

REGISTERED COMPANY NUMBER: 11423527 (England and Wales)
REGISTERED CHARITY NUMBER: 1179440

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 30 June 2021
for
Sherborne House Trust 2018
(A Company Limited by Guarantee)

Wills Bingley Limited
Chartered Accountants
St Denys House
22 East Hill
St. Austell
Cornwall
PL25 4TR

Sherborne House Trust 2018

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for the Year Ended 30 June 2021

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Sherborne House Trust 2018

Report of the Trustees for the Year Ended 30 June 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

Objectives and aims

The objects for which the Trust is established are restricted to:

- A) Promoting, and advancing the education of the public in the arts, in particular, but not exclusively, by:
 - promoting and providing facilities for participation in the arts; and
 - fostering and promoting the improvement and development of artistic knowledge, understanding and appreciation of the arts;
- B) Restoring, preserving and maintaining, for the public benefit, Sherborne House, Sherborne, Dorset, including the Thornhill mural, situated within Sherborne House.

Trust priorities

To protect and restore Sherborne House, its building and structure and to find creative solutions for its re-use leading to an economically sustainable future.

The trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Achievement and performance

Charitable activities

After more than 2 years of consultations with Historic England and the local Planning Authority we were delighted to receive on 28 May 2021 planning consent and listed building consent for the re-use of Sherborne House as exhibition, events, function, restaurant and office space, with associated repair and extension. In reality the project involves the renovation of the building from top to bottom and the addition of a large contemporary extension at the rear.

We were pleased with the amount of support for the project from a wide range of parties, including local residents, the Friends of Sherborne House and the Sherborne & District Society CPRE. We are confident that the works will provide the basis for an economically sustainable future for the property as an integral part of the local community in Sherborne.

We have progressed discussions with Dorset Visual Arts with a view to them relocating to Sherborne House once the works are completed and being our principal Arts partner for arts related activities there.

We also identified Jeremy Lee, a well known and very experienced local operator to be responsible for the commercial activities at the house, which will support and subsidise the arts activities and the not inconsiderable operating costs associated with the building.

Sherborne House Trust 2018

Report of the Trustees - continued for the Year Ended 30 June 2021

Investment performance

The Trust has the benefit of continued generous support from the Cannon Foundation and the MR Cannon 1998 Charitable Trust, which have provided funding for the activities of the Trust to date.

Financial review

Reserves policy

The Trust's main asset is a freehold property, Sherborne House, Sherborne, Dorset.

The trustees have a reasonable expectation that the charity have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they have adopted the going concern basis in preparing the financial statements.

Future plans

After a formal tender exercise, we have appointed Stonewood Builders Limited based in Chippenham as our main contractor for the works, and they started on site in September 2021. The significant ground works are ongoing, as is further detailed design work by our professional team. Most of the investigatory works in the house have now been finished. We have established a good relationship with the local conservation officer and detailed room schedules for the works to the main house have been agreed. We anticipate the project works will be completed by the end of summer 2023.

Structure, governance and management

Governing document

Sherborne House Trust 2018 was incorporated on 20 June 2018 as a company limited by guarantee and is governed by its memorandum and articles of association.

Organisational structure

Day to day management of the Trust is carried out by the trustees.

Related parties

None of the trustees receives remuneration or other benefit from work with the charity.

Reference and administrative details

Registered Company number

11423527 (England and Wales)

Registered Charity number

1179440

Sherborne House Trust 2018

Report of the Trustees - continued for the Year Ended 30 June 2021

Registered office

Suite 1 Westbury Court
Church Road
Westbury On Trym
Bristol, BS9 3EF

Trustees

M R Cannon
Mrs S A T Cannon
C J Mitchell

Independent Examiner

P A Smith
FCCA
Wills Bingley Limited Chartered Accountants
St Denys House
22 East Hill
St. Austell
Cornwall, PL25 4TR

Commencement of activities

The trustees who have served during the period and since the period end are set out above.

In October 2018 the Charity acquired Sherborne House in Dorset and since then have been exploring various options for its restoration and future uses to ensure its future economic viability.

