

**CHARITY REGISTRATION NUMBER: 310671**

**The Castle House Trust**  
**Unaudited Financial Statements**  
**For the Year Ended**  
**31st December 2021**

**The Castle House Trust**  
**Financial Statements**  
**Year Ended 31st December 2021**

---

	<b>Page</b>
Trustees' Annual Report	<b>1</b>
Independent Examiner's Report to the Trustees	<b>5</b>
Statement of Financial Activities	<b>6</b>
Statement of Financial Position	<b>7</b>
Notes to the Financial Statements	<b>8</b>

# **The Castle House Trust**

## **Trustees' Annual Report**

**Year Ended 31st December 2021**

---

The trustees present their report and the unaudited financial statements of the charity for the year ended 31st December 2021.

### **Reference and Administrative Details**

**Registered charity name**            The Castle House Trust

**Charity registration number**        310671

**Principal office**                    Castle House  
Dedham  
Colchester  
CO7 6AZ

**The Trustees**                        R.J.C. Johnston  
D.M. Archer O.B.E.  
M.J. Parker  
A. Tolhurst  
C. Aldous

**Independent Examiner**            Peyton Tyler Mears  
Middleborough House  
16 Middleborough  
Colchester  
Essex  
CO1 1QT

**The Castle House Trust**  
**Trustees' Annual Report** *(continued)*  
**Year Ended 31st December 2021**

---

**Structure, Governance and Management**

**Legal Status**

The Castle House Trust was established by Trust Deeds dated 19th July 1966.

The governing instruments of the Trust are:

Voluntary Settlement dated 31st January 1962

Voluntary Settlement dated 19th July 1966

Conveyance dated 19th July 1966

**Organisation**

The charity is managed by a Board of Trustees. The trustees are not connected charities or companies and no single trustee is in overall control.

The Trust remains unincorporated, governed by its original trust deeds. The trustees believe that a corporate structure is more suitable and a new charitable company has been approved by the Charity Commission. Trustees are also Directors of the charitable company which since 2015 remains a shell company.

There have been five trustees throughout the year with no retirement or new appointments.

Jenny Hand, the full-time Museum Director since 2013 reports to the Trustees. She oversees the day to day management and operation of the Trust and museum which includes other staff and subcontractors and a nine person research and development team along with around 80 room stewards.

**Financial Controls**

The trustees maintain financial controls over the assets of the Trust and meet regularly to decide strategies as to how to use the resources available in respect of both day to day running of the museum and of refurbishment programmes.

**Investment Powers and Restrictions**

The investment objective is to provide the maximum total return that is commensurate with moderate risk exposure that the Trustees feel able to accept with our funds and assets.

The returns obtained, together with any admission charges or surplus from other activities, together with admission fees and other income, are used to pursue the objectives of the trust and, to maintain the Sir Alfred Munnings Art Museum in good repair, conserve its collection and to make it available for public view, together with the provision of such additional services - for example education - as may be appropriate.

The attitude to risk is that while a level of risk is required for any investment, the funds should not be exposed to extraordinary risk. The Trustees will not restrict the investment manager from achieving the investment objectives.

# The Castle House Trust

## Trustees' Annual Report *(continued)*

### Year Ended 31st December 2021

---

#### **Objectives and Activities**

The objective of the Trust continues to be the operation of an art museum for the benefit of the public. The museum's premises at Castle House, Dedham, Essex was once the home of artist, Sir Alfred Munnings. The paintings within the collection and on display are predominately by Munnings. Sir Alfred's widow endowed the Trust in the 1960s with the house and surrounding land along with the collection of paintings which form the core of the collection.

#### **Public Benefit**

The museum is open to the public from Wednesday to Sunday and Bank Holiday Mondays from 1st April until 30th October and at other times for pre-booked groups and tours. In 2021, as in 2020, the government's Covid-related restrictions impacted both time and manner of opening.

#### **Achievements and Performance**

Once again, the government's Covid regulations impacted the start of our new season and the museum finally opened its doors over the late May bank holiday weekend. As in 2020, for three days per week, pre-booked time slots enabled us to limit visitor numbers to a level deemed to be safe. Small private group visits were offered on two other days. Although visitor numbers remained well below pre-pandemic levels the systems introduced during 2020 worked well and the cost of opening the museum remained lower than in a normal year, offsetting the impact of reduced visitor revenue.

