

CHAWTON HOUSE LIBRARY

(A company limited by guarantee)

**Company No. 02851718
Charity Registered No. 1026921**

REPORT OF THE TRUSTEES AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

tc accounts · tax · legal · financial planning

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**FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021**

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TRUSTEES' REPORT

Chawton House is an extraordinary place with a remarkable history. The freehold remains in the ownership of the Knight family, after nearly 500 years of unbroken succession. For the last 29 years, it has been looked after by a charitable company founded to preserve the house and grounds for the benefit of the public and to be a research library for the study of writing in English by women of the long 18th century. Chawton House has a special link to Jane Austen, who was very familiar with the House and estate, and it influenced her writing. Her brother Edward inherited to the Chawton estates, and in 1809 provided a cottage for his sisters and mother. This brought Jane Austen to the village, from where her novels made their way out to the world. Chawton House provides a place of rich cultural and natural heritage for our local community and is part of any pilgrimage to Jane Austen's Hampshire for visitors, scholars, and audiences across the world.

Over the last 5 years, Chawton House has transformed itself, broadening access, activity and impact. Notwithstanding two years of significant disruption brought about by the pandemic, the charity has established business and working models that enable it to generate more of its own income. Visitor numbers had increased from under 1,000 in 2017 to 20,000 in 2019 and pro-rata, visitor numbers during 2021 held up well with pre-pandemic levels, indicating that, over the two years when we missed our regular international visitors, we have nonetheless become better known locally and nationally. In 2017, 14% of revenues were achieved through self-generated income. By 2019 that had increased to 59%. At the end of the 2nd pandemic year, 64% of our income is earned, the remainder made up of grants and donations. Whilst our core income generation is from visitors, and our visitor-reliant business had been again affected by pandemic closures and other limitations, this achievement in performance cannot be underestimated. In economic terms, every opportunity is considered in our endeavours to establish new and alternative revenues – and with notable success. This has been achieved because of the strength and competence of the transformation years before 2020, and through the tireless and agile response of the Chawton House team to testing conditions. Further, during a second year of disruption, it was another year of extraordinary effort.

The pandemic restrictions in 2020 and consequent unpredictability gave Chawton House the opportunity to begin, embed and develop an imaginative and energetic focus on the gardens, parkland and outside offer. This compliments the transformation work on the offer inside the house that had been completed at the start of 2020. From the planting of thousands of spring bulbs, new parkland walking routes, outdoor theatre and film seasons, Gothic, Halloween and Christmas light trails, our outside potential has been fully engaged to maximise visitors' enjoyment. The digital offer, started from scratch two years ago, has grown markedly, enabling our research and literary work to continue, including expanding our international reach. In 2021 we welcomed back Visiting Fellows who undertake independent research, in a revived programme sponsored by the Ardeola Trust. Visiting Fellowships can now be expanded in 2022 and into the future.

2021's main exhibition, Botanical Women represented so much about the strength of Chawton House's year, and the work it does and plans to do more of. There were some known stories, such as Elizabeth Blackwell, bringing scientific and drawing skill together with her own admirable entrepreneurialism; there were unknown stories of women educators in natural history, exquisite floral art, and the gardening diaries of women who lived at Chawton House. These were stories of self-determination, outward giving, sharing, and impact, all representative of literary, artistic, scientific and horticultural excellence. Chawton House has female literary endeavour at its core, but it champions female endeavour in many spheres. Perhaps, unsurprisingly, the Chawton House of today is led by women.

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2022 will see Chawton House recover from the two years of pandemic disruption, and start to look forward expansively through master-planning for the medium term. The dedication of the staff and volunteer teams is as admirable as it is impressive, and all involved at Chawton House recognise and are grateful to our many supporters around the world.

Louise Ansdell

Chairman

The Trustees (who are also directors of the charitable company for the purposes of the Companies Act 2006), present their report with the financial statements of the charitable company for the year ended 31 December 2021.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the charities Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable and in the UK and Republic of Ireland; FRS 102) issued in October 2019.

OBJECTIVES AND ACTIVITIES

Our Purpose and Activities

The charitable objects of Chawton House Library are:

- a) To promote study and research into early women's literature
- b) To protect, restore and preserve Chawton House and the surrounding estate for the benefit of the public
- c) To advance the education of the public by creating and maintaining a working manor farm of the late eighteenth century at the property

Chawton House Library gives particular focus to the first two charitable objects.

