

**Sherborne House Trust 2018**  
(A Charitable Company Limited by Guarantee)

**Annual Report and Financial Statements**

**For the Year Ended 31 March 2025**

**Company Number: 11423527**  
**Charity Registered in England and Wales Number: 1179440**

**Sherborne House Trust 2018**  
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For the Year Ended 31 March 2025

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**Sherborne House Trust 2018**  
Reference and Administrative Details  
For the Year Ended 31 March 2025

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<b>Trustees</b>	E De Blocq Van Kuffeler	
	S A T Cannon	(resigned 26/06/2025)
	Sir R A Fry	
	T D Hague	
	S E Healy	(resigned 13/01/2026)
	A Lucas	(resigned 05/12/2025)
	R H Miller	
	C J Mitchell	
	J J Tiverton Brown	
<b>CEO</b>	L Gilmore	
<b>Company secretary</b>	C N Newitt	(appointed 21/01/2026)
<b>Charity Number</b>	1179440	
<b>Company Number</b>	11423527	
<b>Registered Office</b>	Albert Goodman LLP Lupin Way Yeovil BA22 8WW	
<b>Principal address</b>	Sherborne House Newland Sherborne Dorset DT9 3JG	
<b>Auditors</b>	Xeinadin Audit Limited Wadebridge House 16 Wadebridge Square Poundbury Dorchester Dorset DT1 3AQ	
<b>Bankers</b>	C Hoare & Co 37 Fleet Street London EC4P 4DQ	

The year marked a pivotal stage in the development of The Sherborne: the transition from an ambitious capital project to a fully public-facing cultural organisation. The Sherborne opened to the public on 7 May 2024, and welcomed over 55,000 visitors in the period under review.

Strong early engagement with exhibitions, hospitality, and events confirmed significant public interest and benefit, establishing The Sherborne as a successful and relevant cultural destination within Sherborne and the wider South West.

The first year was necessarily a period of learning. Bringing a newly restored Grade I listed building into public use—while simultaneously developing an artistic programme, operational systems and a public identity—was complex. The quality and care invested in the restoration were recognised through national and regional awards, including the Georgian Group Architectural Award for *Restoration of a Georgian Building in an Urban Setting*, providing independent validation of the stewardship of the building as it entered public use.

Artistically, important foundations were established. Early exhibitions and partnerships, particularly with Dorset Visual Arts, enabled local artists to be showcased while allowing the organisation to test audiences and programme formats. Steps were also taken towards defining a more independent artistic direction to reach regional and national audiences.

Looking ahead, the focus is on consolidation and growth: being a dynamic home to the arts in the South West, developing a vibrant artistic programme that is locally and nationally significant, deepening engagement with communities, artists, and visitors, and sharing inspiring creative and culinary experiences for everyone to enjoy. With the continued support of benefactors, Trustees, volunteers, partners, and audiences, The Sherborne is well positioned to move from establishment to maturity and realise its potential as a landmark cultural destination.



**Liz Gilmore**  
**CEO The Sherborne**

20 Mar 2026

The Trustees, who also serve as directors for the purposes of the Companies Act, present their Annual Report and the financial statements of the group for the year ended 31 March 2025. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006, the Charities Act 2011, and the *Accounting and Reporting by Charities: Statement of Recommended Practice* (SORP), applicable to charities preparing their accounts under the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2019).

## **Directors and Trustees**

The directors of the Company are the Charity's Trustees for the purpose of charity law and throughout this document are collectively referred to the Trustees.

The Trustees serving during the year and since the year end are as stated in the Reference and Administrative details on page 1.

## **Structure, Governance and Management**

New Trustees are appointed by the existing Trustees in accordance with the Articles of Association, which require a minimum of three Trustees and do not set a maximum. Trustees are appointed for a three-year term, after which reappointment is subject to a vote of the Board. New Trustees undergo a structured induction and training programme, which includes familiarisation with the charity's governing documents and discussions with existing Trustees. This induction process will continue to evolve as new Trustees join the Board. Subsequent to the year end a formal conflicts of interest policy has been adopted.

Following the year end, Sally Cannon, Anya Lucas, and Sheila Healey retired as Trustees. The Board expresses its gratitude for their dedication, commitment, and valuable contribution to the charity. Recruitment of new Trustees is underway to maintain and enhance the Board's collective experience, strengthening oversight and strategic guidance for the future.

The Trustees meet as required to conduct the business of the charity and to provide strategic direction.

On 1 March 2025, the Trustees appointed Liz Gilmore as the charity's inaugural Chief Executive Officer. Liz brings extensive experience from her tenure at Hastings Contemporary, where she was recognised for her visionary leadership, creativity, and energy. Her appointment reflects The Sherborne's ambition to become a centre of artistic excellence and a vibrant hub for creativity and community engagement and Liz has begun delivering this vision. Since the year end, further steps have been taken to strengthen the executive leadership team, including senior appointments in operations, visitor experience, and marketing.

The trustees set the pay of key management personnel based on market benchmarking and the charity's financial position. Remuneration is reviewed annually and disclosed in line with SORP requirements.

The charity has one incorporated subsidiary, Sherborne House Enterprises Limited (Company Number: 13270147).

The principal funding for the restoration and development of the project has been provided through generous charitable donations from Mrs Sally Cannon and entities linked to or controlled by her.

No Trustee receives remuneration or other financial benefits for their work with the charity.

## Objectives and activities

The charity's objects, as set out in its Articles of Association, are to promote and advance public education in the arts, particularly (but not exclusively) by:

- Promoting and providing facilities for participation in the arts; and
- Fostering and encouraging the improvement, development, and appreciation of artistic knowledge and understanding.

An additional objective is the restoration, preservation, and maintenance of Sherborne House in Sherborne, Dorset, including the historic Thornhill Mural, for the public benefit. In practice, this has involved the meticulous restoration of the building and its heritage features, including the Thornhill Mural and its associated staircase. A contemporary Pavilion extension has been added to the rear of the main house, creating a state-of-the-art, multi-functional space. This thoughtful combination of historic and modern design ensures the facility is fit for purpose in the 21st century and beyond.

The Trustees confirm that, in planning and carrying out activities, they have given due regard to the Charity Commission's guidance on public benefit.

The Trustees have conducted a review following the year end of the major risks to which the charity is exposed. Systems and procedures have been established to manage these risks proportionately and effectively, ensuring that both financial and non-financial risks are identified, assessed, and mitigated. A risk register is being created from the review undertaken and will be maintained and reviewed periodically. Actions to mitigate risks include insurance cover, financial controls, staff training. Trustees are satisfied that the charity's risk management processes are now effective.