The public exhibitions in 2021 were largely unchanged from 2020. This was a deliberate decision to enable more people to view the "Yours with Love, AJ" exhibition which focussed on paintings from the 1920s and 1930s, a period when Alfred was sent all over the country to paint commissions which Violet had accepted and arranged for him. The collection of letters sent by Alfred to Violet, his wife, which we published last year under the same title, continued to sell well both as an accompaniment to the exhibition and through our online shop. The online shop remained popular, providing Munnings-related merchandise to those who were unable to visit the museum in person.

Our use of social media, primarily Instagram and Facebook, expanded and highlighted not only paintings which visitors to the museum would see on display but also works from the collection which were not on display. We used our archive material including sketches and studies in posts to illustrate Munnings' creative process so that the social media posts had an educational and informative role of their own and did not exist solely as advertising for the museum.

Many of the curatorial associates were absent from Castle House in 2020. This year, several returned to resume work within the archives and new arrangements enabled others to contribute remotely. A further 2,000 records were added to our collections management database of paintings. Drawing on our own collection, including several thousand pencil sketches which we have digitized in recent years, our database is likely to be unmatched by anything elsewhere in the world. In making our expertise available to museums, auction houses and owners the curatorial team has been able to provide material unavailable elsewhere which has been of huge assistance in all manner of areas, including authentication.

# The Castle House Trust

## Trustees' Annual Report *(continued)*

### Year Ended 31st December 2021

---

#### **Achievements and Performance** *(continued)*

With the easing of Covid restrictions, we held a well-supported three day painting workshop outside in the grounds arranged around the recreation of a gypsy encampment from the turn of the century. Pictures from the workshop were offered for sale through an online auction with the support of Reeman Dansie Auctioneers and the Saleroom.com. Once again, in anticipation of lower visitor numbers, the café in the grounds remained closed throughout the season but our partnership with Queen Bee Coffee made light refreshments available to visitors within the grounds of the museum.

In October we lent our Laura Knight lampshade to the MK Gallery in Milton Keynes for their Laura Knight retrospective. This provided a fabulous opportunity to network with professionals outside our usual scope. It also provided the opportunity to reward our volunteers with a trip to see the exhibition in December. We were also fortunate to have on display 'The Grey Horse', a large painting from Munnings' Cornish period, on loan to us from a private collection for the season.

#### **Financial Review**

Income and expenditure remained broadly in line with 2020 when we adjusted our budget in anticipation of a Covid-related shortfall in visitor income. Reported copyright fees which includes Artist resale right income declined from £88,250 in 2020 to £54,158 in 2021. A significant sale of paintings by Munnings sold at auction in the summer will result in a substantial receipt of ARR funds for the museum but the timing was too late for this year's account and will boost income from this source next year. The reported decline in investment income is misleading. The charity's investment managers have a mandate to invest on a total return basis. The charity makes a fixed monthly drawdown from the investment portfolio but only dividends are listed as investment income within the accounts.

Recent regulatory changes have increased the complexity and cost of auditing accounts. Some accounting firms, including Peyton Tyler Mears who we have used for many years, have responded to these by ceasing to offer an auditing service for charities. We obtained a quote for auditing from another firm but the cost was significantly higher than we have paid until now. There is no regulatory requirement for a charity of this size to have its accounts audited. Although the trustees would prefer to continue to publish audited accounts it was agreed unanimously that the new cost cannot currently be justified. We have retained the services of Peyton Tyler Mears now as independent examiners, rather than as auditors.

#### **Events after the End of the Reporting Period**

Particulars of events after the reporting date are detailed in note 27 to the financial statements.

The trustees' annual report was approved on .....<sup>23rd May 2022</sup>..... and signed on behalf of the board of trustees by:



R.J.C. Johnston  
Trustee

# **The Castle House Trust**

## **Independent Examiner's Report to the Trustees of The Castle House Trust**

**Year Ended 31st December 2021**

---

I report to the trustees on my examination of the financial statements of The Castle House Trust ('the charity') for the year ended 31st December 2021.