Achievements and Performance in 2021

As 2020 was, we hoped, a single anomalous year, achievements and performance as measured against both that year, and against 2019's more representative operations, are heartening. We welcomed over 16,000 visitors in person, a clear increase from 2020, and representing 80% of the numbers who visited in 2019. Public opening was delayed due to restrictions until the middle of May, however by the time that October's Gothic Season of academic, literary and family events came round, we were able to acknowledge we had become far better known and used, in particular by our local community. With over 22,000 views of YouTube lectures, presentations and tours, our digital offer is clearly strong, with over 10,000 subscribers to that channel. Together with our online events programme, we were able to continue to expand our national and international reach. Financial performance was robust in the face of continued uncertainty.

We were delighted to be nominated for the Museum + Heritage Pandemic Pivot Award 2021, in recognition of our response to Coronavirus. We won, for a 3rd year running, Visit England's Hidden Gem award, and, again, achieved TripAdvisor's Traveller's Choice designation.

Public programme and exhibitions in 2021

'Made In Lockdown' showcased the wide and expert skills of many of our volunteers and staff, from fine art to craft and carpentry; it was a joy to keep this exhibition on throughout the year, work inspired by Chawton House and created during the 2020 lockdowns. We held open 2020's exhibition, Clio

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O'Sullivan's 'Man Up! Women who Stepped into a Man's World', for part of 2021's season. It fostered a creative writing competition, bespoke merchandise, and reached even to Kazakhstan, where it inspired a teacher to use it and its stories in her teaching of high school students of English.

Our main exhibition 'Botanical Women', open from April 2021 for a year, was curated by Katie Childs, with exhibits largely from our own collection, many of them previously unresearched. The exhibition was adjusted during the year to reflect the changing seasons and was complimented by part of the public programme of events, including academic presentations, garden walks, dining experiences and further creative events with botanical and floral themes.

2020's seminal acquisition had been the return of William Cowper's 'The Task', the volumes from the Godmersham Park library for which there is some evidence were held and read by Jane Austen on her visits there. We ran a study day in collaboration with the Cooper and Newton Museum.

Outdoor theatre and film on the South Lawn during summer months meant that large, safely distanced audiences could be delighted by The Lord Chamberlain's Men's Macbeth, Slapstick Picnic's "The Importance of Being Earnest" and two productions based on Austen's "Emma". East Hampshire's first literary festival built on the collaborative work that had been done during 2020 between Chawton House, Gilbert White's House, Petersfield Museum and Jane Austen's House.

Gothic season each October spans both the literary Gothic and Halloween. An exhibition display Gothic Landscapes in the Long Gallery complimented scholarly events, including Dr Sam George's exploration of the interface between plants, the Gothic and folklore, and a Gothic Contagion panel discussion, with contributions from Michael Megen de Bruin-Mole, Nick Brown and an Annika Mann. A spooky light trail and children's activities trails provided well-visited activities for autumn half term week.

Christmas Season, a truly heroic undertaking by a volunteer Christmas team who had been working since the spring, saw Chawton House decorated almost entirely by knitted decorations, including the Twelve Days of Christmas, a nativity, knitted fairy lights and mince pies, as well as knitted lace angels on the tree cut from our own woodland. Outside, there was a magical Christmas lights trail, taking the walled garden, including fairy-lit giant vegetables, and the Wilderness led visitors on a glowing pathway of woodland creatures.

25% of our in-person visitors bought tickets for the gardens alone, reflecting the value to the public of the focus we have placed on the outdoor offer. As our Tea Room and estate are open to all, without entry to the house or to the gardens, the visitor numbers do not reflect the total number of individuals who have enjoyed Chawton House this year.

