

THE STRAWBERRY HILL COLLECTION TRUST



South view of Strawberry Hill by Johann Heinrich Müntz 1758
Courtesy of the Lewis Walpole Library, Yale University

THE STRAWBERRY HILL COLLECTION TRUST ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Strawberry Hill Collection Trust is a company limited by guarantee,
Registered in England and Wales: Company Number 06851597; Charity Number 1143788

THE STRAWBERRY HILL COLLECTION TRUST

CONTENTS	Starting at Page
Reference and Administrative Information	3
Report of the Trustees of the Charitable Company	4
Structure, Governance and Management	4
Charitable Objects and Activities	5
Achievements and Performance	6
Public Benefit	7
Financial Review	7
Risk Management	9
Plans for the Future	9
Statement of Trustees' Responsibilities in Relation to Financial Statements	9
Independent Auditor's Report	11
Statement of Financial Activities (including income and expenditure account)	15
Balance Sheet	16
Statement of Cash Flows	17
Notes to the Financial Statements	18

THE STRAWBERRY HILL COLLECTION TRUST

REFERENCE AND ADMINISTRATIVE INFORMATION

The **Trustees** and **Officers** (also Trustees) serving now and during 2022 were:

Hon. Nino Strachey, **Chair** of the Trust (Chair from 8 February 2023; existing trustee)
Michael Snodin FSA, **Chairman** of the Trust (retired as trustee / Chairman 8 February 2023)
Dr John Chu (appointed 9 February 2022)
Edward Clive
Dr Mark Evans FSA
Roger Hackett, **Company Secretary** (retired as trustee / Company Secretary 9 February 2022)
Sarah Medlam
Alice Minter (appointed 8 February 2023)
Terry Smith, **Treasurer** (retired as trustee / Treasurer 9 February 2022)
Dr Jenny Saunt (appointed 8 February 2023)
Nevil Tomlinson, **Treasurer** (appointed as trustee / Treasurer 9 February 2022)
Anthony Willenbruch, **Company Secretary** (appointed as trustee / Company Sec. 5 August 2022)

Charity Number 1143788; **Company Number** 06851597

Registered Office

14 Ellera Road, Teddington, Middlesex, TW11 0HG (until 13 October 2022)
21 Orford Gardens, Twickenham TW1 4PL (from 13 October 2022)

Bankers

CAF Bank Ltd
25 Kings Hill Ave,
Kings Hill,
West Malling
Kent ME19 4JQ

Auditor

In both 2021 and 2022 the Trust was above the income threshold requiring a statutory audit.

Harmer Slater Limited (Statutory Auditor)
Salatin House,
19 Cedar Road,
Sutton,
Surrey SM2 5DA

THE STRAWBERRY HILL COLLECTION TRUST

REPORT OF THE TRUSTEES OF THE CHARITABLE COMPANY

The trustees are pleased to present their annual report together with the financial statements of The Strawberry Hill Collection Trust ("SHCT" or "the charity") for the year ended 31 December 2022, prepared in accordance with applicable UK Accounting Standards.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and Governing Document

The Strawberry Hill Collection Trust is a company limited by guarantee and a registered charity governed by its Memorandum of Agreement and Articles of Association. Charity number: 1143788. Company number: 06851597. The SHCT was incorporated in March 2009 and registered as a charity in September 2011.

Trustees

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. As set out in the Articles of Association, the trustees select the chairman of the trust. One third of the trustees must retire each year. The trustees are the only members of the charity.

Recruitment and Appointment of Trustees

The Trust's policy is to appoint trustees who have experience at a senior level or expertise in particular aspects of the trust's work, have a connection with previous owners of the house or general experience at a senior level of the heritage and museum sector. The registered charity, The Victoria & Albert Museum is entitled to nominate one of the trustees.

Policies and Procedures for the Induction and Training of Trustees

Upon appointment trustees are provided with information on the constitution of the trust and their role and responsibilities as charity trustees. Trustees are made aware of the valuable guidance materials available on the Charity Commission's website and have new developments drawn to their attention. The current trustees have been appointed because of their previous experience and skills, however, if required, the Company Secretary or professional advisors would advise them on their obligations.

