

Gainsborough's House Society

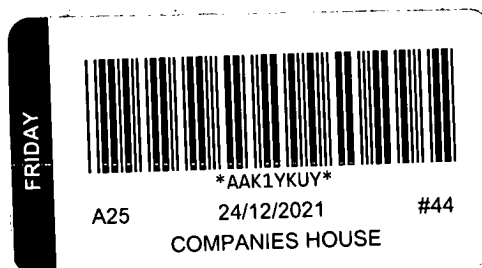
Report and Financial Statements

Year Ended

31 March 2021

Charity No. 1170048
Company No. 10413978

Moore Green
Chartered Accountants
Sudbury Suffolk



GAINSBOROUGH'S HOUSE SOCIETY

Annual report and financial statements for the year ended 31 March 2021

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GAINSBOROUGH'S HOUSE SOCIETY

Legal and Administrative Information

Registered Charity name: Gainsborough's House Society

Registered Charity number: 1170048

Registered Company number: 10413978 – Limited by guarantee

Accredited Museum

Principal office

Gainsborough's House, 46 Gainsborough Street, Sudbury, Suffolk CO10 2EU

Telephone: 01787 372958 e-mail: mail@gainsborough.org

President

Rebecca Salter PRA

Vice President

Lord Phillips of Sudbury

Patrons

Clare, Countess of Euston

The Mayor of Sudbury

Maggi Hambling CBE – Patron of Gainsborough's House Friends

Patrons of the Campaign

Maggi Hambling CBE

Loyd Grossman CBE

Trustees and Company Directors

Brian Moody (Chair)

Suzanne Marriott

Martin Myrone

Wilf Weeks OBE

Nigel Evans

Christy Stewart-Smith

Mark Harris

Mark Pendlington (Resigned 23 April 2021)

Mark Bills (Executive Director)

Observer (non-Trustee)

Jayne Austin - Suffolk County Council

GAINSBOROUGH'S HOUSE SOCIETY

Legal and Administrative Information

Full-Time Staff

Mark Bills	Executive Director
Emma Boyd	Keeper of Art and Place
Liz Cooper	Commercial Manager
Arabella McKessar	Development Assistant
Terry Groom	Finance Manager
Trudy Pickerin	Finance and Admin Assistant

Part-Time Staff

Steph Parmee	Learning & Outreach Officer
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Volunteers

Jane Lowe	Gardener
Penny Payne	Friends Co-ordinator
Jacqui Robins	Volunteer Co-ordinator

Linda Adcock, Christine Ainsworth, Gwyneth Arnott, Maureen Audsley, Renuka Baldwin, Greta Banner, Peter & Jackie Bateman, Joanne Beavan, Jenny Beckham, Jane Benton, Caroline Bridge, Cherry Bristow, Judith Bryant, Virginia Budd, Eileen Clayton, Heather Coltman, Michael & Barbara Copp, Susan Copping, Patience Cowper, Rosalyn Cracknell, Jan Craft, Grania Crawshay, Marnie Deakin, Shirley Dockerill, Dennis Duffy, Christa Edwards, Janie Estcourt, Nigel Evans, Audrey Ewen, Suzanne Flack, Gladis Garcia-Soza, Nicola Glen, John & Judith Glover, Janet Godsall, Nancy Graham, Belinda Green, Frances Gregor-Smith, Christa Grounds, Nick Hallidie, Mark Harris, Denise Hart, Elimar Harvey, Rose Harvey, Rachel Hatchard, Roger Hearne, Pauline Heigham, Elizabeth & Niall Hennessy, Cindy Hepburn, Helen & Geoff Holton, Ann Homan, Lindsay Hoyer Millar, Dave & Pat Hulbert, Christopher Hunt, Michelle Jay, Graeme Johnston, Judith Kemp, Rita Lindsell, Jassi Ling, Janet Lord, Anne Lowe, Jane Lowe, Dixie Ludgate, Colin & Linda Lutz, Lyn Macpherson, Sarah Maguire, Suzanne Marriott, Sheena Mattingly, Vicki Merrick, Diane Middlemiss, Nigel Middleton, Sara Miller, Brian Moody, David Moore-Gwynn, Ineke Morris, Nicholas Morse, Martin Myrone, Penny Nichol, Alice Nolda, Valerie Ohren, Clare Pardy, Penny Payne, Mark Pendlington, Chris Persinger, Sue Peterson, Andrew & Penelope Phillips, Carol Potts, Richard Powell, Bernice Rabe, Barbara Rea, Laurie Reynolds, Jane Richardson, Nicholas Roberts, Jacqui Robins, Bruce Ronaldson, Diana Schofield, Freya Scott-Rockel, Judi Shaw, Rachel Skillen, Ann Smith, Christine Smith, Eve Smith, Margaret Steed, Catherine Stephens, Christy Stewart-Smith, Joanne Stone-Williams, Margaret Stuart, Nigel Surry, Valeria Tinkler, Virginia Tuck, Eppie Turk, Mary Vincent, Mari-Louise Waghorn, Paula Wall, Sue Webb, Wilf Weeks, Jenny Wheeler, Maureen White, Sue Whiteley, Christopher Whybrow, Dorothy Wynn, Brian & Elizabeth Yates

GAINSBOROUGH'S HOUSE SOCIETY

Legal and Administrative Information

Auditors

Moore Green, 22 Friars Street, Sudbury, Suffolk

Solicitors

Bates Wells & Braithwaite, 27 Friars Street, Sudbury, Suffolk

Bankers

CAF Bank Ltd, West Malling, Kent & Lloyds Bank, Market Hill, Sudbury, Suffolk

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Governance, structure, and management

Gainsborough's House Society Ltd was founded by incorporation in England and Wales on 6 October 2016 and commenced trading on 1 January 2017. Company Registration number 10413978, Charity Commission registration number 1170048.

This Report and Accounts detail the activity of Gainsborough's House Society Ltd for the year from 01 April 2020 to 31 March 2021.

Aims and objectives

The charity owns and runs Gainsborough's House, the childhood home of the great English painter Thomas Gainsborough (1727-88), as a museum and gallery.

MISSION STATEMENT

To promote the wider knowledge, appreciation, and enjoyment of the art of Thomas Gainsborough within the context of the eighteenth century and the inspiration of the Suffolk landscape and to preserve and enhance Gainsborough's House and its collections for the benefit of present and future generations.

VISION STATEMENT

Gainsborough's House, the childhood home of Thomas Gainsborough is a national centre for the exploration of Gainsborough's art, the development of the English landscape and the art of printmaking. With Thomas Gainsborough as its inspiration, it seeks to bring to life the art and ideals of Thomas Gainsborough to inspire a new generation of visitors.

Public Benefit

Gainsborough's House's charitable objects, are to preserve the trust property, create an arts centre and museum, collect, curate and display works of art and further the development of the arts through education and events. It also achieves the public benefit requirement through offering many of its events, activities, courses, and publications either free to users or at heavily subsidised rates, mainly thanks to grants generated from charitable trusts and foundations and donations from the public. These include free admission on special days; entrance to exhibitions at no extra cost; events open to non-members; free or subsidised workshops for the old, vulnerable, disadvantaged, youth, schools, community groups and families.

The Society is aware that the public's opportunity to benefit must not be limited by geographical or other restrictions. Although most of its activities take place in the South Suffolk and North Essex area, visitors come from all over the UK and abroad, and concessions on ticket prices are offered to children and students. The Friends, Patrons and Mulberry Patrons membership schemes are open to all.

Accreditation

Gainsborough's House Society maintained its Accredited Museum status in 2018/19.

Method of recruitment and appointment of trustees

The trustees are recruited from the constituency of volunteers and members of Gainsborough's House, and from people identified with appropriate skills to fulfil the purposes and aims of the organisation.

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Governance, structure, and management (*continued*)

Trustee induction and training

New trustees are provided with a copy of the Memorandum and Articles of Association, latest audited accounts, most recent management accounts and minutes of trustee meetings, together with a copy of the Charity Commission's publication 'Responsibilities of Charity Trustees'.

Organisational structure

The overall governance and financial responsibility are vested in a Board of Trustees who are elected at the Annual Meeting of the Trustees.

Risk management

The trustees have examined the major strategic, business, and operational risks which the charity faces and confirm that systems are established to manage the significant risks.

The main risks identified were:

The loss of key staff which was identified as a medium risk with a high impact. To mitigate this risk the trustees have implemented succession planning and development of staff through support and training.

Complete or part destruction of the fabric of Gainsborough's House and its Collection was identified as a low risk with a high impact. To mitigate this risk staff, receive safety training to avoid damage through fire or water leaks.

The property has appropriate fire and intruder alarms, computerised environmental monitoring, and insurance to cover business interruption and repair or replacement of works of art.