Collections and Research in 2021

The Chawton House Collection comprises 12,000 volumes, including manuscripts of which one is in Jane Austen's own hand. This collection is an extraordinary and singular resource enabling vast research opportunities in support of our first charitable object. Online resources include a full catalogue and 80 transcribed novels, some by well-known names, some anonymous women authors. Over the last two decades Chawton House has provided the unparalleled setting for scholarly research into both well-known and under-sung heroines of female literary endeavour from, broadly, 1600-1860, with some later specific onward acquisitions through the Brontës to Gertrude Jekyll. The Knight Collection comprises 3,000 books and combines the retained works from Godmersham Park's library (and its catalogue) and the library from Chawton House itself. This library collection is kindly lent to us by Richard Knight. We were honoured to be Deirdre Le Fay's chosen recipient of her archive and

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papers, representing the life's work of one of the greatest Austen experts and scholars. This collection is currently being catalogued. Our online library catalogue returned on a new platform.

The Upper Reading Room enables up to twelve scholars and readers to undertake their work, on both the primary texts and extensive secondary collection, and three resident Visiting Fellows were able to return in person to undertake their research. The Visiting Fellow programme encourages applications from early career scholars, where Chawton House can further provide opportunities for public engagement with the scholarship and research. Dr Salma Akran worked on Empire and post-colonial links with Jane Austen and South-East Asia, Dr Alison Daniell continued her work on the law of marriage *couverture*, and Charlotte Goudge worked on female corpulence in the long eighteenth century.

During the year, the activities of Godmersham Lost Sheep Society, who source and support the return to Chawton House of books that were in the original Knight library at Godmersham Park, continued strongly. There is real excitement over the acquisition by GLOSS, with the further valued support of our North American Friends of Chawton House, of a previously unknown Mary Russell Mitford autograph letter, describing the gift of a full set of Jane Austen's novels in the new Bentley edition, dated 13 September, likely 1835.

Two further Godmersham works returned "home": *A topographical survey of the Great Road from London to Bristol. With historical and descriptive accounts of the country, towns, villages, and gentlemen's seats on and adjacent to it...* A.A. Robertson. (2 volumes, London: Printed for the author and William Faden, 1792), with support from GLOSS, and *Observations and Reflections made in the course of a Journey through France, Italy, and Germany*, (2 volumes, Strahan & T. Cadell, 1789) by Hester Lynch Piozzi, generously given by Joanna Barker.

Further generous donations came from Susan Crowe, *The Book of Household Management*, Mrs. Isabella Beeton (London 1866); from Joanna Wood, an inscribed copy of *Demetrius: a tale of modern Greece: in three cantos. With other poems*, Agnes Strickland (London 1833); and from Joanna Trollope, a blotter from Godmersham Park.

We were also pleased to accept from Lucy Chapman the loan of a first edition of *Mansfield Park* (3 vols.) annotated by K.M. Metcalfe and R.C Chapman for the first scholarly edition.

For Botanical Women, two items were borrowed: *The Garden Book of Marianne Knight*, from Hampshire Record Office, Knight Archive, and Gertrude Jekyll's planting plan for H Falkner, flower borders for garden, from Surrey History Centre. The modest loan need for the exhibition is testament to the extent of the holdings in our own collection.

Visitor Experience and Relationships, the House, the Gardens and Grounds in 2021

Our vision for the pursuit of our second charitable object takes the form of being an outward facing, welcoming organisation that shares generously the extraordinary resources – of place, of history, of cultural life – with as many people as possible.

People at Chawton House

At 31 December 2021 there was a team of 22 staff members 14.3 FTE. We were delighted that Dr Kim Simpson is now employed at Chawton House fulltime, as Deputy Director with her role leading our academic and learning programmes. The commitment and dedication of all those involved earns high praise and appreciation, and the warm welcome provided by staff and volunteers is popular with visitors, with many direct and online accolades. Executive and financial leadership of the Chawton House team during the year, a team including some at the very start of their careers, has been exceptional.

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An essential, valuable and valued volunteer team of 70 contributed across house, garden, collections and library functions, as well as being the creators of the Made in Lockdown exhibits and the Christmas displays.

The Board of Trustees met quarterly during the year, with additional individual contributions being made outside of meetings where relevant for individual Trustees' areas of skill and expertise.

Commercial Trading Income

Trading income from commercial began recovery after 2020's severe restrictions on access and travel. In all the circumstances, £174,653 (2020: £137,183) is impressive, representing 93% of 2019's trading income (2019: £186,766). The unequivocal opportunities for increasing trading income through increased private hire, weddings, and other commercial enterprise remain available for development.

