

Charity Number: 1032478

# Compton Verney House Trust

Report and financial statements  
For the year ended 31 December 2015

# Compton Verney House Trust

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### For the year ended 31 December 2015

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## Compton Verney House Trust

### Reference and administrative details

For the year ended 31 December 2015

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**Charity number** 1032478

**Registered office and operational address** Compton Verney, Warwickshire, CV35 9HZ

#### Governors

First appointed	Sir Peter Moores CBE DL	Founder
1 April 2011	Kirsten Suenson-Taylor	Chair
1 October 2010	Dame Prof Jessica Rawson	Term of Office completed 31.12.15
1 January 2014	Janet Bell Smith	
1 January 2013	Chris Carter	
1 September 2012	Irving David	Resigned 15 January 2015
1 July 2010	Victoria Dickie	
1 November 2013	Sir Mark Jones	
1 April 2011	Ludo Keston	Term of Office completed 31.12.15
1 November 2010	Paul Lindsell	Term of Office completed 31.12.15
1 January 2006	John Martyn	Term of Office completed 31.12.15
1 September 2012	Rita McLean	
1 September 2012	Richard Shore	
29 July 1998	Janatha Stubbs MBE MOM	
1 January 2006	Lady Celia Goodhart	Resigned as Hon Governor 1 May 2015

**Bankers** Barclays Bank plc, 48B & 50 Lord Street, Liverpool L2 1TD

**Solicitors** Bates Wells & Braithwaite, Scandinavian House, 2-6 Cannon St, London EC4M 6YH

**Auditors** Sayer Vincent LLP, Chartered Accountants and Statutory Auditors, Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

**Director** Dr Steven Parissien  
**Deputy Director** Rachel Davies

#### Senior Management Team

Programming	Alison Cox
Development	Alice Gosling
Marketing	Sam Skillings
Operations	Cranmer Webb
Landscape	Gary Webb

The Governors present their report and the audited financial statements for the year ended 31 December 2015.

The financial statements have been prepared on the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, applicable law and the requirements of the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005). The organisation is an unincorporated charity, constituted under a trust deed dated 27 August 1993 and registered as a charity on 1 February 1994.

## **Sir Peter Moores**

Sir Peter Moores, Compton Verney's Founder and one of the country's most liberal arts benefactors, died on 23 March 2016 at the age of 83.

Sir Peter used The Peter Moores Foundation to rescue what remained of the estate at Compton Verney in 1993. In the ensuing years, Sir Peter and his Foundation created a world-class art gallery in the Georgian mansion and a new, purpose-built wing – one of the most outstanding acts of cultural patronage in post-war Britain. In addition, Sir Peter himself generously donated four of the permanent collections now housed in the gallery, which opened to the public in 2004 and is now an independent charitable trust. In the gallery's earliest years, the Foundation supported the business through a generous annual subsidy. When this ended in 2010, an endowment fund was set up to support the core of Compton Verney's long-term running costs, and the Foundation continued to support elements of the exhibition programme until it closed in 2014.

We remain immensely grateful to Sir Peter for his original support, generosity and vision. Without his intervention and imagination, Compton Verney would today be a romantic ruin, and the inspiring art gallery and park that has been developed there a mere pipe dream. Not only does Sir Peter's magnificent achievement leave the nation with a significant legacy; in addition, his farsighted patronage of the arts will continue to serve as an exemplary model for others in the years ahead.

## **Who we are**

Compton Verney Art Gallery and Park is an inspiring and magical place, where art and landscape meet. A nationally-accredited art gallery and historic, 'Capability' Brown-designed park of 120 acres near Stratford-upon-Avon, Compton Verney is an independent charitable trust with six permanent collections, special exhibitions and a busy programme of events. Being independent, we are masters of our own destiny: able to be more flexible, responsive and creative than many of our peers. This in turn enables us to lead, innovate and inspire. And we are determined that we can, and we will, make a difference.

So many places are now labelled 'unique'. In the case of Compton Verney, however, this claim is genuine. Compton Verney is a very special, friendly and enriching place, where curiosity and creativity flourish. It is amazing, uplifting and, above all, fun. It is somewhere to recharge your

batteries; a great experience to share with people you care about; an oasis of calm in which to come together. Here curiosity and creativity flourish, laughter is encouraged and independent thought is nurtured. We present a wealth of opportunities to discover and experience in the galleries and in the landscape, and we passionately believe in sharing all the many wonderful things to learn about our rich, multi-faceted site – all of which our visitors can enjoy and experience at their own pace: we don't herd, cajole or condescend. It is a place to feel part of – somewhere where you can belong.

We are an outgoing family with a welcome for all, and our staff are highly supportive both of our visitors and each other. In our quest to bring the best world-class art to the region, we are embedding ourselves in our local community – from which we not only draw many of our visitors but also attract our dedicated staff and our skilled and enthusiastic volunteers.

Compton Verney is not just a wonderful regional resource. It is also a celebrated exemplar of curatorial expertise and academic authority. We have an international reputation both for forging supportive and enriching partnerships with museums and universities across the UK (and indeed beyond), and for interpreting art, architecture and landscape to rigorous international standards. Our popular and eclectic exhibitions always have something new to say and are never dull.

This expertise informs the bedrock of our mission: our conviction that art is for everyone, and that culture should have no boundaries. At Compton Verney, all are welcome, and all are treated equally. To that end, we continue to initiate, develop and share cultural, environmental and spiritual experiences which can be enjoyed by an increasingly diverse array of individuals, families and groups. At Compton Verney, we believe that there should be space for everyone.

## **Our strategy**

In 2015, buoyed by the generous Heritage Lottery Fund (HLF) grant of £2.5 million towards our Park Restoration Project (and the £1 million of match funding we subsequently sourced from Trusts and Foundations), we began honing our programming and focusing on increased levels of engagement and participation – to harness, in particular, the immense opportunities presented by our historic 'Capability' Brown park.

To that end, our marketing strategy underwent a complete review: we cut our print and distribution budgets to support new promotional activity aimed at generating footfall, increasing loyalty and spend, and invested in national PR and digital media. Our ambition to reach new audiences and convert current audiences to loyal supporters was further supported by an investment in a new EPOS and CRM system, an updated, easy-to-use website and a revised pricing structure designed to maximise the value of membership. And towards the end of the year, following considerable market research, we rebranded ourselves as Compton Verney Art Gallery and Park – Where Art Meets Nature, in order to convey to potential visitors the unique character of our fabulous site.

At the same time, we have been reviewing our visitor journey to maximise the perceived value of the Compton Verney day out, improve our standards of customer care and our visitor facilities so that the whole experience – from initial, perhaps virtual, contact and onsite arrival through to encounters with the art, park, catering and retail – are optimised.

## Our priorities

We achieved our primary goal in 2015 to welcome 80,000 visitors (including students) a year to our site – and to put the plans in place to support an increase in this number to 100,000 by 2020 creating a sustainable and thriving organisation.

In order to achieve this, our priorities were:

- To attract new and repeat visitors by extending and refreshing the annual programme: following up on proven successes, exploring new exhibition models, and using our collection and our landscape to open up new programming opportunities.
- To enhance the visitor experience by improving our on-site welcome, refreshing the visitor journey and monitoring all aspects of our offer in order to ensure that high standards are consistently maintained throughout the visit.
- To establish a series of partnerships with local, regional and even national communities beneficial to us in terms of revenue, reputation and profile. These were not limited to other museums and galleries but embraced other cultural organisations, local interest groups, and sympathetic commercial partners, too.
- To be financially responsible, creative and forward-thinking; raising funds to invest in our future while at the same time remaining efficient and effective in the protection and use of our assets to ensure that Compton Verney is recognised as a financially-sustainable independent charity with a secure endowment and steady, diverse income streams.

## Our history

The house and landscape at Compton Verney were owned by the Verney family – later created Lords Willoughby de Broke – from the mid-fifteenth century to 1921, when the 19th Baron sold the estate. The Verneys had rebuilt the mansion after 1711, and had employed Robert Adam and Lancelot 'Capability' Brown to remodel both house and park after 1761.

Following a succession of unsympathetic owners, in 1993 the Peter Moores Foundation (PMF) bought the site, including the now near-derelict house, and, funded a £20 million building project to restore the Georgian mansion and add a modern wing to house exhibition spaces and visitor facilities. Compton Verney was fully opened to the public as a major, nationally-accredited independent art gallery in 2004.

## Our achievements

### Exhibitions

Exhibitions at Compton Verney make a vital contribution to the cultural calendar in the region and in 2015 were the main driver of visitors to site, improving our visibility and making a significant contribution to the cultural landscape, both regionally and nationally. Across the season we staged five exhibitions, four of which were self-generated, demonstrating our commitment to research and innovation as well as to creating an appealing visitor offer.

- *Canaletto: Celebrating Britain* (14 March – 7 June 2015)

This exhibition, curated by the Director, focused on Canaletto's British paintings and drawings of 1746–55, in which works the Venetian artist featured not just traditional or established views and landmarks but also his (and his patrons') specific celebration of the growing confidence and recent achievements of the British nation. The starting point for this show was Compton Verney's two Canaletto views of Ranelagh and Vauxhall, and it was made possible by a large number of loans generously made available from The Royal Collection. Having proved, in terms of visitor numbers, the second most successful spring exhibition we have ever staged, it was then successfully toured to the Holburne Museum in Bath and Abbot Hall in Kendal.