Organisation

A board of up to fourteen trustees administers the charity. There were eight trustees as at 31 December 2022 and there are currently nine trustees. The Board has a written Scheme of Delegation setting out the role of the board, individual trustees, the Chairman, the Treasurer and the Company Secretary. The trust board meets three times a year with trustees working on matters related to their areas of responsibility in between board meetings. The SHCT had no paid employees in 2022. All trustees give their time voluntarily and receive no benefit from the charity. Any expenses claimed from the charity are set out in the accounts. SHCT is a completely separate charity from the **Strawberry Hill Trust** (SHT), but works closely with SHT.

THE STRAWBERRY HILL COLLECTION TRUST

Policies for the Acquisition, Preservation, Management and Disposal of Heritage Assets

The Trust is not an accredited museum but has adopted a Collection Development Policy, consistent with that of SHT and based upon that required for accreditation. This sets out how the Trust deals with acquisitions, donations, the management, display, conservation and disposal of objects in the Collection. It maintains records of all the objects owned by the charity showing their value at the price paid at acquisition or a valuation carried out at the time of donation or the tax value.

The charity has a Management Agreement that provides for the loan to SHT and public display of, or storage of, objects owned by the charity. Included in the Management Agreement is a licence agreement for the display of those objects that provides SHCT with fee income. As part of that Management Agreement SHCT advises SHT upon the conservation and display of objects held by SHT, and SHT makes available on request objects that are stored if required for research or study. The SHT is responsible for insuring SHCT objects loaned to it. The SHT maintains object files which contain general information about the objects. The SHT has achieved Arts Council Museum Accreditation which provides SHCT with assurance that SHT can fulfil its obligations under the Management Agreement. Discussions are underway on a new Management Agreement and Licence Fee arrangement.

The Wider Working Environment

As has already been noted, the trust works closely with The Strawberry Hill Trust (SHT), a registered charity (No. 1095618) and company limited by guarantee (No. 4516140). Other organisations that the Trust has worked with include:

- The Lewis Walpole Library
- The Arts Council and Acceptance in Lieu Committee
- The V&A Purchase Grant Fund
- The Beecroft Bequest
- Heritage Lottery Fund
- The Heritage Memorial Fund
- St. Mary's University Twickenham
- The National Trust
- The John Murray Trust
- The World Monuments Fund

CHARITABLE OBJECTS AND ACTIVITIES

The objects and purpose of the charity are set out in the trust's Memorandum of Agreement. These are to:

- a) Establish and maintain a museum or museums for the benefit of the public, particularly in and around Twickenham.
- b) Restore, exhibit and preserve art objects and artefacts for the benefit of the public, particularly in and around Twickenham.

THE STRAWBERRY HILL COLLECTION TRUST

ACHIEVEMENTS AND PERFORMANCE IN 2022

Horace Walpole was an antiquarian, social commentator, author, collector, and Member of Parliament. His writings, including some 4000 letters, have shaped historians' views of the time in which he lived (1717-1797). Walpole inspired the gothic revival in domestic architecture and wrote the first gothic novel *The Castle of Otranto*.

The long-term aim of the charity is to bring back to Walpole's gothic villa as many of the objects as possible that were in the house in Walpole's time. This will provide the public with a unique opportunity to see an iconic 18th century house, its content and collection as they were intended to be seen by its original owner. It will provide a means to better understand 18th century taste, art and Walpole's collection. As created by Walpole, the house, the objects in it, the collection and the grounds were a unified entity intended to demonstrate Walpole's aesthetic theories, antiquarianism and matters of "Taste". Restoring and reuniting all the elements will allow the public to better understand and appreciate this. The task is greatly helped by use of Walpole's *Description of Strawberry Hill*. This describes and has illustrations of the rooms and objects and shows where the latter were displayed and located in the house in his lifetime. In addition, there is the sale catalogue of 1842 which provides further documentary evidence and the means to trace the current location of objects. Walpole's villa is held on a long lease by the Strawberry Hill Trust (SHT).

In 2022 the Trust received four works of art under the Acceptance in Lieu Scheme and these are available for public viewing at Strawberry Hill. The Acceptance in Lieu Scheme enables taxpayers to offer to transfer important works of art and heritage assets into public ownership. Where the offer of a donation is accepted it can be allocated by the Arts Council to a particular museum.

