House in the county of Buckingham". The strategic plan sets out the phases in which restoration work are planned while an annual operating plan details specific projects and sets annual targets for income generation and visitor numbers.

Stowe House is one of the finest 18th century houses in the world and constitutes the grandest temple in the world-famous landscape gardens. A visitor attraction since the 18th century, Stowe House is one of the greatest and most imitated estates in Europe. It is an architectural masterpiece on an immense and palatial scale which has inspired countless artists, architects and poets. The House includes the work of a number of leading 18th century designers, notably Sir John Vanbrugh, Robert Adam, James Gibbs, William Kent and Sir John Soane.

Restoration Plans

The Stowe House Preservation Trust is responsible for the restoration and presentation to the public of Stowe House, a Grade I listed Ducal Palace which it holds on a long lease from Stowe School, to whom the property is leased back for daily use. When the Trust was set up, a sequential six phase restoration plan was envisaged, starting with the exteriors and moving to those state rooms that are included in SHPT's leasehold. That plan has been largely completed, but donor preferences, project management expediency and work by the school have rendered the phases redundant. Total expenditure to date is £26.5 million. The work on the Western Suite of rooms is an ongoing project with current costs, together with any other ongoing projects, of £1.7 million. The following is a summary of work performed to date at a total cost of £24.8 million on completed projects.

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited by Guarantee)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

The initial restoration started with the North Front Colonnades and was completed in 2002. The Central Pavilion and Marble Saloon were completed in 2005 and the East and West Pavilion exteriors were restored between 2008 – 2011. Restoration work then moved inside and between 2008 and 2020 the Library, Egyptian Hall, Music Room, Blue Room, Visitor Centre and North Hall were all fully restored. Various statuary and paintings have also been restored or replicated to enhance the House. These include The Dance of the Hours in the Music Room, the Fame and Victory painting over the Eastern Grand Staircase, the Laocoon and Mercury in the North Hall, and externally has included balustrades, vases, lions and the statuary on the South Portico. The above is referred to in note 7 as Completed Restoration work and a breakdown of the completed projects is as follows:

Project	Cost
Phase 1	
North Front Colonnades	£6,238,663
Phase 2	
Central Pavilion	£6,444,297
Marble Saloon	£705,463
Phase 3	
Library, Ante-Library and Pilot Study	£1,049,460
East Pavilion Exterior	£3,425,783
West Pavilion Exterior	£2,464,178
Interiors	
Music Room	£759,556
Blue Room, East Corridor including Fame and Victory	£761,020
Visitor Centre	£1,360,850
North Hall including statuary	£767,604
Misc	£97,014
External	
Including balustrade and statuary	£762,147

These successive restoration projects have enabled more visitors to experience the exceptional architecture while also showcasing the work of conservation professionals. This has enabled the Charity to fulfil its second aim of presenting the House to the public. SHPT is committed to ensuring that the House is a beacon of accessibility, both intellectually and physically, to enable wider and more diverse audiences to appreciate the importance of this and other country houses to the Nation's history and identity.

Restoration work often reveals previously unknown details of the House and its history, which are then fully researched and documented for future reference. Such was the case in 2016 when work to restore Francesco Sletter's painting *Fame and Victory* over the eastern grand staircase revealed a previously hidden decorative scheme on the walls of the staircase and upper landing. This particular discovery opened the scope for a whole new project which has been costed at around £500,000 and will therefore need a dedicated fundraising campaign to bring it to fruition. In the meantime, discrete packages of investigation are continuing, aligned to a PhD research project by the lead conservator who made the discovery.

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited by Guarantee)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2022

Highlights of the Year: Last year's report noted the impact of the Coronavirus pandemic and this has continued to have an impact on this reporting year. While some relaxation of government restrictions allowed opening of the house during the year, restrictions continued sporadically and this, allied to a general caution on the part of the visiting public, resulted in a reduction of 42% in visitor numbers compared to 2019. Restoration work continued and the Temple Room (formerly the State Drawing Room) was completed in April 2021 with the installation of a replica chimney piece and wallpaper simulating silk damask to the walls. The transformation is probably one of the most marked since work began on the House, since the whole decorative scheme was returned to its historic appearance after many years of bland and inappropriate colouring. In January 2021, concurrently with the final stages of work to the Temple Room, conservation of the State Dining Room ceiling began. This work was completed in June 2021 and planning then started for another package of work to restore the walls of the dining room. Work on a copy of the Marine Venus for the Music Room had to be reviewed when the appointed sculptor was unable to complete the work. The contractor refunded in full the payments made and an alternative contractor has been found who is progressing the work with the Royal Collections Trust, the owners of the original statue.