## Achievements and performance

### Restoration and Conservation

The Sherborne was established to create a leading arts and cultural destination in the South West. The completed project successfully combines heritage conservation with contemporary cultural use.

The development has delivered:

- The conservation of a Grade I listed building of national and international significance, including the preservation of the historic James Thornhill mural and other heritage features.
- Flexible gallery spaces, outdoor performance areas, and a Pavilion extension, enabling a wide range of artistic, cultural, and community activity.
- Facilities that support the creation, presentation, and interpretation of artistic work, including workshops, public engagement areas and learning spaces for all ages.
- Integrated hospitality and retail provision, including Macready's restaurant and a shop, designed to complement the cultural offer and support the charity's long-term sustainability.

In November 2024, Historic England removed Sherborne House from its *Heritage at Risk* Register. A senior Inspector of Historic Buildings and Areas at Historic England commented:

"After more than 20 years of seeing Sherborne House in a sad and dilapidated condition with no viable use, it is very rewarding to see it brought back to life and transformed into a vibrant community asset, with its status restored as one of Sherborne's foremost historic buildings."

The quality and sensitivity of the restoration received national recognition. The project won the Georgian Group Architectural Award for Best Restoration of a Georgian Building in an Urban Setting (2024). The Pavilion extension was also recognised, receiving Commercial Project of the Year at the Structural Timber Awards (2024).

The Sherborne was shortlisted as a finalist in the Dorset, Somerset & Bristol *Muddy Stilettos Awards 2025*, reflecting its growing profile as a regional cultural and hospitality destination.

The Trustees record their sincere thanks to The Friends of Sherborne House for their generous support, particularly for funding the conservation work to the James Thornhill mural and the production of a Heritage AV Tour of the house.

### Launch

Practical Completion of the restoration and extension of Sherborne House was achieved on 19 April 2024, and The Sherborne formally opened to the public on 7 May 2024.

A soft opening period was followed by a targeted PR campaign running from June 2024 to March 2025. This activity successfully generated early awareness and media interest, but also highlighted the importance of a clearly articulated cultural direction to support sustained visibility and engagement.

With the support of The Friends of Sherborne House, the installation of the Macready Screen (made by Charles Dickens and William Macready) and the launch of the Heritage AV Tour, narrated by Jeremy Irons, provided a strong cultural focus. These initiatives generated coverage and enquiries from *iNews*, *The Sunday Times*, *Art Rabbit*, and *Good Housekeeping*, and reinforced Sherborne's identity as a cultural town and community.

### Operations

During the reporting period, the organisation developed operational structures to support the transition from a capital project to a fully functioning, public-facing cultural venue. Pre-opening events enabled testing of visitor flows, building systems, and the integration of the galleries, hospitality, and event spaces.

The first year of trading, however, demonstrated the complexity of operating a multi-use historic building that combines exhibitions, hospitality, and events. The organisation gained valuable insight into staffing requirements, cost control, supplier relationships, and the delivery of a high-quality visitor experience.

By the end of the reporting period, Trustees had identified the need to review operational structures and processes to support long-term resilience and efficiency. This work is ongoing.

### Artistic Programme

During the year, The Sherborne focused on establishing its artistic role locally, with the nationally significant James Thornhill mural at the heart of the offer. The venue was freely open to all, encouraging voluntary donations and supporting the widest possible engagement across all ages and backgrounds.

Dorset Visual Arts (DVA) curated a programme of seven exhibitions, primarily showcasing the work of Dorset-based artists drawn from its membership.

Key exhibitions included:

- *Housework* (7 May – 13 July 2024), curated by Amanda Wallwork with *Evolver Magazine*.
- *Jeremy Gardiner: Turning the Tide* (July – October 2024), featuring Dorset based contemporary landscapes.
- *Sculpture at The Sherborne* (from May 2024), presenting outdoor and site-specific works.
- *Making Dorset* (26 October 2024 – 12 January 2025), a successful exhibition celebrating Dorset craft across multiple media.
- *Drawing on Dorset* (23 November 2024 – 23 March 2025), exploring drawing inspired by the county's culture and landscape.
- *Where You Find Your Self* (December 2024), a Dorset Visual Arts group exhibition promoting reflection and engagement.
- *BIND* (1 – 27 March 2025), an interdisciplinary exhibition by the Dorset Visual Arts Salon Collective.

Over 100 Dorset-based artists were showcased during the year, providing a platform for regional talent and opportunities for public engagement. Exhibitions were supported by tours, talks, and workshops, enabling visitors to engage directly with artists and their work.

Cultural events, live music, literary talks, cinema screenings, and flexible co-working provision further extended The Sherborne's reach and relevance within the community.

While the programme during this period focused primarily on Dorset-based artists, planning for 2025 and beyond has begun to broaden the scope to include artists from outside the region. This reflects The Sherborne's ambition to develop a wider national and international profile, while continuing to support local creative practice.

### Volunteers

A volunteer programme supporting galleries, gardens, and events was established ahead of opening. By March 2025, approximately 110 volunteers were actively contributing.

Volunteers play a vital role in delivering a welcoming visitor experience, supporting exhibitions and events, and contributing to the development and care of the gardens.

### Fundraising

During the reporting period, the charity received small voluntary donations from visitors. The organisation did not undertake any formal public fundraising appeals during this time. The group is therefore not currently registered with any fund raising regulator and have not received any complaints in relation to fundraising.

## **Financial review**

During the year, the group reported total income of £5,610,869 (2024: £11,489,803). The reduction compared with the prior year reflects the completion of the capital fundraising phase. Fixed asset additions during the period totalled £2,455,797. Revenue expenditure amounted to £2,232,873 (2024: £518,563), resulting in a surplus before impairment of £3,377,996 (2024: £10,971,240).

Following further professional advice and careful consideration, the Trustees concluded that Sherborne House met the criteria for recognition as a Heritage Asset. On completion of the restoration, the property was therefore transferred to heritage assets and held at valuation of £4,750,000.

This accounting treatment required a further impairment charge of £2,245,081 in the current year, representing the costs incurred to complete the restoration. The Trustees note that the valuation provided by Chesters Harcourt could not reflect the full cultural and heritage significance of the property, nor its social value to the Sherborne community. Similarly, it could not reflect the reinstatement value of the building and its additions, which has been assessed for insurance purposes at £16,503,165.

The valuers themselves acknowledged these limitations, noting that their valuation had limited relevance to "an extensive and frankly remarkable restoration, with the standard of construction and fit out being of the highest possible standard by any benchmark available to us."

After impairment, the group reported a surplus of £1,132,915 (2024: deficit of £9,320,803) and net assets of £5,349,820 (2024: £4,216,905).