Firstly, perhaps one of the most iconic objects in Walpole's collection has returned to Strawberry Hill: a large and important Chinese blue and white "Three Friends of Winter" 17th Century jardinière. The jardinière is of deep U-shaped form with gently curving sides rising from a slightly recessed base to a lipped rim. It is decorated with a continuous design of the "Three Friends of Winter", pine, prunus and bamboo, within a fenced garden with rocks, lingzhi fungus and plantain plants, all below stylised clouds and a scrolling band encircling the mouth rim. The interior and the base are glazed white. This is the bowl in which Walpole's cat Selima drowned in 1747 whilst attempting to catch goldfish. Walpole's friend Thomas Gray wrote an ode on the death of Selima and Walpole displayed the bowl on a plinth in the Little Cloister just outside his front door. The bowl had been owned by the Earl of Derby's family since 1842 and is now in the Hall at Strawberry Hill.

Secondly, the trust received a portrait of Horace Walpole, aged ten years old, by William Hogarth. This work is one of his earliest known portraits of an identifiable sitter and shows Hogarth's acute observation of character and unique style. The painting is the earliest surviving oil portrait of Horace Walpole and was commissioned by his father, Sir Robert Walpole, Britain's first Prime Minister. The amount of tax that could have been settled by its acceptance exceeded the actual tax liability payable by the offerors. The offer settled £179,200 of tax and the difference of £231,800 was raised with support from the National Heritage Memorial Fund, Art Fund and a public fundraising appeal organized by the Arts Council.

Thirdly, the Walpole silver mounted tankard and cover that was part of the Earl of Derby's collection has been allocated to the Strawberry Hill Collection Trust under the Acceptance in Lieu scheme. The tankard was customised in 1739 for Sir Robert Walpole and formed part of his silver collection used

THE STRAWBERRY HILL COLLECTION TRUST

when entertaining his political colleagues at Houghton Hall. The tankard is made from German 17th-century ivory and British 18th-century silver mounts. Panther heads in high relief and vine leaves wind around the foot of the tankard complementing the Bacchic theme carved on the walls of the ivory. The detachable silver cover bears the Walpole crest finial.

The fourth and final item arriving under the Acceptance in Lieu Scheme was Sir Godfrey Kneller's Portrait of the *Artist as a Young Man*. This was also from the Earl of Derby's collection and had previously appeared at Strawberry Hill in the *Lost Treasures* exhibition of 2018-19.

The only known portrait of Catherine Walpole, eldest sister of Horace, was donated to the Trust and will be displayed with our other family portraits.

The Friends of the National Libraries have donated to the Trust the Walpole-related books that it received from the Blavatnik Honresfield Library. These include a first edition of *The Castle of Otranto*, written by Horace Walpole and generally recognized as the first gothic novel.

The SHCT Trustees continued to work to identify the location of objects that were in Walpole's collection and to build relationships with owners so that the objects may be loaned or donated to the house. During the year trustees focused on a work programme that would identify immediate, medium and longer-term activities. These activities included targeting particular acquisitions, donations and loans, updating a database of SH objects, developing a strategy for working with the Lewis Walpole Library (LWL), transferring new information to the LWL objects database, and the heritage asset register of the trust which identifies ownership and is used for accountancy purposes.

The trustees have continued to work with dealers and owners and to monitor exports, the Capital Taxes Office and sales catalogues. The trustees continued to advise the SHT on how to display objects so that, when it re-opened, visitors to the house might get a better appreciation and understanding of the context in which objects were originally displayed and exhibited.

Discussions with SHT on a new Management and Licence Fee Agreement continued with low priority but no agreed change emerged. The Management Agreement sets out the terms upon which SHCT lends SHT the Collections, the obligations of SHT and SHCT, and the licence fee received by SHCT.

PUBLIC BENEFIT STATEMENT

The trustees are aware of and confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties. As a result of the charity's work the location of and knowledge about the objects that were in the house and Walpole's collection has been increased and through ownership and co-operative working the future of objects safeguarded.