Donated, grant income and non-commercial trading income

Most physical visitors donate their entry fees, the public health restrictions again leading to a reduced income against capacity. 2021's income from admissions at £89,707 saw a 76% increase in income over 2020 [£50,771], and the year's admissions income was 80% of 2019's [£112,035], received over a shorter open season. Grant income was a little lower in 2021 at £122,056 [2020: 136,882]. Chawton House's positive performance in 2020 excluded it from the 3rd round of Covid Recovery Fund support.

Total donated, grant and non-commercial trading income in 2021 was £358,910 [2020: £406,174 2019: £472,334], representing a positive trend as the charity seeks to move away from donated and grant income to fund core activities. The Stables and Coach House Cottage continue to be let to residential tenants, and there are further rents from farming tenants.

We received funding from the Ardeola Trust, with our thanks and gratitude, enabling in particular the return and expansion of the Visiting Fellows programme. We remain so grateful for the generous support from many individuals across the world. Particular thanks are due to our North American Friends of Chawton House for their consistent and effective fundraising energies.

Financial operations in brief

Our commercial vision for Chawton House is that it will be capable of meeting the majority of basic running costs from self-generated income. This remains a realistic aim, two disrupted years notwithstanding, on which Chawton House can and should place some reliance.

Public benefit in 2021

In shaping our objectives for the year and planning the charity's activities, the trustees have considered the Charity Commission's guidance on public benefit.

We built on the public benefit changes prompted by 2020's restrictions, and continued to promote greater use of our gardens, land and woodlands. The footpaths across our land include well used walking routes through historic and ancient woodland, as well as the parkland route between the villages of Chawton and Farringdon, and the Writers' Way, St Swithun's and Jane Austen trails. An estate wide tree survey and consequent work, together with a long-term parkland plan ensures longer term good stewardship of the public benefit of the land for which we are responsible.

This builds on our public benefit through the historic settings bringing to life the context within which our women writers, and Jane Austen herself, lived and worked. Access to the house and grounds which enables visitors to benefit from the physical and social legacy of the Knight family's unbroken links with

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Chawton House over 500 years, including our own collection of paintings and works of art, was available to a greater degree than during 2020.

The variety of events has continued to expand significantly the ways in which we provide public benefit during 2021. The extent to which Chawton House has found a larger local audience during the year, which has remained faithful with many visitors returning many times over, helps us to be confident that our public benefit will continue to increase.

We foster research and understanding of early women writers, restoring them to their rightful place in the history of English literature and enabling them to speak directly to - and inspire - future generations. The Library's unique collection of women's writing is accessible to anyone who wishes to use it. Many of the works in the collection were neglected, and the research being undertaken at Chawton House is helping to put these books and their authors back on the intellectual map.

Financial review

The year under review saw income remain stable, with positive adjustments across sources of income. Costs remained tightly managed in line with the financial management plans and constant good financial management. Trustees continue to implement a programme of financially prudent stewardship and re-organisation, together with contingency planning including managing any contingent liabilities that may crystallise.

Financial results for the year are shown on page 14.

Reserves policy

The reserves policy of the charity is to maintain sufficient reserves in order to provide support for the charitable company's activities. Given the impact of the pandemic on trading activity, some support from reserves was inevitable, and was held off as long as possible, as a result of the good management and stewardship of income and expenditure.

The charity held free reserves of £56,217 at 31 December 2021 (2020: £203,134). Trustees consider the charity to be operating within the reserves policy.

Risk management

Risk management policies continue to be kept under review.

Plans for the Future

The strategic aim remains to create a widely known and notable literary and heritage destination, with local, national and international appeal. The Charity will continue to exploit and expand opportunities to work collaboratively with the heritage, tourism, academic and educational resources. There has been a transformation of digital reach and potential in a short space of time, embedding the international reach of our work but acknowledging that this has to be a responsive part of the programme to match quickly changing audience behaviour. There has also been a marked expansion in local connections. The mutual benefit of these operations will assist to inform and shape future planning.

The Charity's physical location at the edge of Chawton village provides opportunities to open up the estate further, to accommodate increased visitor numbers whilst preserving the character and attributes of the historic setting and the academic study centre offer. There is also scope to provide further amenities to contribute to the local community.

