

Charity No: 1171566

# THE WOOLBEDING CHARITY

ANNUAL REPORT AND ACCOUNTS

5 APRIL 2021

The Peak  
5 Wilton Road  
London SW1V 1AP

# THE WOOLBEDING CHARITY

1

<b>CONTENTS</b>	<b>PAGE</b>
<b>1</b> Report of the Trustees	2-9
<b>2</b> Independent Auditor's Report	10-13
<b>3</b> Statement of Financial Activities	14
<b>4</b> Balance Sheet	15
<b>5</b> Cash Flow Statement	16
<b>6</b> Notes to the Accounts	17-23

# THE WOOLBEDING CHARITY

2

## REPORT OF THE TRUSTEES

### Legal and Administrative

The Woolbeding Charity was established under a constitution dated 27 January 2017 and registered as a Charitable Incorporated Organisation with the Charity Commission on 10 February 2017. The charity registration number is 1171566.

<b>Trustees</b>	Mr Stewart Grimshaw Mr Charles Cator Mr Dominic Flynn	
<b>Registered Office</b>	The Peak 5 Wilton Road London SW1V 1AP	
<b>Principal Officers</b>	Mrs Karen Everett Mr Mark Woodruff	Chief Operating Officer Trust Executive
<b>Bankers</b>	Child & Co 1 Fleet Street, London EC4Y 1BD	
<b>Solicitors</b>	Portrait Solicitors 21 Whitefriars Street London EC4Y 8JJ	
<b>Auditors</b>	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW	
<b>Objects</b>	The objects of the charity, as given in the constitution document, are to advance such charitable purposes (according to the law of England and Wales) as the Trustees see fit from time to time.	

**Organisation**

The Woolbeding Charity is one of the Sainsbury Family Charitable Trusts, which share a common administration. The Charity was established to bring to completion the remaining grant commitments and legacy work of The Monument Trust, prior to the latter's closure in 2018, after 53 years of philanthropy since its foundation in 1965 by the late Simon Sainsbury. The principal work of the Charity is the design, construction and future operation of a Glasshouse designed by Heatherwick Studios at Woolbeding Gardens in Sussex, a property owned by the National Trust. It is to be set in new gardens showing the plants of the historic Silk Route from China to the Mediterranean. On 11th June 2019, the Trustees established Woolbeding Glasshouse Ltd, of which they are the Directors, to conduct the development of the Glasshouse's design and construction.

The Trustees are as reported on page two and within the constitution. New Trustees are appointed by existing Trustees and are provided with relevant information relating to their responsibilities as Trustees. They are responsible for the overall direction and supervision of The Woolbeding Charity; they set the Trust's strategy, review its work and approve grants and other expenditure. The Trustees delegate day-to-day operations to the Trust's Executive, Mark Woodruff, who also acts as project director of the Glasshouse development.

Trustees are aware of the Charity Governance Code published in 2017 (updated in 2020) which sets out the principles and recommended practice for good governance within the sector. The Charity has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code whilst maintaining its need to operate its governance efficiently.

The remuneration of the senior staff (including SFCT management personnel) is reviewed by the Trustees on an annual basis, taking into account the requirements of their role and performance during the year. From time to time the SFCT Management Committee benchmarks pay levels against the comparable positions in similar organisations. The Committee instructed a full reward evaluation process during 2020/2021, in order to ensure that the Trusts fully meet their responsibilities and aspirations for fair and equal pay for employees.

The Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. The Charity does not raise funds from the public and as such has no fundraising activities requiring disclosure under SI 62A of the Charities Act 2011.

**Risk Assessment**

The Trustees have examined the major strategic, business and operational risks to which the Charity may be exposed. Through the joint office of the Sainsbury Family Charitable Trusts, adequate systems are in place to meet such potential risks as the Trustees have identified. The Trustees continue to be vigilant and to keep processes under review.

The Charity's main risks relate to the successful delivery of the Glasshouse project. As the Charity's activities relating to the project proceed, it will update and review its risk profile and mitigate relevant risks as appropriate. In support of this throughout the project, Stuart A Johnson Consulting Ltd has been engaged as Project Manager and Core Five LLP as construction cost consultants.

Another risk is the misuse of funds by a charity beneficiary. To mitigate this risk, the awards are made following a thorough assessment and grants are regularly monitored; multi-year grant payments are conditional upon the receipt of satisfactory progress reports.