- *Martin Parr: The Non-Conformists* (14 March – 7 June 2015)

Continuing the theme of defining Britishness, *The Non-Conformists* featured the first major body of work by celebrated documentary photographer Martin Parr. Centred on the Yorkshire mill-town of Hebden Bridge and the surrounding Calder Valley in the mid-1970s, Parr documented a community whose traditional way of life, organised around the church and hill-farming, were in decline. This affectionate portrait of the town's coal miners, chapel-goers, gamekeepers, hen-pecked husbands and pigeon fanciers offered a unique perspective on a disappearing community and a vanished world.

- *The Arts & Crafts House: Then and Now* (27 June – 13 September)

*The Arts & Crafts House: Then and Now* explored the Movement's fascination with the creation of the home and its continued influence today. Beginning with John Ruskin and William Morris, it explored the source material which inspired a new era of domestic creativity and a celebration of crafts practice. Work by celebrated designers such as Edwin Lutyens, Gertrude Jekyll and Ernest Gimson were featured alongside today's leading designers including Sebastian Cox and Andrew Wicks. A number of key Arts & Crafts houses including Morris' homes at Kelmscott Manor and Red House provided a focus for the displays.

- *The Hart Silversmiths: A Living Tradition* (27 June – 13 September)

This exhibition explored the evolution of a unique living tradition which had its origins in the Arts & Crafts Movement. The Harts have worked in Chipping Camden for over a century and their story was told through wonderful objects resulting from domestic and civic commissions, shown alongside the spectacular drawings which inspired them.

Both summer exhibitions were organised in collaboration with The University of Warwick and the Hart Silversmiths Trust with research enabled by the Paul Mellon Centre for Studies in British Art and Conservation. Both exploited Compton Verney's geographical hinterland to create a trail of contemporary makers across the Cotswolds, thus highlighting our location to potential visitors.

- *Periodic Tales* (26 September – 13 December 2015)

This intriguing exhibition, supported by The Beecroft Trust, was derived from author and curator Hugh Aldersey-Williams' proposal to convert his recent, bestselling book, *Periodic Tales*, into a Compton Verney exhibition. Using both our collections and park to explore the nature and use of the Periodic Table's elements in an original science/art crossover, this show gave visitors the opportunity to experience the elements in unique and unexpected ways through contemporary works by artists such as Cornelia Parker, Eduardo Paolozzi, Antony Gormley, David Nash, Marc Quinn, and Maria Lalic and historic objects such as Chinese bronzes from the galleries at Compton Verney. From the ancient lustre of gold to the modern florescence of neon, the artworks demonstrated how artists have explored the rich cultural symbolism of the elements.

- *Faye Claridge: Kern Baby* (14 March – 13 December 2015)

Inspired by Sir Benjamin Stone's evocative photograph of c.1900, artist Faye Claridge created an exaggerated sculptural emblem of folklore: *Kern Baby*, a giant effigy of a corn dolly, which was installed on the South Lawn and used as a prop for an extraordinary new photographic work involving the local community. The cost of this project was largely funded through an award from Arts Council England, and after being exhibited at Compton Verney the work was reinstalled inside Birmingham Central Library.

- *The National Gallery Masterpiece Tour: Canaletto's A Regatta on the Grand Canal* (9 May – 22 June 2015)

Compton Verney was delighted to have been chosen as a partner in the National Gallery's Masterpiece tour for 2015, a collaboration which built on our already strong programming links with the National Gallery and which underlined for our regional audience our ability to bring outstanding artworks to their doorstep. The National Gallery's Regatta was contrasted with one of our Neapolitan collection's principal works, Vanvitelli's *Posillipo with the Palazzo*



*Donn' Anna* of c.1701, which features Venetian-style gondolas crossing the Bay of Naples, thus enabling audiences to compare views, approaches and techniques (and boats).

- *Dan Pearson's 'William Morris Meadow'* (from 20 June 2015)

Reflecting Compton Verney's summer 2015 exhibition *The Arts & Crafts House*, and funded through a pioneering crowdfunding project run in conjunction with the Art Fund, this large-scale landscape commission consisted of a mown parterre (a formally-patterned flower garden), based on the designs of William Morris, set within a wildflower meadow developed by celebrity landscape designer Dan Pearson. The resulting garden provided an enjoyable, immersive experience for visitors of all ages to interact with and journey through, and will have a long-lasting legacy – encouraging new species of native wildflowers and wildlife which will benefit visitors to Compton Verney for years to come.

## Collections

The six permanent collections are at the heart of Compton Verney. It is our responsibility to care for them on behalf of the Compton Verney Collection Settlement (CVCS) and to improve access to them on behalf of our current audiences and future generations. Major areas of activity in 2015 included:

- Chinese Galleries Redisplay

On 14 March the comprehensive redisplay of our nationally-designated Chinese collection – funded by the DCMS/Wolfson Foundation (£101,268) and Arts Council England's Designation Development Fund (£89,000) – opened to the public and met with unanimously positive reviews. The intention of the redisplay was to reinterpret the collection to make it more accessible and engaging to our visitors and to properly recognise its significance as one of the most important collections of its kind in Europe. The collection has been arranged thematically, with emphasis on the ways in which vessels were used and on their continued importance in both China and the West. Now including major loans from the Woolf Collection and the British Museum, and with greatly improved lighting and interpretation, including wall captions, an illustrated timeline, a gallery guide, an iPad app, handling objects and magnifiers, our Chinese collection is captivating audiences.

- New acquisitions

New acquisitions were made to our Folk Art Collection including a Lark Decoy, probably British, wood and mirrors, about 1800, entrusted to Compton Verney by Richard Russell; and a Carved Spoon, English, Beech, about 1800. The Dumas-Egerton Trust agreed to 842 signed portrait miniatures being transferred to Compton Verney on long term loan with a selection on display from spring 2016 for the following five years and rotating each year.

## Learning

Learning is central to our mission and covers a huge range of activity aimed at engaging a wide range of audiences: from newcomers to seasoned experts alike, with our collections, exhibitions and parkland. Main areas of activity in 2015 included:

- 5,400 students took part in onsite workshops: over 1,600 visited our exhibitions, more than 2,000 our collections and more than 1,000 our Forest Schools. As part of the Children and the Arts Start programme and the Kern Baby project, we delivered 6 outreach workshops to almost 300 students, and began planning a new outreach programme to local schools based on the Chinese collection.
- Major events including the Park Life! weekend in spring and China Revealed in autumn which attracted over 1,000 family visitors.
- Almost 12,000 people took part in our family and events programme, more than ever before. Among the highlights was the expanded learning programme for the exhibition *Periodic Tales*, generously funded by Paul Cooney in memory of Barry and Judy Henman. This included Mirror Mirror's Elemental Property Shop, charcoal making at Forest School, an interactive Learning Lab, science talks and demos by the Royal Society of Chemists for Museums at Night, Mad Science Day and the final Winter Weekends which included activities and a fireworks finale. Over 2,000 individuals took part in these activities.

## Fundraising

2015 was remarkably successful in terms of fundraising. During the year, as already mentioned, we secured £2.5m in Heritage Lottery Fund (HLF) support for the Park Restoration Project, as well as significant matching grants from Trusts and Foundations – including the Wolfson and Foyle Foundations (£125,000 and £40,000 respectively) for building the new Welcome Centre; the Pilgrim Trust (£15,000) for repairing the house balustrade; the Bernard Sunley Trust (£13,000) to create the new dipping pond; and the HB Allen Charitable Trust (£30,000), the Country Houses Foundation (£25,000), and the WREN FCC Heritage Fund (£47,000) for helping to restore the Chapel. Generous grants from the Arts Council and DCMS Wolfson were used to great effect to revolutionise the experience in our permanent collections, especially the Chinese Galleries.

Our autumn exhibition, *Periodic Tales*, was entirely funded by the generosity of the Beecroft Trust (£100,000) and in addition, over £20,000 was raised from trusts to offset revenue costs such as learning programmes, almost £23,000 was given by individuals, and our first legacy gift was received.

Sadly, Jessica Brown and Aly Grimes, our Development Officer and Development Coordinator respectively, left Compton Verney to pursue other career opportunities but we were delighted to welcome Deborah Watson and Imogen Hobson in their place. Despite this changeover, 64 funding applications were submitted to trusts, foundations and statutory funders.

At the end of the year we had 9 Benefactors, 27 Patrons and 47 Supporters.

## **Marketing and Communications**

In 2015 targeted marketing and communications campaigns kept profile high throughout the year, increasing awareness, driving footfall and supporting Compton Verney's most successful year to date.