Future Plans: In December 2021, the contractor (previously selected by competitive tender for the whole project) presented costings and plans for completion of the dining room, with conservation work to all four walls and replacement of the floor as agreed in the original scope. SHPT was unable to afford this level of work and therefore set about, with the design team, defining a package of work that would maintain momentum with the overall restoration programme, whilst being affordable within available funding. A proposal was developed jointly by the client, design team and contractor to cost each wall individually. The potential risk of a higher overall cost due to an extended working period was potentially mitigated by the need for a less complicated scaffolding structure and the opportunity for income generating commercial events over the summer of 2022. From those costings, it was possible to calculate the extent of work affordable within the time available. Initially, it was agreed to proceed with the north and west walls and further refinement of costs enabled the east wall to be included. There was then further funding pledged during July 2022 which enabled the south wall and the flooring to be added back to the project. This will also include the cost of making replica chimney pieces, which have been commissioned to make use of a restricted donation and of wall coverings to represent the historic tapestries, both of which are essential to interpreting the restored space.

Further work has also been carried out on uncovering the painted decorative scheme on the east stairs to contribute to the academic research on the subject.

Application of Resources: Having allocated £173,000 from the maintenance earmark to fund work in 2020/2021, trustees are keen to restore the maintenance reserve, which has been held to a minimum of £100,000. In April 2022, it is planned to return a further £25,000 to the earmark, with further sums to be allocated during the year. The aim is now progressively to add to the earmark as resources allow and to preserve the earmark at each successive new level. The target for the period to 2023 remains £325,000 with a target of £400,000 by 2024. A full review of maintenance tasks has been completed and work will be carried out according to priority with the aim of retaining the balance for unforeseen eventualities.

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited by Guarantee)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

Visitor Experience: As noted above, the continued application of restrictions in response to the pandemic coupled with public caution made it difficult to offer a consistent offer to the visiting public, but, in response to a perceived demand, greater emphasis was placed on the catering offer and the wisdom of this decision, supported by funding from the DCMS Culture Recovery Fund, is borne out by an 89% increase in retail profit compared to 2019.

Community Outreach: The Community Learning and Outreach Officer resigned in August 2021 to return to full time study and it was decided to run the post vacant until the demand for community and school activities resumed. The salary saving has been allocated to a Marketing Officer position which is felt to represent a greater need. The role will cover traditional marketing activities and research into attracting new audiences, plus PR and social media with the aim of raising the profile of Stowe House as a heritage attraction.

Archive and Research: The archivist continued to work throughout the year, but funding from The Hall Bequest Trust ceased in February 2022 and the post has been discontinued, having fulfilled the aims of the original funding. Meanwhile, an archivist is being appointed by Stowe School and will report to the House Custodian.

Public Benefit: The Trust has due regard to the Charity Commission's guidance on public benefit and allows visitors from all over the world to enjoy access to Stowe House, a building of immense grandeur and beauty, whose international importance is well established. The number of visitors viewing the House during the year through the purchase of tickets or public program activities was 7,653 (12,976 in 2020 and 1,525 in 2021). Income from commercial events in 2022 brought in £48,441 (2021: £0).

Events: The turnover of the trading subsidiary, Stowe House Enterprises Ltd, was £168,038. This was an increase on last year (2020: £69,067). The trustees recommend that a distribution of £69,820 is to be paid to SHPT for the year.

Volunteer Staff: Volunteers were particularly hard hit by the pandemic last year as they were unable to come to the site. This year their return has been welcomed as the House reopened to the public.

Partnership: The National Trust closed the gardens early in the pandemic and then re-opened. Cooperation with the Visitor Experience team at the National Trust was good throughout and communications with the visiting public ensured an awareness of the visitor offer at the House.

Fundraising: Fundraising activities and compliance are included in reports to trustees' meetings. Compliance of fundraising activities continues to be overseen by the Chief Executive Officer to ensure regulatory compliance with the Charities Act 2011 and the Charities (Protection and Social Investment) Act 2016, the Data Protection Act 1998 and the General Data Protection Regulations 2018 in order to protect the public. We have received no complaints during the year.

Donations raised by the Trust were £160,994 (2021: £725,480).

**THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited by Guarantee)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

FUTURE PLANS

The main objectives for the forthcoming year are to:

- Complete the restoration of the State Dining Room.
- Rebuild the maintenance earmark to agreed targets.
- Commission a replica of the Marine Venus statue for the State Music Room.
- Find source statues to be copied as representations of the roman busts in North Hall.
- Continue to raise funds for completion of planned work.
- Continue to work with the National Trust and extend this cooperation to Stowe School to widen access to all archival records held on site.
- Further develop digital resources for presentation of the House through the website and social media.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial Results

The net income for the year was £27,270 (2021:£506,990). The decrease is a result of a decrease in donations received during the year. Grants received during the year were from The Linbury Trust, World Monument Fund, Schroder Trust, Leche Trust, Nottingham Charitable Trust and Buckingham CU Grant. Other income includes the remaining income from the furlough scheme. Operating expenditure was slightly higher than last year.

Further restoration work was carried out and £222,482 was capitalised throughout the year (2021: £1,171,326).