**Charity and Public Benefit**

Trustees are aware of the Charity Commission guidance on Charity and Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the charity's aims, activities and achievements during its operation demonstrates the benefit to its beneficiaries, and through them to the public, that arise from those activities.

**Review of the Past Year**Glasshouse Development

Through Woolbeding Glasshouse Ltd, the construction phase of the Glasshouse has been carefully overseen by a Project Steering Group led by Stuart Johnson Consulting Ltd as Project Manager, and Core Five has acted as the company's cost consultant and Project administrator.

In light of the COVID 19 pandemic and its effects in the United Kingdom and across the world from March 2020, and the consequent national lockdown, a review was undertaken by the Project Steering Group to mitigate potential risks of delay and additional costs resulting from disruption of construction and supplies, especially of bespoke glass and structural components fabricated by specialist sub-contractors in China, Spain and France. Work on site was suspended for only a few weeks and resumed after a thorough assessment of risks and adjustments of working practice to comply with public health measures.

Owing to the impossibility of international travel for the purpose of direct supervision of fabrication to the required technical specifications, and the need to rely on communications and observation of the work online, several attempts were needed for the fabrication of the glass and steel kinetic framework of the Glasshouse. This significantly delayed their delivery to Woolbeding and assembly on site. Originally due for completion by October 2020, the extended construction work delayed the planting of the Glasshouse with sub-tropical flora, so as to be established in advance of opening to the public in spring 2021. Landscaping and extensive planting of the external Silk Route garden zones were able to continue throughout. The planting of the external Silk Route Gardens and, in due course, of the Glasshouse itself, forms part of a training programme operated with a grant from The Woolbeding Charity to Great Dixter Charitable House and Gardens Trust.

At the end of 2020-21, construction and the testing of the hydraulic mechanism were still in process, and it remained impossible to establish the plants in the Glasshouse. Opening the Gardens and Glasshouse to the public in 2021 appeared unlikely in view of the lengthy delays to the schedule of planting. This has therefore been delayed to after Easter 2022.

In August 2020, HM Revenue & Customs agreed that the cost of the entire design and construction elements of the project for which planning consent had been received could be counted at the zero rate for VAT, on the grounds that the building will be used for a charitable purpose, namely the opening of the Glasshouse and Gardens to the public free of charge for a period of at least ten years under the terms of The Woolbeding Charity's lease from the National Trust. The funds thus not claimed in VAT will form a significant element of the Charity's resources for meeting the forthcoming years' operational costs.

It was expected that in 2021-22 the construction and operational testing of the Glasshouse, and the landscaping of the external Silk Route Gardens, would last until June 2021, when they are certified to

be handed over by R W Armstrong & Sons Ltd to The Woolbeding Charity, for continued planting and garden works through the remainder of the year.

At the close of 2020-21, Core Five, Woolbeding Glasshouse Ltd's project administrator, was able to indicate a final cost report to show that the project would be delivered within budget.

#### Grant Funding

The Charity continues to support The Monument Fellowship, eight organisations combining efforts for five years along the journey of an offender, so as to keep young people out of the cycle of offending, promote rehabilitation, and improve the use of public systems, including courts and prisons, towards reduced offending and greater justice. The members of the Fellowship are the Centre for Justice Innovation, Clinks, Diagrama UK, The Good Prison (managed by Lemos & Crane), Khulisa UK, Koestler Trust, National Criminal Justice Arts Alliance, and Restorative Solutions CIC.

Each year, the Fellowship produces a collection of essays arising from the member organisations' engagement with practitioners, many of whom have previously worked with The Monument Trust, and other participants in the justice system, including former prisoners with lived experience. The fourth collection in the series published in early 2021, *Humane Justice*, considers what role kindness, hope and compassion should play in the criminal justice system. Alongside earlier legacy projects in the arts and heritage, the Fellowship with its series of essay collections forms The Monument Trust's legacy in the field of criminal justice, diversion from custody, and resettlement after prison, especially concerning young people.

In December 2020, The Woolbeding Charity was awarded one of the Juvenile Justice Without Borders biennial awards from the International Juvenile Justice Observatory based in Brussels, in recognition of The Monument Trust's dedication to social justice for young people over five decades.

Work on construction of the new Maggie's Centre in Southampton in memory of Simon Sainsbury continued during the year. Originally expected to be completed in early 2021, owing to delays and restrictions because of the pandemic, it is expected to be opened in summer 2021.

