

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

TRUSTEES REPORT & ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

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TRUSTEES' REPORT

The Trustees of The Charleston Trust (Bloomsbury in Sussex), also referred to in the report and financial statements as 'The Charleston Trust', 'the Trust' and 'the Charity', are pleased to present their report and the financial statements for the year to 31 December 2022.

Charitable Objectives and Mission Statement

As a registered charity created to manage and conserve Charleston for the benefit of the public, our objectives are:

- To acquire, protect and improve for the benefit of the general public the land and buildings known as Charleston;
- To promote the maintenance and development of public knowledge, understanding and appreciation of the art, architecture and contents of Charleston and its historical, literary and artistic connections;
- To encourage and promote appreciation and understanding of the arts.

Mission:

Originally a gathering place for the Bloomsbury group, Charleston today offers an open round table where artists, writers and visitors can share a dialogue about the nature and value of art as a way of life.

Purpose:

At Charleston, we believe that art in all its forms has a clear social value with the power to provide new thinking and imagine society differently.

Vision:

Charleston is a bold, pioneering public space for art, championing experimental thinking, liberal values and social inclusion towards a different way of living.

Introduction

In 2022 we were delighted to see the return of the Charleston Festival, after a two year pause due to Covid. The house remained open throughout the year and removed the final restrictions on entry in March 2022. We programmed two free contemporary art installations during the summer, including the first art installation within the house itself.

Over the year we programmed over 100 events across our four festivals, delivered six exhibitions, including the two free installations and we sold over 60,000 tickets.

Charleston was also commissioned to deliver part of a UK Community Renewal Fund grant, on behalf of the Sussex Modern consortium. Funding was awarded to create an arts trail across several Sussex locations and increase promotion of Sussex as a destination, with a high-profile press and PR campaign.

2022 Achievements and Activity

The May 2022 Charleston Festival exceeded 2019 ticket numbers with a broader programme and a range of concession ticket prices offered for the first time. Some shift in audience demographics was noticed as a result, with student and under 30s ticket offers attracting a younger audience. A children and families strand was introduced to the programme for the first time to reach wider audiences. New commissions and events were also introduced, including the first Charleston Monologue, by award winning writer, Benedict Lombe, responding to current events with a piece written in the days immediately before the festival.

Festival of the Garden returned in July, featuring speakers including Arit Anderson, Alys Fowler and Claire Ratinon, delivering an increase of almost 50% on 2021 attendance.

Queer Bloomsbury was extended across a full weekend in September, to coincide with the opening of the *Very Private?* exhibition. Once again we partnered with Marlborough Theatre to deliver an eclectic programme of performers, poets and writers. Ticket numbers increased by a third compared to 2021.

Small Wonder was moved to October and featured a wider programme of short form literature, including Peaches discussing her boundary pushing lyrics and Claudia Roden on recipes. Ticket numbers more than doubled compared to 2021 as the festival returned to a four-day programme.

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Following the close in March of the hugely successful *Duncan Grant 1920* and Tunji Adeniyi Jones exhibitions, we opened *Ideas of Utopia* featuring works from across the career of the artist duo Langlands and Bell. This exhibition examined attempts to create utopias, whether domestic, religious, social or commercial. Alongside a retrospective of their own work in the Wolfson Gallery, Langlands and Bell curated *Absent Artists*, in the South Gallery, largely featuring works from the Katrin Bellinger collection. *Absent Artists* explored studios where the artists were conspicuously absent, connecting those works to Charleston itself.

'The artist is absent from every single one of these depictions. Instead, what we're left looking at are the spaces of creative and artistic production themselves.' Architect Jack Self

Langlands and Bell also created *Near Heaven*, an installation in Vanessa Bell's studio at Charleston. In the attic overlooking the garden, the installation explored the space as an artistic refuge, and a place of escape from the outside world and the demands of domestic life. This installation was free to visitors and offered the opportunity to visit a rarely open area of the house.

"Alongside each other, and within the context of the site at Charleston, these contributions from Langlands & Bell offer something rare, a creative engagement with the world that is intuitive and sensitive, asking serious questions, offering visual pleasure and elements of humour, and all while laying itself bare to the scrutiny of public gaze." Studio International April 22

In September we opened *Very Private?* featuring the first public exhibition of the erotic drawings of Duncan Grant, which were donated to Charleston through the Acceptance in Lieu scheme in 2021. Alongside the drawings by Duncan Grant, we featured responses to the work by contemporary artists Somaya Critchlow, Harold Offeh, Kadie Salmon, Tim Walker, Alison Wilding and Ajamu X.

"Some exhibitions grab you with both hands. Very Private? is one of them, which is fitting, given all the grappling, clutching and caressing taking place on the walls.... These drawings are imaginative, playful and intensely sexual." Guardian September 22

"By placing Grant's collection within a broader spectrum of bodies and identities, the exhibition offers a more expansive portrait of queerness, moving from the proscribed pleasures of the 'very private' to a collective intimacy" Frieze Magazine, September 22

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Our paid exhibition programme attracted 12,545 visits during 2022, with a further 6,000 free visits to *Near Heaven*. The trustees are grateful for the enhanced support available through the Museums Galleries and Exhibitions tax relief scheme, which allowed the additional investment we have made in our exhibition programmes.

In the grounds outside the house, we commissioned a new sculpture from Turner prize winning artist, Nathan Coley. The installation, *I don't have another land*, was in place between April and September 2022 and formed part of the Sussex wide trail of *Tentative Words Change Everything*, an exhibition that brought together six of the artist's sculptures across the landscape in and around the Lewes district, supported by a grant from the UK Community Renewal Fund.

During 2022 we welcomed 28,000 visitors to the house, an increase of 8% on 2019, our last full year pre-covid. In September we were able to reopen the Spare bedroom, following extensive conservation work.

Charleston's Chief Executive, Nathaniel Hepburn, continued to act as Chair of the Sussex Modern consortium. On behalf of the consortium, Charleston delivered a substantial grant from the UK Community Renewal Fund, which included the creation of a local trail of six installations by Nathan Coley, *Tentative words change everything*. A high-profile press and PR campaign included a national advertising campaign, a new website and commissioned articles and photography on the tourism offer in Sussex.

This year we also worked with Kim Jones, Artistic Director of Dior Menswear, to create a collaboration which saw the inclusion of a number of paintings and images by Duncan Grant in the Dior 2023 menswear collection. This collaboration provides an amazing opportunity to share our collections and stories with a global audience, introducing them to the work of Duncan Grant and to Charleston itself. Charleston will benefit from royalties from the sale of the collection and Dior have also committed to support our 2023 exhibition *Bring no clothes: Bloomsbury and Fashion*.