During 2015 we had unprecedented media coverage both nationally and locally for Compton Verney. This included coverage and reviews in The Times, The FT, Sunday Times, The Telegraph, The Guardian, Front Row, Embroidery Magazine, RIBA Journal, Sewing World, New Scientist, The Lancet, Home and Antiques, The Huffington Post, Horticulture week, Art Quarterly, Waitrose Weekend Magazine, William Morris Society Newsletter, The Stratford Herald, The Oxford Times, Coventry Telegraph, Birmingham Mail and Farringdon News, BBC Radio 4 and live weather broadcast on BBC Midlands today featuring the summer Giraffe trail in the grounds. Michael Wood also came to site with his production team to film objects from our re-displayed Chinese Collection for his forthcoming series The Story of China, to air early in 2016. A London-based press consultant was appointed in September to focus on securing national media coverage for 2016.

Our advertising campaigns focused on growing grass roots support in the local area, which coupled with a new approach to radio advertising, built awareness with target audiences. Compton Verney's social media following grew enormously over the year, Facebook followers doubled and 1,500 new Twitter followers were added. The appointment of a new Digital Marketing Intern proved a good investment, extending the organisation's ability to post more engaging content on a more frequent basis and improving the performance of our Google Grants advertising campaigns. The combination of these factors and launching into Instagram and Periscope enabled Compton Verney to extend its social media reach and increase its online profile resulting in a 39% increase in the number of visitors to the website and three times as many online bookings being made despite the season being shorter than 2014.

Our Ambassadors scheme continued to flourish. We successfully retained 15 Ambassadors from 2014 and recruited another 20 at the start of 2015. Over the year they contributed just under 400 hours of their time distributing print and leaflets, bringing friends and family to site and partaking in activities promoting us to their networks and local communities. One Ambassador is now a volunteer and another is a paid Gallery Assistant.

Our involvement in Audience and Visitor Finder programmes run by the Audience Agency enabled us to establish a cultural profile of our visitors, to assist with business planning and future audience development. Our first ever Heritage Open Day successfully brought in new visitors and locals who had not been since 2004, helping us grow our local support.

Compton Verney was successfully shortlisted for the Coventry and Warwickshire Tourism and Culture Awards in the Kids and Families and Customer Service sections, and long listed for the

national Kids in Museums Family Friendly Museum award. We also secured Trip Advisor certificate of excellence for 5th year running which meant that Compton Verney has entered the Trip Advisor Hall of Fame.

## **Partnerships**

Compton Verney's future depends to a large extent on our ability to build and maintain regional and national partnerships, devised to provide us with the sound bedrock of financial and professional support that is essential if we are to realise our full potential. During 2015 we accordingly:

- Strengthened our unique and invaluable national exhibition partnership network of museums and galleries, devising exhibition tours around the partnership and working with national bodies such as the Royal Shakespeare Company and the BBC.
- Used the new regional cultural alliance 'CW8' (Coventry and Warwickshire 8), which we helped to form, to lobby regional and national government, national arts bodies such as the Arts Council and, most importantly, regional businesses.
- Established learning partnerships with a variety of new and existing partners to devise new, exhibition-related programmes, ranging from Arts Connect West Midlands, the OYAP Trust and the Shakespeare Birthplace Trust to the Royal Society of Chemists and Mad Science.
- Developed collaborative links with local commercial partners and potential exhibition supporters.
- Built wide-ranging collaborative partnerships with regional Higher Education Institutions, notably the Universities of Oxford, Coventry and Warwick.
- Worked with strategic marketing partners to increase our brand awareness and increase visitor numbers – partners such as the Coventry and Warwickshire Family Friendly Consortium, the Museums Network, the Heart of England Galleries Group and the West Midlands Museum Directors' Group.

## **Commercial activity**

2015 was our most popular season yet. We welcomed more than 70,750 general visitors and 5,400 learning visitors to the site – a grand total of over 76,000 before counting the more than 4,000 attendees of our private hire events, and an increase of 6,000 or 8.5% on 2014.

Consequently, income from admissions and trading activities improved considerably. Admission tickets and membership sales totalled £561,045 in 2015 (up 10% on 2014's £510,779). Income from trading activities amounted to £429,996, up 11.5% on 2014.

Following a change in our catering partner, our hire and event business started to flourish again delivering 29 weddings, 6 private functions, 5 filming and photography hires, 15 childrens' parties and 13 corporate functions including a Christmas party. We also held our first ever music festival which was a great success attracting over 1,500 visitors despite heavy rain. As well as raising £95,000 in venue hire income, (compared to the £80,000 generated in 2014) these activities won Compton Verney the accolades of "Best Childrens' Party Venue" in the Cotswolds and received a Highly Commended for the Events Team in the 2015 regional Wedding Industry Awards.

## The Park

One of our key goals in 2015 was to continue to exploit the historic parkland at Compton Verney as a way of building new audiences. To this end, many new parkland projects were undertaken during 2015, including:

- Large scale, successful wild flower enrichment of the West Lawn for the Dan Pearson Meadow and beyond.
- The expansion of the grounds blog, whose followers rose from 3,679 in 2014 to 4,454 in 2015, with over 9,500 page views. Content continues to be added across social media channels by the sharing of grounds images taking during the working day - Flickr/Instagram/Twitter.
- Planning for the 2016 Capability Brown festival year, particularly taking a leading role in the CB300 Festival Committee, Heart of England CB300 steering group and representing Compton Verney at other Park focussed events.

In addition the Grounds Team have continued to lead popular monthly grounds walks, support art installations and an HLF initiated archaeological dig, with the support of a dedicated and enthusiastic team of volunteers. The team continue to enrich and improve the planting in the park.

## Future plans

The lifeblood of Compton Verney is its visitors. They are central to our future. Over the next five years we will be honing our programming and adding to our credentials of innovation and credibility a new focus on increased levels of engagement and participation. Creating more reasons to come to and love Compton Verney will underpin our key aims of increasing our visit numbers, increasing membership and growing our community of supportive stakeholders. Looking ahead, our visitor target is 100,000 a year by 2020. In order to achieve this and to secure long-term financial viability, from 2016 onwards we will be opening new visitor facilities; unveiling new attractions, enhancing our indoor and outdoor programming to ensure there is something for everyone every day that we are open, exploiting our outstanding 'Capability' Brown parkland as a major asset for building audiences, and building our alliances, networks and partnerships in the cultural, educational and commercial sectors.

In our second decade as an art gallery, our aspiration is to achieve a stable and sustainable operating model for Compton Verney. We hope that our guiding principles of creativity, productivity and sound business sense will deliver a level of growth and resilience rare in this beleaguered sector.

## **Our governance**

### **The Board of Governors**

All of Compton Verney's activities are ultimately controlled by the Board of Governors. At quarterly board meetings, the Governors steer the strategic direction of Compton Verney House Trust and monitor the work of the executive. Specifically, the Board is responsible for the approval of the financial statements and annual budgets, risk management, health and safety, the exhibitions policy, and any significant changes in operations.

The Governors refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities, and consider how planned activities will contribute to the aims and objectives that have been set.

The Director and Deputy Director attend every Board meeting; other senior staff attend meetings as appropriate.

The Chair of the Board has, since January 2012, been museum conservation professional Kirsten Suenson-Taylor. Kirsten is a member of the Moores family, and is also a trustee of the Compton Verney Collection Settlement (CVCS), and the Compton Verney Fund (CVF).

Compton Verney's Governors are independent professionals chosen for their outstanding reputation in their field of expertise, their powerful networks and their personal commitment to Compton Verney. New Governors are recruited following an assessment of the balance of skills, knowledge and experience already possessed by the existing Board members and the identification of areas in need of more support, given the current strategic priorities of the organisation. Governors are appointed having been interviewed by a Nominations Panel, a sub-committee of the main Board. Prior to joining the Board, new Governors are provided with a detailed induction pack and have an induction meeting with the Director and Deputy Director to ensure they fully understand our vision for Compton Verney and can work with all our stakeholders. The induction pack comprises a comprehensive welcome file of information on Compton Verney House Trust and its related organisations, including copies of the latest Forward Plan and accounts, minutes of Board meetings, exhibition schedules and gallery publications.

Governors are appointed for a term of between three and four years, all of which are set to conclude at the end of our financial year. At the end of their term of office, Governors either retire or, in exceptional cases, may be asked by the Chair to offer themselves for re-appointment. The Chair meets with each Governor individually once a year to review performance, exchange feedback, share plans for the future, and agree personal priorities and targets for the year ahead.

Governors give their time voluntarily and receive no benefits from the charity, but their expenses are covered to ensure that an individual's ability to participate is not dependent upon their financial means. (Expenses are set out in note 6 to the accounts.) All of our Governors are also supporters or donors.

Governors are actively engaged as ambassadors and advocates for Compton Verney, and are required to utilise their network of contacts on behalf of the gallery – introducing potential supporters, funders and partners to the senior staff and to the site. They are also required to support the executive staff in their work from time to time, harnessing their particular professional skills and experience to advise the executive on key issues, help steer important projects and initiatives, and act as mentors to senior staff.