The accounts are prepared on an accruals basis and, as required, the restoration work is capitalised and will therefore be reflected in the Statement of Financial Activities (SOFA) over the period of its useful economic life by way of depreciation charges.

Reserves Policy

At 31 March 2022 the total unrestricted funds were £2,282,948 (2021: £2,232,198) and the restricted funds were £20,017,449 (2021: £20,040,929).

Part of the unrestricted funds is set aside as a designated fund to reflect the extent to which unrestricted donations have been committed to complement restricted grants and restricted donations, for expenditure on specific restoration work which is capitalised on the balance sheet. The designated fund was £1,592,904 (2021: £1,706,029) and the general unrestricted fund was £690,044 (2020: £526,169).

At the year-end, £100,000 of the general unrestricted fund has been earmarked to cover future maintenance and repair of completed restoration work. The remaining balance of the general unrestricted fund is there to be utilised for the continued operation of the charity including the support of restoration projects and the purchase of artefacts.

Trustees consider £1.1 million to be a sufficient level of general unrestricted funds for the continued operation of the charity including maintenance, once the House has been fully restored. As a result of the pandemic this target, which was set for 2023 in the strategic plan, has been delayed and will be reviewed and reset as conditions allow.

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited by Guarantee)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

Investment Policy and Objectives

Until the Trust establishes sufficient funds for investment in financial instruments, the day-to-day management of cash surpluses is the responsibility of the Chief Executive Officer.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Charity is constituted as a company limited by guarantee and is governed by its Memorandum and Articles of Association upon incorporation on 30 June 1997 as amended by special resolution on 22 September 1999. The charity was registered on 26 November 1997.

Governance

The Charity's activities are controlled and governed by the trustees who meet regularly throughout the year. All members are trustees. Trustees' appointments are confirmed in Annual General Meetings. New trustees are recruited based on skills and experience needed to cover the full range of the Charity's responsibility and appointed by the trustees. The number of trustees connected with Stowe School is not to exceed one third of the total number of trustees.

The trustees are responsible for the overall management and control of the Trust and meet formally four times a year to receive reports from the Chief Executive Officer who is responsible for implementing their policies and coordinating the work of the Project Management Teams and professional advisers and, through them, the appointed contractors.

The Trust has a wholly owned trading subsidiary, Stowe House Enterprises Limited (SHEL), which donates all its profits to the Trust.

Key Management Personnel Remuneration

All trustees give their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in the accounts.

Trustees are required to disclose all relevant interests in accordance with our policy and withdraw from decisions where a conflict of interest arises.

Key management personnel is considered to be the charity's Chief Executive Officer. Their pay is reviewed annually and is subject to performance and market forces.

Training of Trustees

New trustees are encouraged to take part in an induction into the workings of the Charity through a visit programme, discussion and an introductory pack. Trustees also have access to ongoing training and a portal gives access to a discrete area of the website housing significant documents and records for their information.

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited by Guarantee)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

Lease Arrangements

Stowe House is leased to The Stowe House Preservation Trust with a coterminous leaseback to Stowe School Ltd for 99 years effective from 1 January 2000. The arrangements were confirmed under Charity Order 0149530D dated 10 November 1999. The cost of the acquisition of the lease was nil. An open market valuation could not be determined and there is an extensive repairing obligation. The trustees therefore included the acquisition at cost.

Risk Management

Trustees have examined the principal areas of the Trust's operations and considered the major risks that may arise in the categories of: projects, catastrophe, finance, compliance, visitor experience, operational, archive and reputational. Each category is sub divided into specific risks which consider its effect, probability, impact, mitigation and is allocated an owner. These risks are recorded in a register which is updated by the Chief Executive Officer and reviewed by the trustees annually.

The key risks identified by the trustees are:

- Catastrophe e.g. fire.
 - Mitigation – Regular review of fire risk management which includes a salvage plan.
- Restoration project funding.
 - Mitigation – Phasing and scale down of works in line with funding.
- Asbestos.
 - Mitigation – Managed in accordance with procedures and recorded on an asbestos register.
- Sourcing of restoration materials.
 - Mitigation – Ensure ethical sourcing and allow lead time for timely procurement.
- Pandemics.
 - Mitigation – Temporary closure of the Visitor Experience and rescheduling of works.