In early 2022 we carried out a skills audit of the board and advertised externally for new trustees as previous trustees reached the end of their terms. We were delighted with the response, and appointed seven new trustees who bring a range of professional experience to the charity. The new trustees include two members of our Equity, Diversity and Inclusion group. In May Mark Burch stepped down as Chair of the Business and Finance Committee, after serving for six years. Caroline Price has now been appointed as Chair.

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During 2022 we continued to develop plans for a new Charleston site in nearby Lewes. Our long-term vision includes the creation of an accessible public study centre, education and learning facility and archive store, additional exhibition space and a space to display a growing collection and long-term loans from national museum partners. The building would also offer much needed additional office and enterprise facilities. Funding was secured for further planning and development of the scheme and in November the board agreed to test the proposition with a 'meanwhile use' strategy including a temporary exhibition programme, an opportunity for community engagement and detailed consultation and including a retail and catering offer. A new charity and company limited by guarantee, Charleston Lewes Limited, was created to deliver the project.

Future Plans

In 2023 we will continue to focus on embedding the shifts in our programming to welcome more diverse audiences to Charleston and establishing a financially sustainable business model, supported by our enterprise activity.

In the coming year we have projected continued growth in visitor numbers at Charleston. We have introduced a change to the house visits in response to visitor feedback, with a free flow model which allows visitors to choose how they experience the house, spending as much time as they want in each room without a prescribed route. We will also reintroduce a guided tour experience for those visitors who want more in-depth knowledge of the house and collection.

The Charleston Festival returned again in May 23 with a wider programme of family and children's events taking place in a new tent in the Orchard, new commissions and performances and a programme of workshops. Ticket sales for the 2023 festival were lower than 2022, which we attribute to the current economic challenges. Our other festivals will return later in 2023 and we hope to grow these events further and continue to welcome new audiences to Charleston.

Our summer 2023 exhibition includes the first joint UK exhibition of the works of artists Betty and George Woodman, alongside a retrospective of the work of South African artist, Hylton Nel. Our autumn exhibition will include drawings by David Hockney.

We have continued to develop plans for a new site in Lewes. In May 2023, project underwriting was secured for a 'meanwhile use' period and the board agreed that Charleston Lewes Limited could enter into a five-year lease with a flexible break clause. We currently expect to open the building to the public in

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September 2023, with a high-profile exhibition *Bring no clothes: Bloomsbury and Fashion*, curated by fashion journalist and writer Charlie Porter alongside a programme of community outreach and consultation about our longer term plans for the building.

Supporters

The Trustees and staff are grateful to all the public bodies, trusts and foundations, individual supporters and sponsors who have supported Charleston in 2022.

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FINANCE, GOVERNANCE AND ADMINISTRATIVE DETAILS

LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY DETAILS

TRUSTEES/DIRECTORS

Pippa Harris (Chair)
Jolyon Brewis
Mark Burch (resigned 4 May 2022)
Judith Comyn (appointed 4 May 2022,
resigned 12 May 2023)
Marion Gibbs (resigned 5 December 2022)
Katy Hessel (appointed 4 May 2022)
Rohan Jerath (appointed 4 May 2022)
Harriet Otoo
David Pickard (resigned 4 May 2022)
Caroline Price
Piers Sanders (appointed 20 July 2022)
Sarah Sergeant
Nino Strachey (appointed 20 July 2022,
resigned 27 February 2023)
Hannah Wallace (appointed 4 May 2022)
Kim Walker (appointed 5 December 2022)

COMPANY SECRETARY

Louise Zandstra

PRESIDENT

Virginia Nicholson

PATRON

Her Majesty the Queen (formerly HRH The
Duchess of Cornwall)

CHIEF EXECUTIVE

Nathaniel Hepburn

REGISTERED OFFICE & PRINCIPAL ADDRESS

Charleston
Firle, Lewes, East Sussex, BN8 6LL

REGISTERED CHARITY NUMBER
1107313

REGISTERED COMPANY NUMBER
05212725

COMMITTEE MEMBERS

Business & Finance Committee:
Caroline Price (Chair), Pippa Harris, Piers
Sanders, Sarah Sergeant.

Nominations Committee: Jolyon Brewis,
Harriet Otoo, Caroline Price

Directors of Charleston Enterprises Limited:
Anne Morrison, Caroline Price, Nathaniel
Hepburn

ADVISORS

AUDITORS
Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

BANKERS
Barclays Bank plc
1 Churchill Place,
London E14 5HP

SOLICITORS
Mayer Brown International LLP
201 Bishopsgate
London
EC2M 3AF

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STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charleston Trust was founded in 1981 to save and restore Charleston for the public. The Charleston Trust (Bloomsbury in Sussex) is a charitable company limited by guarantee and governed by its Memorandum and Articles of Association. The Trust was incorporated on 23 August 2004 and registered as a charity on 17 December 2004.

Operation of the shop and other commercial activity is carried out through its wholly owned subsidiary, Charleston Enterprises Limited.

During 2022 Charleston Lewes Limited was established, a charitable company limited by guarantee which will be responsible for the operation of the new Charleston site in Lewes. The new charity is independent of The Charleston Trust (Bloomsbury in Sussex) but the Trustees of The Charleston Trust can appoint a majority of trustees of Charleston Lewes. Charleston Lewes was dormant throughout 2022.

GOVERNANCE

The Charity is governed by the Board of Trustees with members of the Board acting as both its Trustees for the purposes of the Charities Act 2011 and Directors under the Companies Act 2006. The Members of the Charity are the Trustees.

The Board meets at least four times a year and is responsible for strategy and establishing and monitoring the policies for the Trust. The Board approves the Trustees' Report and Accounts, annual budget and forward plan.

Trustees are appointed on the basis that they have a broad and diverse range of expertise in a number of fields relevant to the Trust including fundraising, education, arts and finance. A thorough induction process is followed for all new Trustees. They are given an outline of the various areas of activity that the Charity covers, a full set of current policy and procedure documents and an induction session with the Chief Executive.

The current Trustees and those who served during the year are listed on page 11.

Charleston Enterprises Limited is a wholly owned trading subsidiary and has an independent board of Directors.