Trustees were informed of work and progress during the year with frequent updates from the Trust Executive, with decisions on significant project expenditure for the Glasshouse project delegated to the Chairman or Mr Dominic Flynn.

#### **Financial Overview of the Past Year**

The income allocated to restricted funds for the year was £2.8 million (2020: £nil) which was generated by invoices raised to the Charity's subsidiary, Woolbeding Glasshouse Ltd, under a transfer of contracts as explained further in note 11 of the accounts. A donation of £700,000 (2020: £nil) was received from the Charity's subsidiary for the donation of its profits under Gift Aid, and was added to expendable endowment. The total income allocated to unrestricted funds for the year was £17,000 (2020: £61,000), which relates to a currency revaluation gain on the charity's euro bank account.

The expenditure recognised in the year towards the development of the Glasshouse was £258,000 (2020: £68,000) and construction costs of £6.1 million for the build of the Glasshouse was added to the balance sheet in the year as an asset under construction (2020: £3.2 million). Support costs for the year totalled £400,000 (2020 £1.1 million).



The net assets of the Charity increased from £11.5 million at 5th April 2020 to £14.1 million at 5th April 2021.

The Trustees approved grants with a total value of £235,231 (2020: £105,000) which may be analysed by number, value and category as follows.

	Grants Approved	Value £
Arts and Heritage	8	182,000
Health and Social Welfare	5	53,231
	13	235,231

#### **Arts and Heritage - £182,000**

##### **Balletboyz Ltd - £15,000**

Towards the appeal for support after the cancellation of performances at Sadler's Wells owing to the COVID-19 pandemic lockdown.

##### **Furniture History Society - £25,000**

Towards the publication by Philip Wilson Books of *Industry & Ingenuity: the Partnership of William Ince and John Mayhew*.

##### **Melos Sinfonia - £15,000**

Towards *Eight Songs in Isolation*, an opera commissioned to explore the experience of isolation and collaboration in the midst of the pandemic lockdowns.

##### **National Theatre of Scotland - £10,000**

Towards a production of *Jekyll & Hyde*.

##### **Pallant House Gallery - £5,000**

Towards the exhibition, *Degas to Picasso: International Modern Master*.

##### **Royal Horticultural Society - £2,000**

Towards the appeal for Hilltop Centre for Horticultural Sciences at Wisley.

##### **Royal Opera House Covent Garden Foundation - £100,000**

Towards the appeal for assistance in light of the impact of the COVID-19 Pandemic.

##### **St Swithin's Church Clunbury P.C.C. - £10,000**

Towards the building development appeal in memory of Andrea Mansfield.

#### **Health and Social Welfare - £53,231**

##### **African Solutions to African Problems (ASAP) - £10,000**

Towards support on work in the Eastern Cape of South Africa in the midst of the COVID-19 pandemic.

**British Red Cross - £5,000**

In support of Arthur Chatto's 2,000-mile rowing voyage round the coast of Great Britain to raise funds for charity as part of the GB Row Challenge.

**Gay Men's Health Crisis - £8,231**

For the AIDS Walk New York.

**Just One Ocean - £5,000**

In support of Arthur Chatto's 2,000-mile rowing voyage round the coast of Great Britain to raise funds for charity as part of the GB Row Challenge.

**Mr & Mrs Michael Nunn - £25,000**

Towards two final years of counselling and respite care for their son.

**Reserves Policy**

As at 5 April 2021, the Charity held total funds of £14.1 million (2020: £11.5 million). The Charity regularly reviews its expenditure forecast to ensure that it is in a position to meet all its current and future commitments.

As at 5 April 2021, the Charity held total restricted funds of £10.6 million (2020: £8.1 million) which represents the balance of the initial allocation for the development of the Glasshouse. The Charity held total unrestricted funds of £2.8 million at year end (2020: £3.54 million) which represents the unspent balance of the residual funds received from The Monument Trust, following its closure in 2018. Additionally, the Charity held expendable endowment of £700,000 (2020: £nil) due to the receipt of a Gift Aid donation from the Charity's subsidiary during the year. If necessary in the future, The Trustees are prepared to use expendable endowment to fund any commitments which cannot be met by any of the other funds. The Trustees feel that the level of unrestricted funds and expendable endowment is appropriate in light of the future annual ongoing operating costs of the Glasshouse at Woolbeding, which will be open to the public free of charge.