Statement of Trustees' Responsibilities

The trustees (who are also directors of The Stowe House Preservation Trust for the purpose of company law) are responsible for preparing a trustees' annual report (incorporating the directors' report) and financial statements in accordance with applicable law and United Kingdom Accounting Standards, (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP (FRS102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited by Guarantee)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

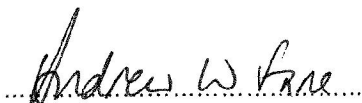
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the UK governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Chief Executive Officer

The trustees would like to thank Nick Morris for all the work he has done over his 10 years' at Stowe as the Chief Executive Officer and they welcome the new Chief Executive Officer, Simon Wales, who took over the role in September 2022.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the trustees and signed on its behalf by:



Dated: 12/10/22

Mr. Andrew W M Fane
For and on behalf of the Board of Trustees

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE STOWE HOUSE
PRESERVATION TRUST**

Opinion

We have audited the financial statements of The Stowe House Preservation Trust (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

**THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE STOWE HOUSE
PRESERVATION TRUST**

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 7, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE STOWE HOUSE
PRESERVATION TRUST**

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

Identifying and assessing risks related to irregularities:

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

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

Audit response to risks identified:

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

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

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

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

**THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE STOWE HOUSE
PRESERVATION TRUST**

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Cara Turlington (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date:.....

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

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited By Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including consolidated income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2022

Income and expenditure account

	Notes	Unrestricted Funds £	Restricted Funds £	31-Mar 2022 £	31-Mar 2021 £
Incoming resources					
Incoming resources from generated funds					
<i>Donations and legacies</i>		18,168	142,826	160,994	725,480
<i>Income from Charitable activities</i>					
Grants for restoration	2	-	171,472	171,472	125,000
<i>Other trading activities</i>					
Income of trading subsidiary	3	168,038	-	168,038	11,491
Rent receivable		155,162	-	155,162	155,162
Furlough and CRF Income	2	-	19,432	19,432	123,260
Misc Income		700	-	700	5,103
<i>Income from Investments - interest receivable</i>		125	-	125	160
Total income and endowments		<u>342,193</u>	<u>333,730</u>	<u>675,923</u>	<u>1,145,656</u>
Resources expended					
Expenditure on raising funds					
Cost of trading subsidiary		97,656	5,398	103,054	104,196
Fundraising		-	-	-	7,020
		<u>97,656</u>	<u>5,398</u>	<u>103,054</u>	<u>111,216</u>
Expenditure on Charitable activities	5	193,787	351,812	545,599	529,782
Other expenditure - taxation		-	-	-	(2,332)
Total resources expended		<u>291,443</u>	<u>357,210</u>	<u>648,653</u>	<u>638,666</u>
Net income/ (expenditure)		<u>50,750</u>	<u>(23,480)</u>	<u>27,270</u>	<u>506,990</u>
Net movement in funds		<u>50,750</u>	<u>(23,480)</u>	<u>27,270</u>	<u>506,990</u>
Reconciliation of funds					
Total funds brought forward		2,232,198	20,040,929	22,273,127	21,766,137
Total funds carried forward		<u>2,282,948</u>	<u>20,017,449</u>	<u>22,300,397</u>	<u>22,273,127</u>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources expended derive from continuing activities.

The notes on pages 16 to 25 form part of these financial statements.


THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited By Guarantee)

CONSOLIDATED AND CHARITY BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Group 2022 £	2021 £	Charity 2022 £	2021 £
Fixed assets					
Heritage assets	7	21,508,496	21,645,104	21,508,496	21,645,104
Investments	8	-	-	2	2
		<u>21,508,496</u>	<u>21,645,104</u>	<u>21,508,498</u>	<u>21,645,106</u>
Current Assets					
Stock		8,190	8,837	-	-
Debtors and prepayments	9	135,471	13,595	141,599	24,143
Cash at bank and in hand		851,336	877,886	708,206	770,671
		<u>994,997</u>	<u>900,318</u>	<u>849,805</u>	<u>794,814</u>
Current Liabilities					
Amounts falling due within one year	10	203,096	272,295	186,829	225,896
Net current assets		<u>791,901</u>	<u>628,023</u>	<u>662,976</u>	<u>568,918</u>
Total assets less current liabilities		<u>22,300,397</u>	<u>22,273,127</u>	<u>22,171,474</u>	<u>22,214,024</u>
The funds of the charity					
Unrestricted fund: Designated	11	1,592,904	1,706,029	1,592,904	1,706,029
Unrestricted fund: General		561,121	467,066	561,121	467,066
Funds retained within non-charitable subsidiary		128,923	59,103	-	-
Total unrestricted funds	11	<u>2,282,948</u>	<u>2,232,198</u>	<u>2,154,025</u>	<u>2,173,095</u>
Restricted funds	11	20,017,449	20,040,929	20,017,449	20,040,929
Total Funds		<u>22,300,397</u>	<u>22,273,127</u>	<u>22,171,474</u>	<u>22,214,024</u>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company. As permitted by s408 Companies Act 2006, the Charity has not presented its own Statement of Financial Activities and related notes. The Charity's net reduction in funds for the year was £42,550 (2021 - increase of £516,930).

Approved by the Board of Trustees and signed on its behalf by:


Mr Andrew W M Fane

Dated: 12/10/22

Company Number : 3394958

The notes on pages 16 to 25 form part of these financial statements.