Mrs Sally Cannon has agreed financial support for operations through to 31 March 2027, ensuring ongoing delivery of the artistic programme and maintenance of the building and mural.

The trustees will aim to maintain unrestricted reserves sufficient to cover three months of operating costs. At year-end, unrestricted funds excluding fixed assets totalled £200,629 held as general reserves.



This is the first year of the Company's operation and the aim is to increase reserves to the target level as soon as possible. Reserves are monitored and reviewed annually to ensure they meet the charity's operational needs.

### Plans for future periods

Looking ahead, The Sherborne will focus on consolidating operational systems, and delivering an ambitious programme of high-quality exhibitions exploring the cultural and artistic heritage of Sherborne House and its relationship to place, landscape, and community. The programme will place contemporary practice in meaningful dialogue with historic collections, supporting wide public engagement and access to work of national significance, broadening the exhibition programme to include artists from beyond Dorset, while maintaining strong focus on South West talent.

- **Major Exhibitions 2025–2026:**

*Reoccurring Intricacies* (from 10 May 2025), curated by Tim Martin and featuring Helen Sear RA, Charlotte Hodes, and Amanda Benson;

A series of exhibitions by Sir Quentin Blake, curated by Liz Gilmore—*Our Friends in the Country*, *A Christmas Carol*, *Airborne over Sherborne*, and *100 Portraits*—designed to attract family, intergenerational, and first-time audiences;

Public presentation of the restored Sir James Thornhill's *The Folke Altarpiece*, which will expand public access to an important work of regional and national heritage.

Together with a dynamic programme of public activities—including talks, workshops, performances, and participatory events designed to engage diverse audiences—the exhibitions will establish a strong and distinctive programme for 2025–2026.

- **Education and Community Engagement:** Partnering with higher education institutions, local schools, and community organisations to support creative learning, emerging artists, and wider cultural participation, including a major student exhibition by Yeovil College in June 2025 with a further event planned for 2026.
- **Tourism and Heritage Activation:** Promoting The Sherborne as a destination for cultural tourism, highlighting the historic building, the Thornhill Mural, and its wider intangible cultural heritage. Initiatives will link the venue with Sherborne Castle, Sherborne Abbey, and other cultural sites across the South West.
- **Operational and Financial Sustainability:** Embedding robust management policies and systems, strengthening workforce structures, and developing volunteer programmes to ensure long-term growth, effective delivery of the artistic and cultural vision and financial sustainability.
- **Facilities and Accessibility:** Positioning The Sherborne at the heart of the community, whether that be flexible co-working facilities, events hospitality and hire opportunities, and broader visitor experience amenities, all in addition to our cultural, educational, and community offer.
- **Environmental Responsibility:** Continuing to prioritise sustainability across programming, operations, and building maintenance, in line with The Sherborne's environmentally sensitive design principles.

These initiatives will strengthen The Sherborne as an accessible and inspiring cultural destination, consolidating its role as a landmark venue while delivering lasting public benefit through artistic excellence and engagement.

## **Statement of Trustees' Responsibilities**

The Trustees (who are directors of Sherborne House 2018 for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the Directors' Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, *the Financial Reporting Standard applicable in the UK and the Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and the group and of the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting 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 business.

The trustees are responsible for maintaining proper accounting records which 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Statement of disclosure to our auditors**

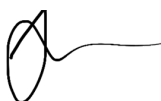
In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## **Small Company**

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

Approved by the Trustees on 20 Mar 2026 ..... and signed on their behalf by:



.....  
T D Hague  
Trustee

## **Sherborne House Trust 2018**

Independent Auditors' Report to the Trustees and Members  
For the Year Ended 31 March 2025

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### **Opinion**

We have audited the financial statements of Sherborne House Trust 2018 (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2025, which comprise the consolidated Statement of Financial Activities, the consolidated and parent charitable company Balance Sheets, the consolidated and parent charitable company Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2025 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 group and parent 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 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 charitable company's ability to continue as a going concern for a period of at least 12 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.

### **Emphasis of matter**

We draw attention to Notes 11 and 12 of the financial statements which describe the difficulty in obtaining a valuation of Sherborne House for the purposes of impairment whilst acknowledging the substantial investment that was required to restore the property. Although the property is predominantly held for its heritage value, the property has mixed use in respect of its commercial activities, with proceeds used to support the group's charitable objectives. With a fair market value being unattainable the value in use approach used recognises the commercial value of the property. The Trustees consider it prudent to exclude the intangible value of the heritage aspects of the property which cannot be isolated from the overall restoration costs and cannot be separately quantified. Our opinion is not modified in respect of this matter.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

## **Sherborne House Trust 2018**

Independent Auditors' Report to the Trustees and Members  
For the Year Ended 31 March 2025

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In connection with our audit of the financial statements, 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 apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

### **Opinion on other matter 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, which includes the Directors' Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report have 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 group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' 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 Trustees' Report and from the requirement to prepare a Strategic Report.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 8, the trustees (who are also the directors of the parent 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 group and parent 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

We assessed the risk of material misstatement due to non-compliance with laws and regulations by:

- Obtaining an understanding of the legal and regulatory frameworks that are applicable to the Group and how it complies with those through enquires of management and those charged with governance. Laws and regulations which make have a direct material effect on the financial statements include the Companies Act 2006 and the Charity Act 2011. Other laws and regulations which may have a material effect on the financial statements include data protection and health and safety laws; and
- Communicating within the audit team and maintaining professional scepticism.

Specifically in respect of fraud we discussed with those charged with governance areas in which the Group was susceptible to fraud and whether there were an instances of known, suspected or alleged fraud. We also assessed the ability of internal controls to mitigate the risk of fraud.

We assessed the risk of non-compliance with laws and regulations by:

- Making enquiries of management and those charged with governance concerning actual and potential litigation or claims;
- Reading meeting minutes for evidence of discussions which may indicate potential litigation and claims;
- Reviewing the company's records for evidence of legal costs which may indicate non-compliance with laws and regulations; and
- Requesting sight of any correspondence from regulators.

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

- Tested the validity of journal entries;
- Tested accounting estimates for evidence of potential bias;
- Performed analytical procedures to identify any unusual relationships;
- Sought explanations and evidence for any transactions outside the normal course of business;
- Assessed the appropriateness of accounting policies, including in respect of revenue recognition; and
- Assessed the qualifications, competence and independence of management's expert who valued the charity's land and buildings for the purposes of their impairment review.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

## Sherborne House Trust 2018

Independent Auditors' Report to the Trustees and Members  
For the Year Ended 31 March 2025

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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.