## **Risk management**

The Governors have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. CVHT's risk policy sets out a framework to enable the Governors to fulfil their obligations in respect of risk, and a risk register is used to identify, assess, review and manage or mitigate those risks. The Governors have agreed that the greatest current risk to Compton Verney's long term sustainability is the risk around future income targets and as such investment is being made in programming, marketing and visitor facilities, to support a policy of increasing visitor numbers and participation, financed in part by our successful fundraising team. Insurance policies are in place to cover other specific risks – for instance, the risk of damage to the building and to the art on display. The Finance and Audit Sub-Committee (see below) assists the Board of Compton Verney in managing its corporate governance and risk management obligations by reviewing the effectiveness of all material internal controls, including operational, financial and compliance controls and risk management systems. The internal control systems are designed to meet Compton Verney's particular needs and the risks to which we are exposed, to manage those risks and to provide reasonable assurance against financial misstatement or loss. Established regular procedures, including budgetary controls and regular reforecasting, operate to monitor the receipt of income and both revenue and capital expenditure.

## **Our Board**

### **Sir Peter Moores CBE DL – Founder**

Sir Peter Moores was born in Lancashire and educated at Eton College and Christ Church, Oxford, where he studied Italian and German. He had a gap year at Glyndebourne working as a behind-the-scenes administrator and then studied at the Vienna Academy of Music. In 1957 he joined his father's business, Littlewoods, becoming Vice-Chairman in 1976, Chairman 1977–80 and remaining as a director until 1993. His public appointments include Governor of the BBC (1981–3), Trustee of the Tate Gallery (1978–85) and Director of Scottish Opera (1988–93). In 1991, he was awarded a CBE and received a knighthood in the New Year's Honours List in 2003 in recognition of his charitable services to the arts.

**Kirsten Suenson Taylor – Chair**

Originally an archaeologist, Kirsten trained as an archaeological conservator and worked for many years at the Museum of London. More recently, Kirsten has worked with ICON (The Institute for Conservation), helping to promote conservation to government and to the public. Kirsten has been a trustee of Compton Verney Collection Settlement since 1999 and a trustee of Peter Moores Foundation since 2004.

**Professor Dame Jessica Rawson – Vice Chair**

Dame Jessica began her career in the British Museum working on ancient China. She moved to Oxford to become Warden of Merton College between 1994 and 2011. Her work as Warden was concerned with the administration of the College, with its academic achievements and its life as a community of students and academics. Dame Jessica's academic work covers all aspects of Chinese Art and Archaeology. Her term of office finished at the end of 2015.

**Janet Bell Smith**

A graduate of Aston University, Janet Bell Smith has worked in the field of Human Resources for over 30 years, initially with PricewaterhouseCoopers as Head of HR (Assurance) in the Midlands and more recently as a freelance consultant and Lay Advisor for the NHS. Her previous non-executive roles have included the Birmingham Royal Ballet, Warwickshire Primary Care Trust and two local Hospices. Outside of work Janet has been a magistrate for over 25 years including chairing the Coventry and Warwickshire Bench of magistrates for the last three years. She has the honour of undertaking the role of the High Sheriff of Warwickshire for 2015 / 2016.

**Chris Carter**

After study at the Architectural Association and training as a landscape architect at Gloucestershire College of Art & Design and Pershore College of Horticulture, Chris became Cornwall County Council's first landscape architect. He joined Colvin and Moggridge in 1972, becoming an Associate in 1974, and Partner to Hal Moggridge in 1982. He remains an active Consultant in the practice, and is Chairman of the Gardens Panel at the Sir Harold Hillier Gardens.

**Irving David**

Irving David read Law at the London School of Economics and subsequently trained with a leading London entertainment law firm, Wright & Webb. After qualifying as a solicitor, he joined Warner Brothers and became head of legal and business affairs for their London-based record company and music publishing subsidiaries, WEA Records and Warner Bros Music. He returned to private practice and is now a senior partner at DWFM Beckman Solicitors based in Central London, specialising in Intellectual Property and with particular expertise in the music, dance and electronic games industries. Irving resigned due to the weight of other charitable commitments in January 2015.



### **Victoria Dickie**

Victoria Dickie set up as a fundraising consultant in 2004 to provide advice to Boards and senior management of arts organisations in all aspects of fundraising. She has had experience in masterminding and implementing effective strategies for major capital fundraising projects as well as general revenue fundraising from the corporate sector, individuals and Trusts & Foundations. Victoria has also set up fundraising departments for Trinity College of Music and the National Galleries of Scotland and worked for The Royal Academy of Arts as Head of Corporate Affairs, and is currently a Governor of the Central School of Speech and Drama.

### **Lady Goodhart**

After Oxford, Lady Goodhart went into the Civil Service but took to part-time teaching when raising her three children. She has always combined her work with various appointments on committees in public life, and has been Chairman of Youth Clubs UK and the Family Planning Association. Nearly a decade in politics was followed by becoming Principal of Queens College London, a secondary school for girls. She chaired the Equality and Diversity Committee on the Council of Goldsmiths College, University of London and received an Honorary Degree from the College. She has chaired the Oxford University Society and is an Honorary Fellow of St Hilda's College, Oxford, of City & Guilds and of the FRSA. Lady Goodhart resigned her position of Honorary Governor in May 2015.

### **Sir Mark Jones**

Mark Jones read PPE at Oxford and Art History at the Courtauld Institute of Art. He joined the British Museum in 1974, was appointed Director of the National Museums of Scotland in 1992 and from 2001 to 2011 he was Director of the V&A, where he led a ten-year, £120 million programme of renewal of the museum's buildings and displays, and established a strong programme of design-focused exhibitions, seen all around the world. He has published widely on medals and museums. He is a Fellow of the Royal Society of Edinburgh, an Honorary Professor at Edinburgh University, and has Honorary Doctorates from Royal Holloway College, Dundee University, the University of Abertay (Dundee) and the University of East Anglia. Mark Jones is now Master of St Cross College at the University of Oxford. He was awarded a knighthood in 2010 for services to the arts.

### **Ludo Keston**

Ludo Keston is the Director of the River and Rowing Museum in Henley-on-Thames. Before arriving at Henley, he was Director of the Herbert Art Gallery and Museum in Coventry and General Manager at the RSC in Stratford-on-Avon. Previous board membership has included Coventry Transport Museum, Stratford-on-Avon College, Shakespeare Country, Stratford-on-Avon Town Management partnership, Audiences Yorkshire and the City of York Council cultural strategy development group. Ludo's term of office finished at the end of 2015.

**Paul Lindsell**

Paul Lindsell is an experienced managing director in the marketing consultancy and services industry. Paul began his career in the art world, as the Art Fund's first ever Public Relations Manager. He then acquired a professional training in commercial marketing companies until founding his first company, Lindsell Marketing, in 1994. He also has twenty years expertise in market research and customer/prospect data analysis. Paul's term of office came to an end in December 2015.

**John Martyn**

John Martyn's career in finance began with the Ford Motor Company, followed by BICC, the Littlewoods Organisation and finally with Dalgety PLC, where he was Group Finance Director for 10 years. He returned to Littlewoods as a non-executive director and combined this with the position of Estates Bursar at Trinity College, Oxford. He is a graduate of Exeter University, Fellow of the Chartered Institute of Management Accountants and is a member of the Association of Corporate Treasurers. John's term of office finished at the end of December 2015.

**Rita McLean**

Rita McLean has worked in the museums and heritage sector throughout her career. She was Director of Birmingham Museums and Art Gallery from 2004 until May 2012, and has extensive experience of implementing museum and heritage development projects of varying scales, collections development and staging exhibition and museum education programmes. Rita previously served as a member of the National Museums Directors Council, on the Creative and Cultural Skills Heritage Advisory Panel, and on the Heritage Lottery Fund's national expert panel for Museums, Libraries and Archives. She now combines work as a Museum and Heritage consultant with historical research, lecturing and writing projects. She is a member of the National Trust's Midlands Region Advisory Board and chairs Birmingham Civic Society's Heritage Committee.

**Richard Shore**

Richard Shore has spent the majority of his career, following his MBA from the Manchester Business School, in the automotive sector. He spent 14 years at Ford Motor Company in a variety of finance roles, which included joint ventures and start-ups and culminated in the role of Director of Strategy for Ford in Europe. Whilst on assignment in Germany he was appointed to the Board of the Independent Bonn International School for three years as Treasurer. Since 2006 he has worked for Jaguar Land Rover and is currently Chief Financial Officer, China.

**Janatha Stubbs MBE, MOM**

A Board Director for The Littlewoods Organisation between 1982 and 1998, Janatha Stubbs was member of the Malta Playing Fields Association from 1972 until 2007, and their Chairman from 1980 until 2000. Founder and President of Ir-Razzett Tal-Hbiberija, a centre for people with disabilities, since 1989, Janatha was awarded the Malta Order of Merit for charitable works in 1993

and the MBE in 2003 for services to the disabled in Malta. She was Chairman of Compton Verney House Trust from 1993 to 2005.

Compton Verney is deeply grateful to its Board of Governors for their dedication and the skills and experience they bring to their roles. Compton Verney owes its Board an immense debt of thanks for their tireless support and advocacy.

## **The Finance and Audit Sub-Committee**

Chaired by Adam Broke OBE FCA FTII, the Finance and Audit Sub-Committee reports to the CVHT Board of Governors (one member of which sits on the sub-committee). The CVHT Deputy Director submits quarterly accounts and strategic financial reports to each sub-committee meeting; the meeting minutes are then reported to the CVHT Governors, who are ultimately responsible for reviewing financial performance. The Chair and Director of CVHT also attend on a regular basis.