Key management personnel remuneration

The trustees consider the board of trustees and the executive Director as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give of their time freely and no remuneration or expenses were paid to any of the elected trustees during the year. The board of trustees appointed the Executive Director, Mark Bills, as a trustee and company director of Gainsborough's House Society Ltd. The pay of the charity's executive Director is reviewed annually and normally increased in accordance with performance and average earnings. The remuneration is bench-marked with similar charities of size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

There are no related party transactions requiring disclosure. Trustees are required to disclose all relevant interests and register them with the executive Director and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises.

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Objectives and activities

The end of the financial year on 31st March marked one of the institution's most challenging years to date with the arrival of Covid-19. Gainsborough's House was closed for redevelopment and its activities beyond the building project severely limited. It closed its information point and had to make five redundancies. Despite the difficulties a great deal has been achieved in this period with enormous progress on the capital project and we are very grateful to those who supported us through this difficult time, often giving again.

It is extremely sad to report in this period the deaths of two individuals who gave much to Gainsborough's House:

Nick Ridley OBE— former Chairman of Gainsborough's House and former council leader died at the age of 82 after a short illness. He continued to support Gainsborough's House and was instrumental in Babergh's support of the new galleries. He was a great support to the Director personally and he will be much missed.

Sue Molineux, Printmaker and Print Technician of Gainsborough's House. She will be very much missed by us all and it is difficult to think of printmaking at Gainsborough's House without her. She was a devoted and driving force for the print workshop, which she ran with enthusiasm, hard work, grace and humour.

The Governors set seven strategic objectives. During 2020-21, although profoundly limited by closure, the demands of a major capital project and the pandemic, Gainsborough's House contributed to these objectives in the following way:

1. AWARENESS

Raising the profile of Gainsborough's House

Gainsborough's House continued to engage with its supporters through letters updating them of the progress of the capital project, alongside cards of the building works, Gainsborough recipes and Gainsborough wild flower seeds for the garden.

PUBLICATIONS AND PRESS

The Director of Gainsborough's House started a regular monthly page in the *Suffolk Free Press* to keep local people informed about Gainsborough's House, its capital project, opportunities, and initiatives. The first one in March 2021, looked at the significance of the project. Others will follow that look at aspects of the project, progress, acquisitions, Bulmer Brick, apprenticeships, and volunteering opportunities, as well as the events we were developing for the summer.

EVENTS

When lockdown allowed, supporters and visitors were given hard hat tours of the site. Talks, lectures and meetings were given through video links and our activity on social-media increased.

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Objectives and activities (continued)

2. THE HOUSE AND ITS CONTENTS

Protecting and making accessible a nationally significant heritage asset

EXHIBITIONS

Although Gainsborough's House's exhibition programme was not possible due to Covid-19 and building works, much planning took place. The programme of exhibitions, beginning in spring 2022, needed to be prepared. For the opening exhibitions loans were requested and agreed, alongside catalogues being prepared. With three galleries concurrently showing exhibitions it was important to be planning several years in advance. Gainsborough House will re-open with major Gainsborough paintings filling the new gallery spaces, and the historic house reflecting the passions and haunts of the artist's world. This will be followed by a series of national and international exhibitions as well as new works by artists and the activities of those in our surrounding communities. National collections have agreed to lend their great Gainsboroughs and we are partnering on exhibitions with the National Portrait Gallery, Puskin Museum of Fine Arts Moscow and the Rijksmuseum Twenthe.

ACQUISITIONS

Gainsborough's House is increasing the significance and breadth of the Gainsboroughs in its collection as well as increasing the representation of other artists associated with the region. The inclusion of Constable is through significant loans, and we have recently acquired the world's largest collection of works by Cedric Morris. Gainsborough's House is in effect celebrating not just the birthplace of Thomas Gainsborough but also the birth of the British School of Landscape Painting.

ENQUIRIES

In 2020/2021 Gainsborough's House received a number of enquiries about the collection: approximately 22 letters, 120 phone calls, 255 emails, 2 arranged visits.

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Objectives and activities (continued)

3. AN INTERNATIONAL STUDY CENTRE

Creating a vibrant centre for Gainsborough and related studies

Given the restrictions of lockdown and closure, development of projects was difficult, but Gainsborough's House managed to build on its existing international relationships. Following on from the extraordinarily successful Thomas Gainsborough Exhibition at *The Pushkin State Museum of Fine Arts*, Moscow (03 December 2019 – 01 March 2020), Gainsborough's House is planning an exhibition with the Pushkin, due to open at the end of June 2022, showing its renowned collection of French landscape paintings. We will welcome an exhibition of these works, that include Corot and Monet, to Sudbury next year. It will be a huge draw to the town with masterpieces from Russia's great capital city collection coming to Britain for the first time.

GAINSBOROUGH 300

Gainsborough's House has begun discussions on Gainsborough 300 and will be inviting all major national and international stakeholders to the Paul Mellon Centre, our partner, to discuss plans for 2027 (300 years since Gainsborough's birth). There are also discussions around Constable and Turner.

CEDRIC MORRIS RETROSPECTIVE

A major retrospective is planned for Cedric Morris in 2022 and loans have been requested and catalogue planning begun.

COLLECTION AND DISPLAY RESEARCH

Research continues into the collection of Gainsborough's House and future displays for re-opening.

4. A LEARNING CENTRE

Increase, access, learning and outreach

Much of the learning work had to pause during this period of Covid-19 and our Learning Officer was furloughed. Despite this Gainsborough's House, through the work of the Project Assistant and Administration Officer, and the Association for Suffolk Museums (AFSM), was able to produce activity packs for distribution to vulnerable families in Babergh including those who have limited access to IT and Internet. This is a great initiative that we were pleased to support.

SCHOOLS & OUTREACH

Although it was not possible to run workshops, planning took place and our partnerships maintained to have an even stronger Learning offer at the end of lockdown.

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Objectives and activities (continued)

5. A SENSE OF PLACE

Strengthen its connections with Sudbury, local heritage and the landscape

VISION FOR PROSPERITY

Gainsborough's House is part of the wider town vision for prosperity and is a key player in the development of regional initiatives. Gainsborough's House continued to be greatly involved with the town and its future plans and remained at the heart of its vision for prosperity. As a result, the Director continued working as a member of the Town Steering Committee and the Babergh & Mid Suffolk District Councils' (BMSDC) Sudbury Vision Delivery Group.

THE FUTURE DEVELOPMENT OF SUDBURY

Gainsborough's House has been keen to calculate the economic value of the project, both in terms of employment and its GVA (Gross Value Added which measures the contributions to an economy), based on Association of Independent Museums and ALMAUK (Archives, Libraries and Museums Alliance UK) economic value toolkits.

The project GVA (2016/17 to 2021/21) is £8,656,684 in total including £5.36m in visitor impact, £1.33m in employment impact; impact of spend on goods and services £1.02m.

Once completed, the GVA of the expanded museum will be £2.93m (£2.07m in visitor impact p.a. employment impact of £425,920 and spend on goods and services £200,832. This is an overall increase of 72% on 2015/16).

Artists are drawn to Suffolk's big skies and unspoilt countryside and this project will establish Gainsborough's House as a **cultural hub**, a place for more of the region's artistic community to congregate, create and show art and serve as a route to market for artists. Printmakers will for the first time be able to show their work in exhibitions on site (they currently use a church hall).

A larger museum will enhance Gainsborough's House as a **place to volunteer**. Training will be offered to support additional volunteering activity across the organisation, including in the café, with volunteers increasing from 150 to 250, and enhance chances for social interaction, important for the region's increasingly older population.

One important element within the design is how the new building will connect with the Sudbury site. Drawing its inspiration from the town's roofscapes, the design echoes the surrounding architecture, creating a contemporary building in sympathy with the town and the conservation area surrounding Gainsborough's House. This approach also translates to the materials that have been selected for the new build, and which will include bricks from the historic Bulmer brickworks, just outside Sudbury, and the internationally famous Sudbury silk for the interiors. ZMMA noted:

'At inception we will carry out a thoughtful, analytical study of the town and the important, historic townscape context it provides for Gainsborough's House'... Our constructional approach, using less concrete, provides a lower embodied energy and carbon footprint. In all our design decisions about materials we will consider the sustainability impact in terms of sourcing and long-term life expectancy, maintenance, and end-of-life recycling. Locally sourcing Bulmer Brick, flint, clay roof tiles and silk wall linings will greatly reduce delivery miles.'

