

TURNER'S HOUSE TRUST
a company limited by guarantee

Report and Financial Statements

Year ended 31 December 2020

Registered Charity number: 1111653

Company number: 05420913 (England and Wales)

TURNER'S HOUSE TRUST

REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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TURNER'S HOUSE TRUST

COMPANY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2020

Directors

John Michael Deriaz (Deputy Chair)

Julia Louise Holland Bailey

Giles Clifford Dixon

Jonathan Ashley French (appointed 29 June 2020)

Andrew David Richard Loukes (retired 31 December 2020)

Frances Elizabeth Harrison Moyle (appointed 3 February 2020)

Rosemary Carol Murray

Frances Clare Pardy (appointed 29 September 2020)

Paula Andrea Plaza Romero (appointed 18 December 2020)

Ricky Pound

Rosie Razzall (appointed 26 March 2020)

Dr Jacqueline Riding

Dr David Charles Souden (retired 13 May 2020)

Dr Amy Concannon was appointed 1 January 2021

Secretary

Rosemary Carol Murray

Honorary Treasurer

Julia Louise Holland Bailey

Registered Office

Sandycombe Lodge, 40 Sandycombe Road, Twickenham, TW1 2LR

Registered Number

05420913 (England and Wales)

Charity Registered Number

1111653

Independent Examiner

Haines Watts, Aissela, 46 High Street, Esher, Surrey KT10 9QY

Bankers

CAF Bank Limited, Kings Hill, West Malling, Kent ME19 4JQ

TURNER'S HOUSE TRUST

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors, who also act as Trustees for the charitable activities of the company, present their report with the financial statements of the company for the year ended 31 December 2020.

Introduction

2020 was an extraordinary, challenging year for Turner's House Trust, as indeed it was for the whole of the cultural and heritage sector and the wider world. While the House was obliged to close to the public for five months because of the COVID-19 pandemic, there was also much to celebrate, including the success of our first exhibition of Turner's original oil paintings which the public came to see in record numbers. Volunteers, staff and Trustees worked tirelessly to ensure that the House remained open and accessible to visitors whenever possible. We welcomed new Trustees with a range of skills and experience. We are grateful for emergency funding provided through London Borough of Richmond upon Thames Council, the National Lottery Heritage Fund and the Government's Cultural Recovery Fund. We are also grateful for the many supporters and volunteers who showed their support in many ways. This powerful combination sustained us through the pandemic, and we look forward to the future with confidence.

Legal and administrative information

The governing document is the Memorandum and Articles of Association, and the company is constituted as a Company Limited by Guarantee. New Articles were approved by the Charity Commission and adopted on 3 April 2017 in order for them to conform to current best practice.

Trustees/Directors

A list of the Directors is given above on page 3.

Charitable Objectives and principal activities

The charitable object of the Company is:

to advance education in the arts for the benefit of the public by the preservation and conservation of Sandycombe Lodge, 40 Sandycombe Road, Twickenham, Middlesex TW1 2LR as a monument to the artist Joseph Mallord William Turner.

The aim of Turner's House Trust is to conserve and present J.M.W. Turner's architectural vision and original design for a small country retreat to be used by himself and his father. Turner designed the House personally and occupied it from 1813 for some thirteen years, entertaining many of his friends there. The Trust fulfils its objectives through the restoration of Turner's House and its operation as a visitor attraction.

Public benefit: The Trustees confirm that they have had due regard to the Charity Commission's guidance on public benefit. The Trustees are committed to making Sandycombe Lodge and the services that we offer accessible and to delivering a range of education and outreach activities. A sustainable operation will ensure that the benefits will continue in future.

Achievements and Activities

Turner's House opened to the public in July 2017 after a conservation programme "*Sandycombe Lodge: Returning Turner*" which restored the House and garden to a state as close as possible to how it was in Turner's time. This was funded by the National Lottery Heritage Fund and by other generous donors and formally concluded on 31 March 2020 during which time over 16,000 paying visitors had been welcomed. The House is staffed by a House Director and a Learning and Volunteers Officer.

A further grant from the National Lottery Heritage Fund was awarded in 2019 under the Resilient Heritage programme with the aim of helping Turner's House to develop its business plan and build a strategy for financial sustainability. This enabled the Board to work with consultancies including Fourth Street to plan for a sustainable future for the House. This project was completed in the summer of 2020 and provided a clear business plan, a comprehensive fundraising strategy, an understanding of options for utilising the grounds of the House and increased involvement of our volunteers.

2020 Exhibition: The *Turner and the Thames: Five Paintings* exhibition, opened in January 2020 and featured five oil sketches on wood by J.M.W. Turner, all of which were loaned by Tate. Trustee Dr Andrew Loukes curated the exhibition and the works were selected for their depictions of scenes local to the House near the river, and featured landscapes from Isleworth to Windsor. The exhibition was made possible by a grant from Tate (the "Ferryman Project" grant) in 2019 which enabled the Trust to upgrade the security and environment monitoring of Sandycombe Lodge to meet Government Indemnity Scheme standards. This allows Turner's House to borrow artworks from Tate and potentially from other major collections.