The trustees have examined the major strategic, business and operation risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

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

Approved by order of the board of trustees on 25 March 2022 and signed on its behalf by:



.....
C J Mitchell - Trustee

**Independent Examiner's Report to the Trustees of
Sherborne House Trust 2018**

Independent examiner's report to the trustees of Sherborne House Trust 2018 ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 June 2021.

Responsibilities and basis of report

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

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

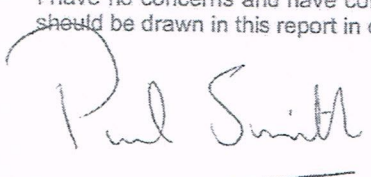
Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCCA which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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


P A Smith
FCCA
Wills Bingley Limited
Chartered Accountants
St Denys House
22 East Hill
St. Austell
Cornwall
PL25 4TR

Date: 25 March 2022

Sherborne House Trust 2018

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 30 June 2021

		30/6/21 Unrestricted fund £	30/6/20 Total funds £
Income and endowments from	Notes		
Donations and legacies	2	325,000	100,000
Expenditure on			
Other		9,211	94,368
NET INCOME		315,789	5,632
Reconciliation of funds			
Total funds brought forward		1,887,790	1,882,158
Total funds carried forward		<u>2,203,579</u>	<u>1,887,790</u>

The notes form part of these financial statements

Sherborne House Trust 2018

**Balance Sheet
30 June 2021**

	Notes	30/6/21 Unrestricted fund £	30/6/20 Total funds £
Fixed assets			
Tangible assets	6	1,782,335	1,550,000
Current assets			
Debtors	7	387,624	316,248
Cash at bank		<u>57,274</u>	<u>22,532</u>
		444,898	338,780
Creditors			
Amounts falling due within one year	8	(23,654)	(990)
Net current assets		<u>421,244</u>	<u>337,790</u>
Total assets less current liabilities		<u>2,203,579</u>	<u>1,887,790</u>
NET ASSETS		<u>2,203,579</u>	<u>1,887,790</u>
Funds	9		
Unrestricted funds:			
General fund		<u>2,203,579</u>	<u>1,887,790</u>
Total funds		<u>2,203,579</u>	<u>1,887,790</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

Sherborne House Trust 2018

Balance Sheet - continued
30 June 2021

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 25 March 2022 and were signed on its behalf by:



.....
C J Mitchell - Trustee

The notes form part of these financial statements

Sherborne House Trust 2018

Notes to the Financial Statements for the Year Ended 30 June 2021

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

The Charity owns the freehold of Sherborne House, Sherborne, Dorset.

The Charity has acquired a freehold property, Sherborne House, which the trustees intend to renovate and subsequently use to support the arts.

Sherborne House during the renovation period will not be in a condition to be brought into use by the Charity.

In light of the grant of planning consent for the works to Sherborne House, the professional fees relating to the works (principally architects, design, historic building and other surveys etc) incurred in the period have been capitalised, as well as the costs of certain preliminary works to the property.

Since depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for that asset to be capable of operating in the manner intended by management, no depreciation has been charged during this accounting period.

The Trustees intend to review this accounting policy once the restoration of Sherborne House has been completed.

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for particular restricted purposes within the objects of the charity.

Sherborne House Trust 2018

Notes to the Financial Statements - continued for the Year Ended 30 June 2021

1. Accounting policies - continued

Fund accounting

Restrictions arise when specified by the donor or when funds are raised for particular restricted purpose. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. Donations and legacies

	30/6/21	30/6/20
	£	£
Donations	<u>325,000</u>	<u>100,000</u>

The donations received during the year were from The Cannon Foundation, a registered Charity number 1121623, of £225,000 and The M R Cannon 1998 Charitable Trust, a registered Charity number 1072769, of £100,000.

The Cannon Foundation and The M R Cannon 1998 Charitable Trust are Charities under the common control of the same persons as the trustees.