COMMITTEES

In addition to the Board, the Charity operates through the following committees, each with its own terms of reference:

- Business & Finance Committee
- Nominations Committee

The members of each ongoing committee are listed on Page 11.

Day-to-day management of the operations and activities of the Trust is delegated by the Board to the Chief Executive.

RISK MANAGEMENT

Each year the Trustees undertake a review of the major risks to which the Charity is exposed, putting in place appropriate systems to mitigate and manage those risks. A detailed risk register has been established and is reviewed quarterly by the Business & Finance Committee. Major risks and action points are reviewed and discussed by the Board. The Charity also has separate risk assessment and emergency plans which cover the House, the collection, the site, festivals and events.

The Trustees have identified the most significant risks as the potential impact of the new Charleston site on Lewes on staff and operational resources, the risk of not achieving challenging 2023 targets for income from trusts and donations to support the Trust activity, the failure to grow earned income and commercial income streams and the impact of inflation and the cost-of-living crisis on our activity levels.

REMUNERATION POLICY

The Trust is committed to paying staff a fair salary that is competitive within the charity sector locally, proportionate to the complexity of each role and in line with the charitable objectives. The Trust meets all national pay standards and provides all staff with at least the National Living Wage, regardless of age. The Trustees, with recommendations from the Business and Finance Committee, delegate responsibility for approving any annual pay increases to the Chief Executive. The Trustees consider the key management personnel to be the Chief Executive and senior members of staff listed in note 8. The remuneration of the Chief Executive is considered annually by the Business & Finance Committee and the remuneration of the other senior managers is approved by the Chief Executive within available budgets.

All Trustees give their time on an unremunerated basis.

INVESTMENT POLICY

The Trust's investments (see note 13 of the accounts) consist of the trading subsidiary, Charleston Enterprises Limited.

FUNDRAISING POLICY

The Charity takes seriously its responsibilities under the Charities (Protection and Social Investment) Act 2016. The Charity receives donations from a number of different sources including members of the public who visit the house, trusts, foundations and corporate partners. The Charity is registered with the Fundraising Regulator.

The Charity does not work with third party fundraisers.

No complaints have been received during the year in relation to fundraising.

FINANCIAL RESULTS

INCOME AND EXPENDITURE

In 2022, the Charity delivered a surplus on net incoming resources of £319,315 (2021: surplus of £122,538).

The net movement on unrestricted funds was a deficit of £130,331, which included £2,606 of transfers from restricted funds (2021: £350,992 surplus after transfers from restricted funds of £264,412). The Board set a deficit budget for 2022, recognising that the organisation was still facing restrictions in the first half of the year due to covid and that we faced increasing cost pressures. Although visitor numbers and event attendances were strong in the year, we invested more in our exhibitions programme and faced significant inflationary cost increases on utilities and site costs. Additional costs were offset by the increased recovery rate for Museums Exhibitions and Galleries tax relief and income generated by Charleston Enterprises in our collaboration with Dior.

Total incoming resources were £3,428,753 (2021: £2,475,760). Income from admission and events totalled £771,523, up from £416,442 in 2021 due to the return of the Charleston Festival and the removal of capacity restrictions in the house. Retail income from in person and online sales grew to £415,185 from £297,889 in 2021. During 2021 we agreed a rent-free period with our catering partners to provide them with financial security during the re-opening period, in 2022 we received a share of cafe turnover for a part year, totalling £8,342. In 2022 Enterprise income included an advance on royalties and fees paid by Christian Dior in respect of the Duncan Grant collaboration on their Summer 23 menswear collection.

Unrestricted donations included donations of Heritage Assets valued at £310,000, including a donation of paintings and ceramics by long term supporters of Charleston.

Taxation relates to the projected claim for Museums, Galleries and Exhibitions tax relief. The claim has increased to £130,120 (2021 £22,688) due to the enhanced recovery rates set out in the 2021 autumn statement and the increased investment in our exhibition programme in 2022 made possible by this relief.

Total resources expended increased to £3,239,558 (2021: £2,375,910), this amount included £498,150 of expenditure on an art trail and tourism and PR campaign funded by the UK Community Renewal Fund, delivered on behalf of the Sussex Modern consortium. Activity and operation costs were significantly higher than 2021 as we were open for a full year and programmed a full range of festivals and events, including two additional art installations.

Support costs, including Governance costs, have been allocated in direct proportion to the direct costs of each line of expenditure in the SOFA. Depreciation charges amounted to £160,357 largely due to the depreciation of the Centenary Project assets (2021: £195,478).

RESERVES

As at 31 December 2022, the Trust had total funds of £8,720,692 (2021: £8,401,376), of which £7,813,668 was general unrestricted funds (2021: £7,943,999), £208,177 (2021: £208,177) was endowment funds and £698,845 (2021: £249,200) was restricted funds.

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The £7,813,668 of general unrestricted funds consists of £7,600,013 (2020: £7,450,371) tangible fixed assets and £253,654 surplus (2020: £573,628) on free reserves, excluding creditors falling due in more than one year of £40,000.

The Reserves Policy as agreed by the Trustees is to build up free reserves to a level equivalent to at least six months' overhead costs including salaries of permanent staff, which we estimate is an amount of £592,000 based on the 2023 budget. This is intended to provide security against risks within the operating budgets and capital to enable investment in new opportunities as appropriate. As at December 2022 free reserves were equivalent to 2.5 months of overheads and the Trustees plan to develop a long-term financial plan during 2023 to build reserves to the target level.

RESTRICTED FUNDS

Note 18 of the Annual Accounts provides information regarding the £698,845 (2021: £249,200) restricted funds including amounts received and expended during the year.

ENDOWMENT FUNDS

Endowment funds of £208,177 (2021: £208,177) represent an investment in the fixed assets of the Trust.

GOING CONCERN

The Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future.

In reviewing a reforecast budget for 2023 and a draft budget for 2024, the Trustees have considered a range of possible scenarios and the risks inherent in each.

Our updated projections for 2023 indicate that we continue to face pressures from inflation and the current economic climate and we remain reliant on additional fundraising.

The Trustees have reviewed the outline budget for 2024 and are satisfied that the projected income levels are realistic and that the level of fundraising already secured or projected, alongside projected earned income and available free reserves will allow Charleston to underwrite planned activity in 2024 without incurring an unsustainable operating deficit.