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The Trustees recognise that this will require responsible management of the operation of the charitable company and its finances, positive outcomes to grant and other funding applications in support of the development of a sustainable business model, whilst remaining open to scholars and visitors, where safe to do so. The Trustees' view is that the charitable company remains in transition period towards this aim, with positive progress to date and a measure of optimism going forwards, tempered by the uncertainties of the conditions created by the pandemic, and rising fuel, food and staffing costs.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Chawton House Library ("Chawton House") is a charitable company limited by guarantee. Incorporated on 3 September 1993 (registration number 02851718) and registered as a charity on 6 October 1993 (registration number 1026921). Chawton House was formed under a Memorandum of Association that established its objects and powers. It is governed under its Articles of Association by a board whose members are directors for the purposes of company law and Trustees for the purposes of Charity law. The names of the members of the board who served during the year and up to the date of this report are set out on page 9. Chawton House Library uses the name 'Chawton House'. New Trustees may be appointed by an ordinary resolution of the charitable company, or by a decision of the board of Trustees. Any Trustee appointed by the board only holds office until the next following Annual General Meeting of the Library, but may then be eligible for re-election. Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 December 2021 was seven.

Related parties

Patrons, Friends and Volunteers

The Trustees remain grateful for the continued advice and support of the Library's patrons:

Dr Sandy Lerner (Founding Patron)	Dame Mary Fagan DCVO, JP
Miss Joanna Trollope CBE	Mr Alan Titchmarsh MBE, VMH, DL
Professor Michèle Roberts	Mr Nigel Humphreys
Ms Claire Tomalin FRSL	Mrs June Parkinson
Professor Isobel Grundy	Professor Janet Todd OBE
Professor Cora Kaplan	Mrs Gilly Drummond OBE DL
Professor Richard Ovenden	Professor Karen O'Brien

We are pleased to acknowledge the assistance provided by the Friends of Chawton House Library and North American Friends of Chawton House. We are grateful to our volunteer network.

Connected organisations

The Library is connected with two non-profit corporations incorporated in Massachusetts:

- The Leonard X. Bosack and Bette Kruger Charitable Foundation, Inc ("the Foundation")
- North American Friends of Chawton House ("NAFCH")

Chawton House received direct donations from NAFCH during the year. The Trustees are grateful to these bodies for their continuing support of Chawton House and for the advice and assistance provided by the respective Boards and their officers.

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REFERENCE AND ADMINISTRATIVE DETAILS

REFERENCE AND ADMINISTRATIVE DETAILS

Directors and Trustees

The directors of the charitable company (the Charity) are its Trustees for the purpose of Charity law. The Trustees and officers serving during the year and since the year-end were as follows:

Mrs L Ansdell (Chair)
Mr R E B Knight
Mr R Bhattacharya
Mr S Knight
Mrs A McMeehan Roberts
Professor K O'Brien (until December 2021)
Mrs S Saville
Professor F Stafford (from December 2021)

Company Secretary: Ms K E Childs

Registered Office: Chawton House
Chawton
Alton
Hampshire
GU34 1SJ

Company Number: 02851718

Charity Registered Number: 1026921

Auditors: TC Group
The Courtyard
Shoreham Road
Upper Beeding
Steyning
West Sussex
BN44 3TN

Solicitors: Paris Smith LLP
Number 1
London Road
Southampton
SO15 2EA

Bankers: National Westminster Bank plc
3 London Street
Old Market Square
Basingstoke
Hampshire
RG21 7NS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Trustees' responsibilities

The Trustees (who are also directors of Chawton House Library for the purposes of company law) are responsible for preparing the Trustees' Annual 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 2019 (FRS 102);
- make judgements 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

TC Group are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by order of the board of Trustees on17th August 2022 and signed on their behalf by:



.....
Mrs Louise Ansdell – Trustee

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHAWTON HOUSE LIBRARY

Opinion

We have audited the financial statements of Chawton House Library (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 24. 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 charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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 director with respect to going concern are described in the relevant sections of this report.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHAWTON HOUSE LIBRARY

Other information

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

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

We have nothing to report in this regard.