**Going Concern**

Having assessed the Charity's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis. The Covid-19 pandemic has not had a significant impact on the charity's finances. The charity holds both sufficient restricted and unrestricted funds to continue with the development of the Glasshouse and to cover the future ongoing operating costs of the Glasshouse at Woolbeding, therefore it does not engage in any investment activities to generate income and is not reliant on income of any source to fulfil its purpose.

**Future Plans**

During the course of 2021-22 the principal activity of The Woolbeding Charity will be to bring to practical completion the construction of the Heatherwick Studio Glasshouse through Woolbeding Glasshouse Ltd, and to continue to establish the detailed planting scheme for the new Silk Route gardens designed by Fergus Garrett. Although planting in the external gardens began on schedule in late summer 2020, owing to construction delays planting within the Glasshouse itself and further planting outside will need to continue throughout 2021-22, towards a projected opening after Easter 2022.

The Trustees have decided, in the light of HM Revenues & Customs decision to assess the design and construction of the Glasshouse and Gardens at the zero rate for VAT, in view of its charitable purpose, that the Charity will operate and maintain its Glasshouse and Silk Route gardens for an indefinite period of at least ten years from the point of practical completion in summer 2021. This is the best means for ensuring that they can be open free to the public and for the charitable purpose of the project to be fulfilled. To this end, the detailed discussions with the National Trust on the lease of the land to cover the period from construction to the end of the period during which the Charity will open the Glasshouse to the public are expected to be completed in summer 2021. At the same time, a management agreement with the National Trust will be established, so that it can be resourced by the Charity to operate the Glasshouse and Gardens on the Trustees' behalf.

The Trustees intend that their subsidiary company established for the purpose of the design and construction of the Glasshouse and its associated Gardens, Woolbeding Glasshouse Ltd, will continue after the point of practical completion, for outstanding works and the conclusion of warranties and related contractual arrangements.

The Charity will continue to sustain the remaining commitments and legacy plans of The Monument Trust entrusted to it. The significant elements include the new Maggie's Centre for Southampton due to open in summer 2021, and The Monument Fellowship. The Fellowship's fifth annual collection of essays is due to be published in spring 2022. People from across the spectrum of experience and practice in the justice system will be answering the question, "What should justice look like for young people?", bringing the Fellowship to its conclusion by examining the concern for young people that drove The Monument Trust's commitment to social development in the criminal justice system over many decades.

#### **Events after the reporting period**

Practical completion of the Glasshouse was achieved in 2021/22 and duly handed over to The Woolbeding Charity. The lease and management agreement between the National Trust and The Woolbeding Charity were also executed.

The new Maggie's Centre for Southampton opened successfully in 2021/22.



**Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity 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 Trust and of its net outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011 and the provisions of the Constitution. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 3 February 2022 and signed on their behalf by:



Dominic Flynn  
Trustee

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE WOOLBEDING CHARITY****Opinion**

We have audited the financial statements of The Woolbeding Charity ('the charity') for the year ended 5 April 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 charity's affairs as at 5 April 2021 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the 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 Trustee's 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 Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE WOOLBEDING CHARITY continued**

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.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

**Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 9, the Trustees 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**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.



**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE WOOLBEDING CHARITY continued**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, procurement processes for significant capital projects, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE WOOLBEDING CHARITY continued****Use of our report**

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP  
Statutory Auditor  
London

Date: 3 February 2022

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 5 APRIL 2021

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Expendable Endowment £'000	Total Funds 2021 £'000	Total Funds 2020 £'000
<b>Income from:</b>						
Novation of contracts	11	-	2,786	-	2,786	-
Donations received	9	-	-	700	700	-
Other income		17	-	-	17	61
<b>Total income</b>		<b>17</b>	<b>2,786</b>	<b>700</b>	<b>3,503</b>	<b>61</b>
<b>Expenditure on:</b>						
<b>Charitable activities:</b>						
Glasshouse development		-	258	-	258	687
Grant expenditure	2	235	-	-	235	(1)
Support costs	3	400	-	-	400	1,100
<b>Total expenditure</b>		<b>635</b>	<b>258</b>	<b>-</b>	<b>893</b>	<b>1,786</b>
<b>Net movement in funds</b>		<b>(618)</b>	<b>2,528</b>	<b>700</b>	<b>2,610</b>	<b>(1,725)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		3,435	8,097	-	11,532	13,257
Total funds carried forward		2,817	10,625	700	14,142	11,532