We are extremely grateful to Sir David Attenborough for opening the event attracting considerable national and international media interest. This helped encourage many new visitors to discover the house that J.M.W Turner designed and lived in and so to build engagement with Turner as an artist.

Turner and the Thames was the major event of the year in the House and the exhibition was originally planned to last until the end of March. Such was the demand for tickets that Tate agreed to extend it for an additional month. However, by the middle of March it became clear that COVID-19 would oblige the House to close its doors to the public. The House had more than 4,000 visitors before the lockdown began - an almost fivefold increase of the same period in 2019.

COVID-19: The staff and Trustees responded quickly to the national lockdown. The House was closed and made secure. Over 1500 cancelled visitors were offered refunds, the opportunity to re-book when the House reopened or to donate their ticket price to the Trust. The House Director and Learning and Volunteer Officer were each placed on furlough for part of the closure period. On their return from furlough they ensured that the House was safe and secure. They kept in touch with our volunteers via regular Zoom meetings, and they enabled the safe re-opening of the House with COVID-19 compliant procedures and equipment in place. The House was able to welcome visitors again from the end of July.

We were fortunate in that Tate allowed the *Turner and the Thames* exhibition to remain in place to the end of October, and available for viewing once the House reopened. Although visitor numbers had to be restricted to allow for social distancing, a further 1,233 visitors came to see the House and the exhibition, making a total of 5,291 visitors to the House during the year. This was an increase of over 50% on 2019 albeit, still less than 2018.

The Business Plan for Turner's House makes it clear that even in a good year the House needs to generate additional revenue to supplement visitor income. The House Director and his team have devised a programme of revenue generating events at the House to ensure its long-term sustainability. The pandemic delayed most of the planned activities in 2020, but a successful pilot for a "supper club" was held in October, with 18 guests enjoying a Regency style banquet served in the House. In addition, we adapted some of our planned events to the new virtual world – a Zoom talk in June to *Friends of Turner's House* by Honorary Patron Catherine Parry-Wingfield showed what can be done with potentially a larger audience than might attend a traditional event. More events, both online and in the House, are planned for 2021, including supper clubs, wine tastings and book groups.

Learning Programme: Our Learning Programme continues to be an important part of the work of Turner's House Trust and we remain committed to outreach into the local community. Due to COVID-19 and the resulting restrictions, we were only able to run a quarter of the planned Learning programme including having to defer our plans for the Artist in Residence. However, we were still able to run seven sessions with local primary schools in Richmond and Hounslow reaching almost 240 students. We adapted a planned pilot project with Richmond Age UK involving elderly people. Following feedback from Age UK, rather than run the programme in person, we arranged for art activity kits inspired by Turner's work and life to be delivered to participants with follow-up phone calls to discuss the art and what they had gained from the kits. Many of the participants who live alone and have no access to a computer welcomed the opportunity to engage in conversation and be creative as a result of this project.

In December, we successfully engaged in a crowd funding activity, through The Big Give Christmas Challenge, for our 2021 well-being programme. Sandycombe was a place of well-being for Turner and his father and through our work with Age UK and MIND, our well-being programme is offering heritage gardening and art workshops for the elderly as well as those with mental health challenges. We are particularly grateful to the Foyle Foundation for their financial support of the Learning and Volunteer Officer's post and the activities in the Learning Programme. Unfortunately,

due to COVID-19, other aspects of the 2020 Learning programme such as the *Artist in Residence* had to be postponed to 2021 and we are grateful for the flexibility shown by all funders.

Volunteers: Turner's House relies on the support of volunteers and we have an active, engaged and committed body of volunteers who help to steward and manage the House and garden, guide visitors, assist at events, provide administrative and specialist services and support the Trust's aims and activities. Our volunteers contributed over 2,250 hours of support to the House and were especially supportive during the Turner and the Thames exhibition. The pandemic was a challenging time and our Learning and Volunteer Officer successfully organised regular Zoom meetings and email newsletters that helped us all to remain in touch and maintain morale. We continue to broaden the diversity of our volunteers as well as introducing "back of house" roles including roles that can be carried out remotely. With new roles and a broader skillset, we have successfully attracted new volunteers. By the end of 2020 we had 87 volunteers (of whom 59 are active) – reflecting an increase of more than 50% since the start of the year. Our volunteers are increasingly more differentiated in nationality, ethnicity, age and location.

Supporters: The commitment of our supporters is a key element in the success of Turner's House. In February, we launched an enhancement of our offering to supporters - a Patrons Circle and a Sandycombe Circle. These new offerings, which are in addition to our Supporters Circle, provide distinctive benefits and opportunities. Unfortunately, most of the events planned for our Circles Members had to be managed online, but these were widely appreciated nonetheless. Highlights included a piano and violin recital recorded at the home of Lady Camilla Panufnik and illustrated talks by Turner's biographer Franny Moyle, Turner curator Andrew Loukes and art historian and author Dr Jacqueline Riding.

Friends of Turner's House: The Friends of Turner's House (FoTH) are part of Turner's House Trust, supporting its work in organising a programme of talks, visits and events, helping to raise funds and publicising the house. There were 211 fully paid-up members at the close of 2020. After many years of service as a Trustee and then Acting Chair of the Friends, Diana Dunrossil stood down in November and was warmly thanked for all her hard work. She has been replaced by Mary Rose Rivett-Carnac. The Friends provide a valuable contribution to Turner's House through volunteering, helping with administration and in fundraising - donating £6,000 in 2020.