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited By Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided for operating activities	17	<u>195,807</u>	<u>1,045,916</u>
Cash flows from investing activities:			
Deposit interest received		125	160
Payments to restore heritage assets		(222,482)	(1,171,326)
Net cash provided used in investing activities		<u>(222,357)</u>	<u>(1,171,166)</u>
Change in cash and cash equivalents in the the reporting period		(26,550)	(125,250)
Cash and cash equivalents at the beginning of the reporting period		<u>877,886</u>	<u>1,003,136</u>
Cash and cash equivalents at the end of the reporting period		<u>851,336</u>	<u>877,886</u>

The trust has taken advantage of the exemption conferred by s408 Companies Act 2006 not to prepare an individual Statement of Cash Flow.

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited By Guarantee)

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102) second edition), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

The Stowe House Preservation Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

There are no material uncertainties about the Trust's ability to continue as a going concern. Whilst the pandemic had necessitated operational changes, the trading subsidiary reopened during the year and was continuing its recovery and has made a profit for the year. The charity will only undergo restoration projects following an affordability review.

The presentation currency is £ sterling.

Group Financial Statements

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Stowe House Enterprises Limited (SHEL) on a line by line basis. The summarised income statement and statement of financial position of SHEL are given in note 3.

Fund accounting

The charity's general fund consists of funds which the charity may use for its purpose at its discretion. Trustees recognise that part of the unrestricted funds comprise voluntary sector income that has been utilised as partnership funding in the restoration work fixed assets. They have therefore created a designated fund to recognise this. The charity's restricted funds are those where the donor has imposed restrictions on the use of the funds.

Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations and voluntary income are recorded as incoming resources on a receivable basis. Income tax recoverable on covenanted giving and Gift Aid donations is accounted for in the year of receipt of the associated income on an accruals basis. Following the application of the FRS102 Triennial Review 2017 amendments, the gift aid payment from the company is now recognised at the earlier of the legal obligation or the cash payment.

Grants receivable are credited to the Statement of Financial Activities (SOFA) in the year for which they are receivable, to the extent that the costs to which the grant relates are incurred. Where grants are received for future periods these are carried forward as deferred income. The grants are for the restoration costs of Stowe House which are capitalised. The grants are held in a restricted fund which will be amortised in line with the depreciation of the restoration costs.

Income from bank deposits and from the leasing of property are included in the SOFA in the year in which they are 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.

In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised. Please refer to the Trustee Report for more information about their contribution.

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited By Guarantee)

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

Accounting policies continued

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is included on an accruals basis and includes non-recoverable VAT where applicable. Costs have been directly attributed to one of the functional categories of resources expended in the SOFA as follows:

Cost of generating funds includes the Subsidiary's trading costs.

Expenditure on Charitable activities includes the costs of depreciating the restoration work capitalised, their associated support costs and governance costs.

Taxation

The tax reclaim represented the tax reclaimable for the loss for the year 2020/21 for SHEL.

Heritage assets

The restoration costs of Stowe House are capitalised as appropriate and written off over a period of expected useful life of 75 years from completion of the project. The "Medici" Lions are amortised over 50 years, display costs for the Welcome Centre and Interpretation Centre are depreciated over 15 years and furniture and equipment costs for the Welcome Centre and Interpretation Centre are depreciated over 5 years and are now fully depreciated.

No depreciation is provided until the particular section of a phase of the restoration phase is complete.

Impairment Reviews

Impairment reviews are undertaken on an annual basis and expenditure on repairs is accounted for when incurred.

Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Stock

Stock includes books, souvenirs and food and is valued at the lower of cost and estimated selling price less costs to sell. Provision is made for obsolete, slow moving or defective items where appropriate. When stocks are sold, the carrying amount of stock is recognised as an expense in the period in which the related revenue is recognised.

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 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 account 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.

Operating Leases

Assets held under operating leases are not capitalised. The costs associated with hire rental are charged directly to income as they arise.

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited By Guarantee)

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

Accounting policies continued

Significant judgements and estimates

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The trustees considered key judgement and estimates to be depreciation and impairment. See note 7 for further details.

1) Legal status of the Trust

The Trust is a company limited by guarantee, incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. Its Registered Office and principal place of business is Stowe House, Stowe, Buckingham.

2) Incoming Resources	2022	2021
Grants	£	£
Leche Trust	5,000	-
Linbury Trust	155,000	125,000
Schroder Trust	5,000	-
World Monument Fund	1,342	-
Nottingham Charitable Trust	5,000	-
Other	130	-
Total grant income from Charitable activities	<u>171,472</u>	<u>125,000</u>

The grants are receivable under an agreed programme of restoration and funded according to claimed and funded approved expenditure. In addition to the above, a Covid recovery grant for furlough totalling £19,432 was received in the year (2021 - furlough £123,260 and culture recovery grant of £63,900).