Having considered the period for at least twelve months from the date of approval of this report, the Trustees confirm that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of The Charleston Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

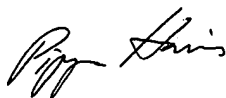
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each Trustee is aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the reparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' Report, which includes the Strategic Report, has been approved by the Board of The Charleston Trust (Bloomsbury in Sussex) on 20 July 2023 and is signed on its behalf by



Dame Pippa Harris

Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

We have audited the financial statements of The Charleston Trust (Bloomsbury in Sussex) (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, consolidated and charity balance sheets, consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and Strategic Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 14, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are

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responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include the Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement

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disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.


During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Claire Wills (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors
71 Queen Victoria Street
London EC4V 4BE

Date: 24 July 2023

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

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (SOFA)

FOR THE YEAR ENDED 31 DECEMBER 2022 (Incorporating Income and Expenditure Account)

		Unrestricted Funds	2022 Restricted Funds	Endowment Funds	Total Funds	2021 Total Funds
	Not e	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	2	376,008	132,500	-	508,508	590,595
Charitable activities						
House and Galleries		434,442	-	-	434,442	207,852
Festivals and Events		379,592	-	-	379,592	187,114
Grants and donations	3	112,900	1,153,620	-	1,266,520	1,045,056
		926,934	1,153,620	-	2,080,554	1,440,022
Other trading activities						
Fundraising income		107,660	-	-	107,660	48,088
Enterprise income		731,924	-	-	731,924	397,019
		839,584	-	-	839,584	445,107
Interest receivable	4	107	-	-	107	36
TOTAL INCOME AND ENDOWMENTS		2,142,633	1,286,120	-	3,428,753	2,475,760
EXPENDITURE ON:						
Charitable activities						
Sussex Modern		-	498,150	-	498,150	-
Festivals and Events costs		772,496	29,632	-	802,128	578,025
House and Galleries costs		1,050,031	183,959	-	1,233,990	1,217,197
		1,822,527	711,741	-	2,534,268	1,795,222
Raising funds						
Fundraising costs		168,036	-	-	168,036	201,846
Enterprises costs		415,127	122,127	-	537,254	378,842
		583,163	122,127	-	705,290	580,688
TOTAL EXPENDITURE	5	2,405,690	833,868	-	3,239,558	2,375,910
NET INCOME /(EXPENDITURE) FOR THE YEAR		(263,057)	452,252	-	189,195	99,850
TAXATION	7	130,120	-	-	130,120	22,688
TRANSFERS BETWEEN FUNDS		2,606	(2,606)	-	-	-
NET MOVEMENT IN FUNDS		(130,331)	449,646	-	319,315	122,538
TOTAL FUNDS BROUGHT FORWARD		7,943,999	249,200	208,177	8,401,376	8,278,838
TOTAL FUNDS CARRIED FORWARD	18	7,813,668	698,846	208,177	8,720,691	8,401,376

The SOFA includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities. The notes on pages 21 to 35 form part of these financial statements. A comparative SOFA is shown in note 23.

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

CONSOLIDATED AND CHARITY BALANCE SHEETS

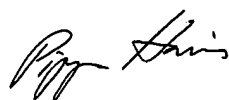
FOR THE YEAR ENDED 31 DECEMBER 2022

Company Registration 05212725

		Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
	Notes				
Fixed Assets					
Tangible Assets	11	5,996,250	6,156,607	5,978,058	6,131,821
Heritage Assets	12	1,811,941	1,501,941	1,811,941	1,501,941
Investment in Subsidiary Company	13	-	-	2	2
		<u>7,808,191</u>	<u>7,658,548</u>	<u>7,790,001</u>	<u>7,633,764</u>
Current Assets					
Stock	14	91,032	71,524	-	-
Debtors	15	692,861	269,040	553,232	278,606
Cash at Bank and in Hand		<u>576,050</u>	<u>934,277</u>	<u>342,368</u>	<u>816,072</u>
		1,359,943	1,274,841	895,600	1,094,678
Liabilities					
Creditors: amounts falling due within one year	16	(407,443)	(452,013)	(355,912)	(392,821)
Net Current Assets/(Liabilities)		<u>952,500</u>	<u>822,828</u>	<u>539,688</u>	<u>701,857</u>
Total Assets less current liabilities		<u>8,760,691</u>	<u>8,481,376</u>	<u>8,329,689</u>	<u>8,335,621</u>
Creditors: amounts falling due after one year	17	(40,000)	(80,000)	(40,000)	(80,000)
Total Net Assets		<u>8,720,691</u>	<u>8,401,376</u>	<u>8,289,689</u>	<u>8,255,621</u>
Funds of the charity					
Endowment Funds		208,177	208,177	208,177	208,177
Restricted Income Funds		698,846	249,200	698,846	249,200
Unrestricted Funds		7,813,668	7,943,999	7,382,666	7,798,244
Total Funds	18	<u>8,720,691</u>	<u>8,401,376</u>	<u>8,289,689</u>	<u>8,255,621</u>

A separate Statement of Financial Activities for the charity alone has not been produced, as permitted by section 408 of the Companies Act 2006. The Charity's net movement in funds for the year was a surplus of £34,068 (2021 surplus £45,912)

Approved and authorised for issue by the Board of The Charleston Trust (Bloomsbury in Sussex) on 20 July 2023 and signed on its behalf by



Dame Pippa Harris, Chair

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

CONSOLIDATED STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Cashflows from operating activities		
Net cash provided by or (used in) operating activities	(358,334)	(18,054)
Cashflows from investing activities		
Dividends and interest received	107	36
Purchase of fixed assets	-	(19,667)
Change in cash and cash equivalents	(358,227)	(37,685)
Cash and cash equivalents at the beginning of the period	934,277	971,962
Cash and cash equivalents at the end of the period	576,050	934,277

RECONCILIATION OF NET INCOME(EXPENDITURE) TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income (expenditure) for the reporting period	319,315	122,538
Adjustments for:		
Depreciation charges	160,356	195,478
Dividends, interest and rents	(107)	(36)
Donation of Heritage Assets	(310,000)	(500,000)
(Increase)/Decrease in stock	(19,507)	693
(Increase) in debtors	(423,821)	(28,573)
(Decrease)/Increase in creditors	(84,570)	191,846
Net cash provided by operating activities	(358,334)	(18,054)

ANALYSIS OF CHANGES IN NET DEBT

	1 January 2022 £	Cashflows £	31 December 2022 £
Cash and Cash Equivalents	934,277	(358,227)	576,050
Loans: amounts falling due within one year	(20,000)	(20,000)	(40,000)
Loans: amounts falling due after more than one year	(80,000)	40,000	(40,000)
Total	834,277	(338,227)	496,050

The notes on pages 22 to 36 form part of these financial statements.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements are prepared under the historical cost convention. The charity constitutes a public benefit entity as defined by FRS 102. The financial statements are 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 (FRS102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Companies Act 2006 and UK Generally Accepted Practice.