Fundraising and Support: We thank all supporters whose contribution and encouragement have been so important:

Trust, Foundations and Grants

- National Lottery Heritage Fund,
- Department of Culture, Media and Sports - Culture Recovery Fund
- Tate - Ferryman Project; Filming Project
- Foyle Foundation, Charlotte Bonham-Carter Charitable Trust, D'Oyly Carte Charitable Trust, Paul Mellon Centre
- London Borough of Richmond upon Thames Council

Corporate sponsors

- Cantell & Co estate agents and Gentle Mathias solicitors - Exhibition
- Annual Corporate Member - Matthew Allchurch Architects Ltd.

Turner's House Patrons, Sandycombe and Supporters Circle members. The Friends of Turner's House. All our volunteers.

All who contributed to our Big Give Christmas Challenge (raising £8k); to our Virgin 2.6 challenge (raising £2.6k) including making colourful 2.6km of bunting for VE weekend in Petersham and Ham).

Generous pro-bono advice and support received from many people who contributed their expertise or artistic skills. Our particular thanks go to artists Joy Cuff and Ian Sidaway for Christmas Card designs; Paul Warrington and Matt Allchurch for new interpretative panels; Richard Broome for landscape advice.

£20 Bank note: 2020 was also the year in which J.M.W. Turner was celebrated on the new £20 bank note issued by the Bank of England. In February 2020 we were delighted to welcome the Chief Cashier of the Bank of England, Sarah John and the bank note designer Debbie Marriott, who came to the House and gave a presentation to an invited audience of local business people about the creation of the new note.

Other distinguished official visitors to the House during the year included Richmond Park MP Sarah Olney and the Mayor of Richmond upon Thames, Councillor Nancy Baldwin. We are very grateful to Richmond upon Thames Council for their continued support and encouragement.

Conclusion: Turner's House has come through the challenges of 2020 stronger and more resilient. We continue to attract high levels of satisfaction from visitors and we have an increasingly high profile both locally and nationally. We look forward to 2021 with confidence, with another exhibition of Turner's works in preparation and the expectation that visitor numbers should rebound quickly once COVID-19 restrictions are lifted. We aim to bring a new and more diverse public to the House and to increase revenues further through an imaginative series of events and activities, so that Turner's House can face the future on a sustainable basis and continue to build engagement with the artist J.M.W. Turner.

Financial review

2020 has been unprecedented with both operational and financial challenges of an exceptional and unforeseen nature. The restrictions imposed as a result of the COVID-19 pandemic have dominated all our worlds, Turner's House being no exception.

Given the circumstances, Turner's House has managed well. However, the impact of ongoing and future restrictions is uncertain and we remain financially cautious. This is reflected in our 2021 budget and an updated Reserves Policy.

The National Lottery Heritage Fund 'Project Pathway to Sustainability' project concluded in early 2020 with an agreed business and financial plan that, by 2023 manages Turner's House Trust as a sustainable operation.

Whilst COVID-19 enforced closures and associated restrictions, particularly on social distancing, seriously stalled our plan, the financial impact was mitigated by 3 key factors:

- By the time of lockdown, thanks to grants from Tate (Ferryman) and corporate sponsors, the Turner in Thames exhibition delivered approximately 60% of the budget for admissions and merchandise.
- We established a COVID-19 working ethos to make quick decisions in changing circumstances. We modified the 2020 plan, managed to a revised but *sustainable* budget with events and activities restricted to essential spend focused on preserving cash. Our activities and communications increasingly used online channels including social media (twitter, video calls etc)
- We raised and benefited from significant funds:
 - £114,960 came from government and public funds as a consequence of COVID-19 – HMRC's Coronavirus Job Retention Scheme (£7,240); the Retail, Hospitality and Leisure Business Grant (£27,000); Department of Culture, Media and Sports - Culture Recovery Fund (£52,920 – funding 2020 and 2021); NLHF "COVID-19 Emergency Grant" (£27,800).
 - £53,263 came from the NLHF in support of projects that effectively closed during 2020 – the restoration of Sandycombe Lodge and the Project Pathway to Sustainability Resilience Fund.
 - £24,364 came from Trusts and Foundations in support of our operations, exhibition, learning and activities programme – including the Foyle Foundation (£10,000). Some grants that were funding postponed 2020 activities have been deferred into 2021.

Other income streams 'stalled' including our revised Membership Scheme and Corporate Sponsorship campaign – together achieving approximately 50% of the budget. Whilst we successfully increased the number of permissible evening events from 4 to 35, only a supper club in October could be trialled. In 2021, we are planning to trial other events including wine tasting, book groups and we will hold two online lecture series.

Despite COVID-19, we are able to report a good year. The year to 31st December generated a surplus of £76,821. Of this £48,836 relates to **Restricted Funds** regarding 2021 expenditure, and therefore the 2020 surplus is £27,985 and reflects the mitigating factors noted above.

We ended the year with a cash balance of £221,017 (2019 £78,232). This includes approximately £54,814 in cash advances funding 2021 expenditure.