### Use of our report

This report is made solely to the group and parent 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 group and parent charitable company's members and 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 group and parent charitable company and the group and parent charitable company's members as a body and the parent charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Mr P A Cattermole FCA (Senior Statutory Auditor)  
For and on behalf of Xeinaidin Audit Limited  
Chartered Accountants  
Statutory Auditor

Wadebridge House  
16 Wadebridge Square  
Poundbury  
Dorchester  
Dorset  
DT1 3AQ

20 Mar 2026

Date.....

**Sherborne House Trust 2018**

Consolidated Statement of Financial Activities (including an Income &amp; Expenditure account)

For the Year Ended 31 March 2025

		Unres- tricted	Res- tricted	2025 Total	Unres- tricted (as restated)	Res- tricted	2024 Total (as restated)
	Notes	£	£	£	£	£	£
<b>Income from:</b>							
Donations and legacies	2	3,117,467	1,134,465	4,251,932	11,485,095	-	11,485,095
Charitable activities	3	69,473	-	69,473	-	-	-
Other trading activities	4	1,281,804	-	1,281,804	3,474	-	3,474
Investments	5	7,660	-	7,660	1,234	-	1,234
<b>Total income</b>		<b>4,476,404</b>	<b>1,134,465</b>	<b>5,610,869</b>	<b>11,489,803</b>	<b>-</b>	<b>11,489,803</b>
<b>Expenditure on:</b>							
Raising funds	6	1,309,049	-	1,309,049	103,001	-	103,001
Charitable activities	7	923,824	-	923,824	415,562	-	415,562
<b>Total expenditure</b>		<b>2,232,873</b>	<b>-</b>	<b>2,232,873</b>	<b>518,563</b>	<b>-</b>	<b>518,563</b>
<b>Net (expenditure)/income</b>		<b>2,243,531</b>	<b>1,134,465</b>	<b>3,377,996</b>	<b>10,971,240</b>	<b>-</b>	<b>10,971,240</b>
Transfer between funds	18	1,134,465	(1,134,465)	-	-	-	-
<b>Other recognised gains</b>							
Impairment of fixed asset	11	(2,245,081)	-	(2,245,081)	(20,292,043)	-	(20,292,043)
<b>Net movement in funds for the year</b>		<b>1,132,915</b>	<b>-</b>	<b>1,132,915</b>	<b>(9,320,803)</b>	<b>-</b>	<b>(9,320,803)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		4,216,905	-	4,216,905	13,537,708	-	13,537,708
<b>Total funds carried forward</b>		<b>5,349,820</b>	<b>-</b>	<b>5,349,820</b>	<b>4,216,905</b>	<b>-</b>	<b>4,216,905</b>

The results for the period derive from continuing activities and there are no gains or losses other than those shown above.

The statement of financial activities incorporates the income and expenditure account.

**Sherborne House Trust 2018 – Company Registration Number: 11423527**  
Balance Sheet and Consolidated Balance Sheet  
As at 31 March 2025

		2025 £ Group	2025 £ Charity	2024 £ Group	2024 £ Charity (as restated)
<b>Fixed assets</b>					
Intangible fixed assets	10	1,458	1,458	-	-
Tangible fixed assets	11	397,733	397,733	4,994,198	4,994,198
Heritage assets	12	4,750,000	4,750,000	-	-
Investments	13	-	466,905	-	100
		<u>5,149,191</u>	<u>5,616,096</u>	<u>4,994,198</u>	<u>4,994,298</u>
<b>Current assets</b>					
Stock	14	79,809	-	6,707	-
Debtors	15	582,071	555,840	857,956	1,062,391
Cash at bank and in hand		380,325	367,807	107,308	103,314
		<u>1,042,205</u>	<u>923,647</u>	<u>971,971</u>	<u>1,165,705</u>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	16	(841,576)	(665,901)	(1,448,544)	(1,404,953)
<b>Net current assets</b>		<u>200,629</u>	<u>257,746</u>	<u>(476,573)</u>	<u>(239,248)</u>
<b>Total assets less current liabilities</b>		<u>5,349,820</u>	<u>5,873,842</u>	<u>4,517,625</u>	<u>4,755,050</u>
Creditors: amounts falling due after one year	17	-	-	(300,720)	(300,720)
<b>Total net assets</b>		<u><u>5,349,820</u></u>	<u><u>5,873,842</u></u>	<u><u>4,216,905</u></u>	<u><u>4,454,330</u></u>
<b>The funds of the charity:</b>					
Unrestricted funds:					
General funds		<u>5,349,820</u>	<u>5,873,842</u>	<u>4,216,905</u>	<u>4,454,330</u>
Total unrestricted funds	19	<u>5,349,820</u>	<u>5,873,842</u>	<u>4,216,905</u>	<u>4,454,330</u>
Restricted funds	19	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total charity funds</b>		<u><u>5,349,820</u></u>	<u><u>5,873,842</u></u>	<u><u>4,216,905</u></u>	<u><u>4,454,330</u></u>



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The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 17 to 31 form part of these accounts.

Approved by the Trustees for issue on 20 Mar 2026  
..... and signed on their behalf by:



.....  
T D Hague - Trustee

**Sherborne House Trust 2018**Statement of Cash Flows and Consolidated Statement of Cash Flows  
For the Year Ended 31 March 2025

		2025 £	2025 £	2024 £	2024 £
	Notes	Group	Charity	Group	Charity (as restated)
<b>Cash flows from operating activities</b>					
Net income/ (expenditure) for the year		1,132,915	1,419,512	(9,320,803)	(9,121,494)
Adjustments to cash flows from non-cash items:					
Depreciation and amortisation	10/11/12	57,223	57,223	-	-
Losses on revaluation of fixed assets	11	2,245,081	2,245,081	20,292,043	20,292,043
Interest receivable	5	(7,660)	(7,660)	(1,234)	(1,234)
		3,427,559	3,714,156	10,970,006	11,169,315
<b>Working capital adjustments</b>					
Decrease / (increase) in investments	13	-	-	-	-
Decrease / (increase) in stocks	14	(73,102)	-	(6,707)	-
(Increase) / decrease in debtors	15	275,885	506,551	(163,417)	(352,302)
Increase / (decrease) in creditors	16	164,635	(115,571)	57,057	35,932
Net cash flow from operations		3,794,977	4,105,136	10,856,939	10,852,945
<b>Cash flows from investing activities</b>					
Purchase of tangible fixed assets	11	(3,528,120)	(3,532,057)	(10,780,657)	(10,780,657)
Purchase of intangible fixed assets	10	(1,500)	-	-	-
Investment in subsidiary	13	-	(316,246)	-	-
Interest received	5	7,660	7,660	1,234	1,234
		(3,521,960)	(3,840,643)	(10,779,423)	(10,779,423)
Net increase in cash and cash equivalents		273,017	264,493	77,516	73,522
Cash and cash equivalents at the beginning of the reporting period		107,308	103,314	29,792	29,792
Cash and cash equivalents at the end of the reporting period		380,325	367,807	107,308	103,314
<b>Cash &amp; Cash equivalents reconciliation:</b>					
Cash at bank		380,325	367,807	107,308	103,314
Total cash & cash equivalents at the end of the reporting period		380,325	367,807	107,308	103,314

## **1 Accounting Policies**

The principal accounting policies adopted in the preparation of the financial statements are:

### **1.1 Basis of accounting**

Sherborne House Trust 2018 is a private company limited by guarantee incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the charity's operations and its principal activities are set out in the Trustees Report on pages 2 – 8. The address for the charity is as given on page 1, and it operates in England and Wales.