### **Responsibilities and Basis of Report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Independent Examiner's Statement**

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Peyton Tyler Mears  
Independent Examiner

Middleborough House  
16 Middleborough  
Colchester  
Essex  
CO1 1QT

**The Castle House Trust**  
**Statement of Financial Activities**  
**Year Ended 31st December 2021**

		2021				2020
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £	Total funds £
<b>Income and endowments</b>						
Donations and legacies	4	30,476	–	–	30,476	16,472
Charitable activities	5	107,695	–	–	107,695	118,053
Investment income	6	32,457	–	–	32,457	41,382
Other income	7	13,063	–	–	13,063	10,351
<b>Total income</b>		<u>183,691</u>	<u>–</u>	<u>–</u>	<u>183,691</u>	<u>186,258</u>
<b>Expenditure</b>						
Expenditure on raising funds:						
Costs of other trading activities	8	(26,693)	–	–	(26,693)	(35,633)
Investment management costs	9	(12,428)	–	–	(12,428)	(13,252)
Expenditure on charitable activities	10	(181,140)	–	–	(181,140)	(169,387)
<b>Total expenditure</b>		<u>(220,261)</u>	<u>–</u>	<u>–</u>	<u>(220,261)</u>	<u>(218,272)</u>
Net gains on investments	12	179,024	–	–	179,024	51,569
<b>Net income and net movement in funds</b>		<u>142,454</u>	<u>–</u>	<u>–</u>	<u>142,454</u>	<u>19,555</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		2,210,233	456,901	11,284	2,678,418	2,658,863
<b>Total funds carried forward</b>		<u>2,352,687</u>	<u>456,901</u>	<u>11,284</u>	<u>2,820,872</u>	<u>2,678,418</u>

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

The notes on pages 8 to 19 form part of these financial statements.



**The Castle House Trust**  
**Statement of Financial Position**  
**31st December 2021**

	Note	2021 £	2020 £
<b>Fixed Assets</b>			
Tangible fixed assets	17	529,744	535,886
Investments	19	<u>2,101,875</u>	<u>1,976,576</u>
		<b>2,631,619</b>	<b>2,512,462</b>
<b>Current Assets</b>			
Stocks	20	45,315	48,688
Debtors	21	17,458	16,813
Cash at bank and in hand		<u>138,454</u>	<u>112,816</u>
		<b>201,227</b>	<b>178,317</b>
<b>Creditors: amounts falling due within one year</b>	22	<u>11,974</u>	<u>12,361</u>
<b>Net Current Assets</b>		<b>189,253</b>	<b>165,956</b>
<b>Total Assets Less Current Liabilities</b>		<u>2,820,872</u>	<u>2,678,418</u>
<b>Net Assets</b>		<u>2,820,872</u>	<u>2,678,418</u>
<b>Funds of the Charity</b>			
Endowment funds		11,284	11,284
Restricted funds		456,901	456,901
Unrestricted funds		<u>2,352,687</u>	<u>2,210,233</u>
<b>Total charity funds</b>	25	<u>2,820,872</u>	<u>2,678,418</u>

These financial statements were approved by the board of trustees and authorised for issue on 23rd May 2022, and are signed on behalf of the board by:



R.J.C. Johnston  
Trustee

The notes on pages 8 to 19 form part of these financial statements.

**The Castle House Trust**  
**Notes to the Financial Statements**  
**Year Ended 31st December 2021**

---

**1. General Information**

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is The Sir Alfred Munnings Art Museum, Castle House, Dedham, Colchester, CO7 6AZ.

**2. Statement of Compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

**3. Accounting Policies**

**Basis of Preparation**

The financial statements have been prepared on the historical cost basis.

**Going Concern**

The trustees intention is to transfer the charity to a charitable company from 1st January 2022 and so the accounts are not prepared on a going concern basis. No adjustments are required to the carrying value of assets and liabilities as they will be transferred at net book value.

**Disclosure Exemptions**

Advantage has been taken of the following disclosure exemptions available:

- (a) No cash flow statement has been presented for the charity.
- (b) Disclosures in respect of financial instruments have not been presented.