The notes on pages 17 to 23 form part of these accounts

# THE WOOLBEDING CHARITY

15

## BALANCE SHEET AS AT 5 APRIL 2021

	Notes	2021 £'000	2020 £'000
<b>TANGIBLE FIXED ASSETS</b>			
Asset under construction	5	9,268	3,169
<b>CURRENT ASSETS</b>			
Debtors	6	1,669	887
Cash at bank and in hand		4,282	9,363
		5,951	10,250
<b>CURRENT LIABILITIES</b>			
Creditors - amounts falling due within one year	7	(1,077)	(1,837)
<b>NET CURRENT ASSETS</b>		4,874	8,413
Creditors - amounts falling due after one year	7	-	(50)
<b>NET ASSETS</b>		14,142	11,532
<b>CAPITAL FUNDS</b>			
Expendable endowment	9	700	-
<b>INCOME FUNDS</b>			
Unrestricted funds	9	2,817	3,435
Restricted funds	9	10,625	8,097
		14,142	11,532

The accounts were approved and authorised for issue by the Trustees on 3 February 2022 and signed on their behalf by:



Dominic Flynn  
Trustee

The notes on pages 17 to 23 form part of these accounts

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 5 APRIL 2021**

**Cash flows from operating activities:**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Net cash provided by/(used in) operating activities	1,018	(2,975)
<b>Cash flows from investing activities:</b>		
Fixed asset additions	(6,099)	(3,169)
<b>Net cash used in investing activities</b>	<b>(6,099)</b>	<b>(3,169)</b>
<b>Change in cash and cash equivalents in the period</b>	<b>(5,081)</b>	<b>(6,144)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>9,363</b>	<b>15,507</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>4,282</b>	<b>9,363</b>

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

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Net movement in funds (as per the Statement of Financial Activities)	2,610	(1,725)
(Increase)/decrease in debtors	(782)	270
Decrease in creditors	(810)	(1,520)
<b>Net cash provided by/(used in) operating activities</b>	<b>1,018</b>	<b>(2,975)</b>

**Analysis of the balance of cash as shown in the balance sheet**

	<b>2021</b>	<b>2020</b>	<b>Change in period</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cash at bank and in hand	4,282	9,363	(5,081)
	<b>4,282</b>	<b>9,363</b>	<b>(5,081)</b>

The notes on pages 17 to 23 form part of these accounts

**NOTES TO THE ACCOUNTS****1. PRINCIPAL ACCOUNTING POLICIES**

The Woolbeding Charity is a charitable incorporated organisation (charity registration number 1171566), registered in England and Wales. The address of the registered office is The Peak, 5 Wilton Road, London, SW1V1AP.

**a) Basis of preparation**

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The charity has an investment in one wholly owned subsidiary, Woolbeding Glasshouse Limited, a company registered in England & Wales, No. 12044784, with ordinary issued share capital of 100 shares of £1 each. The investment is held at cost of £100. As the accounts are rounded to £'000s, this investment is not shown on the balance sheet, and consolidated accounts are not prepared, as the subsidiary is not material to the assets, liabilities, or net results of the charity. Woolbeding Glasshouse Limited made a profit in the year and therefore a donation of £700,000 has been made to the charity. Its reserves at year end were £0.

The charity constitutes a public benefit entity as defined by FRS102.

Having assessed the charity's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

The Covid-19 pandemic has not had a significant impact on the charity's finances. The charity holds both sufficient restricted and unrestricted funds to continue with the development of the Glasshouse and to cover the future ongoing operating costs of the Glasshouse at Woolbeding, therefore it does not engage in any investment activities to generate income and is not reliant on income of any source to fulfill its purpose.

**b) Income**

Interest is recorded when it is receivable.

**c) Expenditure**

Expenditure is included in the statement of financial activities on an accrual basis.

Grant expenditure comprises grants and donations awarded by the Trustees. Grants for which there is a legally binding commitment are accounted for within the Statement of Financial Activities.

Support costs represent staff, office and governance costs incurred in managing the Glass House project and the grant award programme. Irrecoverable VAT is recognised as expenditure and is included within governance costs.

**d) Costs of administration**

These costs include a share of the staff and office costs of the joint offices of the Sainsbury Family Charitable Trusts, which are allocated in proportion to the time spent on charity matters, and charitable expenditure.