The financial statements have been prepared in £ sterling and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

These financial statements consolidate the results of the Charity and its wholly owned subsidiary, Sherborne House Enterprises Limited, on a line by line basis. The "Group" heading within the balance sheet refers to the consolidated accounts of Sherborne House Trust 2018 and Sherborne House Enterprises Limited.

In the parent company financial statements the investment in the trading subsidiary is accounted for at cost less impairment.

A separate Statement of Financial Activities or income and expenditure account, for the Charity itself has not been presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006.

### **1.2 Legal status of the Trust**

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The company is incorporated in England and Wales and the company registered office is detailed on page 1, reference and administration details.

### **1.3 Going Concern**

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern.

The Trustees have obtained commitments from viable sources for sufficient funding to support the Charity's activities for the period through to 31 March 2027 (see note 23).

The trustees have therefore made an assessment of going concern in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for at least this period and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting when preparing the financial statements.

**1.4 Income**

All income is recognised once the charity has entitlement to the resources, it is certain that the resources will be received, and the monetary value of incoming resources can be measured with sufficient reliability.

**1.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

**1.6 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.

**1.7 Intangible fixed assets**

Intangible assets are capitalised at cost and held at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets as to write off the cost, less any estimated residual value, over their useful life as follows:

Website	straight line over 3 years
---------	----------------------------

**1.8 Tangible fixed assets**

The Charity owns the freehold of Sherborne House, Sherborne, Dorset, which the trustees intend to renovate and subsequently use to support the arts.

During the period, work has continued on the House, which has been capitalised within the financial statements. Associated purchases by way of equipment, plant and equipment and fixtures and fittings have also been capitalised.

During the year, the Trustees took the decision that Sherborne House met the definition of a heritage asset and therefore it was transferred to a heritage asset upon completion. Please see accounting policy below and note 11 to the accounts for more information.

The asset came into use during the year and therefore, depreciation has been provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life as follows:

Computer Equipment	straight line over 3 years
Plant and Machinery	straight line over 10 years
Fixtures and Fittings	straight line over 10 years

**1.9 Heritage assets**

During the year, the Trustees took the decision that Sherborne House met the definition of a heritage asset and therefore it was transferred to a heritage asset upon completion.

The House is held at valuation and was formally revalued in the year to 31 March 2024 by a professional valuer.

Depreciation is provided on the House to write off the valuation, less any residual value, over its useful life as follows:

Sherborne House	straight line over 100 years.
-----------------	-------------------------------

Heritage assets are not expected to be routinely acquired and each acquisition will therefore be considered on its own merits. The building is maintained and managed as part of the charitable operations of the organisation.

A full record is maintained of all spend on heritage assets and access to the public is free and encouraged.

**1.10 Investments**

Investments comprise shares in subsidiary undertakings and loans to subsidiaries to enable investment in continued return for the charity. These items are removed on consolidation for the group.

Shares in subsidiary undertakings are valued at the cost of the shares.

Loans to subsidiaries are recognised at the recoverable value of the amount of loan provided.

**1.11 Stock**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods comprises direct materials. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell with any impairment loss being recognised immediately in the SOFA.

**1.12 Debtors**

Trade debtors are amounts due from customers for services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due to according to the original terms of the receivables.

Other debtors comprise amounts due from funders, prepayments and accrued income. Amounts due from funders are recognised when the Charity is entitled to the money, prepayments arise from the payments for services prior to benefit from those services, and accrued income is amounts due for services provided, recognised at the point of provision of the services.

**1.13 Cash at bank and in hand**

Cash at bank and in hand comprise of cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

**1.14 Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of Trust.

Restricted funds are from donations and grants in which the donor or funder has specified are to be solely used for particular areas of the Trust's work or for specific projects being undertaken by the Trust.

**1.15 Creditors**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

**1.16 Taxation**

As a registered charity, the charity is not liable to corporation tax to the extent that income and gains are applied to charitable objectives.

#### 1.17 Financial Instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and liabilities of the charity and their measurements are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Investment portfolios are basic financial instruments measured at fair value through the income and expenditure account. Prepayments are not financial instruments.

Cash at bank and deposit accounts- is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.18 Prior period adjustment

During the year, the subsidiary company became fully active. At this time, the costs incurred then became costs of raising funds for the group. As a result, the prior year has been restated to be comparable. The net result of this change is to move £103,001 in the prior year from unrestricted expenditure on charitable activities to unrestricted expenditure on raising funds. The surplus and total expenditure were unchanged as a result of this adjustment.

It was also identified that expenditure of £42,900 was incorrectly included in the subsidiary accounts in the prior year, when it should have been included in the charity accounts. As a result, the expenditure in the prior year was removed from the subsidiary accounts, through the intercompany loan, to the charity accounts. This has also reduced the interest charged on the intercompany loan by £190 as a result.