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Objectives and activities (continued)

6. SUSTAINABILITY

Improve the generation of income and provide sustainability

FUNDRAISING

This was a very busy and worrying period where we have been without admission and earned income and where fundraising has been critical to our survival. Although we were ineligible for early government support and did not receive funds from the first Cultural Recovery Fund the NLHF gave a generous upgrade to the project and a number of generous funders gave again, including an enormously generous donation from the Band Trust. The delay caused by Covid-19 meant increased costs, both revenue and capital, to get Gainsborough's House to the end of the project.

BENEFACTORS AND DONORS

Gainsborough's House is enormously grateful for the support that we have received from all our benefactors and donors. Many trusts and foundations and generous individuals have given again to help us through this difficult time.

ENDOWMENT

The Heritage Lottery Fund awarded Gainsborough's House £550,000 towards creating a £1 million endowment. £50,000 is for fundraising costs and the £500,000 is released as match funding £1 for £1 over four years. Gainsborough's House has secured £270,000, with the remaining £230,000 to find in the next two years. Because of current events, the deadline for completion has been extended from March 2021 to May 2022

FUNDRAISING FOR CAPITAL PROJECT, *REVIVING AN ARTIST'S BIRTHPLACE*

Gainsborough's House continues to fundraise for the match funding and further costs. The *Buy a Brick* campaign allows individuals to support the capital project by buying a brick at £20. The scheme has been enormously successful, reflecting the great support there is for the project.

LOCAL AUTHORITIES

Suffolk County Council supported the core activities of the House with a generous grant, at a time when Suffolk is facing significant budget cuts. Sudbury Town Council continued its support and re-affirmed its commitment to supporting the House. Gainsborough's House is enormously grateful to both funders.

PATRONS, FRIENDS AND SUPPORTERS

Although Friends membership dropped off a little due to closure and lockdown, the majority of supporters remained loyal and many gave donations, for which we are extremely grateful.

COMMERCIAL ACTIVITY

Due to closure and Covid-19 and the furloughing of the Commercial Manager, there was little opportunity and little activity. Planning for a shop, café and commercial hire spaces continued through the work of the capital project.

SHOP & CAFÉ

Designs for the new café and kitchen were completed and with the rental of No.47 Gainsborough Street, the shop and café spaces will redouble on re-opening.

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Objectives and activities (continued)

HIRE & GROUP BOOKINGS

Traditionally a limited offer was available to groups with simple introductory talks and coffee. We have expanded the offer over the past year to include guided tours, lectures, print demonstrations and more varied group refreshment options.

Building on the basic existing group visit offer, we have increased the opportunity to learn and understand Thomas Gainsborough and the history of the house through the introduction of volunteer led guided tours, lectures and practical workshops. Along with the existing introductory talks this new offer now provides groups with a greatly improved visitor experience. Further research and introduction of specialist tours will continue to develop the offer for when the House reopens, attracting a wider audience and encouraging repeat group visits.

DEVELOPING NEW INCOME STREAMS

Several strands of potential income streams have been researched and some carried out. These include the feasibility of developing a café and refreshment offer at Gainsborough's House and a consultant, Mark Simpson, produced an evaluation of a café at Gainsborough's House for the business plan.

A 10-year business plan was created and was submitted as part of a Stage 1 HLF application for the capital project. This was seen to be based upon achievable amounts by the HLF national board.

GAINSBOROUGH'S HOUSE WOULD LIKE TO THANK EVERYONE FOR THEIR SUPPORT

BENEFACTORS

The National Lottery Heritage Fund
Timothy & Mary Clode
The George John & Sheilah Livanos Charitable Trust
The Linbury Trust
Babergh District Council
Garfield Weston Foundation
New Anglia LEP
Foyle Foundation
The Wolfson Foundation
The John Ellerman Foundation
David Pike
The Murray Family
The Band Trust
The Lord Belstead Charitable Settlement
J Paul Getty Jnr Charitable Trust
The Pilgrim Trust
The Finnis Scott Foundation
Maggi Hambling CBE
Andrew Lloyd-Webber Foundation
John Beale
Esmée Fairbairn Foundation
The Paul Mellon Centre for Studies in British Art

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Objectives and activities (continued)

BENEFACTORS (continued)

Suffolk County Council
Sudbury Town Council
Humphries Weaving
Vanners Silk Weavers
Anthony Wheeler Bequest

DONORS

de Laszlo Foundation
Sir Siegmund Warburg's Voluntary Settlement
Rogers, Stirk, Harbour & Partners Charitable Foundation
John Gambart Webb Bequest
James Hughes-Hallett
AIM Association of Independent Museums
The Arts Society
The Arts Society Sudbury
Arts Council England/V&A Purchase Grant Fund
Paul & Vanessa Watchman
National Heritage Memorial Fund
Ernest Cook Trust
Barbara Whatmore Charitable Trust
Robert Davey
John Osborn CBE
Richard Mansell-Jones
Sir John Hoskyns Charitable Trust
The Doric Charitable Trust
Lowell Libson
Coral Samuel Charitable Trust
Phillips Fund
Sir Edward Lewis Foundation
Stanley Foundation
Surrey Square Charitable Trust
David Tyler
The Scarfe Charitable Trust
Lord & Lady Marlesford
John Laing Charitable Trust
Aurelius Charitable Trust
The Henry Moore Foundation
Association for Suffolk Museums
Brocklebank Charitable Trust
The Constable Trust

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Objectives and activities (continued)

DONORS (continued)

The Radcliffe Trust
Wallace Charity Trust
Alfred Williams Charitable Trust
Faith Robinson
John Sheeran
P & S Schafler
Heathgate Charitable Trust
Timothy Colman Charitable Trust
Chivers Trust
Basil Slaughter Trust
The Schorr Collection
Nicholas Antill
Dedham Vale ANOB
Colchester Borough Council
Bevan Charitable Trust
Contemporary Art Auction – Artists
The Silk Manufacturers of Sudbury
Reeman Dansie
Jonathan Lambert Fine Jewellery
Nethergate Brewery Co Ltd
The Trustees of Gainsborough's House
The Estate of Anne Boggis-Rolfe
D Wilkins
The Grocers Company
The Drapers' Company
Local Fundraising Committee
The Leslie Mary Carter Charitable Trust
Rev'd Canon John Nurser
The National Heritage Memorial Fund
Art Fund
SHARE Museums East
All those who have given to 'Buy A Brick'

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Objectives and activities (continued)

MULBERRY PATRONS

Lord Abinger
Nicholas & Jenny Antill
Martin & Jane Bailey
Simon & Melanie Barrett
John Beale
Marcia Brocklebank
David & Mary Burr
Christie's
Timothy & Mary Clode
Robert & Sara Erith
Nigel & Chris Evans
Mark Harris
Richard Mansell-Jones
Suzanne Marriott
Brian & Valerie Moody
David & Alison Moore-Gwyn
John Osborn CBE
Penny Payne
David Pike
Nella & Geoffrey Probert
Griff Rhys Jones
Ann E Smith
Hilary & Robert Spivey
Lord & Lady Stevenson
Christopher Stewart-Smith CBE DL
Alan Swerdlow & Jeremy Greenwood
Nicholas & Jane Turner
Paul & Vanessa Watchman
Wilf Weeks OBE & Annie Weeks
Nicholas & Louise Wells

**THANK YOU TO OUR MULBERRY PATRONS, PATRONS, FRIENDS AND
ALL OUR VOLUNTEERS**

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Objectives and activities (continued)

7. ORGANISATION

Excellence and value in governance and administration

GOVERNANCE

The Annual Trustee Away day was postponed due to Covid-19 and trustee meetings were held via video link.

STAFF

Given closure, loss of income and roles and the future financial pressure caused by lockdown Gainsborough's House reduced costs to a minimum and all, but essential staff remained during the closure period. Five of eight members of furloughed staff were made redundant. This was a very difficult decision, and it is Gainsborough's House's hope that the majority of these will be re-employed when we are preparing for re-opening in 2022.

Gainsborough's House is grateful for the hard work of the team who were not furloughed and have worked hard to ensure that the project is kept on track and that we have remained visible to our supporters. None of the active team took full annual leave and over the year between Christmases, the average holiday taken up was just over a week.

VOLUNTEERS

Gainsborough's House could not run without volunteers, and we are extremely grateful for all the work that they do. With a period of inactivity, we kept in regular contact with our volunteers.

PRINT WORKSHOP

The Print Workshop received some very sad news with the death of Sue Molineux. She will be very much missed by us all and it is difficult to think of printmaking at Gainsborough's House without her.

The Print Workshop remained closed in this period but was developed as part of the capital project in order that it can fulfill its future development plans in five main areas:

- Increased activity with more courses and exhibitions
- Increased resourcing including increased staffing and maintenance of the Print Workshop
- Increased access, open and affordable
- Widening the reach to attract a new generation of printmakers.
- More efficient use of the Print Workshop time, a booking system to organise and maximise usage

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Plans for future years

PLANS FOR FUTURE PERIODS

Despite the pandemic construction of a new building and refurbishment of Gainsborough's House continued. There were inevitable delays caused by ground conditions, archaeology, asbestos, and Covid-19.