3) Net income from trading activity of subsidiary

The charity has a wholly owned subsidiary, Stowe House Enterprises Ltd (SHEL), a company incorporated in England and Wales with a registration number of 3634573. The registered address is Stowe House, Stowe, Buckingham MK18 5EH. The Company carries out the trading and commercial activity from Stowe House within the overall restriction of activities being commensurate with its status. The purpose is to raise money for donation to the charity. A summary of its financial position is given below:

Income Statement of SHEL for the year ended 31 March 2022

	2022	2021
	£	£
Turnover	168,038	11,491
Cost of sales	<u>(96,462)</u>	<u>(103,562)</u>
Gross profit/(loss)	71,576	(92,071)
Other operating income: Interest receivable, CRF grant and furlough	<u>5,406</u>	<u>82,112</u>
	76,982	(9,959)
Administrative expenses	(7,162)	(2,313)
Charitable donation to SHPT	-	-
Profit/(loss) on ordinary activities before taxation	<u>69,820</u>	<u>(12,272)</u>
Taxation	-	2,332
Retained profit/(loss) for the period	<u>69,820</u>	<u>(9,940)</u>

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited By Guarantee)

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

Summarised Statement of Financial Position of SHEL at 31 March 2022	2022	2021
	£	£
Current assets	152,786	121,648
Creditors: Amounts falling due within one year	(23,861)	(62,543)
Net assets	<u>128,925</u>	<u>59,105</u>
Share capital	2	2
Reserves	<u>128,923</u>	<u>59,103</u>
	<u>128,925</u>	<u>59,105</u>

4) Staff costs

No employees were paid in excess of £60,000 per annum.

Total Staff Costs were:	2022	2021
	£	£
Salaries	133,410	143,613
Social security costs	10,874	11,672
Pension costs	9,729	10,416
	<u>154,013</u>	<u>165,701</u>

The provision for short term compensated absences at 31 March 2022 was £5,563 (2021: £9,243) and the total paid to key management personnel was £22,917 (2021: £25,772).

Staff are auto-enrolled in the Stowe School Standard Life Group Personal Pension Scheme. This scheme is a defined contribution scheme.

Ave. Headcount	7.4	8
FTE	<u>5</u>	<u>5.6</u>

not including officials who provide services on a voluntary basis.

The trustees have not been remunerated during the year. Expenses and subsistence to the value of £537 (2021: £236) has been reimbursed to 1 (2021: 1) trustee.

5) Charitable activities

	2022	2021
	£	£
Charitable expenditure comprises:		
Depreciation of completed phases of the restoration	359,090	366,767
Support costs	174,421	152,815
Governance costs	12,088	10,200
	<u>545,599</u>	<u>529,782</u>
Support costs includes:		
Salaries - permanent staff	90,199	109,210
Other project costs	3,480	4,049
Maintenance costs	69,988	26,734
Administration costs	10,754	12,822
	<u>174,421</u>	<u>152,815</u>

6) Net income/(Expenditure) for the year is stated after charging:

	2022	2021
	£	£
Depreciation	359,090	366,767
Auditor Remuneration - all audit services	12,088	10,200

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited By Guarantee)

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

7) Heritage assets

	Completed Restoration	Current Restoration	Total
Cost	£	£	£
As at 1 April 2021	24,836,035	1,434,396	26,270,431
Restoration work done in the year	-	222,482	222,482
Disposal	-	-	-
As at 31 March 2022	<u>24,836,035</u>	<u>1,656,878</u>	<u>26,492,913</u>
Depreciation			
As at 1 April 2021	4,625,327	-	4,625,327
Charge for the year	344,004	15,086	359,090
Disposal	-	-	-
As at 31 March 2022	<u>4,969,331</u>	<u>15,086</u>	<u>4,984,417</u>
Net Book Value			
As at 31 March 2022	<u>19,866,704</u>	<u>1,641,792</u>	<u>21,508,496</u>
As at 31 March 2021	<u>20,210,708</u>	<u>1,434,396</u>	<u>21,645,104</u>

Current restoration work includes the Marine Venus Statue and the Western Suite, which to date comprises the Temple Room and State Dining Room.

The heritage assets consist of Stowe House at leasehold cost and the costs of restoration works. Further details of the restoration work on Heritage Assets undertaken during the year is contained in the Trustees' Report.

No depreciation is provided until the completion of the relevant section of the phase of the restoration project. Thereafter depreciation is provided to amortise the improvement expenditure over the estimated life of the asset, as set out in the accounting policy.

An impairment review has been undertaken for the year 2022 and the Trustees consider that no impairment adjustment is necessary.