Opinions on 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' Annual Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Trustees' Annual Report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHAWTON HOUSE LIBRARY

In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption; and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the charitable company's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charitable company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CHAWTON HOUSE LIBRARY**

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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

TC Group

Jonathan Aikens FCA DChA (Senior Statutory Auditor)

For and on behalf of TC Group

Statutory Auditor
Office: Sussex

13 September 2022
Date:

TC Group is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

CHAWTON HOUSE LIBRARY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Income and endowments from:					
Donations and legacies	2	187,892	92,242	280,134	334,062
Other trading activities	4	174,653	-	174,653	137,183
Investments	5	78,776	-	78,776	72,112
Total		441,321	92,242	533,563	543,357
Expenditure on:					
Raising funds	6	126,979	-	126,979	73,873
Charitable Activities	7				
The estate and gardens		170,549	20,561	191,110	108,451
Library and academia		127,985	21,655	149,640	239,428
The property and collection		203,736	3,751	207,487	155,287
Raising awareness		-	-	-	41,346
Total		(629,249)	(45,967)	(675,216)	(618,385)
Net gains on revaluation of investment property	14	-	-	-	775,000
Net income/(expenditure) / Net movement in funds		(187,928)	46,275	(141,653)	699,972
Reconciliation of Funds:					
Total funds brought forward		8,441,129	50,160	8,491,289	7,791,317
Total funds carried forward		8,253,201	96,435	8,349,636	8,491,289

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 19 to 29 form an integral part of these financial statements.

CHAWTON HOUSE LIBRARY

BALANCE SHEET AS AT 31st DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	5,841,803	5,882,814
Heritage assets	15	<u>2,355,181</u>	<u>2,355,181</u>
		8,196,984	8,237,995
Current assets			
Stocks	16	8,615	14,680
Debtors	17	32,671	21,490
Cash at bank and in hand		<u>189,089</u>	<u>273,202</u>
		230,375	309,372
Liabilities			
Creditors: Amounts Falling Due Within One Year	18	<u>(77,723)</u>	<u>(56,078)</u>
Net Current (Liabilities)/Assets		152,652	253,294
Total Assets Less Current Liabilities		<u>8,349,636</u>	<u>8,491,289</u>
Net Assets		<u>8,349,636</u>	<u>8,491,289</u>
Funds of The Charity:	20		
Restricted Funds		<u>96,435</u>	<u>50,160</u>
Unrestricted Funds		<u>7,419,048</u>	<u>7,606,976</u>
Revaluation reserve		<u>834,153</u>	<u>834,153</u>
Total unrestricted funds		<u>8,253,201</u>	<u>8,441,129</u>
Total Funds		<u>8,349,636</u>	<u>8,491,289</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees on 17th August 2022 and are signed on their behalf by



.....

Mrs Louise Ansdell
Trustee

Company registration number 02851718

The notes on pages 19 to 29 form an integral part of these financial statements.

CHAWTON HOUSE LIBRARY**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021****Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	2021	2020
	£	£
Net income/(expenditure)(as per the statement of financial activities)	(141,653)	699,972
Adjustments for:		
Depreciation charges	43,212	43,420
Interest from investments	(10)	(89)
Revaluation of investment property	-	(775,000)
(Increase)/decrease in stocks	6,065	(2,885)
(Increase)/decrease in debtors	(11,181)	(12,056)
Increase/(decrease) in Creditors	21,645	18,409
	<hr/>	<hr/>
Net Cash Outflow from Operating Activities	<u>(81,922)</u>	<u>(28,229)</u>

Cash Flow Statement

	2021	2020
	£	£
Cash flows from operating activities:		
Net cash used in operating activities	<u>(81,922)</u>	<u>(28,229)</u>
Cash flows from investing activities:		
Interest from investments	10	89
Proceeds from the sale of tangible assets	-	-
Purchase of property, plant and equipment	(2,201)	(4,902)
	<hr/>	<hr/>
Net cash used in investing activities	<u>(2,191)</u>	<u>(4,813)</u>
Change in cash and cash equivalents in the reporting period	(84,113)	(33,042)
Cash and cash equivalents at the beginning of the period	<u>273,202</u>	<u>306,244</u>
	<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period	<u>189,089</u>	<u>273,202</u>

The notes on pages 19 to 29 form an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1 Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The financial statements are prepared under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charitable company and rounded to the nearest £.