Significant value comes from the *Friends of Turner's House*, our Circles members and our volunteers including, as mentioned above, more than 2,250 hours to manage events, activities and Sandycombe Lodge.

Our 2021 budget continues on a path towards sustainability. As COVID-19 restrictions look set to continue, it has prudent assumptions on income, a sensible approach on costs and a realistic programme of activities and events. As in 2020, we will adapt plans and explore new ways of engaging with supporters and generating income especially if we cannot use Sandycombe Lodge.

Reserves policy

The Trustees have decision-making authority on how they manage Reserves and Investments - taking account of the scale, complexity and risk profile of the Trust together with its income and funding base. The Trustees balance the capital vested in Sandycombe Lodge and the needs of current and future beneficiaries. On an on-going basis, they plan to generate sufficient income and fundraising such that they are able to fund activities for current beneficiaries.

The Trust's **Unrestricted Reserves** are considered as short (cash) to medium / long (assets) term reserves able to meet cash flow needs. Sandycombe Lodge is not regarded by the Trustees as able to be disposed of by the charity in the circumstances that are currently anticipated.

At the end of 2020, Unrestricted Reserves stood at £294,422 (2019 £266,437) made up by net current assets (£168,748), tangible assets (£125,000) and heritage assets (£675). These reserves are to be retained around this level for the foreseeable future. Of the net current assets of £168,747 approximately £100,000 falls within this Unrestricted Reserves Policy and sinking fund. The Trustees consider it prudent to:

- carry free reserves equivalent to a minimum 6 months budgeted operating expenditure such that they are able to deal with short-term fluctuations in income and provide adequate working capital.
- designate £25,000 to a "sinking fund" for 1) Sandycombe Lodge repairs and renovation and 2) short term projects (such as "match funding" in fundraising campaigns; restarting operations following any sustained period of closure; capital projects etc.).

Plans and objectives for the future

Turner's House Trust aims to celebrate J.M.W. Turner's artistic achievement through encouraging visitors to discover the house he designed and built, and the Thames landscape which inspired him. Through conserving and interpreting Turner's House, the Trust aims to build a deeper engagement with Turner as an artist. Key to being able to achieve the Trust's aims is the need to become financially sustainable.

With support from the National Lottery Heritage Fund Resilient Heritage programme, the Trust undertook a major project "*Pathway to Sustainability*" in 2019 that concluded mid 2020. The trustee-led project had three critical workstreams: review the strategy and develop a five-year financially sustainable business plan, deliver a more comprehensive fundraising strategy and activate the volunteer network by enhancing volunteer engagement and involvement and creating new volunteer roles.

Key to the strategy is seeking new income sources through a programme of more commercially focused events; building the Trust's research and knowledge capital of the "Sandycombe Years" which will inform future activity; adding value to the current visitor offer; cultivating partnerships and developing a suitable marketing strategy. The Trust also reviewed its activity plan and created a Learning and Participation Programme centred around the themes of:

- Social Impact "*Join in at Turner's House*": Working through partnerships such as local schools, MIND and AGE UK with audiences who can really benefit from coming together, learning and creating including to promote well being
- Artist and Curator Developments "*Get into Turner's House*": For young or emerging artists to inspire and support their development and to increase diversity in the sector
- What's On and Events "*Come enjoy Turner's House*": Working to engage families and the community around Turner's House
- Volunteers "*Get involved at Turner's House*": Creating events, meetings and training to engage and recruit volunteers

The business plan was agreed in Q1 2020 before the impact of COVID-19 had emerged. However, despite the disruption and with some necessary adaptation, the Trust has been able to make progress during 2020 and will continue to focus on delivering the plan in 2021 onwards.

The Trustees are committed to building a sustainable future for Turner's House and to continue to provide a fulfilling and enjoyable experience for all who visit Sandycombe Lodge or participate in Turner's House events whether at the house or virtually. By doing so, the Trust will fulfil the objectives of celebrating the life and work of J.M.W. Turner in the house he created.

Whilst the 2021 exhibition has been postponed to mid-year, we are launching the year working within new partnerships of similar local historic places as we jointly present the *Thames Luminaries Virtual Lecture Series*.

Structure, governance and management

The Board of Trustees are responsible for the overall direction and leadership of the charity. The Board may consist of up to fifteen directors, who are its Trustees for the purposes of charity law. At 31 December 2020 there were twelve Trustees. Following a retirement on 31 December 2020 and an appointment on 1 January 2021 there are twelve Trustees. One third of the Trustees retire by rotation each year with those longest in office retiring first. Retiring Trustees are eligible for re-election.

2020 saw some changes within the Trustee body with the retirement of two Trustees and following a skills review, the recruitment of five new Trustees who bring valuable skills, expertise and experience. The Trust is very grateful for the support and guidance provided by its retiring Trustees and welcomes its new Trustees. All newly appointed Trustees are provided with an induction which includes relevant information such as the Trust's constitution and its policies, guidance on the role and responsibility of a trustee as well as strategic, financial and historical / contextual information about the Trust. The recruitment of a new Chair is ongoing. In the meantime, the role of the Chair continues to be managed by the Vice-Chair with support from fellow Trustees.