Capital Project

The project plans to re-open in spring 2022.

In the last report the sequence of building was reported, which can now be updated:

- Demolition to rear of existing shop (completed)
- Forming foundation to new café area (completed)
- Print workshop demolition of the corner to create viewing area (completed)
- Earth works protection (completed)
- Foundations to new gallery (completed)
- Waterproofing/acoustic mat to underside of gallery floor (completed)
- Formation of ground floor slab (completed)
- Erect columns to ground floor (completed)
- Form 1st floor slab (completed)
- Erect columns to 1st floor (completed)
- Form 2nd floor slab (completed)
- Erect scaffold to exterior (completed)
- Erect steel frame (completed)
- Fit crash deck fall arrest to internal areas (completed)
- Erect blockwork to exterior (completed)
- Waterproof coating to blockwork (completed)
- Install staircase (completed)
- Brickwork to exterior (begun)
- Roof coverings (completed)
- Install windows (completed)
- Install lift (begun)
- Remove scaffolding (begun)
- Internal fit out (begun)

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Plans for future years (continued)

APPENDIX; Project Summary

REVIVING AN ARTIST'S BIRTHPLACE: A NATIONAL CENTRE FOR GAINSBOROUGH

Gainsborough's House Society has a strategic vision to become a National Centre for Gainsborough that has a national and international profile while serving as a hub for the visual arts in Suffolk and a vibrant centre for learning and training. The strategy is to expand the visitor offer to show more art to attract more visitors and encourage repeat visits to generate more income, supported by an ambitious programme of temporary exhibitions and events. Expanding the site will increase capacity to welcome 50,000 visitor's pa and help create lasting, transformational change.

The strategy to raise the profile of Gainsborough's House is to encourage more exhibitions of Gainsborough's art in major museums abroad, first Europe, then Russia, and beyond to the United States of America and China, as well as elevating the artist's profile with key partnerships in the UK. Expanding the site allows for new and enhanced income streams to diversify revenue sources and create a more robust cultural business that can respond to and create opportunities for further expansion and reach in the future. Future developments beyond this capital project could be a larger café, more art studios, larger shop or expanded displays exploring Sudbury as a national centre for silk production.

While plans have been created for a large-scale capital improvement, central to the overall growth and sustainability of Gainsborough's House, work has also been carried out to form strategic partnerships here and abroad. Gainsborough's House instigated the first ever monographic exhibition of Gainsborough in Europe in 2016, with the Rijksmuseum in The Netherlands, and the first Gainsborough exhibition in Germany, at Kunsthalle Hamburg, opened in March 2018 and the first Gainsborough exhibition in Moscow with the Pushkin museum in Moscow in 2019/20. Strategic partnerships have been formed with the National Portrait Gallery, Tate, National Gallery, and the Royal Collection that will enable the museum to show loans of major Gainsborough masterpieces and bring works out from their stores, and enable shared marketing, scholarship, symposiums and lectures, publishing series and staff exchanges.

This vision is in keeping with the museum's seven strategic aims:

1. Awareness – Raising the museum's profile.
2. The House and its Contents – Protecting & making accessible nationally significant heritage.
3. An International Study Centre – Creating a vibrant centre for Gainsborough and related studies.
4. A Learning Centre – Increasing access, learning and social inclusion to a wide audience.
5. A Sense of Place – Strengthening connections with Sudbury, local heritage, and the landscape.
6. Sustainability – Improving the generation of income and providing financial resilience.
7. Organisation – Excellence and value in governance and administration.

THE PROJECT: A NATIONAL CENTRE FOR GAINSBOROUGH

A neighbouring former labour exchange building was the only possible space for a major expansion. Babergh District Council bought the building in 2015 to create time for the museum to raise funds, supporting the vision that converting an unused eyesore and brown-field site to create a museum of national standing would make the town a more desirable place to live, visit and invest in and create a greater pride.

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Plans for future years (continued)

DELIVERY:

'Reviving an Artist's Birthplace: A National Centre for Gainsborough' is an ambitious project that responds to these needs and aims to fascinate and inspire audiences to enjoy the art, life, and passions of Gainsborough in the special setting of his childhood home. The project will refurbish and redisplay all the historic buildings and create a 525sq m gallery extension for exhibitions that aim to put Gainsborough's House on the international art museum map. With audiences at the heart of the project, the museum will show more of Gainsborough's art, displaying more works from the collection, national museum stores and private ownership, and tell the story of his life, his family, and his interests, while illuminating the culture and social history of the 18th century. This project will tell the little-known story of Sudbury as a national centre of silk weaving, linking Gainsborough's weaving family history and maximise opportunities for artists working in the print studio.

The project will transform the museum's ability to develop a secure future by providing capacity for up to 100,000 visitors, encouraging a three-fold increase in dwell time and generating substantially more income. The project aims to spearhead the regeneration of the surrounding historic market town. The project has four main elements:

1. **HISTORIC HOUSE:** the re-presentation of the current buildings and outside space.
2. **NEW GALLERIES:** a major gallery extension with four new exhibition and learning spaces.
3. **VISITOR SERVICES:** improving visitor services, café, toilets, shop, print workshop and Hills Room.
4. **AUDIENCE DEVELOPMENT & TRAINING:** better public engagement, exhibitions, scholarship, and learning.

HISTORIC HOUSE: The project will refurbish, reconfigure, and redisplay the historic house and contents to safeguard the historic environment, conserve the collection, improve interpretation and environmental controls. Exposed heating appliances and picture rails will be removed. Physical security and day-light control to windows will be improved and display lighting made more discreet and effective using LED fittings and removing existing clutter.

Garden: The beautiful garden will receive specialist care to safeguard it and landscaping and interpretation will enhance visitor enjoyment of this oasis. A 'crinkle crinkle' wall using local historic Bulmer bricks made by prisoners in HMP Hollesley Bay and HMP Highpoint, trained in heritage skills led by Gainsborough's House training programme, will feature in the setting, and there will be more seating.

NEW GALLERIES:

The project will remove a neighbouring empty former labour exchange building, as it has little architectural or historic value, and build a 525sq m wing over three floors with three galleries and a learning studio. This substantial new building will make effective use of the long strip of land along Weaver's Lane. It will rise to three-and-a-half storeys and provide a lofty, single-storey gallery space in its northern end. The architecture will be modern, using a palette of local materials to create a building that refers both to the domestic and industrial architecture of Sudbury.

VISITOR SERVICES:

- New orangery style café will overlook the garden and a prep kitchen.
- Existing print studio will be refurbished with a new floor and improved environmental controls. A new glass wall will offer visitors views of artists at work and enhance the workspace for the thriving artistic community.
- The Hills Room, a flexible 60-seat space and group meeting room, will be refurbished.
- Additional toilets will be built across the site, more storage, and more office space.
- The current shop will be relocated and expanded with high street access.

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Plans for future years (continued)

AUDIENCE DEVELOPMENT & TRAINING:

- Strong programme of temporary exhibitions of international appeal to draw audiences, lectures, and music.
- Five apprenticeships offering entry level opportunities to work in the arts and heritage sector and internships.
- Artistic development, practical art courses, an artist in residence.
- Increase in learning and engagement to reach young people and non-museum audiences, including those experiencing rural poverty and low participation in cultural activities.
- Social impact programmes, extending the museum's work to create wellbeing and good mental health.
- Extensive school's programmes offering cross-curricula art, science, and history learning, both at the museum, in museum-led visits into the countryside and creative learning.

TRANSFORMATIONAL IMPACT

By doubling the size of the museum, this project will **transform the museum's future** with additional visitor capacity to raise more admissions income and enable audiences to access 18th century art in new ways, a period of art often perceived as difficult. New interpretation and an enhanced visitor journey through the museum will help visitors to understand and appreciate Gainsborough, his work and artistic practises and 18th century social history. As there is no major visual arts centre in Suffolk nowhere else in the county can receive major touring exhibitions. Other large visual art museums are outside the county in Cambridge, Norwich, and Colchester. Creating three temporary exhibition spaces allows for potentially three concurrent exhibitions to frequently refresh the offer and encourage repeat visits.

The **economic impact** will be considerable. For Sudbury, this project aims to be a game-changer with more visitors spending in the town; more pride of place, enhancing Sudbury as a more vibrant place to live, work and set up business and attracting more investment. The project will elevate Suffolk's international branding and offer to the world as a place to visit.