GOING CONCERN

The Trustees have a reasonable expectation that the Charity has adequate resources to continue activities for the foreseeable future.

The Trustees have reviewed the projected budgets for 2023 and 2024, which show visitor numbers and event income returning to pre-covid levels and continued growth in earned income. The Trustees have satisfied themselves that the level of fundraising already secured or projected, alongside projected earned income and available free reserves will allow Charleston to deliver planned activity in 2023 and 2024.

Having considered the period for at least twelve months from the date of approval of this report, the Trustees confirm that it is appropriate to continue to adopt the going concern basis in preparing the financial statements. No capital commitments are made without sufficient funding secured.

CONSOLIDATION

The financial statements consolidate the results and the assets and liabilities of the Charity and its wholly owned subsidiary, Charleston Enterprises Limited, on a line-by-line basis. The results for the activities carried out by Charleston Enterprises Limited are set out in note 13.

FUND ACCOUNTING

Unrestricted general funds are available for the use of the trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Unrestricted designated funds have been set aside by the Trustees for a particular future project or commitment. These funds remain part of the unrestricted funds of the Charity as the designation has an administrative purpose only and does not legally restrict the Trustees' discretion in how to apply the funds.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or by the purpose of an appeal.

Permanent Endowment funds are held as capital. Expendable endowment funds are applied at the discretion of the Trustees unless otherwise instructed by the donor.

INCOME

All income is included in the SOFA when the Charity obtains the right to consideration and the amount can be quantified with reasonable accuracy. The following policies apply to particular sources of income:

- i. Donated services and facilities are included at the value to the Charity where this can be quantified. No amounts are included in the financial statements for services donated by volunteers.

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

- ii. Gifts in kind are included at current market value where their value is ascertainable and material. The estimated valuation of gifts in kind is based on the value of the contribution to the Charity or the value the Charity would have had to pay to acquire the assets.
- iii. Income received by way of grants, donations and gifts is included in the SOFA when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the Charity, are recognised when the Charity becomes unconditionally entitled to the grant. Where grants are related to performance and specific deliverables, these are accounted for as the Charity earns the right to consideration by its performance.
- iv. Legacy income is recognised at the earlier of the Charity being notified of a distribution and the receipt of the legacy.
- v. Investment income is included when received.
- vi. Other income from trading activities is accounted for when earned.
- vii. Income from annual subscriptions is recognised when received.

Income is included in the SOFA under the following categories:

- i. Donations & legacies: donations to the Charity from individuals and personal trusts and includes associated Gift Aid.
- ii. Public open days & learning: income from visitors to the House and Garden and to the exhibition spaces, and income generated through our programme of festivals and events.
- iii. House conservation: includes restricted grants received for conservation and maintenance of the House and Garden and donations from individuals to the Annual Fund.
- iv. The Charleston Festival: income generated by the annual Charleston literary festival held in May including ticket income, associated grants and donations and sponsorship income.
- v. Acquisitions: grants and donations made to support acquisition of additions to the Charleston collection.
- vi. Grants and donations: public and government funding and grants and donations from trusts and foundations given either on a restricted or unrestricted basis.
- vii. Friends and Patrons: annual subscriptions to the Friends of Charleston and Patrons of Charleston schemes including the gift aid received thereof.
- viii. Shop & café: income generated by the Charity's trading subsidiary, Charleston Enterprises Limited, through operation of the shop and café.
- ix. Other activities for generating funds: income from fundraising events and activity.

EXPENDITURE

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates. Expenditure is allocated to categories in accordance with the main activity of the staff concerned or the substance of the costs as set out in note 5. Expenditure includes the costs of generating funds and charitable expenditure including support, management and administration costs.

Support costs are those costs incurred in support of expenditure on the objectives of the Charity and are allocated to the activities set out in note 5 on the basis set out in note 6. Support costs include governance costs which are those expenses incurred in the governance of the Charity and are primarily associated with constitutional and statutory requirements including audit of the Charity's accounts and include an appropriate proportion of senior management time.

Redundancy and other termination costs are calculated in accordance with statutory requirements in the UK and are recognised in full when paid to employees.

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

CURRENCY

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these statements are rounded to the nearest £.

GUARANTEE

The Charity is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is £10 per member of the Charity. At 31 December 2022 the total of such guarantees was £80.

TANGIBLE FIXED ASSETS

All tangible fixed assets are capitalised, subject to a cost threshold of £1,000. Tangible fixed assets are stated at cost including any incidental expenses of acquisition. Depreciation is provided against all tangible fixed assets on a straight-line basis at rates calculated to write off the cost over their expected useful economic lives as follows:

Freehold land and buildings	See below
Leasehold land and buildings	50 years
External works	25 years
New water supply	5 years
Portable office cabins	4 years
Fixtures & fittings	10 years
Audio visual and office equipment	4 years

No depreciation is provided on the freehold land & buildings as the Trustees consider the economic life to be indefinite with adequate maintenance.

HERITAGE ASSETS

The house and garden and items in the collection acquired up to 31 December 2013 are heritage assets which are not capitalised under the provisions of paragraph 18.14 of the SORP (FRS102). Assets acquired from 1 January 2014 onwards are capitalised where cost and valuation information is available.

Depreciation is not charged on heritage assets as they have an indefinite life span.

Expenditure that is required to preserve or prevent further deterioration of individual collection items is recognised in the SOFA when it is incurred.

FOREIGN CURRENCIES

Transactions in foreign currencies are translated into sterling at the date of the transaction. Any exchange differences are recognised through the SOFA. Foreign exchange monetary assets and liabilities are recognised at the rate of exchange ruling at the balance sheet date.

STOCK

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

CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

DEBTORS

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

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

FINANCIAL INSTRUMENTS

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 with the exception of bank loans which are subsequently measured at the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

PENSIONS

The Charity offers a stakeholder pension scheme to eligible employees. Contributions are charged to the SOFA as they fall due.

LEASING COMMITMENTS

Rentals payable under operating leases are charged to the SOFA on a straight-line basis over the lease term.

TAXATION

No tax provision is included in the financial statements on the basis that all income for the registered charity is derived from wholly charitable activities.