The Finance and Audit Sub-Committee provides oversight of the accounting systems, procedures and policies and financial reporting, including budgets and medium term plans, and makes recommendations to the CVHT Board on any changes that are required. Working with the executive, it reviews significant risks to the organisation, assesses their likely impact and makes recommendations on the best ways of mitigating risk. It is also responsible, on behalf of CVHT, for reviewing the performance of the auditors and (if necessary) for recommending changes.

## **Staffing**

The Director is vested with day-to-day responsibility for the running of Compton Verney, and is appraised annually by the Chair against a set of agreed targets. (In turn, annual targets are set for the Deputy Director, the Senior Management Team and all other staff.) In December 2015 the Director, Dr Steven Parissien, was supported by the Deputy Director, Rachel Davies, and a Senior Management Team (SMT) comprising the Head of Programming, Alison Cox; the Head of Development, Alice Gosling; the Head of Marketing, Sam Skillings, the Head of Operations, Cranmer Webb; and the Head of Landscape and Gardens, Gary Webb.

Compton Verney aims to attract and retain talented staff by offering rates competitive within the sector and operating an appraisal and personal development system which encourages staff and management to achieve Compton Verney's strategic objectives and support high levels of performance.

When reviewing pay and remuneration the following factors are taken into consideration:

- Compton Verney's internal remuneration balance and financial means
- Job definition, and degree of responsibility of each role
- Skills, qualifications and individual performance of each employee
- Sector-specific and market related data is taken into account in order to remain competitive

Compton Verney currently reviews wages every year to reflect Cost of Living increases as represented by movements in the CPI index. This increase in pay is awarded to maintain the real

value of earnings in the face of inflation. As a separate initiative, the Governors' approved the Living Wage for all staff in 2016.

During 2015 CVHT engaged an average of 26 employees on permanent contract; 43 employees on seasonal (March–December) contracts and 53 volunteers. The on-site caterers, New Folium also employed permanent and casual staff in the restaurant and cafe on seasonal (March–December) contracts.

Our team of volunteers support all areas of the organisation. In total, the volunteer team contributed 9,500 hours during 2015 – an increase of 3,000 hours over 2014. Working on the basis of a seasonal gallery assistant wage, this level of volunteering had a value of over £70,000 to the organisation.

## **Related parties**

Compton Verney House Trust (CVHT) co-operates with three related charities and one related company in order to achieve its objectives. The three charities are the Compton Verney Collection Settlement (CVCS), the Compton Verney Fund (CVF) and the Peter Moores Charitable Trust, all founded by Sir Peter Moores. The related company is Compton Verney Publications Limited.

### **Compton Verney Collection Settlement (CVCS)**

CVCS is a charitable trust (number 1085810), set up at the same time as CVHT in 1993. The Trustees of CVCS own the permanent collection at Compton Verney, and a loan deed outlines the terms upon which the collection is displayed at CVHT. This bipartite structure was recommended by the Department of National Heritage (DNH) for the protection of the Collection, and has recently been re-endorsed by Arts Council England. By placing the collection in a separate trust, it is protected from sale, either in part or as a whole, should CVHT run into financial difficulties.

New CVCS Trustees are appointed on either the recommendation of the executive or of existing trustees on the basis of their relevant expertise. They tend to be museum professionals, able to advise on collection-related issues. The CVHT Director and Collections Manager attend every board meeting; other senior CVHT staff attend meetings as appropriate.

Although CVCS functions as a separate board from CVHT, it shares some members with the latter, including CVHT's current Chair. CVCS's Chairman is the London-based financial adviser Adam Broke of chartered accountants Mercer & Hole, who is also Chairman of the CVHT Finance & Audit Sub-Committee (see above) and a Trustee of CVF (see below).

### **The Compton Verney Fund (CVF)**

The Compton Verney Fund (CVF) was established by trust deed in March 2010 to hold an endowment of £25 million on Compton Verney's behalf. CVF is a separate trust, with a separate Board from CVHT, and stands independently to ensure its assets cannot be compromised by any potential difficulty encountered by CVHT. The Chairs of CVHT and CVCS are members of the CVF

Board, ensuring that all three trusts work together and communicate clearly in order to achieve the shared goal of running a successful art gallery at Compton Verney.

### **The Peter Moores Charitable Trust (PMCT)**

The Peter Moores Foundation formerly provided the finance to establish Compton Verney, and provided CVHT with financial support until the Compton Verney Fund was established in 2010. When it closed in April 2014, funding of £8 million was transferred to the Peter Moores Charitable Trust who continue to operate the £-for-£ match funding scheme or fundraising challenge fund.

### **Compton Verney Publications Limited (CVPL)**

Compton Verney Publications Limited is wholly owned by CVHT, and undertakes the educational activities, hire and catering and retail activity at Compton Verney. The Chair of CVHT's Board of Governors, Kirsten Suenson-Taylor, was an unpaid director of CVPL during 2014.

## **Financial review**

### **Incoming resources**

Total income in the year amounted to more than £5.3 million (2014: £3.6m). Voluntary income of £3.9 million (up from £2.6 million in 2014) included income of £1.25 million from the Compton Verney endowment fund and £1.8 million from the Peter Moores Foundation Challenge Fund which supports the growth of our Building and Gallery Income Fund (also called our Sustainability Fund) for the maintenance and improvement of our facilities. The increase in the income from the Peter Moores Foundation Challenge Fund (2014: £613,000) reflects the unprecedented level of donations and grants received in support of our exhibitions, collections and our Grounds Restoration Project, which they generously matched. In 2015 we were grateful to receive the generous support of the the Heritage Lottery Fund, the Wolfson Foundation, Fidelity UK and many other trusts and foundations for the restoration of our Capability Brown designed chapel, other unique historic elements in our park and the introduction of a new visitor Welcome Centre.

Income from charitable activities (admissions income and grants in support of our galleries, exhibitions and collections) amounted to more than £989,000 (up 68% from £588,000 in 2014), reflecting the contribution of the additional 5,000 visitors to site and fundraising success. In particular we are grateful for grants from the Arts Council and DCMS Wolfson Fund for improvements to our galleries and the Beecroft Trust in support of our exhibition programme. Activities for generating funds at £430,000 (up 11% from £386,000 in 2014) included income from catering and hire (£179,000), fundraising events (£23,000), retail (£189,000), and sundry income, mainly tour fees, of £39,000 (2014: £13,000). The year on year increase in this income category reflects the success of efforts to tour our original exhibitions and a turnaround in our catering and hire business from a low point in 2014. Investment income at just under £4,000 reflects the very low level of interest achieved on our funds held at Barclays. However our investment at CCLA, a specialist charity investment fund, generated unrealised gains of over £81,000 in the year.

## **Resources expended**

Total expenditure in 2015 was just under £4 million, up 40% on 2014. However the substantial increase does not reflect an increase in underlying operating costs as major expenditure categories such as staff and building running expenses were stable. Rather it reflects the major programme of capital investment, both in our galleries and in our grounds, funded, in the main, from external sources.

## **Major capital projects**

During the year, £723,000 was spent on our park restoration project. Of this amount, £621,000 was received in grant funding. Compton Verney funded the balance of the project from its own reserves.

Also during the year, £467,000 was spent on refurbishing our galleries, £428,000 of which was funded from external sources

## **Net movement in funds**

With income up by over £1.7 million on the year before and expenditure up by over £1.1 million, overall Compton Verney's total net operating surplus after investment gains, at £1.44 million was up by almost £600,000 (67%) on 2014. In fact unrestricted incoming resources were up more than 50% from £0.8 million in 2014 to £1.2 million in 2015 reflecting the increase in visitor numbers, ticket yield and commercial income in 2015 and the success of our fundraising activities, amplified by the match funding we received from the Peter Moores Foundation Challenge Fund, for which we are very grateful.

## **Balance sheet**

Overall Compton Verney's net assets were increased by £1.44 million in 2015, reflecting the surplus created by our additional visitors, commercial and fundraising activities during the year. The value of tangible fixed assets fell by £80,000 as depreciation and disposals outstripped assets capitalised during the year. The value of our freehold property was not increased by expenditure to date on the grounds restoration project as, following an annual impairment review, it was decided that there had been no increase in the residual value or value in use.

The value of our current assets increased by over £1.3 million in 2015, reflecting the influx of fundraising income for 2015 projects mentioned above. At the year-end Compton Verney had total reserves of just over £26 million. Of this sum, £21 million related to amounts already invested in tangible fixed assets. The balance of £5 million represents Compton Verney's liquid reserves carried forward, held against future requirements in line with our reserves policy. An analysis of these reserves is given in note 22 to the accounts.

## Reserves policy

The Board of Governors review the reserves policy and the level of unrestricted retained reserves carried forward annually, and make changes where appropriate to ensure that Compton Verney's reserves are adequate to safeguard against unpredictable income streams, future potential risks and planned investment requirements. The Governors retain these reserves to support future expenditure, either of a capital or revenue nature, which cannot be covered by incoming resources. Following the 2014 review, the Governors agreed that the general, unrestricted cash reserves should be maintained at between three and six months' net cash flow requirements and that, as an organisational priority, Compton Verney's Designated Building and Gallery Sustainability Fund should be systematically built up to support the ongoing development, conservation and maintenance of the estate, as well as to provide funding for strategic initiatives, artistic or commercial, to improve our financial sustainability.