KEY MILESTONES IN THE PROJECT

- Gainsborough's House received Heritage Lottery Fund support of £3.45 million, including a development grant of £280,700, towards a £7.7 million project to transform the House into a national centre and one of the region's leading heritage museum and galleries.
- The Development Phase was successfully completed in March 2018.
- In the same month, Gainsborough's House submitted a Stage 2 application to the HLF for a decision at the end of June 2018.
- Planning and listed building permission was granted on 4 April 2018.
- Gainsborough Chambers was demolished in March 2019.
- Gainsborough's House closed on 27th October 2019 and building work on the new galleries began in January 2020.

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Plans for future years (continued)

SUPPORTERS

'Reviving an Artist's Birthplace' promises to fulfil the potential of the House as a centre for study and enjoyment of this major British artist, showcasing his art and extending engagement with the ideas and landscapes which helped inspire it. In doing so, it will not only do a service to the artist, the town, and the region, but also British art as a whole. A transformative project.' **Sir Nicholas Serota CH, as Director of Tate (now Chairman, Arts Council England)**

'Gainsborough is already treasured by the local community and this major project could help to nurture the town's collective pride and identity. Sudbury has long been working towards revival. I believe this project would be an important catalyst for change within the town.' **James Cartledge, MP for South Suffolk**

'This is a most exciting project which is of national, regional and local significance in terms of scholarship, education, economic development and enhancement of our heritage. Perhaps most impressive is the determination the management and trustees have shown to create an absolutely first-class project which will enrich both residents and visitors from far and wide.' **Loyd Grossman CBE**

'A collection of real importance for an artist of international reputation but who is arguably under-displayed and insufficiently appreciated in his own country.' **Sandy Nairne CBE**

'The project offers so much opportunity for both the development of the house and for a newly designed building to engage a whole new generation with Gainsborough and the Suffolk landscape. I was also interested to see archival books about silk from the Gainsborough Silk Weaving Company and delighted to hear the plans include a silk gallery. Linking Gainsborough family's weaving background and the artist's exquisite costume painting within the context of a still vibrant silk industry will help to draw a new audience. I can see real value in this exciting development.' **Dame Anna Wintour, Editor-in-Chief, US Vogue**

'Clearly the work of such a great painter is already universally admired, but it's shocking how few people realise that he was born and raised in such a gorgeous house in Sudbury. Not only will the new building be a brilliant showcase for the artist's work, it will also be an international exhibition space in an area of the country which is sorely in need of an arts centre worthy of the singular beauty of its surroundings.' **Nicole Fahri CBE**

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Financial Review

Finance

The Statement of Financial Activities for 2020/21 financial year covers the year from 1 April 2020 to 31 March 2021.

Income received through donations and grants have been greatly appreciated in the year in this difficult time of Covid.

The Capital Development phase is ongoing and fundraising activity has continued to support the investment in Gainsborough's House. We have had wonderful support from National Lottery Heritage Fund and donations increased from £796k to £2.74m.

Unfortunately, due to Covid and being in the construction phase of the Capital Development we have had to close our shop and exhibitions.

The Heritage Assets – collection of artworks – has been stored away until opening day.

The value of the Acquisition Fund has reduced slightly, but the Endowment fund has increased, but due to the fluctuation in the markets reflecting the global economy and international and domestic activities and the initial reaction to COVID-19 the two have balanced out.

Investments

Rathbone Investment Management Ltd manage the majority of the Charity's investment holding together with the Board of Trustees through its Investments sub-committee.

Reserves

The Board of Trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets or required to fund stocks ("the free reserves") held by the charity should be equivalent to between three and six months of the qualifying expenditure, which equates to approximately £60,000 to £120,000. At this level the Trustees feel that they would be able to continue the current activities of the charity in the event of a significant drop in income.

The total reserves as at 31 March 2021 amounted to £11,595,642, which includes £2,198,924 of restricted reserves.

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Trustees

Trustees' responsibilities in relation to the financial statements

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

The trustees (who are also directors of Gainsborough House Society 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 applicable Charities SORP 2019 (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 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.

In so far as the trustees are aware:

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

Approved by the Board of Trustees (Directors) of Gainsborough's House Society Ltd on *21st December* 2021
and signed by one trustee on behalf of all the trustees:

Name

BRIAN MOODY

Signature

Bj Moody

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Auditors

Independent Auditors' report to the trustees of Gainsborough's House Society

AUDITOR'S UNQUALIFIED OPINION

Opinion

We have audited the financial statements of Gainsborough House Society (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees annual report², other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Auditors

Independent Auditors' report to the trustees of Gainsborough's House Society (continued)

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

We have nothing to report in this regard.

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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit ; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Auditors

Independent Auditors' report to the trustees of Gainsborough's House Society (continued)

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.

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:

In identifying and assessing risks of material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included obtaining an understanding of the legal and regulatory frameworks applicable to the Charity and the sector in which they operate. We determined that the most significant laws and regulations were Companies Act 2006 and Charities Act 2011.

We assessed and concluded that the Charity's key area was in relation to its heritage assets valuation.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including how fraud might occur. Audit procedures by the engagement team included identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud; understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process; challenging assumptions and judgements made by management in its significant accounting estimates; identifying and testing unusual value entries, in particular any entries posted with unusual account combinations; and assessing the extent of compliance with the relevant laws and regulations. The size of the charity and volume of transactions indicated a low level of material risk overall.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

GAINSBOROUGH'S HOUSE SOCIETY

Report of the Auditors

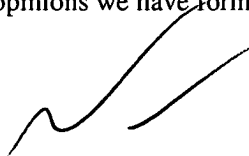
Independent Auditors' report to the trustees of Gainsborough's House Society (continued)

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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



Nicholas Farr FCA (Senior Statutory Auditor)

For and on behalf of
Moore Green
Chartered accountants and statutory auditor
22 Friars Street
Sudbury
Suffolk
CO10 2AA

..... 23/12/21

GAINSBOROUGH'S HOUSE SOCIETY

Statement of financial activities

Statement of financial activities for the year ended 31 March 2021

		UNRESTRICTED FUNDS TO 2020/21	RESTRICTED FUNDS TO 2020/21	TOTAL FUNDS TO 2020/21	TOTAL FUNDS TO 2019/20
INCOME					
<i>Donations and legacies</i>	2	385,526	24,000	409,526	348,544
<i>Development project</i>	2	0	2,654,116	2,654,116	796,188
<i>Endowment</i>	2	0	20,000	20,000	70,000
<i>Incoming resources from charitable activities</i>					
Operating museum and art gallery	3	3,224	0	3,224	86,054
Income from other trading and fundraising activities	4	78	0	78	61,565
Investment income	5	2,321	16,166	18,487	25,510
TOTAL INCOMING RESOURCES		391,149	2,714,282	3,105,431	1,387,861
EXPENDITURE					
Costs of raising funds	6	38,138	4,834	42,972	117,231
<i>Expenditure on Charitable activities</i>					
Operating museum and art gallery	7	319,029	2,388,973	2,708,002	1,237,653
TOTAL RESOURCES EXPENDED		357,167	2,393,807	2,750,974	1,354,884
Total income/expenditure before gains or losses on investments		33,982	320,475	354,457	32,977
Re-valuation of Assets				0	0
Realised profit/(loss) on investments		0	3,176	3,176	0
Unrealised profit/(loss) on investments		4,543	135,218	139,761	-106,880
Net movement in funds		38,525	458,869	497,394	-73,903
Transfer between funds		190,000	(190,000)	0	0
FUND BALANCE SUB TOTAL		228,525	268,869	497,394	-73,903
FUND BALANCE AT 31 March 2020		9,168,193	1,930,055	11,098,248	11,172,151
FUND BALANCE AT 31 March 2021		9,396,718	2,198,924	11,595,642	11,098,248

The notes on pages 27 to 39 form part of these financial statements.

GAINSBOROUGH'S HOUSE SOCIETY

Balance sheet

Balance sheet as at 31 March 2021

March 2021		2020/21			2019/20		
		£		£	£		
		Unrestricted	Restricted		Unrestricted	Restricted	
FIXED ASSETS							
Tangible Assets							
Freehold	11	59,572	435,786		59,849	451,593	
Fixtures & fittings	11	1,509			7,540		
Short Leasehold	11	25,371			25,371		
Tangible Heritage Assets	12	9,040,854			9,040,754		
Investments							
Endowment	14		416,497			305,956	
Acquisition Fund	15		232,871			206,874	
		9,127,306	1,085,154	10,212,460	9,133,514	954,423	10,087,937
CURRENT ASSETS							
Investments		24,155			19,612		
Stocks		17,420			17,420		
Debtors	16	136,894	193,935		45,333	357,652	
Cash at Bank and in Hand		99,304	1,234,077		-31,715	973,656	
		277,773	1,428,012	1,705,785	50,650	1,331,308	1,381,958
CREDITORS -Amounts falling due within one year							
	17	8,361	314,242		15,971	355,676	
		8,361	314,242	322,603	15,971	355,676	371,647
NET CURRENT ASSETS				1,383,182	1,010,311		
TOTAL ASSETS		9,396,718	2,198,924	11,595,642	9,168,193	1,930,055	11,098,248
FUNDS							
Unrestricted		355,864			127,439		
Heritage valuation - unrestricted		9,040,854			9,040,754		
Restricted			2,198,924			1,930,055	
		9,396,718	2,198,924	11,595,642	9,168,193	1,930,055	11,098,248

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies' regime and in accordance with FRS102 SORP.