KEY ESTIMATES AND JUDGEMENTS

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period to which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. On transition to FRS102 the Charity took the option to treat the previous valuation of the freehold land and property as deemed cost. Going forward the freehold land and buildings will therefore be held at deemed cost. The Trustees consider the freehold land and buildings to have an indefinite useful economic life with adequate maintenance and therefore no depreciation charge is deemed necessary.

2. DONATIONS AND LEGACIES

Included in the SOFA under Donations and Legacies are the following:

	Unrestricted 2022 £	Restricted 2022 £	Total Funds 2022 £	Total Funds 2021 £
Donations and grants of a general nature	376,008	132,500	508,508	90,595
Donation of artwork via Acceptance in Lieu Scheme	-	-	-	500,000
	<u>376,008</u>	<u>132,500</u>	<u>508,508</u>	<u>590,595</u>

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

3. GRANTS RECEIVED

During the year, the Charity received the following grants which are included in the SOFA under Income from Charitable Activities.

	House and Galleries 2022 £	Festivals and Events 2022 £	Enterprise 2022 £	Sussex Modern 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Government Funding							
UK Community Renewal Fund	-	-	-	498,471	-	498,471	-
Arts Council England	50,400	-	234,000	-	-	284,400	510,254
Get Building Fund	-	-	-	-	-	-	293,126
Architectural Heritage Fund	-	-	-	-	-	-	50,000
Government Kickstart grants	23,909	-	-	-	-	23,909	29,639
Lewes District Council project support	-	-	-	-	16,800	16,800	-
Lewes District Council Retail Leisure & Hospitality grant	8,000	-	-	-	-	8,000	28,357
Coronavirus Job Retention Scheme	-	-	-	-	-	-	9,159
Trusts and Foundations							
Royal Oak Foundation	183,507	-	-	-	-	183,507	-
Art Fund USA	97,683	-	-	-	-	97,683	-
Chalk Cliff Trust	-	27,500	-	-	25,000	52,500	-
Tavolozza Foundation	41,250	-	-	-	-	41,250	10,000
Linbury Trust	-	-	-	-	-	-	25,000
Bloomberg Philanthropies	15,000	-	-	-	-	15,000	-
Mercers Foundation	15,000	-	-	-	-	15,000	15,000
Sigrid Rausing Foundation	12,500	-	-	-	-	12,500	12,500
Kilroot Foundation	12,000	-	-	-	-	12,000	-
Rockefeller Foundation	-	-	-	-	-	-	30,000
Other grants (under £10,000)	3,000	2,500	-	-	-	5,500	32,021
	462,249	30,000	234,000	498,471	41,800	1,266,520	1,045,056

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

4. INVESTMENT INCOME

	2022	2021
	£	£
Interest receivable	107	36

5. TOTAL EXPENDITURE

	Direct staff costs	Direct costs	Support costs	Total	Total
	2022	2022	2022	2022	2021
	£	£	£	£	£
Charitable activities					
House and Galleries	532,007	315,238	386,746	1,233,991	1,206,051
Festival and Events	244,071	306,661	251,395	802,127	589,171
Sussex Modern	28,695	469,455	-	498,150	-
Raising funds					
Fundraising	91,881	23,491	52,664	168,036	201,847
Enterprises	155,540	213,333	168,381	537,254	378,841
Total expenditure	1,052,194	1,328,178	859,186	3,239,558	2,375,910

Staff costs of £1,084,885 are set out at note 9 and comprise direct staff costs of £989,560 and allocated staff costs of £95,325 within 'Support costs' set out in note 6.

	Direct staff costs	Direct costs	Support costs	Total
	2021	2021	2021	2021
	£	£	£	£
Charitable activities				
House and Galleries	323,632	526,407	356,012	1,206,051
Festival and Events	162,147	253,108	173,916	589,171
	485,779	779,515	529,928	1,795,222
Raising funds				
Fundraising	91,356	50,907	59,584	201,847
Enterprises	113,841	153,170	111,830	378,841
Total expenditure	690,976	983,592	701,342	2,375,910

6. ANALYSIS OF SUPPORT COSTS

	2022	2021
	£	£
Staff costs	95,325	97,425
Other costs	763,861	603,917
	859,186	701,342

Support costs, included in the expenditure reported in the SOFA, consist of governance costs, IT, premises, finance, marketing and depreciation. They are allocated in proportion to the direct costs of each line of expenditure in the SOFA. Support costs include £32,793 of governance costs (2021: £26,242).

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

7. TAXATION

	2022	2021
	£	£
Domestic current year tax		
UK corporation tax credit	130,120	22,688

Income from UK corporation tax relates to a credit for Museums, galleries and exhibitions tax relief.

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year is stated after charging:

	2022	2021
	£	£
Auditors' remuneration:		
Audit of the Charity (current year)	16,275	12,400
Audit of subsidiary (current year)	4,500	2,900
Non-audit fees (current year)	3,831	7,559
Depreciation of fixed assets	160,356	195,478
Operating lease rentals in respect of equipment	6,347	5,855

9. STAFF COSTS

	2022	2021
	£	£
Salaries and wages	986,130	718,199
Social security costs	76,646	52,844
Pension costs	22,109	17,358
	<u>1,084,885</u>	<u>788,401</u>

The average number of staff employed during the year, including part-time and temporary contracts, was 61 (2021 – 37). Please note this does not include volunteers.

The number of employees receiving a salary over £60,000 in the year was:

	2022	2021
	No.	No.
£60,001 – £70,000	-	1
£80,001 – £90,000	1	-
	<u>1</u>	<u>1</u>

Contributions totalling £4,255 were made to a stakeholder pension for the above employee (2021: £3,282).

Key management personnel are considered to be the Chief Executive, the Director of Finance, Director of Communications, Head of Operations and Visitor Experience, the Head of Programme and Events, the Head of Collections and Research and the Head of Exhibitions. The total amount paid to key management personnel in the year was £352,985 (2021: £297,663). This amount includes stakeholder pension contributions of £9,926 (2021: £8,078).

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

10. TRUSTEES

None of the Trustees received any remuneration during the year for their services. Trustee expenses totalling £383 were reimbursed during the year (2021: £Nil).