## NOTES TO THE ACCOUNTS

## 1. PRINCIPAL ACCOUNTING POLICIES continued

## e) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit and legal fees where relevant.

## f) Foreign currencies

The financial statements are presented in sterling, which is also the functional currency of the company. Transactions in currencies other than sterling are recorded using the monthly exchange rate published by HMRC. Monetary assets and liabilities denominated in other currencies are translated at the exchange rate prevailing at the end of the reporting period. All differences are taken to the Statement of Financial Activities.

## g) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

## h) Tangible fixed assets

All expenditure on tangible fixed assets is capitalised in the balance sheet at cost. Assets under construction represents the amounts charged by the charity's subsidiary, Woolbeding Glasshouse Ltd, for the construction of the Glasshouse on the Woolbeding estate during the year. The building is still under construction and therefore no depreciation has been applied.

## i) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.



## NOTES TO THE ACCOUNTS

## 2. ANALYSIS OF GRANTS

	2021	2020
£'000	£'000	£'000
<b>Reconciliation of grants payable</b>		
Commitments at 6 April 2020	1,503	3,373
Grants approved in the year	235	105
Grants cancelled, refunded or amended	-	(106)
<b>Total grants payable for the year</b>	<b>235</b>	<b>(1)</b>
Grants paid during the period	(910)	(1,869)
Commitments at 5 April 2021	828	1,503
<b>Commitments at 5 April 2021 are payable as follows:</b>		
	2021	2020
	£'000	£'000
Within one year	828	1,453
After one year	-	50
	828	1,503

The grants payable in the year include the following:

<b>Arts and Heritage</b>	<b>£</b>
Balletboyz Ltd	15,000
Furniture History Society	25,000
Melos Sinfonia	15,000
National Theatre of Scotland	10,000
Pallant House Gallery	5,000
Royal Horticultural Society	2,000
Royal Opera House Covent Garden Foundation	100,000
St Swithin's Church Clunbury P.C.C.	10,000
<b>Health and Social Welfare</b>	
African Solutions to African Problems (ASAP)	10,000
British Red Cross - Headquarters	5,000
Gay Men's Health Crisis	8,231
Just One Ocean	5,000
Mr & Mrs Michael Nunn	25,000
<b>Total grants payable per Statement of Financial Activities</b>	<b>235,231</b>

## NOTES TO THE ACCOUNTS

## 3. ALLOCATION OF SUPPORT COSTS

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£'000	£'000	£'000	£'000
Staff costs	126	-	126	254
Share of joint office costs	105	-	105	710
Direct costs including travel	10	-	10	6
Legal and professional fees	145	-	145	112
Governance	14	-	14	18
	400	-	400	1,100

The governance costs consist of staff costs of £1,989 (2020: £1,685) audit fees of £12,000 (2020: £10,718) and irrecoverable VAT of £nil (2020: £5,166).

## 4. ANALYSIS OF STAFF COSTS

	2021	2020
	£'000	£'000
Wages and salaries	105	207
Social security costs	12	22
Other pension costs	11	27
	128	256

The Charity is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 2.3% of the total support and administration costs of these trusts have been allocated to The Woolbeding Charity (2020: 5.5%), including a proportionate share of the costs of employing the total number of staff serving in the office in 2020/21.

The actual number of staff employed during the year was 8 (2020: 8). This equates to 0.6 full-time employees (2020: 0.6). The charity considers its key management personnel to comprise the Principal Officers. The total employment benefits, including employer contributions to group personal pensions, of those key management personnel, were £41,505 (2020: £39,903). No employees of the charity earned in excess of £60,000.

No Trustees received any remuneration for their services or reimbursement of expenses in the year (2020: nil)

## 5. TANGIBLE FIXED ASSETS

	Asset under construction: The Glasshouse £'000
<b>COST</b>	
At 6 April 2020	3,169
Additions	6,099
At 5 April 2021	9,268

## NOTES TO THE ACCOUNTS

## 6. DEBTORS

	2021	2020
	Total	Total
	£'000	£'000
Amounts due from subsidiary	1,410	574
VAT debtor	249	303
Other debtors	10	10
	<u>1,669</u>	<u>887</u>

## 7. CREDITORS

## Amounts falling due within one year

	2021	2020
	Total	Total
	£'000	£'000
Grants payable	828	1,453
Trade creditors	-	79
Accruals	78	39
Other creditors	171	266
	<u>1,077</u>	<u>1,837</u>

## CREDITORS

## Amounts falling due after one year

	2021	2020
	Total	Total
	£'000	£'000
Grants payable	-	50
	<u>-</u>	<u>50</u>

## 8. FUTURE COMMITMENTS

The charity has financial commitments amounting to £831,000 (2020: £260,000) which have not been provided in the Balance Sheet and are payable over the next 12 months in accordance with a contract for services in place in relation to the construction of the Glasshouse on the Woolbeding estate.