On 31 December 2015 Compton Verney held the following reserves:

	<b>General unrestricted</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	–	20,901,430	–	<b>20,901,430</b>
Investments	–	1,655,454	–	<b>1,655,454</b>
Net current assets	771,290	2,510,424	212,197	<b>3,493,911</b>
<b>Net assets at the end of the year</b>	<b>771,290</b>	<b>25,067,308</b>	<b>212,197</b>	<b>26,050,795</b>

- An unrestricted general fund of £771,000 to cover approximately six months' net cashflow requirements.
- Restricted funds of £212,000, representing grants received for our park restoration project but unspent at the year end.
- A designated building and gallery fund, representing the resources the trust has already invested in the development of the gallery, grounds and other fixed assets. The balance of this reserve at 31 December 2015 was £21 million.
- A designated building and gallery sustainability fund, created to allow us to maintain and improve our facilities in the future. At the year end the balance on this reserve was £4.2 million (up from £2.7 m in 2014).

The balance on all reserve accounts are monitored as part of the management accounting and contingency planning process. The Governors consider that there are no material uncertainties about the charity's ability to continue as a going concern.

## **Investment policy and objectives**

Compton Verney House Trust holds two investments. The share capital of its wholly-owned subsidiary, Compton Verney Publications Limited valued at £2 and units in the CCLA COIF Charity Investment Fund, valued at £1,655,000 at the year end. In addition, bank balances generated investment income of just under £4,000 in 2015. The CCLA COIF Charity Fund is held to offset the effects of inflation on the value of Compton Verney's cash reserves.

## **Statement of responsibilities of the Governors**

Law applicable to charities in England and Wales requires the Governors to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Governors are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Auditors**

Sayer Vincent LLP were appointed as the charity's auditors during the year, and have expressed their willingness to continue in that capacity.

Approved by the Governors on 10 May 2016 and signed on their behalf by

Kirsten Suenson-Taylor  
Chair



## **Independent auditors' report**

**For**

**Compton Verney House Trust**

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We have audited the financial statements of Compton Verney House Trust for the year ended 31 December 2015, which comprise the Statement of Financial Activities, balance sheet, the cashflow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities**

We have been appointed as auditor under section 144/145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- Give a true and fair view of the state of the charity's affairs as at 31 December 2015, and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the Charities Act 2011

## Independent auditors' report

For

Compton Verney House Trust

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- The information given in the trustees' report is inconsistent in any material respect with the financial statements
- Or sufficient accounting records have not been kept
- The financial statements are not in agreement with the accounting records and returns
- We have not received all the information and explanations we require for our audit

27 May 2016

Sayer Vincent LLP, Statutory Auditors

Invicta House

108-114 Golden Lane

London

EC1Y 0TL

Sayer Vincent LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Compton Verney House Trust

Consolidated statement of financial activities

For the year ended 31 December 2015

	Note	Unrestricted £	Restricted £	2015 Total £	Unrestricted £	Restricted £	2014 Total £
<b>Income from:</b>							
Donations and legacies	2	3,072,747	827,519	<b>3,900,266</b>	2,314,396	316,749	2,631,145
Charitable activities							
Public display of art collections	4	561,045	427,811	<b>988,856</b>	510,779	77,669	588,448
Other trading activities	5	406,943	23,053	<b>429,996</b>	347,905	37,791	385,696
Investments		3,738	–	<b>3,738</b>	13,408	–	13,408
<b>Total income</b>		<b>4,044,473</b>	<b>1,278,383</b>	<b>5,322,856</b>	<b>3,186,488</b>	<b>432,209</b>	<b>3,618,697</b>
<b>Expenditure on:</b>							
Raising funds:	6						
Fundraising costs		163,320	–	<b>163,320</b>	170,702	–	170,702
Trading activities		537,144	–	<b>537,144</b>	436,208	–	436,208
Charitable activities							
Public display of permanent collections	6	1,775,925	137,225	<b>1,913,150</b>	1,453,354	–	1,453,354
Special exhibition / project costs	6	419,247	928,961	<b>1,348,208</b>	375,004	396,552	771,556
<b>Total expenditure</b>		<b>2,895,636</b>	<b>1,066,186</b>	<b>3,961,822</b>	<b>2,435,268</b>	<b>396,552</b>	<b>2,831,820</b>
<b>Net income before net gains on investments</b>		<b>1,148,837</b>	<b>212,197</b>	<b>1,361,034</b>	<b>751,220</b>	<b>35,657</b>	<b>786,877</b>
Net gains on investments		81,447	–	<b>81,447</b>	74,007	–	74,007
<b>Net income</b>		<b>1,230,284</b>	<b>212,197</b>	<b>1,442,481</b>	<b>825,227</b>	<b>35,657</b>	<b>860,884</b>
Transfers between funds	22	144,001	(144,001)	–	(9,945)	9,945	–
<b>Net movement in funds</b>		<b>1,374,285</b>	<b>68,196</b>	<b>1,442,481</b>	<b>815,282</b>	<b>45,602</b>	<b>860,884</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		24,464,314	144,001	<b>24,608,315</b>	23,649,032	98,399	23,747,431
<b>Total funds carried forward</b>		<b>25,838,598</b>	<b>212,197</b>	<b>26,050,795</b>	<b>24,464,314</b>	<b>144,001</b>	<b>24,608,315</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 22 to the financial statements.

# Compton Verney House Trust

## Balance sheets

As at 31 December 2015

		The group		The charity	
	Note	2015	2014	2015	2014
		£	£	£	£
<b>Fixed assets:</b>					
Tangible assets	12	20,901,430	20,980,889	20,901,430	20,980,889
Investments	13	1,655,454	1,574,007	1,655,456	1,574,009
		<b>22,556,884</b>	<b>22,554,896</b>	<b>22,556,886</b>	<b>22,554,898</b>
<b>Current assets:</b>					
Stock	16	43,590	43,466	43,590	43,466
Debtors	17	1,056,177	167,136	1,096,747	227,542
Cash at bank and in hand		2,705,479	2,284,876	2,637,731	2,201,424
		<b>3,805,246</b>	<b>2,495,478</b>	<b>3,778,068</b>	<b>2,472,432</b>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	18	311,335	442,059	284,159	419,015
<b>Net current assets / (liabilities)</b>		<b>3,493,911</b>	<b>2,053,419</b>	<b>3,493,909</b>	<b>2,053,417</b>
<b>Total net assets / (liabilities)</b>		<b>26,050,795</b>	<b>24,608,315</b>	<b>26,050,795</b>	<b>24,608,315</b>
<b>Funds:</b>	22				
Restricted income funds		212,197	144,001	212,197	144,001
Unrestricted income funds:					
Designated funds		25,067,308	23,659,185	25,067,308	23,659,185
General funds		771,290	805,129	771,290	805,129
Total unrestricted funds		<b>25,838,598</b>	<b>24,464,314</b>	<b>25,838,598</b>	<b>24,464,314</b>
<b>Total charity funds</b>		<b>26,050,795</b>	<b>24,608,315</b>	<b>26,050,795</b>	<b>24,608,315</b>

Approved by the Board of Governors on 10 May 2016 and signed on its behalf by

Kirsten Suenson-Taylor  
Chair

Compton Verney House Trust

Consolidated statement of cash flows

For the year ended 31 December 2015

	Note	2015 £	£	2014 £	£
Cash flows from operating activities	23				
Net cash provided by / (used in) operating activities		570,039		1,140,056	
Cash flows from investing activities:					
Dividends, interest and rents from investments		3,738		13,408	
Purchase of fixed assets		(153,173)		(123,514)	
Purchase of investments		–		(1,500,000)	
Net cash provided by / (used in) investing activities		(149,435)		(1,610,106)	
Change in cash and cash equivalents in the year		420,604		(470,050)	
Cash and cash equivalents at the beginning of the year		2,284,876		2,754,926	
Cash and cash equivalents at the end of the year	24	2,705,479		2,284,876	

## 1 Accounting policies

### a) Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in August 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on August 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Compton Verney Publications Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented as the summary of the result for the year is disclosed in the notes to the accounts.

### b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)

In preparing the accounts, the Govenors have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The transition date was 1 January 2014. No transitional adjustments were required to balances brought forward.

### c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

### d) Going concern

The Govenors consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The Govenors do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

### e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**1 Accounting policies (continued)**

**f) 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.

**g) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the Governors for particular purposes.

**h) Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of exhibitions undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

**i) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

- |   |     |
|---|-----|
| ● Cost of raising funds                   | 26% |
| ● Public display of permanent collections | 59% |
| ● Special exhibitions/projects            | 15% |

**j) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

**k) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- |                         |           |
|-------------------------|-----------|
| ● Freehold property     | see below |
| ● Plant and machinery   | 4 years   |
| ● Fixtures and fittings | 4 years   |

The Governors consider the residual value of the freehold property to be at least equal to its cost, and therefore there is no depreciation charge on the property. The Governors carry out a review of the property at least annually to ensure there is no indication of an impairment to the property.