Income

All income is recognised in the Statement of Financial Activities once the charitable company has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Support costs are allocated by charitable activity in proportion to the budgeted costs for each area.

Any expenses in connection with the assistance are classified as Volunteers Expenses. The value of the volunteers' time has not been calculated.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life as follows:

Plant and machinery	- at 20% & 25% on cost
Long leasehold property	- over life of lease

Long leasehold property is held on a 125 year lease expiring in 2115 with annual rent of a peppercorn.

Investment properties for which fair value can be measured reliably are measured at fair value at each reporting date with changes in fair value recognised in 'net gains/(losses) on investments in the Statement of Financial Activities'.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1 Accounting Policies (continued)

Tangible fixed assets (continued)

Annual impairment reviews are carried out on behalf of the Trustees in respect of those assets which are not depreciated. This review involves a comparison of the current carrying amount of the fixed asset with its recoverable amount. Where the recoverable amount is lower than the carrying amount the asset is considered to be impaired and an impairment loss is recognised in the Statement of Financial Activities.

The cost of refurbishment of properties owned by the charitable company is capitalised and included within fixed assets where the work represents an addition to the property, or an improvement. The cost of repairs and maintenance are written off as incurred.

Heritage assets

Heritage assets comprise paintings, antiques and books. Painting and antiques are acquired by the charitable company to enhance the setting of the charitable company. Books are acquired to extend the charitable company's collection of Early Women's writing. Paintings and antiques are maintained in good condition and are subject to restoration when necessary. Books are maintained securely and at temperatures that aid preservation in good condition, and are subject to an ongoing conservation programme.

All heritage assets are recorded in a database which is reviewed annually and in accordance with the SORP, no depreciation is charged on assets which are considered to have an indefinite useful life. Consequently, no depreciation is provided on paintings and antiques, or books and manuscripts. These items are subject to annual impairment reviews.

Access to paintings and antiques is available to all visitors to Chawton House. Books are accessed by Visiting Fellows and other academics, and to book specialists on written request.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charitable company.

Designated funds are unrestricted funds of the charitable company which the Trustees have decided at their discretion to set aside for a specific purpose.

Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1 Accounting Policies (*continued*)

Donations

Donations are recognised on entitlement. Donations of fixed assets are included in the accounts at values provided by the donor or at market value, if valued within 12 months of the date of the donation. Donated goods and services are included as income at the equivalent market value. An equal cost is also included in the accounts.

Going Concern

Based on the continued increase in the proportion of income generated from trading and other commercial activities, and despite the financial impact of the ongoing COVID-19 pandemic, the Trustees have unanimously concluded that Chawton House Library is a going concern. Underpinned and driven by organisational strength and competency the business model has been transformed and advanced, leading to the diversification and development of the enterprise in all areas, Moreover, commercial revenue is supported by new grants and donations that permit investment in onward growth and sustainability. The charity's capital base remains secure. The Trustees keep this conclusion under regular review.

Critical accounting 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 in which the estimate is revised.

The trustees do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

2 Income from donations and legacies

	2021	2020
	£	£
Donations and transition funds	30,334	70,999
NAFCHL donations	31,883	63,060
Gift aid	3,226	7,320
Grants received (see note 3 below)	122,056	136,882
Subscriptions	2,928	5,030
Admissions	89,707	50,771
	<u>280,134</u>	<u>334,062</u>

Income from donations and legacies was £280,134 (2020 - £334,062) of which £92,242 (2020 - £91,580) was attributable to restricted and £187,892 (2020 - £242,482) was attributable to unrestricted funds.

CHAWTON HOUSE LIBRARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3	Grants received	2021	2020
		£	£
	Rural Payments Agency – Countryside Stewardship Support	11,438	12,023
	National Lottery Heritage Fund (Culture Recovery Fund)	35,600	71,200
	South Downs National Park Authority	-	11,130
	Other grants	29,018	42,529
	The Ardeola Charitable Trust	46,000	-
		<u>122,056</u>	<u>136,882</u>
4	Other trading activities	2021	2020
		£	£
	Shop income	127,786	80,528
	Rent, room hire and related income	13,245	35,550
	Academic, educational and library events	33,622	21,105
		<u>174,653</u>	<u>137,183</u>

Income from other trading activities was £174,653 (2020 - £137,183) of which £nil (2020 - £nil) was attributable to restricted and £174,653 (2020 - £137,183) was attributable to unrestricted funds.