Approved by the Board of Trustees (Directors) of Gainsborough's House Society Ltd on 21st December 2021 and signed by one trustee on behalf of all the trustees:

Name BRIAN MOODY

Signature

Brian Moody

Signature of one director (trustee) authenticating accounts being sent to Companies House:

Name MARK BILLS

Signature

Mark Bills

The notes on pages 31 to 44 form part of these financial statements.

GAINSBOROUGH'S HOUSE SOCIETY

Statement of Cash Flows

Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flow from operating activities	24	376,031	28,851
Net cash flow from operating activities		<u>376,301</u>	<u>28,851</u>
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(100)	(97,961)
Payments to acquire investments		(54,595)	(104,798)
Receipts from sales of investments		66,443	36,100
Interest received		871	913
Dividends received		17,616	24,597
Exps invs		<u>(4,834)</u>	<u>(4,165)</u>
Net cash flow from investing activities		25,401	(145,314)
Net increase in cash and cash equivalents		<u>401,432</u>	<u>(116,463)</u>
Cash and cash equivalents at 1 April 2020		981,730	1,098,193
Cash and cash equivalents at 31 March 2021		<u>1,383,162</u>	<u>981,730</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		1,333,381	941,941
Investments fund cash balances		49,781	39,789
Cash and cash equivalents at 31 March 2021		<u>1,383,162</u>	<u>981,730</u>

GAINSBOROUGH'S HOUSE SOCIETY

Notes forming part of the financial statements for the period ended 31 March 2021

1 General information

Gainsborough House Society is a company limited by guarantee, registered in England and Wales. The address of the registered office is Gainsborough's House, 46 Gainsborough Street, Sudbury, Suffolk, CO10 2EU.

2 Statement of compliance

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

3 Accounting policies

Basis of accounting

The financial statements are presented in sterling which is the functional currency of the company.

Going concern

The trustees are satisfied that there are no material uncertainties in the adoption of the going concern basis of preparation and have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Heritage assets

The charity holds a collection of works of art to celebrate the life and works of Thomas Gainsborough. These heritage assets were acquired in past accounting years and not capitalised. Acquisitions are made by purchase, donation or in lieu of tax.

The collection of works of art are categorised as follows:

Thomas Gainsborough: paintings, drawings, prints, sculpture, letters, manuscripts, and memorabilia.

Gainsborough Dupont – Gainsborough's nephew: paintings and drawings.

Gainsborough's contemporaries and influences: historic paintings, drawings, and prints.

Works related to Thomas Gainsborough, prints after Gainsborough, decorative objects using Gainsborough imagery.

Henry William Bunbury: paintings, drawings, and prints.

Images of Sudbury: paintings, topographical drawings & prints, photographs by Humphrey Spender, drawings by John Addyman.

Modern (20th/21st century): paintings, drawings and prints relating to Gainsborough's House, works by Rowland Suddaby and Cavendish Morton.

Furniture and furnishings: mostly 18th century.

Late 18th century newspapers, Rare Books: mostly 18th century art and society.

Cedric Morris: landscape and portrait paintings, drawings, prints.

The valuation of the collection takes place on an ongoing basis to assess current value by the trustees.

GAINSBOROUGH'S HOUSE SOCIETY

Notes forming part of the financial statements for the period ended 31 March 2021

Accounting policies (*Continued*)

Acquisition and Disposal Policy

Acquisition: While focusing on works by Gainsborough and keeping an interest in historic works or those related to Gainsborough, the spread of areas of acquisitions is greatly reduced. As a result, funds will not be used on acquiring anything that will not be displayed regularly or that will duplicate what we already have. However, works sought by the Society are likely to be of high cost, so outside funding support for acquisitions will usually need to be secured.

Disposal: When disposal of an object is being considered, the trustees will establish if it was acquired with the aid of an external funding organisation. In such cases, any conditions attached to the original grant will be followed. This may include repayment of the original grant and a proportion of the proceeds if the item is disposed of by sale. Generally, the Gainsborough's House will not undertake disposal other than in exceptional circumstances. Whether the disposal is motivated either by curatorial or financial reasons, the decision to dispose of material from the collections will be taken by the Trustees of Gainsborough's House, only after full consideration of the reasons for disposal. Other factors including the public benefit, the implications for the Society's collections and collections held by museums and other organisations collecting the same material or in related fields will be considered. External expert advice will be obtained and the views of stakeholders such as donors, researchers, local and source communities, and others served by the Society will also be sought. Any funds raised by disposal will generally be added to the Society's Acquisition fund.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition.

Depreciation is calculated to write off the cost or valuation, on a straight-line basis, over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose, which are consistent with those of last year, are:

	%
Freehold buildings (excluding heritage assets)	2
Office Equipment	25
Fixtures and Fittings	25

Fixed Assets – Investments

The investments are stated at their market value. Any gains or losses on investments (both realised and unrealised) are recognised in the Statement of Financial Activities.

Stocks

Stocks are stated at the lower of cost and net realisable value.

GAINSBOROUGH'S HOUSE SOCIETY

Notes forming part of the financial statements for the period ended 31 March 2021

1 Accounting policies (Continued)

Income

All income is recognised in the statement of financial activities when the conditions for receipt have been met and there is reasonable assurance of receipt.

Grants are included in the statement of financial activities of the accounting year in which they are receivable.

Donations, other voluntary income, and shop sales are included in the year in which they are received.

Donations and all other receipts from fundraising are reported gross and the related fundraising costs are reported in expenditure.

Income from investments is included in the statement of financial activities of the accounting year in which they are receivable.

Legacies are included in the statement of financial activities when the Charity is legally entitled to the distribution and the amount can be measured with certainty.

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

Expenditure

All expenditure is accounted for when incurred and all liabilities are recognised in full as soon as the obligations arise and analysed as detailed on the SOFA. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources in terms of staff costs by the time spent and other costs by their usage.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on the general fund and designated funds. They are available for use at the discretion of the Trustees in furtherance of the Charity's charitable objectives.

Restricted funds are created when grants or donations are made for a particular purpose, the use of which is restricted to that purpose.

Cash

Cash comprises cash at bank and in hand including short term deposits with a maturity date of three months or less from the date of acquisition.

Pension contributions

The Society operates a defined contribution pension scheme to which both the Society and employees make contributions. The Society's contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme. The assets of the scheme are held separately from those of the Society in an independently administered fund.

Liability to taxation

As a registered charity, the organization is exempt from income and corporation tax to the extent that its income and gains are applied towards the charitable objects of the charity and for no other purpose.

GAINSBOROUGH'S HOUSE SOCIETY

Notes forming part of the financial statements for the period ended 31 March 2021

Income	Unrestricted	Restricted	Total	Total
2 Income	2020/21	2020/21	2020/21	2019/20
Donations and Legacies				
Donations	121,255	1,000	122,255	8,633
In Memory of Mary Lister			0	891
Donations in Memorium	250		250	0
Bequest – Christopher John Beresford-Jones			0	2,000
Donation of works				
Friends subscriptions & donations	16,279		16,279	18,809
Patrons subscriptions & donations	1,475		1,475	9,752
Mulberry Patrons subscriptions & donations	16,691		16,691	27,582
Business Subscriptions & Donations			0	200
Gift Aid Claim	1,034		1,034	8,177
Core Grants:				
Sudbury Town Council	6,500		6,500	6,500
Suffolk County Council	28,560		28,560	0
Babergh District Council	10,708		10,708	0
Charitable Trust & Other grants:				
G J & S Livanos Charitable Trust		20,000	20,000	20,000
Lady Getty	2,100		2,100	2,100
Garfield Weston Foundation			0	40,000
Heritage Conservation Trust			0	1,500
Grocer's Hall Charity			0	1,500
John Laing Charitable Trust			0	1,000
Share Retail Forum (Share Museum East)		3,000	3,000	1,000
Victoria & Albert Museum – Acq			0	10,000
Art Fund UK – Acq			0	30,000
Art Fund UK			0	5,000
HMRC Covid 19 Furlough	80,674		80,674	0
Art Fund – Johnathon Ruffer Curatorial Foundation			0	400
Pilgrim Trust – Director's salary			0	15,000
Heritage Lottery Fund – Acq			0	38,500
David Pike	100,000		100,000	100,000
	385,526	24,000	409,526	348,544