3. Support costs

	Property Management	Finance	Other	Governance costs	Totals
	£	£	£	£	£
Other resources expended	<u>27,545</u>	<u>76</u>	<u>(23,998)</u>	<u>5,588</u>	<u>9,211</u>

Support costs, included in the above, are as follows:

	30/6/21 Other resources expended £	30/6/20 Total activities £
Rates and water	41	106
Insurance	24,099	24,680
Light and heat	1,187	2,111
Telephone	495	399
Security	1,723	1,476
Accountancy	-	939
Bank charges	76	44
Previous Periods VAT Recovered	(23,998)	-
Design, Reports and Surveys	-	61,892
Repair and Maintenance	-	2,391
Accountancy	2,605	-
Legal fees	<u>2,983</u>	<u>330</u>
	<u>9,211</u>	<u>94,368</u>

Sherborne House Trust 2018

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

4. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 30 June 2021 nor for the year ended 30 June 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2021 nor for the year ended 30 June 2020.

5. Comparatives for the statement of financial activities

	Unrestricted fund £
Income and endowments from Donations and legacies	100,000
Expenditure on	
Other	94,368
NET INCOME	5,632
Reconciliation of funds	
Total funds brought forward	1,882,158
Total funds carried forward	<u>1,887,790</u>

6. Tangible fixed assets

	Freehold property £
Cost	
At 1 July 2020	1,550,000
Additions	<u>232,335</u>
At 30 June 2021	<u>1,782,335</u>
Net book value	
At 30 June 2021	<u>1,782,335</u>
At 30 June 2020	<u>1,550,000</u>

Sherborne House Trust 2018

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

7. Debtors: amounts falling due within one year

	30/6/21 £	30/6/20 £
VAT	379,573	310,000
Prepayments and accrued income	<u>8,051</u>	<u>6,248</u>
	<u>387,624</u>	<u>316,248</u>

8. Creditors: amounts falling due within one year

	30/6/21 £	30/6/20 £
Trade creditors	20,854	-
Accrued expenses	<u>2,800</u>	<u>990</u>
	<u>23,654</u>	<u>990</u>

9. Movement in funds

	At 1/7/20 £	Net movement in funds £	At 30/6/21 £
Unrestricted funds			
General fund	1,887,790	315,789	2,203,579
	<u>1,887,790</u>	<u>315,789</u>	<u>2,203,579</u>
TOTAL FUNDS			
	<u>1,887,790</u>	<u>315,789</u>	<u>2,203,579</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	325,000	(9,211)	315,789
	<u>325,000</u>	<u>(9,211)</u>	<u>315,789</u>
TOTAL FUNDS			
	<u>325,000</u>	<u>(9,211)</u>	<u>315,789</u>

Sherborne House Trust 2018

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

9. Movement in funds - continued

Comparatives for movement in funds

	At 1/7/19 £	Net movement in funds £	At 30/6/20 £
Unrestricted funds			
General fund	1,882,158	5,632	1,887,790
TOTAL FUNDS	<u>1,882,158</u>	<u>5,632</u>	<u>1,887,790</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	100,000	(94,368)	5,632
TOTAL FUNDS	<u>100,000</u>	<u>(94,368)</u>	<u>5,632</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/7/19 £	Net movement in funds £	At 30/6/21 £
Unrestricted funds			
General fund	1,882,158	321,421	2,203,579
TOTAL FUNDS	<u>1,882,158</u>	<u>321,421</u>	<u>2,203,579</u>

Sherborne House Trust 2018

Notes to the Financial Statements - continued for the Year Ended 30 June 2021

9. Movement in funds - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	425,000	(103,579)	321,421
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>425,000</u>	<u>(103,579)</u>	<u>321,421</u>

10. Related party disclosures

As referred to above during the period The Sherborne House Trust 1998 received donations totalling £225,000 (2020 - £100,000) from The Cannon Foundation and donations totalling £100,000 from The M R Cannon 1998 Charitable Trust.

The Cannon Foundation and The M R Cannon 1998 Charitable Trust are charities currently under the common control of the same persons as the trustees. The trustees are seeking to identify and appoint further trustees of Sherborne House Trust 2018, including an independent chairman.

11. Ultimate controlling party

The Charitable company is ultimately controlled by its members who are also trustees.

12. Company limited by guarantee

The company is limited by guarantee of members and does not have a share capital.

The liability of members is limited to £10.

