

THE STRAWBERRY HILL TRUST
(A company limited by guarantee)

Report and Financial Statements

For the year ended 31st August 2007

Charity number: 1095618
Company number: 4516140

THE STRAWBERRY HILL TRUST

Legal and administrative information

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THE STRAWBERRY HILL TRUST

Legal and administrative information

Reference and administrative details

Status

The Strawberry Hill Trust is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. Charity number: 1095618. Company number: 4516140.

Trustees

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. As set out in the Articles of Association, the chairman of the trustees is nominated by the trustees. One third of the trustees must retire at each Annual General Meeting.

Trustees

Michael Snodin, Chairman

Terry Smith, Treasurer

Roger Hackett, Company Secretary

George Hunter

Carole Patey

Stephen Clarke

Charles Sebag-Montifiori

Catherine Porteous

John McWilliam (appointed 27th September 2006, died February 2007)

Judith Lovelace (appointed 19th February 2007)

Charles Henderson (appointed 7th May 2007)

Valerie Humphrey (appointed 13th June 2007)

Secretary

Roger Hackett

Registered office

96 Clifden Court

Clifden Road

Twickenham

TW1 4LR

Registered number

4516140

Auditors

Roger Sutton & Co

79 High Street

Teddington

Middlesex

TW11 8HG

THE STRAWBERRY HILL TRUST

Report of the trustees for the year ended 31st August 2007

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31st August 2007.

Structure, Governance and Management

Governing Document

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association.

Recruitment and Appointment of Trustees

At the Annual General Meeting one third or the number nearest one third of the trustees must retire, the longest serving retiring first. The registered charity, The Friends of Strawberry Hill, shall be entitled to nominate up to four of the trustees.

Organisation

A board of trustees of up to 15 members, who meet monthly, administer the charity. The Board has delegated specific responsibilities to the following committees;

- Public Service
- Project
- Finance
- Conservation Steering

The terms of reference of each Committee are specified in writing. It is planned to have two additional Committees, one for Fundraising and an International Committee.

Risk management

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

Objectives and Activities

The objects of the charity are to preserve for the benefit of the people of Twickenham and of the Nation the historical, architectural and constructional heritage that may exist in and around Twickenham in buildings (including any building as defined in Section 336 of the Town and Country Planning Act 1990) of particular beauty or historical architectural or constructional interest.

Walpole House at Strawberry Hill

The trust acquired a lease on Walpole House at Strawberry Hill on 14th September 2007. Having acquired the lease the trust is implementing its plans to conserve and restore the building and part of the grounds in order to make them more accessible for public visits and educational purposes.

The trust plans to also complete a lease for rooms in the Waldegrave Wing which will be used for educational purposes.

Investment policy

Under the Memorandum and Articles of Association, the charity has the power to make any investments which the trustees see fit.

THE STRAWBERRY HILL TRUST

Report of the trustees for the year ended 31st August 2007

Achievements and performance

The Charity has been granted a Stage 2 application by the Heritage Lottery Fund (HLF) for £4.6m and during 2006-7 the main activities were to:

- a) Complete the stage 2 application to secure the release of funds from HLF;
- b) Conclude the negotiations on the lease of Walpole House from St Mary's College (SMUC);
- c) Continue to seek the match-funding required to meet the planned capital expenditure of £8.9m;
- d) Continue with the preparatory work using development grant funding from HLF for the main capital works.
- e) Completed a conservation management plan both for the requirements of the HLF and as a major piece of historical research.

For 2007/8 the main objectives of the trust are to:

- a) Complete the investigatory and separation works.
- b) Tender and appoint the main contractor so that they can start the restoration works from September 2008.
- c) Complete the lease on the education rooms in the Waldegrave Wing.
- d) Continue to fundraise, particularly to get alternative funds to the AHF loan.

Financial review

As explained above the charity has secured a grant of £4.6m from the Heritage Lottery Fund subject to obtaining matched funding. In addition the charity has raised match funding or pledges and loans of £3.3 million from a variety of UK and US sources.