However the cost of the freehold property includes fit out costs such as gallery lighting. The assets will be written down to estimated residual value over their expected useful life and depreciated as follows:

- |                 |          |
|-----------------|----------|
| ● Fit out costs | 10 years |
|-----------------|----------|

**1 Accounting policies (continued)**

**l) Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

**Investments in subsidiaries**

Investments in subsidiaries are at cost.

**m) Stocks**

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

**n) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**o) Cash at bank and in hand**

Cash at bank and cash in hand represents cash.

**p) Creditors and provisions**

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 normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**q) Pensions**

Compton Verney operates a defined contribution pension scheme. The assets of the scheme are held separately from Compton Verney in an independently administered fund. The pension cost charge represents contributions payable under the scheme by Compton Verney to the fund. Compton Verney has no liability under the scheme other than for the payment of those contributions.

Since the onset of auto enrolment in April 2015, the charity has been required to enrol staff who meet set criteria based on earnings and age. If new staff meet the criteria they are typically enrolled into the scheme after a 3 months postponement period. Staff who do not meet the criteria are given the option of joining the scheme on a voluntary basis if they wish. Contributions are in line with the statutory minimums set out under the auto enrolment legislation although there is an option for staff to have their contributions matched at a higher level.



# Compton Verney House Trust

## Notes to the financial statements

For the year ended 31 December 2015

### 2 Income from donations and legacies

	Unrestricted £	Restricted £	2015 total Total £	2014 Total £
Donations (2a)	3,062,447	14,500	3,076,947	2,270,417
Grants (2b)	9,300	813,019	822,319	360,728
Legacies	1,000	–	1,000	–
	<b>3,072,747</b>	<b>827,519</b>	<b>3,900,266</b>	<b>2,631,145</b>

#### 2a Donations

	Unrestricted £	Restricted £	2015 total Total £	2014 Total £
Compton Verney Fund	1,250,000	–	1,250,000	1,250,000
Peter Moores Foundation	1,775,506	–	1,775,506	983,170
Other donations	36,941	14,500	51,441	37,247
	<b>3,062,447</b>	<b>14,500</b>	<b>3,076,947</b>	<b>2,270,417</b>

#### 2b Grants received

	Unrestricted £	Restricted £	2015 total Total £	2014 Total £
Heritage Lottery Fund	–	483,964	483,964	186,799
29 May 1961 Charitable Trust	–	–	–	10,000
Garfield Weston Charitable Trust	–	–	–	75,000
Lord Leverhulmes Charitable Trust	–	–	–	5,000
The Big Lottery	–	10,000	10,000	–
Rural Payments Agency	9,300	–	9,300	5,032
Natural England	–	1,147	1,147	4,822
Ernest Cook	–	4,000	4,000	–
The Mercers Trust	–	5,000	5,000	–
Art Happens	–	10,445	10,445	–
The Delafield Trust	–	10,000	10,000	–
HB Allen Charitable Trust	–	30,000	30,000	–
Foyle Foundation	–	40,000	40,000	–
The Wolfson Foundation	–	125,000	125,000	–
Fidelity UK	–	47,000	47,000	–
All Churches	–	5,000	5,000	–
Panton Trust	–	2,000	2,000	–
Bernard Sunley Foundation	–	13,000	13,000	–
PF Charitable Trust	–	–	–	2,000
Arts Connect West Midlands	–	–	–	4,500
Stanley Smith	–	–	–	3,000
Rowlands Trust	–	1,000	1,000	4,000
The Prince's Foundation for Children and the Arts	–	11,600	11,600	14,500
Arts Council England	–	–	–	34,125
Other Grants	–	13,863	13,863	11,950
Total	<b>9,300</b>	<b>813,019</b>	<b>822,319</b>	<b>360,728</b>

4 Income from charitable activities

	Unrestricted £	Restricted £	2015 Total £	2014 Total £
<i>Public display of permanent collections:</i>				
Gallery grounds and admissions	554,543	–	554,543	504,939
Talks and lectures	6,502	–	6,502	5,840
Grants for public displays	–	427,811	427,811	77,669
Total income from charitable activities	561,045	427,811	988,856	588,448

5 Income from other trading activities

	Unrestricted £	Restricted £	2015 Total £	2014 Total £
Shop turnover	189,193	–	189,193	183,135
Sundry income	39,220	–	39,220	13,182
Educational activities, hire and on site catering	178,530	–	178,530	151,588
Fundraising events income	–	23,053	23,053	37,791
	406,943	23,053	429,996	385,696

Compton Verney House Trust

Notes to the financial statements

For the year ended 31 December 2015

6 Analysis of expenditure

	Charitable activities						
	Cost of raising funds £	Public display of permanent collections £	Special exhibitions/ projects £	Governance costs £	Support costs £	2015 Total £	2014 Total £
Staff costs (Note 8)	238,260	471,927	–	27,582	347,520	1,085,289	1,043,951
Cost of sales and exhibitions	165,217	137,225	467,184	–	–	769,626	469,322
Utilities	–	120,842	–	–	30,210	151,052	162,923
Insurance	–	61,919	–	2,888	9,709	74,516	130,967
Security	–	104,782	–	–	–	104,782	142,650
Marketing	–	–	–	–	135,253	135,253	129,643
Telephone/postage/stationery	–	1,268	–	–	31,743	33,011	30,110
Travel/subsistence/entertaining	7,935	3,573	–	–	16,448	27,956	26,298
Maintenance	–	278,246	–	–	36,103	314,349	111,530
Information technology	–	–	–	–	30,524	30,524	31,767
Cleaning	–	54,786	–	–	13,697	68,483	74,445
Consultancy/professional fees	–	–	–	–	67,631	67,631	10,469
Recruitment/training	–	–	–	–	13,222	13,222	11,772
Trustees' expenses	–	–	–	802	–	802	976
Auditors' remuneration	–	–	–	–	15,550	15,550	11,250
General rates	–	–	–	–	11,551	11,551	16,268
Volunteers' expenses/temporary staff	–	14,471	–	–	361	14,832	13,674
Other expenses	2,918	35,047	–	–	61,986	99,951	1,170
Storage	–	3,964	–	–	3,000	6,964	8,557
Grounds restoration	–	–	723,238	–	–	723,238	229,749
Signage & print	12,639	4,477	–	–	–	17,116	11,926
Depreciation	–	–	–	–	196,124	196,124	162,403
	426,969	1,292,527	1,190,422	31,272	1,020,632	3,961,823	2,831,820
Support costs	265,364	602,173	153,095	–	(1,020,632)	–	–
Governance costs	8,131	18,450	4,691	(31,272)	–	–	–
<b>Total expenditure 2015</b>	<b>700,464</b>	<b>1,913,150</b>	<b>1,348,208</b>	<b>–</b>	<b>–</b>	<b>3,961,824</b>	<b>2,831,820</b>
Total expenditure 2014	606,910	1,453,354	771,556	–	–	2,831,820	

Of the total expenditure, £2,895,637 was unrestricted (2014: £2,435,268) and £1,066,186 was restricted (2014: £396,552).

**7 Net incoming resources for the year**

This is stated after charging / crediting:

	2015 £	2014 £
Depreciation	196,124	162,403
Trustees' indemnity insurance	2,889	2,915
Trustees' remuneration	nil	nil
Trustees' reimbursed expenses	802	976
(Loss) on disposal of fixed assets	(36,508)	-
Auditors' remuneration (excluding VAT):		
Audit	11,250	11,250
Other services	1,000	-

**8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:

	2015 £	2014 £
Salaries and wages	972,931	944,571
Social security costs	74,479	72,863
Employer's contribution to defined contribution pension schemes	37,879	26,517
	<b>1,085,289</b>	<b>1,043,951</b>

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2015 No.	2014 No.
£60,000 – £69,999	1	-
£70,000 – £79,999	-	-
£80,000 – £89,999	-	1
£90,000 – £99,999	1	-

The total employee benefits including pension contributions of the senior management personnel were £378,664 (2014: £355,858)

The board of governors' were not paid any other benefits from employment with the charity in the year (2014: £nil). No member of the board of management received payment for professional or other services supplied to the charity (2014: £nil).

Board of governors' expenses represents the payment or reimbursement of travel and subsistence costs totalling £802 (2014: £976) incurred by 2 (2014: 1) members relating to attendance at meetings of the trustees.

**9 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2015 No.	2014 No.
Raising funds	7	7
Public display of collections	14	14
Support	11	10
Governance	1	1
	<u>33</u>	<u>32</u>

**10 Related party transactions**

There are no related party transactions to disclose for 2015 (2014: none).

Compton Verney House Trust receives income annually from the Compton Verney Fund. In 2015 Compton Verney received £1.25 million (2014: £1.25 million).