In 2020, the Trustees met formally nine times including six times in the first half reflecting the additional strategy work that was undertaken in response to COVID-19. The House is managed by the House Director who is responsible for the operational management of the Trust and who is also a trustee. There were three sub-committees of Trustees: the House Management Committee covering property and operational matters, Collections and Nominations Committees. There are two members of staff on fixed-term contracts: the House Director and the Learning and Volunteers Officer.

Risk management

The Trustees regularly review and mitigate the risks associated with the main undertakings of Turner's House Trust. Risks are organised under headings: operational, financial, governance, compliance and environmental.

The principal risks that have been identified are:

- Responding to the evolving COVID-19 environment
- Maintaining visitor numbers and visitor spend
- Financial sustainability
- The appetite and opportunity for continued fundraising
- The retention, engagement and recruitment of volunteers
- The resilience and active involvement of Trustees
- Any detrimental community and neighbourhood impact
- Staff retention and capacity
- Environmental conditions, especially for collections and similar loans
- Compliance with statutory regulations and other protocols from funders

To address and mitigate these, the Trustees seek to:

- Establish and maintain a COVID-19 safe environment based on latest government guidance
- Increase visitor numbers through increased promotion, use of collections and loan exhibitions, active partnerships with similar heritage houses to cross-promote, strengthen with cooperation, develop new audiences and encourage repeat visits
- Careful budgetary monitoring and financial control
- Strengthen fundraising efforts, including identifying / applying to trusts and foundations; promoting the Supporters, Sandycombe and Patrons' Circles and Friends of Turner's House
- Provide active support and enjoyable conditions for volunteers including maintaining regular contact by email and Zoom
- Regular review and oversight of the involvement of Trustees; encourage new talent with appropriate skills and aptitudes
- Maintain engagement with the local community and neighbours
- Provide supportive working environment for staff
- Monitor and improve environmental conditions in the house; develop capacity for loans
- Maintain vigilance on matters of compliance

Trustees' responsibilities statement

The Trustees (who are also Directors of Turner's House Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the 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 affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company 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 2015 (FRS 102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement as to disclosure to Independent Examiners

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's Independent Examiner is 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 Independent Examiner is aware of that information.

This report was approved by order of the Board on 31st March 2021 and signed on its behalf by:



John Michael Deriaz
Director and Trustee

Independent Examiner's report to the Trustees of Turner's House Trust

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 December 2020 which are set out on pages 17 to 26.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Stephen Francis FCA
Haines Watts
Aissela
46 High Street
Esher
Surrey
KT10 9QY

31/3/21

TURNER'S HOUSE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Year to 2020 £	Year to 2019 £
Income and endowments from:						
Donations and legacies	4	47,478	167,237	-	214,715	167,531
Charitable activities	5	45,648	-	-	45,648	29,041
Other trading activities	6	8,073	-	-	8,073	4,696
Investments		344	-	-	344	281
Total income		<u>101,543</u>	<u>167,237</u>	<u>-</u>	<u>268,780</u>	<u>201,549</u>
Expenditure on:						
Raising funds	7	4,916	1,963	-	6,879	7,557
Charitable activities	8	66,882	114,240	-	181,122	216,996
Other trading activities		1,760	2,198	-	3,958	1,496
Total expenditure		<u>73,558</u>	<u>118,401</u>	<u>-</u>	<u>191,959</u>	<u>226,049</u>
Net (expenditure) / income before transfers		27,985	48,836	-	76,821	(24,500)
Transfers between funds	18	-	-	-	-	-
Net movement in funds		<u>27,985</u>	<u>48,836</u>	<u>-</u>	<u>76,821</u>	<u>(24,500)</u>
Reconciliation of funds:						
Total funds brought forward		266,437	5,978	3,419,681	3,692,096	3,716,596
Total funds carried forward		<u>294,422</u>	<u>54,814</u>	<u>3,419,681</u>	<u>3,768,917</u>	<u>3,692,096</u>

All of the results derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 26 form part of these financial statements

TURNER'S HOUSE TRUST

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	£	2020 £	£	2019 £
Fixed assets:					
Tangible assets	11		125,000		147,946
Heritage assets	12		3,420,355		3,420,355
			<u>3,545,355</u>		<u>3,568,301</u>
Current assets:					
Stocks		5,732		4,535	
Debtors	13	3,337		57,346	
Cash at bank and in hand		221,017		78,232	
		<u>230,086</u>		<u>140,113</u>	
Creditors:					
Amounts falling due within one year	14	(6,524)		(16,318)	
Net current assets			<u>223,562</u>		<u>123,795</u>
Total assets less current liabilities			3,768,917		3,692,096
Net assets	19		<u>3,768,917</u>		<u>3,692,096</u>
Funds					
Unrestricted funds	15		294,422		266,437
Restricted funds	16		54,814		5,978
Endowment funds	17		3,419,681		3,419,681
Total funds carried forward			<u>3,768,917</u>		<u>3,692,096</u>

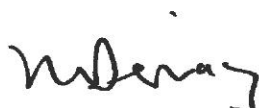
Trustee statements required by the Companies Act 2006

In approving these financial statements, the trustees, who are directors for the purposes of company law, hereby confirm:

- that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006;
- that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 December 2020;
- that the company as a charity is subject to audit under the Charities Act 2011; and
- that we acknowledge our responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the board on 31st March 2021 and signed on its behalf by:



John Michael Deriaz
Director and Trustee

TURNER'S HOUSE TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Year to 2020 £	Year to 2019 £
Net cash used in operating activities	21	142,441	(37,366)
Cash flows from investment activities:			
Interest income		344	281
Purchase of tangible fixed assets		-	-
Purchase of heritage assets		-	-
Rounding		-	-
Cash used in investing activities		344	281
(Decrease)/Increase in cash and cash equivalents		142,785	(37,085)
Cash and cash equivalents at beginning of year		78,232	115,317
Total cash and cash equivalents at end of year		221,017	78,232

1. Accounting policies

The principal accounting policies are set out below. The accounting policies have been adopted consistently throughout the year.

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102), The Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (the SORP) and in accordance with the Companies Act 2006, from which there were no material departures.

The financial statements have been prepared under the historical cost convention and are prepared on a going concern basis.

Turner's House Trust meets the definition of a public benefit entity under FRS 102.

Going concern

The financial statements have been prepared on a going concern basis. Please refer to the Statement as to disclosure to the Independent Examiner. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern.

Income and endowments

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- *Donations and legacies* received by way of grants, donations and gifts are included in full in the statement of financial activities when receivable. This includes income collected by the Friends of Turner's House (the 'Friends') on behalf of the charity.
- *Income from investments* is included in the year in which it is receivable.

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. The following specific policies are applied to particular categories of expenditure:

- *Expenditure on raising funds* is costs incurred in attracting voluntary income including costs incurred by the 'Friends' as part of their fundraising activities.
- *Expenditure on charitable activities* is costs incurred by the Trust in the course of meeting its charitable aims and includes costs relating to the restoration, maintenance and operation of Sandycombe Lodge and related governance and support costs.
- *Expenditure on trading activities* is costs incurred in trading activities undertaken to raise funds for charitable purposes.

Fixed assets and depreciation

Fixed assets comprise tangible fixed assets and heritage assets.

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures and Fittings - 25% straight line

Heritage assets purchased are stated at cost and those that are donated are recognised at fair value. Fair value is determined by professional third-party valuation or an appraisal of market-based evidence by the Trustees at their discretion. Heritage assets are considered to have an indefinite useful life and as such are not depreciated but are periodically reviewed for impairment.

Government grants

Grant income is recognised under the accrual model of Financial Reporting Standard 102.

Grant income is recognised in the income and expenditure account on a systematic basis over the period in which the company recognised the related costs for which the grant is intended to compensate.

Stocks

Stock is stated at the lower of cost and estimated net realisable value (selling price less costs to sell). Cost is determined using the first-in first-out (FIFO) method.

Fund structure

The funds held by the Trust comprise:

- *Unrestricted general funds* – the 'free' funds held by the charity to be used in accordance with the charitable objects at the discretion of the Trustees.
- *Restricted funds* – funds held to be used only for restricted purposes within the objects of the charity. Restrictions arise when specified by donors and grant making bodies or when funds are raised for particular purposes.
- *Endowment funds* – funds donated or raised to be held by the charity for the medium and long term to assist the charity in meeting its aims. Income generated by such funds is unrestricted in nature.

TURNER'S HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to a maximum £10.

3. Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

4. Income and endowments from donations and legacies

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Year to 2020 £	Year to 2019 £
Donations	20,478	1,650	-	22,128	25,563
- Supporters Circle, Sandycombe Circle, Patrons Circle, Friends of Turner's House, Exhibition Sponsorship and Other donations					
Trusts, Foundations, Grants:					
- National Lottery Heritage Fund (Sandycombe Lodge)	-	9,634	-	9,634	79,276
- National Lottery Heritage Fund (Resilience Fund)	-	43,629	-	43,629	48,192
- Turner & the Thames Exhibition Grants	-	7,000	-	7,000	14,500
- Charlotte Bonham-Carter Charitable Trust	-	3,000	-	3,000	-
- Foyle Foundation	-	10,000	-	10,000	-
- HMRC Coronavirus Job Retention Scheme	-	7,240	-	7,240	-
- National Lottery Heritage Fund COVID-19 Emergency Funding	-	27,800	-	27,800	-
- Department of Culture, Media and Sports - Culture Recovery Fund	-	52,920	-	52,920	-
- Paul Mellon Centre – JMW Turner Symposium	-	1,000	-	1,000	-
- D'Oyly Carte Charitable Trust	-	3,364	-	3,364	-
- Retail, Hospitality & Leisure Business Grant (COVID-19)	27,000	-	-	27,000	-
	47,478	167,237	-	214,715	167,531

Income and endowments from donations and legacies in 2019 comprised £14,813 in unrestricted income and £152,718 in restricted income.