11. TANGIBLE FIXED ASSETS

GROUP

	Freehold Land and Buildings	Leasehold Land and Buildings	Fixtures, fittings and equipment	Total
Cost				
1 January 2022	225,000	6,478,748	248,587	6,952,335
Disposal			(20,998)	(20,998)
31 December 2022	225,000	6,478,748	227,589	6,931,337
Depreciation				
1 January 2022	-	609,201	186,528	795,729
Charge for the year	-	142,773	17,583	160,356
On disposals			(20,998)	(20,998)
31 December 2022	-	751,974	183,113	935,087
Net Book Value				
31 December 2022	225,000	5,726,774	44,476	5,996,250
31 December 2021	225,000	5,869,547	62,059	6,156,606

CHARITY

	Freehold Land and Buildings	Leasehold Land and Buildings	Fixtures, fittings and equipment	Total
Cost or Valuation				
1 January 2022	225,000	6,478,748	192,488	6,896,236
Disposals			(11,194)	(11,194)
31 December 2022	225,000	6,478,748	181,294	6,885,042
Depreciation				
1 January 2022	-	609,201	155,214	764,415
Charge for the year	-	142,773	10,990	153,763
On disposals			(11,194)	(11,194)
31 December 2022	-	751,974	155,010	906,984
Net Book Value				
31 December 2022	225,000	5,726,774	26,284	5,978,058
31 December 2021	225,000	5,869,547	37,274	6,131,821

The value of the freehold building is considered by the Trustees to be equivalent to its historic cost. Due to the unique nature of the property, the Trustees believe that a reliable estimate cannot be made of the asset's fair value and any financially based valuation would be misleading to the cultural value and significance of the property.

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

12. HERITAGE ASSETS

	Group and charity 2022 £	Group and charity 2021 £	Group and charity 2020 £	Group and charity 2019 £	Group and charity 2018 £
Cost or valuation					
Brought forward	1,501,941	1,001,941	962,691	735,411	138,365
Additions donated	310,000	500,000	21,250	227,280	-
Additions purchased	-	-	18,000	-	597,046
Carried forward	1,811,941	1,501,941	1,001,941	962,691	735,411

Heritage assets consist of items acquired for the collection from 1 January 2014 onwards. Heritage assets are capitalised at the point of acquisition where cost or valuation information is available. Heritage assets include items donated to and purchased for the collection. Heritage assets are not depreciated or re-valued as a matter of routine.

The house and garden and items in the collection acquired up to 31 December 2013 are heritage assets which are not capitalised under the provisions of paragraph 8.14 of the SORP as the Trustees believe that the cost of obtaining an accurate valuation for these assets outweighs the benefit of doing so. The insured value of these assets is £13.2 million (2021 £11 million).

13. FIXED ASSET INVESTMENTS

Subsidiary undertaking

The Charity owns 100% of the issued share capital of £2 of Charleston Enterprises Limited (company number 02203968) which is incorporated in the UK. The main activities of the subsidiary are retail, licencing and the operation of the café. Taxable net profits are donated to the parent charity annually.

Charleston Enterprises Limited trading results for the year are summarised below:

	2022 £	2021 £
Sales	730,192	347,587
Cost of Sales	(191,779)	(121,504)
Gross Profit	538,413	226,083
Administrative expenses	(129,152)	(100,894)
Net profit for the year before donation	409,261	125,189
Gift Aid donation to the Charity	(124,014)	(48,562)

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

Profit (loss) on ordinary activities before and after taxation	285,247	76,627
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At 31 December 2022 the aggregate amount of Charleston Enterprises Limited's assets, liabilities and share capital and reserves was:

	2022 £	2021 £
Tangible Fixed Assets	18,193	24,787
Current Assets	629,431	199,717
Creditors: amounts falling due within one year	(216,619)	(78,746)
Total assets less current liabilities	431,005	145,758
Represented by		
Share capital and reserves	431,005	145,758

14. STOCK

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Goods for resale	91,032	71,524	-	-

15. DEBTORS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade debtors	69,989	17,022	42,805	12,477
Amounts due from subsidiary company	-	-	165,089	19,555
Other debtors	140,400	31,867	140,400	31,700
Taxation and social security	25,333	24,229	25,333	24,229
Prepayments and accrued income	457,139	195,922	179,605	190,645
	692,861	269,040	553,232	278,606

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Group	Charity	Charity
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	140,025	156,101	124,678	135,748
Taxation and social security	48,326	31,689	24,023	18,300
Other creditors	77,826	34,616	74,822	28,420
Loans repayments due	40,000	20,000	40,000	20,000
Accruals and deferred income	101,266	209,607	92,389	190,353
	<u>407,443</u>	<u>452,013</u>	<u>355,912</u>	<u>392,821</u>

The movement on deferred income included within creditors amounts falling due within one year is analysed below

	Group and Charity	Group and Charity
	2022	2021
	£	£
Deferred income:		
Balance at 1 January 2022	19,384	26,190
Amounts released from previous years	(19,384)	(25,190)
Incoming resources deferred	29,647	18,384
Balance at 31 December 2022	<u>29,647</u>	<u>19,384</u>

Deferred income consists mainly of advance income for events and admission to the house and galleries and income received for activities taking place in future periods.

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	Group	Charity	Charity
	2022	2021	2022	2021
	£	£	£	£
Loan repayments due within one to two years	40,000	40,000	40,000	40,000
Loan repayments due within three to five years	-	40,000	-	40,000
	<u>40,000</u>	<u>80,000</u>	<u>40,000</u>	<u>80,000</u>

During 2019, the charity secured a loan of £120,000, repayable over 3 years from 2020, with a discounted interest rate equivalent to 0%. The loan was made by the South East Local Enterprise Partnership Growing Places Fund to facilitate the completion of the capital project. Following the closure of Charleston due to Covid the Trustees negotiated an extended repayment plan over five years with the first repayment due by March 2022. Repayments have been made as scheduled in 2021 and 2022.