The combined adjustments have had the following impact on the previously reported 2024 accounts:

	2024 original	Adjustments	2024 amended
<u>Income - charity</u>			
Interest income	7,323	(190)	7,133
<u>Expenditure - charity</u>			
Wages and salaries	-	42,900	42,900
<u>Expenditure - subsidiary</u>			
Wages and salaries	99,155	(42,900)	56,255
Interest expense	6,089	(190)	5,899
	105,244	(43,090)	62,154
<u>Expenditure - group</u>			
Expenditure on raising funds	-	103,001	103,001
Expenditure on charitable activities	518,563	(103,001)	415,562
	518,563	-	518,563
<u>Debtors due &lt; 1 year - charity</u>			
Amounts owed by group undertakings	323,590	(43,090)	280,500
<u>Reserves - charity</u>			
Unrestricted funds brought forward	13,575,824	-	13,575,824
Surplus/ (deficit) for the year	(9,078,404)	(43,090)	(9,121,494)
Unrestricted funds carried forward	4,497,420	(43,090)	4,454,330

## 2 Donations and legacies

	Unres- tricted funds £	Res- tricted funds £	2025 Total £	Unres- tricted funds £	Res- tricted funds £	2024 Total £
Donations and bequests	3,117,467	1,134,465	4,251,932	11,485,095	-	11,485,095
	3,117,467	1,134,465	4,251,932	11,485,095	-	11,485,095

## 3 Income from charitable activities

	Unres- tricted funds £	Res- tricted funds £	2025 Total £	Unres- tricted funds £	Res- tricted funds £	2024 Total £
Events	18,718	-	18,718	-	-	-
Rental and hire	35,430	-	35,430	-	-	-
Arts activities	15,325	-	15,325	-	-	-
	69,473	-	69,473	-	-	-

## 4 Income from other trading activities

	Unres- tricted funds £	Res- tricted funds £	2025 Total £	Unres- tricted funds £	Res- tricted funds £	2024 Total £
<b>Income from trading subsidiary</b>						
Food and drink sales	1,130,214	-	1,130,214	-	-	-
Venue hire	18,038	-	18,038	-	-	-
Events	477	-	477	-	-	-
Shop sales	133,075	-	133,075	474	-	474
Office rental income	-	-	-	3,000	-	3,000
	1,281,804	-	1,281,804	3,474	-	3,474

## 5 Investment income

	Unres- tricted funds £	Res- tricted funds £	2025 Total £	Unres- tricted funds £	Res- tricted funds £	2024 Total £
Bank interest	7,660	-	7,660	1,234	-	1,234

## 6 Expenditure on raising funds

	Unres- tricted	Res- tricted	2025 Total	Unres- tricted (as restated)	Res- tricted (as restated)	2024 Total
	£	£	£	£	£	£
Purchases	438,839	-	438,839	64,683	-	64,683
Wages	677,054	-	677,054	-	-	-
Other direct costs	193,156	-	193,156	38,318	-	38,318
	1,309,049	-	1,309,049	103,001	-	103,001

## 7 Expenditure on charitable activities

	Staff costs	Other Direct costs	2025 Total	Staff costs (as restated)	Other Direct costs (as restated)	2024 Total
	£	£	£	£	£	£
<b>Charitable activities</b>						
Wages and salaries	305,619	-	305,619	112,123	-	112,123
Other staff costs	-	41,683	41,683	-	8,538	8,538
Arts programme costs	-	4,632	4,632	-	-	-
Property costs	-	199,460	199,460	-	60,225	60,225
Administration costs	-	142,338	142,338	-	122,340	122,340
Advertising and marketing	-	22,162	22,162	-	33,240	33,240
Consultancy	-	24,401	24,401	-	27,547	27,547
Sundry costs	-	2,589	2,589	-	112	112
Depreciation	-	57,224	57,224	-	-	-
Accountancy	-	66,763	66,763	-	13,505	13,505
Audit	-	12,000	12,000	-	6,000	6,000
Professional fees	-	44,953	44,953	-	31,932	31,932
	305,619	618,205	923,824	112,123	303,439	415,562

Costs are allocated between activities based on an estimate of floor space and employee time.

## 8 Trustee directors

Charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the period (2024: £nil).

No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

Two charity trustees or their associated family members were reimbursed conference, travel and subsistence costs totalling £701 (2024: £nil).



## 9 Employees

### Number of employees

The average monthly head count for the group was 73 staff (2024: 5 staff).

Employment costs	2025 £	2024 £
Wages and salaries	898,835	99,155
Social security costs	67,397	10,747
Pension costs	16,441	2,221
	<u>982,673</u>	<u>112,123</u>

One employee earned between £70,000 - £79,999 (2024 – none).

The key management personnel of the group comprise those of the Trust and the key management personnel of its wholly owned subsidiary Sherborne House Enterprises Limited. The key management personnel of the group is therefore the Chief Executive of the Trust and the Commercial Director of Sherborne House Enterprises Limited. The total employee benefits (includes gross pay, employer pension and employer national insurance) of the key management personnel of the group were £89,604 (2024: £54,100).

### Pension costs

The company operates a defined contribution pension scheme. The charge to the Statement of Financial Activities for the period is shown above.

Contributions totalling £4,748 (2024 - £1,230) were payable to the schemes at the end of the period and are included in creditors.

## 10 Intangible fixed assets

	Website £	Total £
<b>Cost</b>		
At 1 April 2024	-	-
Additions	1,500	1,500
	<u>1,500</u>	<u>1,500</u>
At 31 March 2025	1,500	1,500
	<u>1,500</u>	<u>1,500</u>
<b>Amortisation</b>		
At 1 April 2024	-	-
Charge for the year	42	42
	<u>42</u>	<u>42</u>
At 31 March 2025	42	42
	<u>42</u>	<u>42</u>
<b>Net book value</b>		
At 31 March 2025	1,458	1,458
	<u>1,458</u>	<u>1,458</u>
At 31 March 2024	-	-
	<u>-</u>	<u>-</u>

**11 Tangible fixed assets**

	<b>Assets in the course of construction</b>	<b>Computer equipment</b>	<b>Plant &amp; Machinery</b>	<b>Fixtures &amp; fittings</b>	<b>Total</b>
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2024	4,750,000	32,219	91,422	120,557	4,994,198
Additions	2,245,081	45,849	38,652	126,215	2,455,797
Impairment	(2,245,081)	-	-	-	(2,245,081)
Transfer	(4,750,000)	-	-	-	(4,750,000)
At 31 March 2025	-	78,068	130,074	246,772	454,914
<b>Depreciation</b>					
At 1 April 2024	-	-	-	-	-
Charge for the year	-	22,170	12,214	22,797	57,181
At 31 March 2025	-	22,170	12,214	22,797	57,181
<b>Net book value</b>					
At 31 March 2025	-	55,898	117,860	223,975	397,733
At 31 March 2024	4,750,000	32,219	91,422	120,557	4,994,198

The above assets are all held by the charity.

All assets previously recorded as assets under construction were completed during the year and are held by the Charity.

Following further professional advice and careful consideration, the Trustees determined that Sherborne House meets the criteria for recognition as a Heritage Asset in accordance with the Charities SORP. On completion, the asset was therefore transferred from assets under construction to heritage assets in these accounts.

The impairment of assets under construction reflects the adjustment of cost to the valuation at completion, as carried out by Chesters Harcourt, an independent external valuer, on an open market basis. For the reasons stated in the Trustees' Report, the valuation is likely to be of little relevance to a purchaser looking to secure such a significant building for their own purposes and there is little doubt that if marketed the value achieved would be in excess of the figure reported.