FINANCIAL REVIEW

Trustees continued to seek fund raising opportunities in 2022 for funds to increase the Operating Reserve. The trustees have continued to be generous with their time and expertise at no cost to the Trust. The charity ended the financial year with sufficient unrestricted funds for immediate running costs, and ongoing discussions with SHT were expected to result in there being sufficient funds to cover governance costs for 2023 and 2024, with a regular annual income secured.

THE STRAWBERRY HILL COLLECTION TRUST

As required by the Management Agreement, the SHT indemnifies SHCT and pays for the insurance of SHCT objects on loan to SHT. Discussion with SHT about taking advantage of the Government Indemnity Scheme for objects in the Collection moved no further toward a conclusion.

Bank

The trust banks exclusively with CAF Bank which is owned by a charity and provides services for charities and not-for-profit organisations. CAF Bank is a member of the Financial Services Compensation Scheme (FSCS) which pays a defined amount of compensation to depositors if the bank is unable to meet its financial obligations.

The bank account is fully compliant with the Charity Commission requirements for on-line banking. A secure process is in place for double authorisation of all on-line bank payments.

Key Funding Sources

When seeking to acquire objects the trust obtains funds from a variety of sources including the V&A Purchase Fund, the Heritage Lottery Fund, The Heritage Memorial Fund, The John Murray Trust, the WMF and other institutional funders and individuals. Although the SHCT occasionally receives donations from individuals it does not actively fundraise from the general public.

SHCT's principal regular source of unrestricted funds comes from the licence fee agreement with SHT relating to their display of the SHCT collection.

Investment Policy

The trust has no investments or investment funds. Where restricted funds are held before use appropriate interest earning accounts are used.

Reserves Policy

The SHCT's policy on operating reserves is to have sufficient unrestricted funds to cover running costs for the current year and the following 12 months, and sufficient funds to operate for at least 12 months if SHT ceases trading. The target for these operating reserves is £3,000 and £738 has been raised, of which £405 is unrestricted and £333 is restricted.

In addition, a small object reserve has been created to pay for smaller items; the target is £3,000. These restricted funds arose through grants and donations (including Gift Aid recovered) and are now £2,749. There is also a restricted Fund of £428 for use for replicas.

SHCT maintained an ambition for fundraising to acquire a local reserve to provide match funding for the acquisition of larger objects as this is usually a requirement of the institutional funders who provide major grants. No progress was made during the year.

SHCT has no other reserves apart from the cash held at the end of the accounting period.

THE STRAWBERRY HILL COLLECTION TRUST

SHCT as a Going Concern

Given the level of income of the trust, it will not be entering into any commitments that exceed its current unrestricted or restricted funds. Currently the liabilities of the charity are able to be met as they arise. The charity is in discussions with SHT about the licence fee to ensure that there is a regular unrestricted income stream. For this reason, the going concern basis of the preparation of the financial statements is considered valid.

RISK MANAGEMENT

A summary of the main risks and uncertainties identified by the charity are:

- Inability to quickly raise funds if major objects unexpectedly come onto the market. SHT is working to raise match funding that is required by major grant giving organisations.
- Inability to purchase small items that unexpectedly come on the market. SHCT has a target of £3,000 and currently has £2,749. In addition, £428 is available to purchase replicas. Trustees are seeking ways in which to raise more funds for small object purchase.
- To have sufficient reserves, if SHT is dissolved, for SHCT to meet running costs for at least 12 months. The target is £3,000 and available reserves are currently £738. The trustees are seeking to raise more funding.

PLANS FOR THE FUTURE

The Trust's primary goals for the coming 12 months are to:

- acquire, by purchase or donation, objects that were in the house in Walpole's day, should these become available.
- conclude a new Management and Licence Fee Agreement with SHT.
- assist and advise the SHT with the conservation and display of the Collection and other historic objects on display at the house.
- successfully put into place the proposals and plans set out in the work programme, recently revised, particularly on research and the acquisition of targeted objects.
- review targets, and actively raise funds for the reserves through engaging a trustee with fundraising experience.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RELATION TO FINANCIAL STATEMENTS

The Trustees (who are also the Directors of The Strawberry Hill Collection Trust for the purposes of company law) are responsible for preparing an annual 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 year which give a true and fair view of the state of affairs of the charity (company) and of the income and expenditure of the charity 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with

THE STRAWBERRY HILL COLLECTION TRUST

the Financial Reporting Standard applicable in the UK and Republic of Ireland (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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the charity's governing document. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As 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.