The charity relies on the work of volunteers and trustees to secure the necessary funding for the project. The trust has 1 administrator post that is filled on a job share basis and a part time Committee Secretary.

The charity is particularly indebted to the Friends of Strawberry Hill for their fund raising efforts. The RFU have been a major contributor to FoSH.

The trust also works closely with the Architectural Heritage Foundation from whom a major loan has been offered and the World Monuments Fund. The WMF administer some of the funds pledged to the Trust.

Reserves policy

The trustees have sufficient reserves to cover all the planned or already committed expenditure for the year ahead.

Sources of funding

The charity relies on grants and donations to enable it to meet its objectives.

THE STRAWBERRY HILL TRUST

Report of the trustees for the year ended 31st August 2007

Trustees' responsibilities in relation to the financial statements

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity for the financial year. In preparing those financial statements, the trustees are required to:

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

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act. It is also their responsibility to safeguard the assets of the charity and hence to take reasonable steps to prevent and detect fraud and other irregularities.

Auditors

A resolution will be proposed at the Annual General Meeting that Roger Sutton & Co be re-appointed auditors to the charity.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the trustees on January 2008 and signed on its behalf by:

Roger Hackett
Secretary

THE STRAWBERRY HILL TRUST

Independent auditors' report to the members of The Strawberry Hill Trust

We have audited the financial statements of The Strawberry Hill Trust for the year ended 31st August 2007 which are set out on pages 8 to 14. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities.

This report is made solely to the company's members as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all of the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the company is not disclosed.

We read the Trustees' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in note 16 to the financial statements.

THE STRAWBERRY HILL TRUST
Independent auditors' report to the members of
The Strawberry Hill Trust

Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charity's affairs as at 31st August 2007 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Roger Sutton & Co
Registered Auditors and
Chartered Accountants

MIDDLESEX

January 2008

THE STRAWBERRY HILL TRUST

Statement of financial activities (including income and expenditure account) for the year ended 31st August 2007

	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>2007</u>	<u>2006</u>
Incoming resources					
Incoming resources from generated funds					
Voluntary income	3	39,071	408,236	447,307	394,761
Activities for generating funds	4	4,767	-	4,767	-
Investment income		3,780	-	3,780	1,063
Total incoming resources		<u>47,618</u>	<u>408,236</u>	<u>455,854</u>	<u>395,824</u>
Resources expended					
Cost of generating funds	5	11,229	-	11,229	-
Charitable activities		-	186,078	186,078	397,485
Governance costs	7	39,028	-	39,028	14,723
Total resources expended		<u>50,257</u>	<u>186,078</u>	<u>236,335</u>	<u>412,208</u>
Net income/(expenditure) before revaluations and investment asset disposals		(2,639)	222,158	219,519	(16,384)
Reconciliation of Funds					
Total funds brought forward		<u>10,513</u>	<u>-</u>	<u>10,513</u>	<u>26,897</u>
Total funds carried forward		<u><u>7,874</u></u>	<u><u>222,158</u></u>	<u><u>230,032</u></u>	<u><u>10,513</u></u>

All of the results relate to continuing activities.

The notes on pages 9 to 14 form part of these financial statements.

THE STRAWBERRY HILL TRUST

Balance sheet at 31st August 2007

	<i>Notes</i>	<u>2007</u> £	<u>2006</u> £
Fixed assets			
Tangible assets	11	2,790	-
Current assets			
Stock		3,800	-
Debtors	12	153,545	103,561
Cash at bank and in hand		194,658	74,374
		<u>352,003</u>	<u>177,935</u>
Creditors: amounts falling due within one year	13	<u>(124,761)</u>	<u>(167,422)</u>
Net current assets		<u>227,242</u>	<u>10,513</u>
Total assets less current liabilities		<u>230,032</u>	<u>10,513</u>
Funds			
Restricted funds	14	222,158	17,824
Unrestricted funds	15	7,874	(7,311)
Total funds carried forward		<u>230,032</u>	<u>10,513</u>

These accounts have been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985 and with the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005 and the Financial Reporting Standard for Smaller Entities (effective January 2005).