Sherborne House had remained unoccupied for many years and was included on Historic England's Heritage at Risk Register. A principal reason for this was the absence of any viable commercial use that could justify the substantial investment required to restore the building. In undertaking the restoration, the Trustees remained committed to the vision of Michael Cannon to create a landmark destination for the arts that would endure for public benefit. The exceptional generosity of Michael and Sally Cannon, together with the quality and care applied throughout the restoration, has enabled this vision to be realised. Sherborne House was removed from the Heritage at Risk Register in November 2024.

The Trustees recognise that the absence of comparable properties, together with the valuation methodologies permitted under the Charities SORP, limited the ability of the valuation to reflect the asset's value in use as a completed cultural and heritage property. As a result, the asset continues to be impaired and is included in the balance sheet at the open market valuation obtained.

## 12 Heritage assets

	Sherborne House £	Total £
<b>Cost</b>		
At 1 April 2024	-	-
Additions	4,750,000	4,750,000
	<hr/>	<hr/>
At 31 March 2025	4,750,000	4,750,000
	<hr/>	<hr/>
<b>Depreciation</b>		
At 1 April 2024	-	-
Charge for the year	-	-
	<hr/>	<hr/>
At 31 March 2025	-	-
	<hr/>	<hr/>
<b>Net book value</b>		
At 31 March 2025	4,750,000	4,750,000
	<hr/>	<hr/>
At 31 March 2024	-	-
	<hr/>	<hr/>

The House is held at valuation. Please see accounting policy 1.9 for further information.

The property was valued on an open market basis as at 31 March 2024, by Chester Harcourt, an external valuer.

### Summary analysis of heritage asset transactions

	2025 £	2024 £	2023 £	2022 £	2021 £
<b>Transfer at valuation</b>					
Sherborne House	4,750,000	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total additions</b>	4,750,000	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

There were no disposals or impairments recognised on heritage assets for the 5 years disclosed above.

### 13 Investments

	Charity	
	Total 2025	Total 2024 (as restated)
	£	£
Sherborne House Enterprises Limited		
Ordinary shares of £1 each	100	100
Investment in subsidiary - loan due > 1 year	466,805	-
	<u>466,905</u>	<u>100</u>

Sherborne House Enterprises Limited (company no 13270147) was incorporated on 16 March 2021 as a wholly owned trading subsidiary of Sherborne House Trust 2018. The parent charity holds 100% of the issued share capital and 100% of the voting rights of the subsidiary trading company. The principal activities of the company are the trade of Sherborne House. The registered office is the same as that of the Trust, detailed on page 1. The subsidiary gift aids its taxable profits to Sherborne House Trust 2018, and files accounts with the Registrar of Companies. A summary of the trading results is shown below:

	2025	2024 (as restated)
	£	£
Turnover	1,289,117	474
Cost of sales	(1,181,673)	(75,607)
Gross profit/ (loss)	107,444	(75,133)
Administrative expenses	(369,519)	(121,275)
Other operating income	-	3,000
Operating profit/ (loss)	(262,075)	(193,408)
Interest payable	(24,524)	(5,899)
Profit/ (loss) before tax & profit/ (loss) for the financial year	(286,599)	(199,307)
Retained earnings brought forward in subsidiary	(237,321)	(38,014)
Gift aid to Sherborne House Trust 2018	-	-
Retained earnings carried forward in subsidiary	<u>(523,920)</u>	<u>(237,321)</u>
The assets and liabilities were:		
Fixed assets	-	-
Current assets	189,953	86,866
Current liabilities	(247,068)	(324,187)
Total assets less current liabilities	(57,115)	(237,321)
Creditors falling due after more than one year	(466,805)	-
Total net assets	<u>(523,920)</u>	<u>(237,321)</u>
Called up share capital	100	100
Profit and loss reserve	(524,020)	(237,421)
	<u>(523,920)</u>	<u>(237,321)</u>

**14 Stock**

	<b>Group</b>	<b>2025</b>	<b>Group</b>	<b>2024</b>
	<b>£</b>	<b>Charity</b>	<b>£</b>	<b>Charity</b>
		<b>£</b>		<b>£</b>
Food and drink	27,596	-	-	-
Goods for resale	52,213	-	6,707	-
	<u>79,809</u>	<u>-</u>	<u>6,707</u>	<u>-</u>

**15 Debtors**

	<b>Group</b>	<b>2025</b>	<b>Group</b>	<b>2024</b>
	<b>£</b>	<b>Charity</b>	<b>£</b>	<b>Charity</b>
		<b>£</b>		<b>(as restated)</b>
				<b>£</b>
Trade debtors	65,124	1,500	39,087	39,087
Prepayments and accrued income	516,947	554,340	818,869	742,804
Amounts owed by group undertakings	-	-	-	280,500
	<u>582,071</u>	<u>555,840</u>	<u>857,956</u>	<u>1,062,391</u>

**16 Creditors: Amounts falling due within one year**

	<b>Group</b>	<b>2025</b>	<b>Group</b>	<b>2024</b>
	<b>£</b>	<b>Charity</b>	<b>£</b>	<b>Charity</b>
		<b>£</b>		<b>£</b>
Trade creditors	139,051	81,571	196,786	185,200
Other creditors	268,459	187,600	19,466	100
Accruals and deferred income	407,192	391,920	1,223,139	1,219,653
Taxation and social security	26,874	4,810	9,153	-
	<u>841,576</u>	<u>665,901</u>	<u>1,448,544</u>	<u>1,404,953</u>

	<b>Group</b>	<b>2025</b>	<b>Group</b>	<b>2024</b>
	<b>£</b>	<b>Charity</b>	<b>£</b>	<b>Charity</b>
		<b>£</b>		<b>£</b>
Deferred income b/fwd	-	-	-	-
Released from previous years	-	-	-	-
Resources deferred in the year	60,614	-	-	-
	<u>60,614</u>	<u>-</u>	<u>-</u>	<u>-</u>

Income has been deferred in relation to deposits for room hire and catering to be delivered after the year end.