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

18 . FUNDS

	1 January 2022	Income	Expenditure	Transfers	31 December 2022
	£	£	£	£	£
Unrestricted Funds					
General	7,943,999	2,315,253	(2,448,190)	2,606	7,813,668
Restricted Funds					
House Conservation	1,000	-	-	-	1,000
Acquisition Fund	8,584	-	-	-	8,584
Asham Literary Fund	135,828	-	(10,000)	-	125,828
Other restricted funds	103,788	1,243,620	(781,368)	(2,606)	563,434
	249,200	1,243,620	(791,368)	(2,606)	698,846
Endowment Funds					
Permanent	133,000	-	-	-	133,000
Expendable	75,177	-	-	-	75,177
	208,177	-	-	-	208,177
Total Funds	8,401,376	3,558,873	(3,239,558)	-	8,720,691

	1 January 2021	Income	Expenditure	Transfers	31 December 2021
	£	£	£	£	£
Unrestricted Funds					
General	7,563,007	2,007,352	(1,890,772)	264,412	7,943,999
	7,563,007	2,007,352	(1,890,772)	264,412	7,943,999
Designated Funds					
Chalk Cliff	30,000	-	(30,000)	-	-
Restricted Funds					
House Conservation	1,000	-	-	-	1,000
Acquisition Fund	8,584	-	-	-	8,584
Coronavirus Job Retention Fund	-	9,159	(9,159)	-	-
Reopen Charleston	203,964	-	-	(203,964)	-
Asham Literary Fund	135,828	-	-	-	135,828
Other restricted funds	128,278	481,937	(445,979)	(60,448)	103,788
	477,654	491,096	(455,138)	(264,412)	249,200
Endowment Funds					
Permanent	133,000	-	-	-	133,000
Expendable	75,177	-	-	-	75,177
	208,177	-	-	-	208,177
Total Funds	8,278,838	2,498,448	(2,375,910)	-	8,401,376

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

Restricted Funds and Endowment Funds

- I. House Conservation: represents grants and donations received to maintain and conserve the house, garden and collection and related expenditure. The fund includes donations from individuals to the Annual Fund.
- II. Acquisition Fund: represents a fund to be used for acquisitions for the Charleston collection.
- III. Asham Literary Fund: represents a transfer of assets from the Asham Literary Trust to Charleston in support of literary activities.
- IV. Other restricted funds represent grants and donations received for various purposes, which are held until spent in accordance with the donors' wishes. In 2022 grants were received and spent to support the Trust to invest in our retail and enterprises income generation, to develop a project to open a new building in Lewes and deliver a campaign to promote Sussex as a cultural and tourism destination.
- V. Permanent: arising from endowment gifts where the Trustees do not have the power to convert the capital into income.
- VI. Expendable: where the Trustees do have the power to convert all or part of the capital into income.

Transfers between funds

In 2022 £2,606 of funds were transferred to unrestricted funds to sundry project costs.

In 2021 the following transfers between funds were made:

- I. £203,964 was released from the Reopen Charleston Fund and transferred to unrestricted funds to allow the Trust to reopen and deliver a programme of exhibitions and events despite a reduction in visitors due to social distancing and restrictions on capacity
- II. £32,250 was transferred to unrestricted funds, representing the costs of staff and overheads in delivering the Charleston rebrand, new website and Bloomberg Connects app.
- III. £28,198 was transferred to unrestricted funds, representing support for our programme of exhibitions, publications and research.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets	Net Current Assets	Liabilities falling due in more than one year	Total	Tangible Fixed Assets	Net Current Assets	Liabilities falling due in more than one year	Total
	2022	2022	2022	2022	2021	2021	2021	2021
	£	£	£	£	£	£	£	£
Unrestricted Funds	7,600,014	253,654	(40,000)	7,813,668	7,450,371	573,628	(80,000)	7,943,999
Restricted Funds	-	698,846	-	698,846	-	249,200	-	249,200
Endowment Funds	208,177	-	-	208,177	208,177	-	-	208,177
Total Funds	7,808,191	952,500	(40,000)	8,720,691	7,658,548	822,828	(80,000)	8,401,376

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

20. LEASE COMMITMENTS

At 31 December 2022 the Charity had the following commitments payable relating to non-cancellable leases:

	2022	2021
	£	£
Operating leases in respect of equipment		
Payable in one year	6,720	6,720
Payable in the second to fifth year	8,930	8,930
Rent payable under long lease of land and buildings		
Payable in one year	330	330
Payable in the second to fifth year	1,320	1,320
Payable after five years	28,050	28,050
	<u>45,350</u>	<u>45,350</u>

The above amounts include an estimate for irrecoverable VAT where applicable. They do not include an estimate for the annual indexation allowance on ground rent as it cannot be predicted with certainty.

21. PENSION COMMITMENTS

The Charity operates a stakeholder pension scheme for eligible employees. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the Charity to the funds and amounts to £22,109 (2021 £17,358).

22. RELATED PARTIES

At the year-end £165,089 was due to the Charity from Charleston Enterprises Limited (2021 £19,555). During 2022 a total of £105,035 (2021 £66,815) was recharged from the Charity to Charleston Enterprises in respect of staff time for retail and venue hire activities.

During the year one trustee made an unrestricted donation to the charity totalling £20,000 (2021 £3,000).

THE CHARLESTON TRUST (BLOOMSBURY IN SUSSEX)

23. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	2021 Restricted Funds £	Endowment Funds £	Total Funds £
INCOME AND ENDOWMENTS FROM:				
Donations and legacies	553,095	37,500	-	590,595
Charitable activities				
Public open days and learning	393,754	-	-	393,754
House conservation	1,213	-	-	1,213
Festival	-	-	-	-
Grants and donations	591,459	453,596	-	1,045,055
	986,426	453,596	-	1,440,022
Other trading activities				
Friends and Patrons	48,088	-	-	48,088
Shop and cafe	297,889	-	-	297,889
Other activities for generating funds	99,130	-	-	99,130
	445,107	-	-	445,107
Investments	36	-	-	36
TOTAL INCOME AND ENDOWMENTS	1,984,664	491,096	-	2,475,760
EXPENDITURE ON:				
Raising Funds				
Fundraising	106,652	-	-	106,652
Friends and patrons	95,194	-	-	95,194
Shop and cafe	346,961	-	-	346,961
Other costs of generating funds	31,881	-	-	31,881
	580,688	-	-	580,688
Charitable activities				
Public open days and learning	1,218,597	426,306	-	1,644,903
House conservation	121,487	28,832	-	150,319
Festival	-	-	-	-
	1,340,084	455,138	-	1,795,222
TOTAL EXPENDITURE	1,920,772	455,138	-	2,375,910
	-	-	-	-
NET INCOME FOR THE YEAR	63,892	35,958	-	99,850
TAXATION	22,688	-	-	22,688
TRANSFERS BETWEEN FUNDS	264,412	(264,412)	-	-
NET MOVEMENT IN FUNDS	350,992	(228,454)	-	122,538
TOTAL FUNDS BROUGHT FORWARD	7,593,007	477,654	208,177	8,278,838
TOTAL FUNDS CARRIED FORWARD	7,943,999	249,200	208,177	8,401,376