**Judgements and Key Sources of Estimation Uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Fund Accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure or disposal declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# The Castle House Trust

## Notes to the Financial Statements *(continued)*

### Year Ended 31st December 2021

---

#### 3. Accounting Policies *(continued)*

##### Incoming Resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from sale of goods and museum admissions is recognised at the point of sale.
- other income in the form of copyright fees and investment income is recognised when receipt is probable and entitlement is established.

##### Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of museum shop goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

##### Tangible Assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

##### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

Garden equipment	- 25% straight line
Office equipment	- 20% to 25% straight line
Tea Room	- 10% to 25% straight line

Buildings, pictures, furniture and chattels are not depreciated because their residual value is such that any depreciation would be immaterial.

# The Castle House Trust

## Notes to the Financial Statements *(continued)*

### Year Ended 31st December 2021

---

#### 3. Accounting Policies *(continued)*

##### Heritage Assets

Heritage assets measured under the cost model are recognised initially recorded at acquisition cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

##### Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

##### Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

##### Stocks

Stocks are measured at the lower of cost and estimated selling price. Cost includes all costs of purchase and other costs incurred in bringing the stock to its present location and condition.

##### Government Grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

# The Castle House Trust

## Notes to the Financial Statements *(continued)*

### Year Ended 31st December 2021

---

#### 3. Accounting Policies *(continued)*

##### Financial Instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted. Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

##### Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

#### 4. Donations and Legacies

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
<b>Donations</b>				
Sundry donations received	1,224	<b>1,224</b>	746	746
<b>Grants</b>				
Environmentally sensitive area scheme grant	22,205	<b>22,205</b>	3,737	3,737
Government grant income	4,605	<b>4,605</b>	11,159	11,159

# The Castle House Trust

## Notes to the Financial Statements *(continued)*

### Year Ended 31st December 2021

#### 4. Donations and Legacies *(continued)*

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
<b>Subscriptions</b>				
Subscriptions	2,442	<b>2,442</b>	830	830
	<u>30,476</u>	<u><b>30,476</b></u>	<u>16,472</u>	<u>16,472</u>

#### 5. Charitable Activities

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Sales of catalogues, prints, paperback books, etc	22,436	<b>22,436</b>	19,951	19,951
Copyright fees for reproductions	54,158	<b>54,158</b>	88,250	88,250
Open house admission fees	22,524	<b>22,524</b>	4,048	4,048
Workshops & Summer school	–	–	4,964	4,964
Miscellaneous income	4,514	<b>4,514</b>	580	580
Events	4,063	<b>4,063</b>	260	260
	<u>107,695</u>	<u><b>107,695</b></u>	<u>118,053</u>	<u>118,053</u>

#### 6. Investment Income

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Income from listed investments	32,457	<b>32,457</b>	41,382	41,382

#### 7. Other Income

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Rent received	13,063	<b>13,063</b>	10,351	10,351

# The Castle House Trust

## Notes to the Financial Statements *(continued)*

### Year Ended 31st December 2021

#### 8. Costs of Other Trading Activities

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Fundraising trading - Shop and education costs	13,439	<b>13,439</b>	20,643	20,643
Advertising	1,830	<b>1,830</b>	6,640	6,640
Stewarding costs	3,076	<b>3,076</b>	1,039	1,039
Exhibition costs	3,874	<b>3,874</b>	3,683	3,683
Events	4,474	<b>4,474</b>	3,628	3,628
	<u>26,693</u>	<u><b>26,693</b></u>	<u>35,633</u>	<u>35,633</u>

#### 9. Investment Management Costs

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Portfolio management	12,428	<b>12,428</b>	13,252	13,252

#### 10. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Costs of running the museum	159,235	<b>159,235</b>	149,229	149,229
Support costs	21,905	<b>21,905</b>	20,158	20,158
	<u>181,140</u>	<u><b>181,140</b></u>	<u>169,387</u>	<u>169,387</u>

#### 11. Analysis of Support Costs

	Running of the museum £	<b>Total 2021 £</b>	Total 2020 £
General office	5,638	<b>5,638</b>	2,887
Depreciation	6,143	<b>6,143</b>	6,775
Legal & professional fees	6,574	<b>6,574</b>	6,596
Audit fee	3,550	<b>3,550</b>	3,900
	<u>21,905</u>	<u><b>21,905</b></u>	<u>20,158</u>