Approved by the Trustees on and signed on their behalf.

_____ Terry Smith - Trustee

The notes on pages 9 to 14 form part of these financial statements.

THE STRAWBERRY HILL TRUST

Notes to the financial statements for the year ended 31st August 2007

1 Accounting policies

The principal accounting policies are set out below. The accounting policies have been adopted consistently throughout the year.

a) Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and are in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005 and the Financial Reporting Standard for Smaller Entities (effective January 2005).

The previous accounts were compiled on a cash basis. The comparatives have been restated to reflect the accruals basis of accounting

b) Incoming resources

Donations

Donations are credited in the year in which they are received.

Grant income

Grant income is generally related to long term projects and is credited in the year in which it is received unless costs incurred exceed the grants received in which case grant income is accrued. Unspent grants received during the year are carried forward as restricted income to meet future costs.

Interest receivable

Interest is credited in the year in which it is received.

c) Resources expended

Costs relating to restoration of the building are recognised when incurred

Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Governance costs include those incurred in the governance of its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources,

THE STRAWBERRY HILL TRUST

Notes to the financial statements for the year ended 31st August 2007

1 Accounting policies (continued)

d) Fund structure

The principal accounting policies are set out below. The accounting policies have been adopted consistently throughout the year.

The funds held by the charity are either:

- *Unrestricted general funds* - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
-
- *Restricted funds* - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
-

e) Tangible fixed assets and depreciation

Tangible fixed assets are included in the balance sheet at cost or at market value at the date of the gift.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the full cost or valuation less estimated residual value of each asset over its estimated useful life. The principal rates in use are:

Equipment, fixtures and fittings	25%	on cost
Plant and machinery	10%	on cost

f) Stock

Stock is valued at the lower of cost and net realisable value.

2 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding up is limited to £1.

THE STRAWBERRY HILL TRUST

Notes to the financial statements for the year ended 31st August 2007

3 Voluntary Income

Voluntary income for the year falls into the following categories

	<i>Unrestricted</i>	<i>Restricted</i>	<u>2007</u>	<u>2006</u>
	<u>Funds</u>	<u>Funds</u>	<u>£</u>	<u>£</u>
	£	£		
Miscellaneous income	150	-	150	-
	<u>150</u>	<u>-</u>	<u>150</u>	<u>-</u>
Donations				
Friends of Strawberry Hill	28,141	-	28,141	10,000
Goldsmiths Company	-	-	-	3,000
Rothschild	-	-	-	5,000
Other small donations	10,780	-	10,780	100
	<u>38,921</u>	<u>-</u>	<u>38,921</u>	<u>18,100</u>
Grants				
Heritage Lottery Fund	-	150,045	150,045	213,130
World Monuments Fund	-	97,801	97,801	153,531
J. Paul Getty Jr. Charitable Trust	-	50,000	50,000	-
The Architectural Heritage Fund	-	-	-	7,500
English Heritage	-	-	-	2,500
John Murray Charity	-	80,390	80,390	-
Cloth Workers Foundation	-	30,000	30,000	-
	<u>-</u>	<u>408,236</u>	<u>408,236</u>	<u>376,661</u>
Total	<u><u>39,071</u></u>	<u><u>408,236</u></u>	<u><u>447,307</u></u>	<u><u>394,761</u></u>

4 Activities for Generating Funds

	<u>2007</u>	<u>2006</u>
	<u>£</u>	<u>£</u>
Retail income	1,333	-
Specialist tours	3,434	-
	<u>4,767</u>	<u>-</u>
Total	<u><u>4,767</u></u>	<u><u>-</u></u>

THE STRAWBERRY HILL TRUST

Notes to the financial statements for the year ended 31st August 2007

5 Costs of generating funds

	<u>2007</u> £	<u>2006</u> £
Activities for Generating Funds		
Other fundraising costs	5,450	-
Cost of goods sold	956	-
Salaries and wages	3,990	-
Tour guides	833	-
	<u>11,229</u>	<u>-</u>
Total	<u>11,229</u>	<u>-</u>