Heritage assets acquired during each of the last 5 accounting periods are as follows:

	Heritage Assets
	£
Year to 31 March 2018	108,196
Year to 31 March 2019	514,050
Year to 31 March 2020	332,433
Year to 31 March 2021	1,171,326
Year to 31 March 2022	222,482

Stowe House is leased to The Stowe House Preservation Trust with a coterminous leaseback to Stowe School Ltd for 99 years effective from 1 January 2000. The arrangements were confirmed under Charity Order 0149530D dated 10 November 1999. The cost of the acquisition of the lease was nil. An open market valuation could not be determined and there is an extensive repairing obligation. The trustees therefore included the acquisition at cost. A valuation of the lease cannot be obtained at a cost which is commensurate with the benefits to users of the financial statements.

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited By Guarantee)

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

Chattels

Under an agreement dated 31 December 1999, the chattels present in Stowe House at the time of the grant of the lease have also been loaned to the Charity under a 25 year agreement also at nil cost and effective from 1 January 2000. These are Stowe School Limited's, Hall Bequest's and Fortesque Trust's chattels, essentially paintings, busts and other artefacts on display in Stowe House.

8) Fixed asset investments

	2022 Unlisted £	2021 Unlisted £
Net book values:		
As at 31 March 2022	2	2
	<u>2</u>	<u>2</u>
As at 31 March 2021	2	2
	<u>2</u>	<u>2</u>

As at the balance sheet date the Company held the following investments in subsidiary undertakings:

<u>Subsidiary</u>	<u>Holding</u>	<u>Nature of business</u>	<u>Country of incorporation</u>
Stowe House Enterprises Ltd	100% ordinary £1 shares	Fund raising for Stowe House	England & Wales

9) Debtors

	2022	2021
	Group £	Group £
Due from Group company	-	-
Trade debtors	1,879	1,037
Prepayments and Accrued Income	13,488	10,226
VAT recoverable	119,860	-
Taxation recoverable	244	2,332
	<u>135,471</u>	<u>13,595</u>
	<u>141,599</u>	<u>24,143</u>

10) Creditors: Amounts falling due within one year

	2022	2021
	Group £	Group £
Accrued expenditure	13,975	33,635
Deferred income	38,791	38,791
Other creditors	104,854	183,774
Corporation Tax and VAT payable	-	6,852
Building work retention	39,914	-
Provision for unpaid holiday pay	5,562	9,243
	<u>203,096</u>	<u>272,295</u>
	<u>186,829</u>	<u>225,896</u>

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited By Guarantee)

**NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022**

11) Total funds	<u>Designated Unrestricted Fund</u>	<u>General Unrestricted Fund</u>	<u>Restricted Funds</u>	<u>Total</u>
	£	£	£	£
As at 1 April 2021	1,706,029	526,169	20,040,929	22,273,127
Incoming resources	-	342,193	333,730	675,923
Resources expended and taxation	-	(291,443)	(357,210)	(648,653)
Transfers	(113,125)	113,125	-	-
As at 31 March 2022	1,592,904	690,044	20,017,449	22,300,397
As at 1 April 2020	1,533,956	682,501	19,549,680	21,766,137
Incoming resources	-	174,343	971,313	1,145,656
Resources expended and taxation	-	(158,602)	(480,064)	(638,666)
Transfers	172,073	(172,073)	-	-
As at 31 March 2021	1,706,029	526,169	20,040,929	22,273,127
Represented by:		<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total</u>
		£	£	£
Tangible fixed assets		1,592,904	19,915,592	21,508,496
Current assets		756,029	238,968	994,997
Current liabilities		(65,985)	(137,111)	(203,096)
Total net assets - 2022		2,282,948	20,017,449	22,300,397
Tangible fixed assets		1,706,029	19,939,075	21,645,104
Current assets		627,410	272,908	900,318
Current liabilities		(101,241)	(171,054)	(272,295)
Total net assets - 2021		2,232,198	20,040,929	22,273,127

The restricted funds comprise funds for the restoration of Stowe House.

Trustees agreed in 2004 to create a designated unrestricted fund from the general unrestricted fund reflecting the extent to which unrestricted donations have been committed to support the restricted grants and restricted donations for expenditure on restoration work. As these funds have been expended on the creation of fixed assets, trustees do not feel that it is useful to describe them as general unrestricted funds. The transfer to the general unrestricted fund in year was £113,125 (2021: transfer from general unrestricted fund £172,073).

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited By Guarantee)

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

12) Capital Commitments

Capital commitments as at 31 March 2022 are estimated to be £580,454 (2021: £438,889) in respect of the Western Suite phases of the restoration programme and the Marine Venus statue. Commitments are payable as follows:-

	2022	2021
	£	£
In less than one year	547,296	401,925
In one to two years	33,158	36,964
	<u>580,454</u>	<u>438,889</u>

Movement during the year:-

	£
Capital commitments at 31 March 2021	438,889
Commitments fulfilled in year	(65,949)
New commitments	207,514
Capital commitments at 31 March 2022	<u>580,454</u>

13) Operating Leases

Commitments relating to operating leases: Equipment

	2022	2021
	£	£
Less than 1 year	403	555
Between 2 and 5 years	-	-
Greater than 5 years	-	-
	<u>403</u>	<u>555</u>

During the year £2,132 (2021: £2,079) was spent on operating leases.