5. Income and endowments from charitable activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Year to 2020 £	Year to 2019 £
Admissions and tours	37,922	-	-	37,922	22,484
'Friends' membership and events	5,403	-	-	5,403	3,013
Turner's House Fundraising Events	2,323	-	-	2,323	3,544
	45,648	-	-	45,648	29,041

Income and endowments from charitable activities in 2019 was entirely attributable to unrestricted funds

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

6. Income and endowments from other trading activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Year to 2020 £	Year to 2019 £
Sales of booklets and merchandise	8,073	-	-	8,073	4,696
	<u>8,073</u>	<u>-</u>	<u>-</u>	<u>8,073</u>	<u>4,696</u>

Income and endowments from other trading activities in 2019 was entirely attributable to unrestricted funds

7. Expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Year to 2020 £	Year to 2019 £
'Friends' costs incurred	608	-	-	608	1,817
Events	1,052	214	-	1,266	25
Publicity and Marketing costs	3,256	1,749	-	5,005	5,715
	<u>4,916</u>	<u>1,963</u>	<u>-</u>	<u>6,879</u>	<u>7,557</u>

Expenditure on raising funds in 2019 comprised £3,671 in unrestricted expenditure and £3,886 in restricted expenditure

8. Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Year to 2020 £	Year to 2019 £
Restoration project costs	-	-	-	-	1,494
Salaries and wages (See note 10)	20,719	44,773	-	65,492	74,548
Artist in Residence	-	-	-	-	5,000
Travel expenses	32	-	-	32	165
Volunteer expenses	325	6,068	-	6,393	571
Utilities	1,227	624	-	1,851	1,859
Insurances	2,721	750	-	3,471	3,351
Repairs and maintenance	3,024	1,591	-	4,615	15,628
Security	157	249	-	406	-
Telephone and internet	917	501	-	1,418	2,508
Print, post and stationery	1,755	-	-	1,755	1,003
IT costs	633	-	-	633	538
Other administrative costs	3,595	-	-	3,595	3,249
Bank charges	60	-	-	60	65
Depreciation of fixtures and fittings	22,946	-	-	22,946	22,947
Audit and accountancy fees	6,041	3,544	-	9,585	10,320
Activity Plan costs	555	-	-	555	5,632
Project Evaluation	608	2,626	-	3,234	3,649
Fees for Services – NLHF Resilience Fund	-	-	-	-	-
Fees for Services – Turner & the Thames Exhibition	548	7,533	-	8,081	18,250
Professional Fees	-	15,759	-	15,759	33,819
Fundraising costs	370	22,354	-	22,724	12,400
Equipment Purchases	264	4,628	-	4,892	-
CRM System	385	3,240	-	3,625	-
	<u>66,882</u>	<u>114,240</u>	<u>-</u>	<u>181,122</u>	<u>216,996</u>

Expenditure on charitable activities in 2019 comprised £75,164 in unrestricted expenditure and £141,832 in restricted expenditure.
Fees for Services – NLHF Resilience Fund (2019) have been reassigned into the relevant cost category for ease of comparison with 2020.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

9. Net Income for the year

	Year to 2020 £	Year to 2019 £
This is stated after charging:		
Independent Examiners remuneration	1,000	2,675
Depreciation	22,946	22,947

Independent Examiners remuneration in 2020 totalled £2,000 but was reduced to £1,000 following an overstatement of the charge in 2019. A provision for Independent Examination expenditure was made at the end of 2019 for £2,750 while the actual charge was £1,750.

10. Staff costs, trustee remuneration and expenses and key management personnel

	Year to 2020 £	Year to 2019 £
Salaries and wages inc social security costs	65,492	74,548
	65,492	74,548

No employees received employee benefits in excess of £60,000 (2019: nil).

No Trustees or persons connected with them received any emoluments in their role as Trustees from the Trust (2019: nil) and no Trustees received payment for professional or other services provided to the charity during the year (2019: nil). One Trustee received a reimbursement for individual expenses of £33 in 2020 (2019 nil).

The Trust employs a House Director with overall responsibility for the day to day operational management of the Trust. The House Director is also a Director and Trustee for the purposes of company and charity law. The Charities Commission has approved this arrangement. The House Director, along with the other Trustees comprise the key management personnel. The following amounts were paid to the House Director under this arrangement:

	Year to 2020 £	Year to 2019 £
Ricky Pound:		
Salaries and wages	32,992	32,232
	32,992	32,232

The average number of persons employed by the charity (including directors) during the year was 2.25 (2019: 2.5).

11. Tangible fixed assets

	Land & Buildings £	Fixtures & Fittings £	Total £
Cost:			
At 1 January 2020	125,000	91,787	216,787
Additions	-	-	-
At 31 December 2020	125,000	91,787	216,787
Depreciation:			
At 1 January 2020	-	68,841	68,841
Provision for the year	-	22,946	22,946
At 31 December 2020	-	91,787	91,787
Net book value:			
At 1 January 2020	125,000	22,946	147,946
At 31 December 2020	125,000	-	125,000

TURNER'S HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

12. Heritage assets

	Sandycombe Lodge at Valuation £	Pictures & Books at Valuation £	Restoration At Cost £	Total £
Carrying amount at 1 January 2020	1,875,000	4,440	1,540,915	3,420,355
Additions	-	-	-	-
Carrying amount at 31 December 2020	<u>1,875,000</u>	<u>4,440</u>	<u>1,540,915</u>	<u>3,420,355</u>

Summary analysis of Heritage Asset transactions:

	2020 £	2019 £	2013 – 18 £
Additions:			
Restoration at cost	-	-	1,540,915
	<u>-</u>	<u>-</u>	<u>1,540,915</u>

13. Debtors

	Year to 2020 £	Year to 2019 £
VAT receivable	703	5,554
Prepayments and accrued income	2,634	51,792
	<u>3,337</u>	<u>57,346</u>

14. Creditors

	Year to 2020 £	Year to 2019 £
Trade creditors	3,224	11,480
Tax and social security	-	-
Other creditors and accruals	3,300	4,838
	<u>6,524</u>	<u>16,318</u>

15. Unrestricted funds

Year ended 31 December 2020	Balance at 01/01/2020 £	Income £	Expenditure £	Transfers £	Balance at 31/12/2020 £
General funds	266,437	101,543	(73,558)	-	294,422
	<u>266,437</u>	<u>101,543</u>	<u>(73,558)</u>	<u>-</u>	<u>294,422</u>
Year ended 31 December 2019	Balance at 01/01/2019 £	Income £	Expenditure £	Transfers £	Balance at 31/12/2019 £
General funds	296,915	48,831	(79,309)	-	266,437
	<u>296,915</u>	<u>48,831</u>	<u>(79,309)</u>	<u>-</u>	<u>266,437</u>

TURNER'S HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

16. Restricted funds

Year ended 31 December 2020	Balance at 01/01/2020 £	Income £	Expenditure £	Transfers £	Balance at 31/12/2020 £
Restoration Fund	-	-	-	-	-
Restricted Grants	-	167,237	(116,203)	-	51,034
Anonymous Donation	5,978	-	(2,198)	-	3,780
	<u>5,978</u>	<u>167,237</u>	<u>(118,401)</u>	<u>-</u>	<u>54,814</u>
Year ended 31 December 2019	Balance at 01/01/2019 £	Income £	Expenditure £	Transfers £	Balance at 31/12/2019 £
Restoration fund	-	142,718	(142,718)	-	-
Anonymous Donation	-	10,000	(4,022)	-	5,978
	<u>-</u>	<u>152,718</u>	<u>(146,740)</u>	<u>-</u>	<u>5,978</u>

Name of Fund

Description, nature and purposes of the fund

Restoration fund

Funds held restricted to the purposes of restoring Sandycombe Lodge

17. Endowment funds

Year ended 31 December 2020	Balance at 01/01/2020 £	Income £	Expenditure £	Transfers £	Balance at 31/12/2020 £
Professor H V Livermore legacy	3,419,681	-	-	-	3,419,681
	<u>3,419,681</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,419,681</u>
Year ended 31 December 2019	Balance at 01/01/2019 £	Income £	Expenditure £	Transfers £	Balance at 31/12/2019 £
Professor H V Livermore legacy	3,419,681	-	-	-	3,419,681
	<u>3,419,681</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,419,681</u>

Name of Fund

Description, nature and purposes of the fund

Professor H V Livermore legacy

Sandycombe Lodge and a collection of books and pictures were left to the Trust in the will of Professor H V Livermore, whose intention was that the property be restored to the artist J M W Turner's own designs as a monument to Turner in Twickenham. The house and collection are therefore held by the Trust to advance education in the arts for the benefit of the public by the restoration, preservation and conservation of the property. The will provided that the Trustees have complete discretion over the use of these assets and as such the endowment is considered an expendable endowment in line with the Charity's SORP.

18. Transfers between funds

There were no transfers between funds in 2020 (2019: no transfers). In 2018 transfers totalling £22,086 from Restricted Funds to Endowment Funds were made on completion of the NLHF funded Restoration project, the Charity having utilised the Restricted Funds in line with all restrictions placed on them.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

19. Analysis of net assets between funds

Year ended 31 December 2020	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
Tangible fixed assets	125,000	-	-	125,000
Heritage assets	675	-	3,419,681	3,420,356
Current assets	175,272	54,814	-	230,086
Current liabilities	(6,524)	-	-	(6,524)
Rounding	(1)	-	-	(1)
	<u>294,422</u>	<u>54,814</u>	<u>3,419,681</u>	<u>3,768,917</u>
Year ended 31 December 2019	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
Tangible fixed assets	147,946	-	-	147,946
Heritage assets	675	-	3,419,681	3,420,356
Current assets	134,135	5,978	-	140,113
Current liabilities	(16,318)	-	-	(16,318)
Rounding	(1)	-	-	(1)
	<u>266,437</u>	<u>5,978</u>	<u>3,419,681</u>	<u>3,692,096</u>

20. Trustees and other related parties

Details of Trustee emoluments and expenses are disclosed in note 10.

The Trust received unconditional donations from Trustees totalling £2,134 during the year (2019 : £3,310).

21. Reconciliation of net income to net cash flow from operating activities

	Year to 2020 £	Year to 2019 £
Net movement in funds	76,821	(24,500)
<i>Adjustment for:</i>		
Depreciation	22,946	22,947
Deduct income from investments	(344)	(281)
(Increase)/decrease in stocks	(1,197)	(993)
Decrease/(increase) in debtors	54,009	(11,345)
(Decrease)/increase in creditors	(9,794)	(23,194)
	<u>142,441</u>	<u>(37,366)</u>