6 Charitable Activities

	<i>Unrestricted</i> <u>Funds</u> £	<i>Restricted</i> <u>Funds</u> £	<u>2007</u> £	<u>2006</u> £
Restoration costs				
Direct costs	11,229	228,214	239,443	395,135
Support costs allocated	-	-	-	2,350
VAT recovered in respect of previous years	-	(42,136)	(42,136)	-
	<u>11,229</u>	<u>186,078</u>	<u>197,307</u>	<u>397,485</u>
Total	<u>11,229</u>	<u>186,078</u>	<u>197,307</u>	<u>397,485</u>

Support costs are wholly allocated to the unrestricted fund.

7 Governance costs

	<u>2007</u> £	<u>2006</u> £
Direct costs		
Insurance	1,794	-
Legal and professional fees	32,339	1,785
Office expenditure	619	-
Audit fees	2,500	2,350
Accountancy fees	477	588
VAT recovered in respect of previous years	(408)	-
Support costs	1,109	-
Depreciation	598	-
	<u>39,028</u>	<u>14,723</u>
	<u>39,028</u>	<u>14,723</u>

THE STRAWBERRY HILL TRUST

Notes to the financial statements for the year ended 31st August 2007

8 Trustees' emoluments

None of the trustees received any remuneration during the year (2006 - nil). The trustees received reimbursement of expenses during the year amounting to £248 (2006 - £887).

9 Net income resources

This is stated after charging:

	<u>2007</u>	<u>2006</u>
	£	£
Depreciation	598	-
Auditors' remuneration - Audit fee	2,000	2,350
- Other	677	588
	<u> </u>	<u> </u>

10 Taxation

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

11 Tangible fixed assets

	<i>Equipment fixtures and fittings</i>	<i>Plant and machinery</i>	<i>Total</i>
	£	£	£
Cost:			
Additions	2,236	1,152	3,388
Depreciation:			
Provision for the year	224	374	598
At 31st August 2007	<u>224</u>	<u>374</u>	<u>598</u>
Net book value:			
At 31st August 2007	<u>2,012</u>	<u>778</u>	<u>2,790</u>
At 31st August 2006	<u>-</u>	<u>-</u>	<u>-</u>

12 Debtors

	<u>2007</u>	<u>2006</u>
	£	£
Grants receivable	52,058	103,561
VAT recoverable	95,112	-
Prepayments	6,375	-
	<u>153,545</u>	<u>103,561</u>

THE STRAWBERRY HILL TRUST

Notes to the financial statements for the year ended 31st August 2007

13 Creditors: amounts falling due within one year

	<u>2007</u>	<u>2006</u>
	£	£
Accrued expenses	124,714	167,422
Tax and social security	47	-
	124,761	167,422
	124,761	167,422

14 Restricted funds

	<i>Balance at 1st</i>	<i>Incoming resources</i>	<i>Outgoing resources</i>	<i>Balance at 31st August</i>
Restoration fund	-	408,236	(186,078)	222,158
Total	-	408,236	(186,078)	222,158
	-	408,236	(186,078)	222,158

15 Unrestricted funds

	<i>Balance at 1st</i>	<i>Incoming resources</i>	<i>Outgoing resources</i>	<i>Balance at 31st August</i>
General fund	10,513	47,618	(50,257)	7,874
	10,513	47,618	(50,257)	7,874

16 Other professional services provided by the auditors

In common with many other entities of our size and nature we use our auditors to assist with the preparation of the financial statements.

17 Analysis of net assets between funds

	<i>Unrestricted fund</i>	<i>Restricted fund</i>	<i>Total funds</i>
	£	£	£
Tangible fixed assets	2,790	-	2,790
Current assets	18,462	333,541	352,003
Current liabilities	(13,378)	(111,383)	124,760
	7,874	222,158	230,032
	7,874	222,158	230,032