GAINSBOROUGH'S HOUSE SOCIETY

Notes forming part of the financial statements for the period ended 31 March 2021

	Unrestricted 2020/21	Restricted 2020/21	Total 2020/21	Total 2019/20
2 Income (continued)				
Capital Development:				
National Heritage Fund – Delivery Claims		1,593,447	1,593,447	463,588
Doric Charitable Trust		1,000	1,000	2,000
Scarfe Charitable Trust		0	0	500
Finnis Scott Foundation		30,000	30,000	30,000
The Linbury Trust		150,000	150,000	100,000
Bulmeir Trust – S Marriott		1,000	1,000	0
Sudbury Town Council		0	0	5,000
The Band Trust		150,000	150,000	0
The Foyle Foundation		50,000	50,000	0
de Laszlo Foundation		0	0	10,000
The Wolfson Foundation		100,000	100,000	0
Arts Council		86,326	86,326	0
John R Murray Charitable Trust		50,000	50,000	0
Mrs Doreen Wilkins		10,000	10,000	0
Mr & Mrs Timothy Clode		150,000	150,000	125,000
Art Friends Cambridge		678	678	678
Richard Mansell-Jones		3,000	3,000	3,000
Suffolk County Council – LEP		250,000	250,000	0
Donations of art including Auction and Art Fair		180	180	1,105
Buy a Brick		2,313	2,313	7,030
Bronze Old Horse-Paul Knolle, Mr D Moore-Gwn, John Sheeran		9,000	9,000	0
Gainsborough's House Trustees		3,750	3,750	24,500
Gift Aid Claim		2,400	2,400	2,459
Donations from individuals		1,722	1,722	1,340
Heritage Fund Fundraising Costs		9,300	9,300	19,988
	0	2,654,116	2,654,116	796,188
Endowment:				
Lord Belstead Charitable Trust		0	0	25,000
The Leslie Carter Charitable Trust		0	0	10,000
John Osbourne		10,000	10,000	0
National Heritage Fund – match funding		10,000	10,000	35,000
	0	20,000	20,000	70,000
			0	
	385,526	2,698,116	3,083,642	1,214,732

GAINSBOROUGH'S HOUSE SOCIETY

Notes forming part of the financial statements for the period ended 31 March 2021

3 Incoming resources from charitable activities	Unrestricted	Restricted	Total	Total
<i>Activities in furtherance of the charity's objectives</i>	2020/21	2020/21	2020/21	2019/20
House Admission Fees	0		0	39,233
Print Workshop Income	0		0	20,135
Exhibitions misc Income	0		0	0
Exhibitions Tax Relief	0		0	13,599
Collections misc income	102		102	1,028
Education Income	3,150		3,150	1,690
Group Hire/Catering	0		0	6,339
Gift Aid on Entry Fees	(28)		(28)	4,030
	3,224	0	3,224	86,054

4 Income from trading and fundraising activities	Unrestricted	Restricted	Total	Total
	2020/21	2020/21	2020/21	2019/20
Sales	37		37	40,647
Friends events	0		0	4,448
Patrons events	0		0	325
Mulberry Events	0		0	10,921
Fundraising events – revenue	0		0	4,526
Misc Income	41		41	698
	78	0	78	61,565

5 Investment income	Unrestricted	Restricted	Total	Total
	2020/21	2020/21	2020/21	2019/20
Acquisition Fund Dividends received		5,971	5,971	8,971
Endowment Fund Dividends received		10,195	10,195	8,707
Endowment Fund Capital Interest			0	0
Investment Income	1,450		1,450	6,919
Interest received	871		871	913
	2,321	16,166	18,487	25,510
Total Income	391,149	2,714,282	3,105,431	1,387,861

GAINSBOROUGH'S HOUSE SOCIETY

Notes forming part of the financial statements for the period ended 31 March 2021

Expenditure

	Unrestricted 2020/21	Restricted 2020/21	Total 2020/21	Total 2019/20
6 Costs of raising funds				
Purchases	989		989	29,060
Groups	0		0	2,271
Friends expenses	145		145	4,254
Patrons expenses	0		0	125
Mulberry Patrons expenses	0		0	13,995
Fundraising events	2,405		2,405	5,980
Fund Raising Expenses & salary	211	0	211	21,770
Investment management fee		4,834	4,834	4,165
Support costs & salary	34,388		34,388	35,611
	<u>38,138</u>	<u>4,834</u>	<u>42,972</u>	<u>117,231</u>

	Unrestricted 2020/21	Restricted 2020/21	Total 2020/21	Total 2019/20
7 Operating museum and art gallery				
Collections Management & salary	144,421	5,644	150,065	236,477
Gainsborough Chambers & Development	0	2,374,725	2,374,725	731,926
Exhibitions Expenses	(50)		(50)	33,844
Print Workshop Expenses & salary	2,486		2,486	21,715
Education Expenses & salary	16,067	0	16,067	21,394
Marketing	4,789		4,789	23,680
Reception salary	22,623		22,623	30,515
Commercial Manager	39,073		39,073	39,095
Depreciation	3,511	8,604	12,115	12,115
Audit	5,870		5,870	3,800
Support costs & salary	80,239		80,239	83,092
	<u>319,029</u>	<u>2,388,973</u>	<u>2,708,002</u>	<u>1,237,653</u>

Total Expense	<u>357,167</u>	<u>2,393,807</u>	<u>2,750,974</u>	<u>1,354,884</u>
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	Cost of generating voluntary income	Collections management	Print workshop & Education	Total	Total 2019/20
8 Allocation of Support Services					
General office and finance	25,494	25,494	33,992	84,980	87,851
Information technology	3,009	3,009	4,012	10,030	8,834
Housekeeping and maintenance	5,885	5,885	7,847	19,617	22,018
	<u>34,388</u>	<u>34,388</u>	<u>45,851</u>	<u>114,627</u>	<u>118,701</u>

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources in terms of staff costs by the time spent and other costs by their usage.

GAINSBOROUGH'S HOUSE SOCIETY

Notes forming part of the financial statements for the period ended 31 March 2021

9 Transfer between funds

Two sums were transferred from the restricted Acquisition Fund to unrestricted funds during the year £8,000 to give support to the Revenue budget as allowed by the terms of the fund and agreed by the Board of Trustees, and £15,000 to part fund the purchase of Acquisitions. Additionally £167,000 was transferred from restricted funds in respect of running costs associated with the development.

10 Employee Information

	2021	2020
	£	£
Salaries, fees and wages	294,797	292,699
Statutory contributions	25,967	25,174
Pension Contributions	21,575	22,938
	<u>342,339</u>	<u>340,811</u>
	Number	Number
Full Time Employees in the period	6	5
Part Time Employees in the period	7	10
	<u>13</u>	<u>15</u>
Full time employees at 31 March 2021	5	5
Part time employees at 31 March 2021	1	8
	<u>6</u>	<u>13</u>

11 Tangible Fixed Assets

	Freehold Property	Office Furniture, fittings & Equipment	Short Leasehold Property	Total
Cost				
<i>at 1 April 2020</i>	589,179	196,023	25,371	810,573
<i>Additions</i>				0
<i>Disposals</i>				0
<i>at 31 March 2021</i>	<u>589,179</u>	<u>196,023</u>	<u>25,371</u>	<u>810,573</u>
Depreciation				
<i>at 1 April 2020</i>	87,737	188,483		276,220
Charge for the period	6,084	6,031		12,115
<i>at 31 March 2021</i>	<u>93,821</u>	<u>194,514</u>	<u>0</u>	<u>288,335</u>
Net Book Value				
<i>at 31 March 2021</i>	<u>495,358</u>	<u>1,509</u>	<u>25,371</u>	<u>522,238</u>
<i>at 1 April 2020</i>	<u>501,442</u>	<u>7,540</u>	<u>25,371</u>	<u>534,343</u>

GAINSBOROUGH'S HOUSE SOCIETY

Notes forming part of the financial statements for the period ended 31 March 2021

11 *Tangible Fixed Assets (Continued)*

Gainsborough's House and the Print Workshop are included in fixed assets but at a nil value being the basis of the transfer from the unincorporated Gainsborough's House Society. Included in freehold property are the cottages which are used as the entrance to Gainsborough's House and an Education Centre.