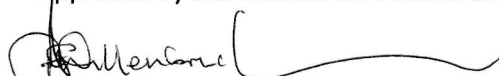
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors' Report

As an incorporated charity SHCT has an obligation under Company Law to produce a Directors' Report. This report constitutes the Directors' Report and the Trustees have confirmed that they also approve it as such.

The Trustees have taken advantage of the small companies' exemptions provided by section 414B and 415A of the Companies Act 2006 from the requirement to prepare a strategic report and in preparing the Trustees' report on the grounds that the charitable company is entitled to prepare its accounts for the year in accordance with the small companies' regime.

Approved by the trustees on 21 June 2023 and signed on their behalf by:



Anthony Willenbruch

Trustee / Director and Company Secretary

THE STRAWBERRY HILL COLLECTION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE STRAWBERRY HILL COLLECTION TRUST

Opinion

We have audited the financial statements of The Strawberry Hill Collection Trust (the "Charity") for the year ended 31 December 2022 which comprise the Statement of Financial Activities (including income and expenditure account), the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of 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 group's and Charity's affairs as at 31 December 2022 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity 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' (who are also directors of the Charity for the purpose of company law) 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 Charity'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 other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. 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

THE STRAWBERRY HILL COLLECTION TRUST

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.

Other matter

We have nothing to report in this regard.

Opinions on 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Report of the Trustees and from the requirement to prepare a strategic report.

Responsibilities of the Trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on pages 9-10), the Trustees, who are Directors for the purpose 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 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 STRAWBERRY HILL COLLECTION 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 extent to which our procedures are capable of detecting irregularities including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Charity through discussions with management, and from our cumulative audit knowledge and experience of the Charity and the knowledge of the charitable sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Charity, including the Companies Act 2006, Charities Act 2011, The Charities (Accounts and Reports) Regulations 2008 as well as data protection, money laundering and anti-bribery legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we identified laws and regulations which were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statements to disclosures and underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with the Charities Commission, HMRC and other government bodies.

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

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

A further description of our responsibilities 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 STRAWBERRY HILL COLLECTION TRUST

Use of our report

This report is made solely to the 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 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 Charity and the members as a body, for our audit work, for this report, or for the opinions we have formed.



Timothy Slater (Senior Statutory Auditor)
Harmer Slater Limited (Statutory Auditor)
Salatin House
19 Cedar Road
Sutton
Surrey SM2 5DA

Date: 21 June 2023

THE STRAWBERRY HILL COLLECTION TRUST

Statement of financial activities, including income and expenditure account for the Year ending 31 December 2022

Income		Unrestricted Funds £	Restricted Funds £	Year to 31 Dec 2022 £	Year to 31 Dec 2021 £
Donations					
Gift Aid recovered		-	-	-	259
Donation of heritage assets	Note 3	-	1,457,400	1,457,400	1,015,400
Charitable activities		2,449	-	2,449	1,740
Interest received		4	-	4	-
Total income		2,453	1,457,400	1,459,853	1,017,399
Expenditure					
Charitable activities	Note 4	2,614	2,514	5,128	3,708
Total expenditure		2,614	2,514	5,128	3,708
Net income/(expenditure)		(161)	1,454,886	1,454,725	1,013,691
Net movement in funds		(161)	1,454,886	1,454,725	1,013,691
Reconciliation of Funds					
Funds brought forward		566	1,702,140	1,702,706	689,015
Total funds carried forward		405	3,157,026	3,157,431	1,702,706

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 18 to 23 form part of these financial statements.