# The Castle House Trust

## Notes to the Financial Statements *(continued)*

### Year Ended 31st December 2021

#### 12. Net Gains on Investments

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Gains/(losses) on listed investments	<u>179,024</u>	<u>179,024</u>	<u>51,569</u>	<u>51,569</u>

#### 13. Net Income

Net income is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	<b>6,142</b>	6,774
Fees payable for the audit of the financial statements	<b>3,550</b>	<u>3,900</u>

#### 14. Independent Examination Fees

	2021	2020
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<b>2,800</b>	<u>—</u>

#### 15. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	<b>85,082</b>	74,081
Social security costs	<b>2,536</b>	2,010
Employer contributions to pension plans	<b>4,312</b>	3,823
	<b>91,930</b>	<u>79,914</u>

The average head count of employees during the year was 4 (2020: 3).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

#### 16. Trustee Remuneration and Expenses

No trustee received remuneration during the year (2020: Nil).



# The Castle House Trust

## Notes to the Financial Statements *(continued)*

### Year Ended 31st December 2021

#### 17. Tangible Fixed Assets

	Land and buildings £	Garden equipment £	Office equipment £	Paintings, furniture & chattels £	Tea Room £	<b>Total £</b>
<b>Cost</b>						
<b>At 1 Jan 2021 and 31 Dec 2021</b>	<u>130,657</u>	<u>24,152</u>	<u>67,749</u>	<u>456,901</u>	<u>29,387</u>	<u><b>708,846</b></u>
<b>Depreciation</b>						
At 1 Jan 2021	59,275	22,840	61,661	–	29,184	<b>172,960</b>
Charge for the year	–	1,312	4,627	–	203	<b>6,142</b>
<b>At 31 Dec 2021</b>	<u>59,275</u>	<u>24,152</u>	<u>66,288</u>	<u>–</u>	<u>29,387</u>	<u><b>179,102</b></u>
<b>Carrying amount</b>						
<b>At 31 Dec 2021</b>	<u>71,382</u>	<u>–</u>	<u>1,461</u>	<u>456,901</u>	<u>–</u>	<u><b>529,744</b></u>
At 31 Dec 2020	<u>71,382</u>	<u>1,312</u>	<u>6,088</u>	<u>456,901</u>	<u>203</u>	<u>535,886</u>

The Balance Sheet figures for Castle House, Castle Cottage and land is stated at the 1959 probate value. The Balance Sheet figures for paintings, furniture and chattels is the 1959 probate value plus additions purchased at cost or donated value.

The market value of the freehold property, paintings, furniture and chattels greatly exceeds the book value and consequently the Trustees do not consider it appropriate to provide depreciation on these assets.

#### 18. Heritage Assets

The charity holds heritage assets, which are tangible fixed assets of historical, artistic or scientific importance that are held to advance preservation and conservation objectives of the charity. Newly purchased heritage assets are capitalised and included at cost including any incidental expenses of acquisition.

Where heritage assets were acquired in past accounting periods and not capitalised, it can be difficult or costly to attribute a cost or value to them. In such cases, these assets are excluded from the balance sheet if reliable cost information is not available and conventional valuation approaches lack sufficient reliability or significant costs are involved in the reconstruction or analysis of past accounting records or in valuation, which are onerous compared with the additional benefit derived by users of the accounts in assessing the trustees' stewardship of the assets.

The very long expected lives of heritage assets, due to their nature, value and need to be protected and preserved means that depreciation is not material and is, therefore, not provided.

# The Castle House Trust

## Notes to the Financial Statements *(continued)*

### Year Ended 31st December 2021

#### 19. Investments

	Cash or cash equivalents £	Listed investments £	Total £
<b>Valuation</b>			
At 1 Jan 2021	74,276	1,902,300	<b>1,976,576</b>
Additions	–	467,016	<b>467,016</b>
Disposals	(8,663)	(494,374)	<b>(503,037)</b>
Fair value movements	–	161,320	<b>161,320</b>
<b>At 31 Dec 2021</b>	<u>65,613</u>	<u>2,036,262</u>	<u><b>2,101,875</b></u>
<b>Carrying amount</b>			
<b>At 31 Dec 2021</b>	<u>65,613</u>	<u>2,036,262</u>	<u><b>2,101,875</b></u>
At 31 Dec 2020	<u>74,276</u>	<u>1,902,300</u>	<u>1,976,576</u>

All investments shown above are held at valuation.