Compton Verney House Trust receives match funding annually from the Peter Moores Foundation Challenge Fund. In 2015 Compton Verney received £1.78 million (2014: £0.98 million).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

**11 Taxation**

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Compton Verney Publications Limited gift aids available profits to the parent charity. Its charge to corporation tax in the year was:

	2015 £	2014 £
UK corporation tax at 20% (2014: 20%)	<u>-</u>	<u>-</u>

## 12 Tangible fixed assets

## The group and charity

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>					
At the start of the year	21,803,201	250,170	308,859	–	22,362,230
Additions in year	65,417	7,242	63,847	16,667	153,173
Disposals in year	(47,242)	–	(53,097)	–	(100,339)
At the end of the year	21,821,376	257,412	319,609	16,667	22,415,064
<b>Depreciation</b>					
At the start of the year	955,065	172,458	253,818	–	1,381,341
Charge for the year	127,495	36,099	31,974	556	196,124
Eliminated on disposal	(10,734)	–	(53,097)	–	(63,831)
At the end of the year	1,071,826	208,557	232,695	556	1,513,634
<b>Net book value</b>					
At the end of the year	20,749,550	48,855	86,914	16,111	20,901,430
At the start of the year	20,848,136	77,712	55,041	–	20,980,889

Land purchased as part of the estate is included within freehold property. It is not valued separately and not depreciated.

All of the above assets are used for charitable purposes.

**13 Investments**

	The group		The charity	
	2015	2014	2015	2014
	£	£	£	£
Market value at the start of the year	1,574,007	–	1,574,009	2
Additions at cost	–	1,500,000	–	1,500,000
Net gain on revaluation	81,447	74,007	81,447	74,007
	<u>1,655,454</u>	<u>1,574,007</u>	<u>1,655,456</u>	<u>1,574,009</u>

Investments are all held within the COIF Charities Investment Fund with CCLA.

**14 Subsidiary undertaking**

The charity owns the whole of the issued ordinary share capital of Compton Verney Publications Limited, a company registered in England. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the parent charity. A summary of the results of the subsidiary is shown below:

	2015	2014
	£	£
Turnover	367,723	334,723
Cost of sales	(138,059)	(136,643)
Gross profit	<u>229,664</u>	<u>198,080</u>
Other expenditure	(5,000)	(5,000)
Operating profit / (loss)	<u>224,664</u>	<u>193,080</u>
Profit / (loss) on ordinary activities	224,664	193,080
Deed of covenant to parent undertaking	(224,664)	(193,080)
Profit for the financial year	<u>–</u>	<u>–</u>
The aggregate of the assets, liabilities and funds was:		
Assets	176,026	152,522
Liabilities	(176,024)	(152,520)
Funds	<u>2</u>	<u>2</u>

**15 Parent charity**

The parent charity's gross income and the results for the year are disclosed as follows:

	2015	2014
	£	£
Gross income	4,955,133	3,283,974
Result for the year	<u>1,217,817</u>	<u>667,804</u>

**16 Stock**

	The group		The charity	
	2015	2014	2015	2014
	£	£	£	£
Stocks	43,590	43,466	43,590	43,466
	<b>43,590</b>	<b>43,466</b>	<b>43,590</b>	<b>43,466</b>

**17 Debtors**

	The group		The charity	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	117,819	76,026	40,066	6,956
Other debtors	725	–	725	–
VAT	141,526	4,361	153,690	15,746
Prepayments and accrued income	796,108	86,749	902,266	204,840
	<b>1,056,177</b>	<b>167,136</b>	<b>1,096,747</b>	<b>227,542</b>

**18 Creditors: amounts falling due within one year**

	The group		The charity	
	2015	2014	2015	2014
	£	£	£	£
Trade creditors	119,584	127,273	118,080	127,162
Taxation and social security	41,855	34,899	41,855	34,899
Accruals and deferred income	149,896	279,887	124,224	256,954
	<b>311,335</b>	<b>442,059</b>	<b>284,159</b>	<b>419,015</b>

**19 Deferred income**

Deferred income comprises unexpended grants received and deposits for private hires.

	The group		The charity	
	2015	2014	2015	2014
	£	£	£	£
Balance at the beginning of the year	204,552	185,032	181,619	172,771
Amount released to income in the year	(203,427)	(184,001)	(181,619)	(172,771)
Amount deferred in the year	38,486	203,521	14,896	181,619
Balance at the end of the year	<b>39,611</b>	<b>204,552</b>	<b>14,896</b>	<b>181,619</b>



**20 Pension scheme**

As at 31 December 2015 no amounts were outstanding or owed to the defined contribution pension schemes. At the year end the Aegon administered pension schemes had a total of 30 active members.

**21 Analysis of group net assets between funds**

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	–	20,901,430	–	20,901,430
Investment properties	–	–	–	–
Investments	–	1,655,454	–	1,655,454
Net current assets	771,290	2,510,424	212,197	3,493,911
<b>Net assets at the end of the year</b>	<b>771,290</b>	<b>25,067,308</b>	<b>212,197</b>	<b>26,050,795</b>

**22 Movements in funds**

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers and gains on investments £	At the end of the year £
<b>Restricted funds:</b>					
Chapel restoration	49,501	–	–	(49,501)	–
Park restoration project	94,500	832,972	(620,775)	(94,500)	212,197
Gallery redisplay	–	327,811	(327,811)	–	–
Exhibition funding	–	100,000	(100,000)	–	–
Education funding	–	17,600	(17,600)	–	–
<b>Total restricted funds</b>	<b>144,001</b>	<b>1,278,383</b>	<b>(1,066,186)</b>	<b>(144,001)</b>	<b>212,197</b>
<b>Unrestricted funds:</b>					
<b>Designated funds:</b>					
Building and gallery fund	20,980,889	–	–	(79,459)	20,901,430
Building and gallery sustainability fund	2,678,296	–	–	1,487,582	4,165,878
<b>Total designated funds</b>	<b>23,659,185</b>	<b>–</b>	<b>–</b>	<b>1,408,123</b>	<b>25,067,308</b>
<b>General funds</b>	<b>805,129</b>	<b>4,044,471</b>	<b>(2,895,635)</b>	<b>(1,182,675)</b>	<b>771,290</b>
<b>Total unrestricted funds</b>	<b>24,464,315</b>	<b>4,044,471</b>	<b>(2,895,635)</b>	<b>225,448</b>	<b>25,838,598</b>
<b>Total funds</b>	<b>24,608,315</b>	<b>5,322,854</b>	<b>(3,961,821)</b>	<b>81,447</b>	<b>26,050,795</b>

**Purposes of restricted funds**

The Chapel Restoration Fund holds fundraising income raised for the specific purpose of restoring our "Capability" Brown chapel. Restricted funds brought forward were spent on the Chapel restoration during the year. The Park Restoration Project fund comprises fundraising income raised for this project. During the year funds brought forward for this purpose were expended and unexpended grants were carried forward to 2016. The Gallery Redisplay fund contains funds raised specifically for this purpose. Exhibition and Education funding was received from grants in the year and was fully spent on these areas. No other restricted funds were held at the year end (2014: £nil).

**Purposes of designated funds**

Designated funds of £25,067,308 represent funds ring-fenced by the Governors for special purposes. The Designated Building and Gallery Fund represents the resources the Trust has already invested in the development of the gallery, grounds and other fixed assets. The balance on this reserve at 31 December 2015 is £20,901,430 representing the net book value of the underlying assets.

The Governors retain unrestricted reserves to provide for all future expenditure, either of a capital or revenue nature, which cannot be covered by incoming resources. The Governors review the level of unrestricted retained reserves carried forward annually to ensure they provide a sound underpinning, in terms of cash flow, strategic planning and risk management for ongoing investments in the capital infrastructure of the estate. The Governors have decided as a priority to increase the Designated Building and Gallery Sustainability Fund to ensure it is sufficient to support the ongoing development, conservation and maintenance of the estate, as well as to provide funding for strategic initiatives, artistic or commercial, which will improve our financial sustainability. It is also the only fund available to support any unanticipated expenditure of an emergency nature.

At the year end, the Designated Building and Gallery Sustainability Fund stood at £4,165,878

The Governors believe that unrestricted general funds should be held to cover up to six months' running and reorganisation costs, in order to finance operations should extraordinary events beyond the Trust's control affect its revenue streams or operating costs. At the year end, current general reserves stood at £771,290 and was in line with the policy.

**23 Reconciliation of net income / (expenditure) to net cash flow from operating activities**

	2015 £	2014 £
<b>Net income / (expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>1,442,481</b>	<b>860,884</b>
Depreciation charges	196,124	162,403
(Gains)/losses on investments	(81,447)	(74,007)
Dividends, interest and rent from investments	(3,738)	(13,408)
Loss/(profit) on the sale of fixed assets	36,508	–
(Increase)/decrease in stocks	(124)	6,364
(Increase)/decrease in debtors	(889,041)	115,804
Increase/(decrease) in creditors	(130,724)	82,016
<b>Net cash provided by / (used in) operating activities</b>	<b>570,039</b>	<b>1,140,056</b>

24 Analysis of cash and cash equivalents	At 1 January £	Cash flows £	At 31 December 2015 £
Cash in hand	2,284,876	420,604	2,705,480
<b>Total cash and cash equivalents</b>	2,284,876	420,604	2,705,480

## 25 Capital commitments

At the balance sheet date, the group had committed to £1.8 million (2014: £nil) in respect of the ongoing park restoration project.