THE STRAWBERRY HILL COLLECTION TRUST

Balance Sheet as at 31 December 2022

		2022	2021
Fixed assets		£	£
Heritage fixed assets	Note 8	3,153,516	1,696,116
Other fixed assets	Note 8	-	2,514
Total fixed assets		3,153,516	1,698,630
Current assets			
Debtors	Note 9	-	180
Cash in hand and in bank		6,255	6,236
Creditors falling due within one year	Note 10	(2,340)	(2,340)
Net current assets		3,915	4,526
Total assets less current liabilities		3,157,431	1,702,706
FUNDS			
Restricted	Note 11	3,157,026	1,702,140
Unrestricted	Note 12	405	566
TOTAL FUNDS CARRIED FORWARD		3,157,431	1,702,706

The notes on pages 18 to 23 form part of these financial statements.

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.

These Financial Statements were approved and authorised for issue by the Trustees on 21 June 2023 and signed on their behalf by:

Signed



Nevil Tomlinson

Trustee / Director and Treasurer

THE STRAWBERRY HILL COLLECTION TRUST

Statement of Cash Flows for the Year ending 31 December 2022

	Year to 31 Dec 2022	Year to 31 Dec 2021
	£	£
Net movement in funds	1,454,725	1,013,691
Deduct: Interest received	(4)	-
Add: depreciation	2,514	1,259
Deduct: Donations of heritage assets	(1,457,400)	(1,015,400)
Decrease/(increase) in debtors	180	-
Increase/(decrease) in creditors	-	2,340
Cash from operations	15	1,890
Interest received	4	-
Cash from investing activities	4	-
Increase in cash and cash equivalents	19	1,890
Cash and cash equivalents at beginning of year	6,236	4,346
Cash and cash equivalents at end of year	6,255	6,236

THE STRAWBERRY HILL COLLECTION TRUST

Notes to the Financial Statements for the year ended 31 December 2022

1 Accounting Policies

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

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The functional and presentational currency is pounds sterling (£).

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

b) Preparation of the accounts on a going concern basis

The SHCT has a regular unrestricted income stream from a licence agreement with SHT. This is sufficient to meet running costs. The trustees consider that they have sufficient funds to meet the operating costs for 2023 and on that basis consider the company to be a going concern.

c) Income

Donations

Donations are credited in the year in which the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and can be measured reliably.

Donations of Heritage Assets

Donations of Heritage Assets are recognised as income when the charity has control over them, any conditions associated with the donated asset have been met, the receipt of economic benefit from the use by the charity is probable and the economic benefit can be measured reliably. On receipt the donated Heritage Assets are recorded on the balance sheet (note 1e).

Licence fees

The charity charges licence fees for the displaying of its heritage assets.

Interest receivable

Interest is credited in the year in which it is receivable.

THE STRAWBERRY HILL COLLECTION TRUST

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

1 Accounting Policies (continued)

d) Expenditure

Costs of generating funds are those costs incurred in attracting voluntary income. Governance costs include those incurred in the governance of its assets and are primarily associated with constitutional and statutory requirements.

e) Tangible fixed assets

The tangible fixed assets comprise Heritage Assets and other fixed assets.

Heritage Assets

Heritage Assets that are purchased are recognised at cost and those that are donated are recognised at fair value. Fair value is determined by an appraisal of market-based evidence by the trustees and the fair value is treated as the deemed cost of the asset.

Heritage Assets are considered to have indefinite useful lives and are not depreciated. Heritage Assets are reviewed at each reporting date for impairment. Impairment may be due to physical deterioration, breakage or other factors.

Heritage Assets are recorded in a Heritage Asset Register which records the date of acquisition, cost or valuation and valuation method where appropriate.

Other fixed assets

Other fixed assets are comprised of the library displays. These assets are depreciated over their estimated useful economic life of 10 years on a straight-line basis.

f) Fund structure

The funds held by the charity are either:

- *Unrestricted general funds* - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees
- *Restricted funds*- these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular purposes.

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 a winding up is limited to £1.

THE STRAWBERRY HILL COLLECTION TRUST

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

3 Donations

The charity received donations of Heritage Assets valued at £1,457,400 during the year (2021: £1,015,400)

4 Expenditure on charitable activity

	Year to 31 Dec 2022	Year to 31 Dec 2021
Depreciation of display cases	2,514	1,259
Governance costs (note 5)	<u>2,614</u>	<u>2,449</u>
	<u>5,128</u>	<u>3,708</u>

All expenditure on charitable activities in 2022 and 2021 was from unrestricted funds.