There is a legal charge held over the freehold 46-47 Gainsborough Street, Sudbury by way of legal mortgage with The Trustees of the National Heritage Memorial Fund in relation to the continuing security for the payment or discharge when due of the secured obligations.

12 **Heritage Assets**

Tangible fixed assets – heritage assets

	2021	2020
Collection of works of art		
Cost or Valuation at 1 April 2020	9,040,754	8,942,793
Valuation in year		
Additions	100	97,961
Additions – donation	0	0
Disposals	0	0
Value at 31 March 2021	<u>9,040,854</u>	<u>9,040,754</u>

The valuation of the collection last took place on 4 December 2017 by Christie's. This is reviewed annually by the trustees. At the point the assets come out of storage to go back on display the policy adopted will be for a professional valuation to be undertaken every 3 years.

The conservation of the collection is ongoing, and works are sent to freelance conservators (mostly drawings and prints) on a regular basis. The Museum Plus Collections database will continue to be developed with updated documentation and attachment of photographic images of all works in the collection.

GAINSBOROUGH'S HOUSE SOCIETY

Notes forming part of the financial statements for the period ended 31 March 2021

Tangible Fixed Assets – five-year summary of heritage asset transactions					
13	2021	2020	2019	2018	2017
				£	£
Additions					
<i>Purchases</i>	100	97,961	32,831	11,424	4,319
<i>Gifts</i>	0	0	40,473	500,000	0
Disposals	0	0	0	0	0
14 Investments – Endowment	2021	2020			
	£	£			
Value at Cost	305,956	253,316			
Additions at Cost	19,201	91,377			
Disposals	0	0			
Unrealised Gain/ (Loss) against valuation	93,748	(59,090)			
Cash	(2,408)	20,353			
	<u>416,497</u>	<u>305,956</u>			
The Heritage Lottery Fund awarded Gainsborough's House £550,000 towards creating a £1 million endowment. £50,000 is for fundraising costs and the £500,000 is released as match funding £1 for £1 over four years. We are very grateful to John Osbourne who has given £10,000, and NHLF released match funding of £10,000.					
15 Investments – Acquisition	2021	2020			
	£	£			
Market Value at 1 April 2020	206,874	265,461			
Additions at Cost	35,394	13,421			
Disposals – sale proceeds	(66,443)	(36,100)			
Profit/(loss) on disposal of investments	3,176	(374)			
Unrealised Gain/ (Loss)	41,470	(39,783)			
Cash	12,400	4,249			
	<u>232,871</u>	<u>206,874</u>			
Investment Fund					
M&G Charifund Value at 1 April 2020	19,612	25,248			
Unrealised Gain/ (Loss)	4,543	-5,636			
	<u>24,155</u>	<u>19,612</u>			
Total Investments	<u>673,523</u>	<u>532,442</u>			

GAINSBOROUGH'S HOUSE SOCIETY

Notes forming part of the financial statements for the period ended 31 March 2021

15 Investments (Continued)

Listed Below are material investments representing more than 5% of the total market value of investments

	2021	2020
	%	%
Treasury Stock	8.6	9.7
Halma Plc		5.5
GlaxoSmithKline		7.2
Mercantile Investment Trust Plc	6.6	
JP Morgan Asset Mgrs (UK)	7.2	6.1
JP Morgan Asian Inv Trust Plc	8.7	6.5
Polar Capital Fund	7.1	6.1
JP Morgan GBL Growth	7.1	5.3
Scottish Mortgage Inv Trust	5.6	

	2021	2020
	£	£
16 Debtors		
Debtors	148,053	151,366
Heritage Lottery Fund – Delivery Claims	182,776	251,619
	<u>330,829</u>	<u>402,985</u>

17 Creditors: amounts falling due within one year	2021	2020
	£	£
Trade creditors	318,703	259,986
Social Security and other taxes	0	6,497
Other creditors	3,900	105,164
	<u>322,603</u>	<u>371,647</u>

18 Operating leases	2021	2020
	£	£
Not later than one year	14,667	19,750
Later than one year and not later than five years	118,333	5,000
Over five years	320,000	0
	<u>453,000</u>	<u>24,750</u>

The total future minimum lease payments under non-cancellable operating leases are as above.

GAINSBOROUGH'S HOUSE SOCIETY

Notes forming part of the financial statements for the period ended 31 March 2021

19 Unrestricted Funds

	Fund balances at 01.04.2020	Incoming Resources	Resources Expended	T/F from Restricted Fund	Fund balances at 31.03.21	Fund balances at 31.03.20
	£	£	£	£	£	£
General Fund	127,439	391,049	357,167	190,000	355,864	127,439
Designated Fund – Heritage Fund	9,040,754	100			9,040,854	9,040,754
	9,168,193	391,149	357,167	190,000	9,396,718	9,168,193

20 Restricted Funds

	Fund balances at 01.04.2020	Incoming Resources	Resources Expended	Transfer	Fund balances at 31.03.21	Fund balances at 31.03.20
	£	£	£	£	£	£
Acquisitions Fund	206,874	5,971	(43,026)	(23,000)	232,871	206,874
Appeal fund – capital fund re cottages development depreciation	206,593		5,807		200,786	206,593
Keeper of Art & Place	(15,356)		(15,356)		0	(15,356)
Capital Project	1,120,614	2,712,216	2,384,537	(167,000)	1,281,293	1,120,614
Endowment Fund	305,956	10,195	(100,346)		416,497	305,956
Reserved for Endowment	0	50,000			50,000	0
Learning & Outreach	(1,000)	1,000			0	(1,000)
Collection	0	3,000			3,000	0
Shop Refit depn fund	5,374		2,797		2,577	5,374
Development & business planning	0	20,000	20,000		0	0
Research/Art Fund	1,000		1,000		0	1,000
David Pike Acquisition	100,000	(100,000)			0	100,000
	1,930,055	2,714,282	2,255,413	(190,000)	2,198,924	1,930,055

GAINSBOROUGH'S HOUSE SOCIETY

Notes forming part of the financial statements for the period ended 31 March 2021

21 Heritage assets fund – unrestricted

	Fund Balance	Incoming resources	resources Expended	Transfers	Fund Balance 31-Mar-21	Fund Balance 31-Mar-20
	£	£	£	£	£	£
Collection of works of Art	9,040,754	100	-	-	9,040,854	9,040,754
	9,040,754	100	-	-	9,040,854	9,040,754

This fund represents the valuation of the collection in accordance with FRS 102.

22 Analysis of Net Assets between Funds

	Tangible fixed assets	Investments	Heritage assets	Net current assets	Net Assets	2020
Restricted Fund						
Acquisitions Fund		232,871			232,874	206,874
Appeal fund – capital depreciation fund re Cottages	200,786				200,786	206,593
Endowment Fund		416,497			416,497	305,956
Capital Development				1,058,193	1,058,193	870,258
Shop Refit Depn Fund	2,577				2,577	5,374
Freehold Property	235,000				235,000	235,000
Development				53,000	53,000	100,000
	438,363	649,368	0	1,111,193	2,198,924	1,930,055
Unrestricted Fund						
General Fund	83,875	24,155	0	247,834	355,864	177,508
Heritage Collection			9,040,854		9,040,854	9,040,754
	83,875	24,155	9,040,854	246,034	9,396,718	9,218,262
Total Funds	522,238	673,523	9,040,854	1,359,027	11,595,642	11,168,672

23 Transactions with trustees

	2021	2020
	£	£
Mark Stephen Bills, Director		
Remuneration	75,000	70,000
Pension contribution	6,000	5,360
	81,000	75,360

During the year one trustee had expenses reimbursed in respect of mileage amounting to £211 (2020: £809).

Donations received from trustees

	2021	2020
	£	£
Donations from trustees	500	16,257
	500	16,257

GAINSBOROUGH'S HOUSE SOCIETY

Notes forming part of the financial statements for the period ended 31 March 2021

24 Reconciliation of net movement in funds to net cash flow from operating activities

	2021	2020
	£	£
Net movement in funds	497,394	(73,903)
Add back depreciation charge	12,115	12,115
Deduct investment fund SOFA income shown in investing activities	(18,487)	(25,510)
Add investment fund SOFA expenses shown in investing activities	4,834	4,165
Deduct unrealised gain for the year	(139,761)	106,880
Deduct realised gain for year	(3,176)	0
Decrease (increase) in stock	0	9,885
Decrease (increase) in debtors	72,156	(238,337)
Increase (decrease) in creditors	(49,044)	233,556
Net cash used in operating activities	<u>376,031</u>	<u>28,851</u>

25 Capital commitments

The redevelopment of the site is still ongoing and is expected to continue in the foreseeable future. Costs incurred in relation to this are being funded through grants and fundraising.