#### Financial assets held at fair value

The investment fair values used at the year end are as provided to the Trustees by Cazenove Capital Management Limited.

#### 20. Stocks

	2021 £	2020 £
Goods for resale	<u>45,315</u>	<u>48,688</u>

#### 21. Debtors

	2021 £	2020 £
Trade debtors	798	1,409
Prepayments and accrued income	13,778	12,623
Other debtors	2,882	2,781
	<u>17,458</u>	<u>16,813</u>

# The Castle House Trust

## Notes to the Financial Statements *(continued)*

### Year Ended 31st December 2021

#### 22. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	5,343	2,480
Accruals and deferred income	6,511	7,133
Social security and other taxes	–	1,568
Other creditors	120	1,180
	<u>11,974</u>	<u>12,361</u>

#### 23. Pensions and Other Post Retirement Benefits

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £4,312 (2020: £3,823).

#### 24. Government Grants

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£	£
Recognised in income from donations and legacies:		
Government grants income	<u>4,605</u>	<u>11,159</u>

#### 25. Analysis of Charitable Funds

##### Unrestricted funds

	At 1 Jan 2021	Income	Expenditure	Gains and losses	At 31 Dec 2021
	£	£	£	£	£
General funds	<u>2,210,233</u>	<u>183,691</u>	<u>(220,261)</u>	<u>179,024</u>	<u>2,352,687</u>
	At 1 Jan 2020	Income	Expenditure	Gains and losses	At 31 Dec 2020
	£	£	£	£	£
General funds	<u>2,190,678</u>	<u>186,258</u>	<u>(218,272)</u>	<u>51,569</u>	<u>2,210,233</u>

# The Castle House Trust

## Notes to the Financial Statements *(continued)*

### Year Ended 31st December 2021

#### 25. Analysis of Charitable Funds *(continued)*

##### Restricted funds

	At 1 Jan 2021 £	Income £	Expenditure £	Gains and losses £	At 31 Dec 2021 £
Paintings, furniture and chattels	456,901	–	–	–	<b>456,901</b>

	At 1 Jan 2020 £	Income £	Expenditure £	Gains and losses £	At 31 Dec 2020 £
Paintings, furniture and chattels	456,901	–	–	–	456,901

##### Endowment funds

	At 1 Jan 2021 £	Income £	Expenditure £	Gains and losses £	At 31 Dec 2021 £
Permanent Endowment Fund	11,284	–	–	–	<b>11,284</b>

	At 1 Jan 2020 £	Income £	Expenditure £	Gains and losses £	At 31 Dec 2020 £
Permanent Endowment Fund	11,284	–	–	–	11,284

#### 26. Analysis of Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
Tangible fixed assets	61,559	456,901	11,284	<b>529,744</b>
Investments	2,101,875	–	–	<b>2,101,875</b>
Current assets	201,227	–	–	<b>201,227</b>
Creditors less than 1 year	(11,974)	–	–	<b>(11,974)</b>
<b>Net assets</b>	<b>2,352,687</b>	<b>456,901</b>	<b>11,284</b>	<b>2,820,872</b>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Tangible fixed assets	67,701	456,901	11,284	535,886
Investments	1,976,576	–	–	1,976,576
Current assets	178,317	–	–	178,317
Creditors less than 1 year	(12,361)	–	–	(12,361)
<b>Net assets</b>	<b>2,210,233</b>	<b>456,901</b>	<b>11,284</b>	<b>2,678,418</b>

# **The Castle House Trust**

## **Notes to the Financial Statements** *(continued)*

### **Year Ended 31st December 2021**

---

#### **27. Post Balance Sheet Events**

On 1st January 2022 the assets and liabilities of the Trust will be transferred to a limited company - The Castle House Trust. This is a company Limited by Guarantee, company number 09345671 and was formerly a dormant company.