## NOTES TO THE ACCOUNTS

## 9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Expendable Endowment £'000	Totals 2021 £'000
Fund balances at 5 April 2021 are represented by:				
Tangible fixed assets	-	9,268	-	9,268
Current assets	3,894	1,357	700	5,951
Current liabilities	(1,077)	-	-	(1,077)
<b>Total net assets</b>	<b>2,817</b>	<b>10,625</b>	<b>700</b>	<b>14,142</b>

## Movement in the year

Opening balance as at 6 April 2020	3,435	8,097	-	11,532
Total income	17	2,786	700	3,503
Charitable activities	(635)	(258)	-	(893)
<b>Closing balance as at 5 April 2021</b>	<b>2,817</b>	<b>10,625</b>	<b>700</b>	<b>14,142</b>

## COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Totals 2020 £'000
Fund balances at 5 April 2019 are represented by:			
Tangible fixed assets	-	3,169	3,169
Current assets	5,322	4,928	10,250
Current liabilities	(1,837)	-	(1,837)
Future dated liabilities	(50)	-	(50)
<b>Total net assets</b>	<b>3,435</b>	<b>8,097</b>	<b>11,532</b>

## Movement in the year

Opening balance as at 6 April 2019	4,473	8,784	13,257
Total income	61	-	61
Charitable activities	(1,099)	(687)	(1,786)
<b>Closing balance as at 5 April 2020</b>	<b>3,435</b>	<b>8,097</b>	<b>11,532</b>

The Charity held expendable endowment of £700,000 (2020: £nil) due to the receipt of a Gift Aid donation from the Charity's subsidiary during the year. If necessary in the future, The Trustees are prepared to use expendable endowment to fund any commitments which cannot be met by any of the other funds.

## NOTES TO THE ACCOUNTS

10. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 5 APRIL 2020

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2020 £'000
<b>Income from:</b>			
Other income	61	-	61
<b>Total income</b>	<b>61</b>	<b>-</b>	<b>61</b>
<b>Expenditure on:</b>			
<b>Charitable activities:</b>			
Glasshouse Development	-	687	687
Grant expenditure	(1)	-	(1)
Support Costs	1,100	-	1,100
<b>Total expenditure</b>	<b>1,099</b>	<b>687</b>	<b>1,786</b>
<b>Net movement in funds</b>	<b>(1,038)</b>	<b>(687)</b>	<b>(1,725)</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward	4,473	8,784	13,257
Total funds carried forward	3,435	8,097	11,532

## 11. RELATED PARTY TRANSACTIONS

The Trustees of The Woolbeding Charity are also Directors of Woolbeding Glasshouse Ltd (the subsidiary company). The £2.8m (2020: £0) income from novation of contracts provided in the Statement of Financial Activities is due to a charge made to the subsidiary following a novation of contracts from the charity to the subsidiary. The £2.8m represents the amounts paid by the charity to such contractors prior to the contracts being novated.

Capital expenditure of £6.1m (2020: £3.2m), which was added to the balance sheet as an asset under construction (as shown in note 5), was generated from the provision of design and build services from the subsidiary.

Payments of £866,000 (2020: £0) were made from the charity to the subsidiary, and payments of £2.0m (2020: £3.1m) were made by the charity on behalf of the subsidiary during the period.

A donation of £700,000 was made from the subsidiary company to the charity for the donation of its profits under Gift Aid. The amounts due from the subsidiary at year end totalled £1.4m (2020: £570,000) which includes an accrual for the donation.

Included within support costs are legal services by Portrait Solicitors, a firm in which Mr D Flynn is a partner. During the year, £14,726 (2020: 28,567) was charged for the current year's fees, and £0 (2020: 3,022) was charged as an under accrual of the prior year's fees. £6,000 (2020: £17,132) is outstanding at year end and has been included within accruals.