**17 Creditors: Amounts falling due after one year**

		2025		2024
	Group	Charity	Group	Charity
	£	£	£	£
Accruals	-	-	300,720	300,720
	-	-	300,720	300,720

**18 Summary of movement in funds - Group**

	Opening balance £	Income £	Expenditure £	Transfers & losses £	Closing balance £
<b>Unrestricted funds - Group</b>					
General	4,216,905	4,476,404	(2,232,873)	(1,110,616)	5,349,820
<b>Restricted funds - Group</b>					
Donations	-	1,134,465	-	(1,134,465)	-
	4,216,905	5,610,869	(2,232,873)	(2,245,081)	5,349,820

**Summary of movement in funds – Charity**

	Opening balance £	Income £	Expenditure £	Transfers & losses £	Closing balance £
<b>Unrestricted funds - Charity</b>					
General	4,454,330	3,211,811	(681,683)	(1,110,616)	5,873,842
<b>Restricted funds - Charity</b>					
Donations	-	1,134,465	-	(1,134,465)	-
	4,454,330	4,346,276	(681,683)	(2,245,081)	5,873,842

**Summary of movement in funds – Group (2024)**

	Opening balance £	Income £	Expenditure £	Transfers & losses £	Closing balance £
<b>Unrestricted funds - Group</b>					
General	13,537,708	11,489,803	(518,563)	(20,292,043)	4,216,905
	13,537,708	11,489,803	(518,563)	(20,292,043)	4,216,905

### Summary of movement in funds – Charity (2024)

	Opening balance £	Income (as restated) £	Expenditure (as restated) £	Transfers & losses £	Closing balance (as restated) £
<b>Unrestricted funds - Charity</b>					
General	13,575,824	11,492,228	(321,679)	(20,292,043)	4,454,330
	<u>13,575,824</u>	<u>11,492,228</u>	<u>(321,679)</u>	<u>(20,292,043)</u>	<u>4,454,330</u>

The unrestricted funds of the charity are available for unrestricted use.

The restricted fund arose as a result of a specific donation provided by a Trustee (part of the disclosure made in note 21), for use for payment of the final capital balance. It was spent in full during the year on fixed assets, and a transfer has therefore been made to unrestricted funds as the asset has been purchased from a restricted fund donation but is held for general purposes, in accordance with paragraph 2.26 of the SORP.

### 19 Analysis of assets between funds – Group

	Fixed assets £	Cash at bank and in hand £	Other net current assets/ (liabilities) £	Creditors more than one year £	Total £
Unrestricted funds	5,149,191	380,325	(179,696)	-	5,349,820
<b>As at 31 March 2025</b>	<b><u>5,149,191</u></b>	<b><u>380,325</u></b>	<b><u>(179,696)</u></b>	<b><u>-</u></b>	<b><u>5,349,820</u></b>

### Analysis of assets between funds – Charity

	Fixed assets £	Cash at bank and in hand £	Other net current assets/ (liabilities) £	Debtors more than one year £	Total £
Unrestricted funds	5,616,096	367,807	(110,061)	-	5,873,842
<b>As at 31 March 2025</b>	<b><u>5,616,096</u></b>	<b><u>367,807</u></b>	<b><u>(110,061)</u></b>	<b><u>-</u></b>	<b><u>5,873,842</u></b>

#### Analysis of assets between funds – Group (2024)

	Fixed assets £	Cash at bank and in hand £	Other net current assets/ (liabilities) £	Creditors more than one year £	Total £
Unrestricted funds	4,994,198	107,308	(583,881)	(300,720)	4,216,905
<b>As at 31 March 2024</b>	<b>4,994,198</b>	<b>107,308</b>	<b>(583,881)</b>	<b>(300,720)</b>	<b>4,216,905</b>

#### Analysis of assets between funds – Charity (2024)

	Fixed assets £	Cash at bank and in hand £	Other net current assets/ (liabilities) (as restated) £	Creditors more than one year £	Total (as restated) £
Unrestricted funds	4,994,298	103,314	(342,562)	(300,720)	4,454,330
<b>As at 31 March 2024</b>	<b>4,994,298</b>	<b>103,314</b>	<b>(342,562)</b>	<b>(300,720)</b>	<b>4,454,330</b>

## 20 Income and expenditure account of the Trust

The company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own Income and Expenditure Account or separate Statement of Financial Activities.

Prior to gift aid amounts received from the subsidiary, Sherborne House Trust 2018 has net income for the year of £1,419,512 (2024 – net expenditure of £9,078,404) based on income of £4,346,276 (2024 - £11,492,418).

## 21 Related party transactions

The charity has taken advantage of the exemption in FRS 102 “Related Party Disclosures” from disclosing transactions with other members of the group.

During the period, Sherborne House Trust 2018 received donations totalling £1,005,000 from The Cannon Foundation (2024 - £5,880,000), and £nil from Canprop I Limited (2024 - £1,510,000). The Cannon Foundation and Canprop I Limited are charities or companies under the control of individuals who are Trustees of Sherborne House Trust 2018.

In addition, Trustees (past and current) gave donations to the charity in the period totalling £3,121,358 (2024 - £3,970,000).

The wife of Jeremy Lee, a member of Key Management Personnel during the year, was paid for design services totalling £375 (2024 - £3,435). This was all paid during the year with no amounts due at the year end (2024 - £1,320 included within trade creditors).



## 22 Analysis of changes in net debt – Group

	At 1 April 2024	Cash flows	At 31 March 2025
Cash	107,308	273,017	380,325
	<u>107,308</u>	<u>273,017</u>	<u>380,325</u>

## Analysis of changes in net debt – Charity

	At 1 April 2024	Cash flows	At 31 March 2025
Cash	103,314	264,493	367,807
	<u>103,314</u>	<u>264,493</u>	<u>367,807</u>

## 23 Events after the end of the reporting period

The trustees have considered events subsequent to the year end up to the date of approval of these financial statements.

### Adjusting event

Following the year end, significant progress has been made in resolving the VAT dispute in relation to VAT claimed in relation to the restoration of Sherborne House. The matter is close to being settled with HMRC such that it is now possible to estimate with reasonable certainty the resulting VAT liability and associated further professional costs (together “the VAT Liability”). Consequently, a provision of £50,000 has been included in the accounts, which is netted off of amounts owed from HMRC within Debtors: prepayments and accrued income.

### Non-adjusting event

The trustees have entered into agreements prior to the approval of these accounts with the Charity’s principal benefactor, Mrs. Sally Cannon, to provide the following:

- a grant for working capital for the Charity’s activities through to 31 March 2027
- a grant to cover any retention monies payable to Stonewood Builders Limited and the cost of certain additional building works carried out to the building since practical completion
- a grant to cover the VAT Liability to the extent it is not already covered by monies retained by HMRC.

In addition, Mrs. Cannon has also agreed to provide an unsecured loan to the trading subsidiary, Sherborne House Enterprises Limited that is repayable after 10 years. Part of this loan is to allow the trading subsidiary to repay £270,000 of its inter-company loan with the Charity (together with accrued interest), the remainder to provide working capital for its operations through to 31 March 2027. Whilst these are significant events no adjustment is required to the financial statements, and the trustees are satisfied the Company remains a going concern.