Income relating to operating leases: Property

The house has been leased from Stowe School Ltd, with a coterminous leaseback to Stowe School Ltd for 99 years, effective from 1 January 2000 (no break clauses). The arrangements were confirmed under Charity Order 0149530D dated 10 November 1999.

The lease charge represents the rent income from Stowe School Ltd for the School's occupation of Stowe House. The lease charge is reviewed every five years (next review 2023); the income for the year is £155,162 (2021: £155,162).

The total minimum lease payments remaining on this lease are £7.7 million, over the remaining 77 years.

14) Contingent Liability

Trustees are not aware of any contingent liabilities.

15) Other Commitments

Trustees agreed in July 2011 to offer support to The Hall Bequest Fund, in the form of advancing a loan, up to a maximum of £25,000, to be repaid within three months. Any loan would have to be for a specific purpose, i.e. to purchase artefacts relevant to the history of the House. This offer is still in place but has not been used in year.

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited By Guarantee)

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

16) Custodian Trusteeship

The Trust holds a small number of historical artefacts which are owned by either corporations, private individuals or the National Trust. These historical artefacts are used to enhance the visitor experience and interpretation of Stowe House in line with our charitable objectives. All these items are covered by insurance and are high priority in the salvage plan as well as being listed separately on the collections management database.

17) Notes to consolidated cash flow statement

Reconciliation of net income/(expenditure) to net cash flow

	2022	2021
	£	£
Net movement in funds for the year:		
Net income for the reporting period	27,270	506,990
Adjustment for:		
Deduct interest received	(125)	(160)
Depreciation charges	359,090	366,767
Decrease in stock	647	261
(Increase)/decrease in debtors	(121,876)	31,736
(Decrease)/increase in creditors	(69,199)	140,322
Net cash provided for operating activities	<u>195,807</u>	<u>1,045,916</u>

18) Related party transactions

Stowe School Ltd (SSL), a charity with three trustees in common, holds the underlease on Stowe House and granted the leasehold interest to The Stowe House Preservation Trust (SHPT) out of its freehold interest. The lease has arrangements for the payment of market rent by SSL. SSL recharged costs to SHPT totalling £84,134 (2021: £87,207), and SHPT has received rent of £155,162 (2021: £155,162), with a net balance due to SSL at 31 March 2022 of £11,422 (2021: £29,211).

Stowe Enterprises Ltd (SEL) is a trading subsidiary of SSL and assists in the arrangements of commercial activities with Stowe House Enterprises Ltd (SHEL), the charity's subsidiary. Profits from these ventures are shared. SHEL has trading transactions with SEL amounting to sales of £58,129 (2021: £5,750) and purchases of £0 (2021: £0), with a net balance owed by SEL to SHEL at 31 March 2022 of £0 (2021: £0).

Stowe House Enterprises Ltd (SHEL) is the trading arm of The Stowe House Preservation Trust. At the balance sheet date SHPT owed £0 to SHEL (2021: £288).

Certain trustees are trustees in both charities. The composition and control of the boards of trustees however remain independent of each other. All transactions between the related charities were on an arm's length basis. There were donations from trustees in the year totalling £80,000 (2021: £390,000).

THE STOWE HOUSE PRESERVATION TRUST
(A Company Limited By Guarantee)

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

19) Analysis of Changes in Net Debt

	£
Cash at bank 1 April 2021	877,886
Cash outflow	(26,550)
Cash at bank 31 March 2022	<u>851,336</u>

20) Consolidated Statement of Financial Activities including income and expenditure account - prior year

	Unrestricted Fund £	Restricted Funds £	31-Mar 2021 £
Incoming resources			
Incoming resources from generated funds			
<i>Donations and legacies</i>	2,427	723,053	725,480
<i>Income from Charitable activities</i>			
Grants for restoration	-	125,000	125,000
<i>Other trading activities</i>			
Income of trading subsidiary	11,491	-	11,491
Rent receivable	155,162	-	155,162
Furlough and CRF Income	-	123,260	123,260
Misc Income	5,103	-	5,103
<i>Income from Investments - interest receivable</i>	160	-	160
Total income and endowments	<u>174,343</u>	<u>971,313</u>	<u>1,145,656</u>
Expenditure			
Expenditure on raising funds			
Cost of trading subsidiary	22,095	82,101	104,196
Fundraising	-	7,020	7,020
	<u>22,095</u>	<u>89,121</u>	<u>111,216</u>
Expenditure on Charitable activities	138,839	390,943	529,782
Other Expenditure - taxation	(2,332)	-	(2,332)
Total Expenditure	<u>158,602</u>	<u>480,064</u>	<u>638,666</u>
Net income/(expenditure)	15,741	491,249	506,990
Net movement in funds	<u>15,741</u>	<u>491,249</u>	<u>506,990</u>