5 Analysis of governance costs

	Governance	Basis of apportionment
	£	
Audit fee	2,340	Governance
Bank charges	81	Governance
Other operating expenses	<u>193</u>	Governance
	<u>2,614</u>	

6 Trustees

No trustees or persons connected with them received any emolument or reimbursement of expenses from SHCT in 2022 or 2021.

7 Taxation

The charity is exempt from corporation tax on its charitable activities.

THE STRAWBERRY HILL COLLECTION TRUST

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

8 Tangible fixed assets

Heritage assets

Basis of capitalisation	Originals at valuation £	Replicas at valuation £	Originals at cost £	Replicas at cost £	Total £
Carrying amount at start of year	1,492,311	140,502	49,533	13,770	1,696,116
Additions	1,457,400	-	-	-	1,457,400
Carrying amount at end of year	2,949,711	140,502	49,533	13,770	3,153,516

Summary analysis of heritage asset transactions

	2022	2021	2020	2019	2018
Purchases	£	£	£	£	£
Originals at cost	-	-	-	-	-
Replicas at cost	-	-	990	12,780	-
Donations					
Originals at valuation	1,457,400	1,015,400	7,500	15,815	11,000
Replicas at valuation	-	-	-	-	39,164
Total additions	1,457,400	1,015,400	8,490	28,595	50,164

There have been no disposals or impairment during these five years.

Other fixed assets

	Library displays
Cost:	£
At beginning	12,586
Disposals	(12,586)
At end of year	-
Depreciation	
At beginning of year	10,072
Charge for the year	2,514
Eliminated on disposal	(12,586)
At end of year	-
Carrying amount at beginning of year	2,514
Carrying amount at end of year	-

THE STRAWBERRY HILL COLLECTION TRUST

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

9 Debtors

	31 Dec 2022	31 Dec 2021
Amount owed by related company	-	180
	-	180

10 Creditors

	31 Dec 2022	31 Dec 2021
Accrued expenses	2,340	2,340
	2,340	2,340

11 Restricted Funds

2022

	Balance at 1 Jan 2022	Incoming resources	Outgoing resources	Transfers	Balance at 31 Dec 2022
	£	£	£	£	£
Heritage collection	1,696,116	1,457,400	-	-	3,153,516
Other fixed assets	2,514	-	(2,514)	-	-
Object acquisition reserve	2,749	-	-	-	2,749
Replicas reserve	428	-	-	-	428
Operating reserve	333	-	-	-	333
	1,702,140	1,457,400	(2,514)	-	3,157,026

2021

	Balance at 1 Jan 2021	Incoming resources	Outgoing resources	Transfers	Balance at 31 Dec 2021
	£	£	£	£	£
Heritage collection	680,716	1,015,400	-	-	1,696,116
Other fixed assets	3,773	-	(1,259)	-	2,514
Object acquisition reserve	2,490	259	-	-	2,749
Replicas reserve	428	-	-	-	428
Operating reserve	333	-	-	-	333
	687,740	1,015,659	(1,259)	-	1,702,140

THE STRAWBERRY HILL COLLECTION TRUST

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

12 Unrestricted Funds

2022

	Balance at 1 Jan 22	Incoming resources	Outgoing resources	Balance at 31 Dec 22
General Fund	566	2,453	(2,614)	405

2021

	Balance at 1 Jan 21	Incoming resources	Outgoing resources	Balance at 31 Dec 21
General Fund	1,275	1,740	(2,449)	566

The general fund represents the 'free reserves' after allowing for any designated funds.

13 Analysis of net assets between funds

2022

	Unrestricted Fund £	Restricted Fund £	Total Funds £
Heritage Collection	-	3,153,516	3,153,516
Other fixed assets	-	-	-
Current Assets	2,745	3,510	6,255
Current Liabilities	(2,340)	-	(2,340)
	405	3,157,026	3,157,431

2021

	Unrestricted Fund £	Restricted Fund £	Total Funds £
Heritage Collection	-	1,696,116	1,696,116
Other fixed assets	-	2,514	2,514
Current Assets	2,906	3,510	6,416
Current Liabilities	(2,340)	-	(2,340)
	566	1,702,140	1,702,706