5	Investment income	2021	2020
		£	£
	Rents received	78,766	72,023
	Deposit account interest	10	89
		<u>78,776</u>	<u>72,112</u>
6	Raising funds	2021	2020
		£	£
	Costs of sales	61,757	40,879
	Support costs	65,222	32,994
		<u>126,979</u>	<u>73,873</u>

Expenditure on raising funds was £126,979 (2020 - £73,873) of which £nil (2020 - £3,490) was attributable to restricted and £126,979 (2020 - £70,383) was attributable to unrestricted funds.

7	Analysis of expenditure on charitable activities	Direct costs	Support costs	TOTAL
		£	£	£
	The estate and gardens	171,670	19,440	191,110
	Library and academia	127,070	22,570	149,640
	The property and collection	173,437	34,050	207,487
		<u>472,177</u>	<u>76,060</u>	<u>548,237</u>

Expenditure on charitable activities was £548,237 (2020 - £544,512) of which £45,967 (2020 - £59,425) was attributable to restricted and £502,270 (2020 - £485,086) was attributable to unrestricted fund

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

8 Allocation of support costs	Raising funds	The estate and gardens	Library and academia	The property and collection	Total
	£	£	£	£	£
Wages	37,821	3,036	3,036	3,036	46,929
Social security	1,164	317	317	317	2,115
Meetings & conferences	40	446	544	647	1,677
Insurance	-	2,204	2,204	4,407	8,815
Utilities	1,786	2,402	4,657	6,984	15,829
Office expenses	6,086	3,295	3,566	7,514	20,461
Staff costs	11,113	53	60	60	11,286
Sundry	1,694	1,693	2,192	3,687	9,266
Pensions	308	308	308	308	1,232
Governance (note 9)	4,743	4,752	4,752	4,754	19,001
Bank charges	467	934	934	2,336	4,671
Total	65,222	19,440	22,570	34,050	141,282

The support costs are allocated by charitable activity in proportion to the budgeted cost for each area.

9 Analysis of governance costs	2021	2020
	£	£
Trustees' expenses	28	531
Auditor's remuneration	9,000	9,000
Professional fees and Memberships	9,973	5,134
Total	19,001	14,665

10 Net income/(expenditure) for the year	2021	2020
	£	£
This is stated after charging:		
Depreciation – Owned Assets	43,212	43,420
Auditor's Remuneration:		
- Statutory audit	9,000	9,000
- Non audit services	2,724	2,633

11 Trustees' remuneration and benefits

None of the Trustees received remuneration or other benefits for services rendered during the year (2020 - £nil). One of the Trustees' received reimbursed expenses in 2021 totalling £85 (2020: £nil)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12 Analysis of staff costs and emoluments

	2021 £	2020 £
Wages and salaries	320,349	328,197
Social security costs	10,579	15,082
Other pension costs	<u>8,215</u>	<u>5,395</u>
	<u>339,143</u>	<u>348,674</u>
Staff numbers:		
Average Monthly Number of Contracted Staff	<u>22</u>	<u>20</u>

There were no employees with emoluments above £60,000 (2020 - none).

The key management personnel of the charity comprises the Chief Executive and the Deputy Director. The remuneration of key management personnel (including employer's national insurance contributions and employer's pension contributions) was £82,509 (2020: £61,268).

The remuneration of a Post-Doctoral Research Fellow (PDRF) was paid directly by the University of Southampton from which institution the PDRF are seconded. During the year the costs borne by the University of Southampton totalled £14,507 (2020 - £24,520).

Volunteers contribute to the charitable company by way of welcoming visitors, acting as tour guides and room stewards, undertaking book conservation and working to maintain the estate.

13 Corporation taxation

The charitable company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14 Tangible assets

	Investment property	Long leasehold property	Plant and machinery	Total
	£	£	£	£
Cost:				
At 1 January 2021	2,375,000	4,598,869	186,145	7,160,014
Additions	-	-	2,201	2,201
At 31 December 2021	<u>2,375,000</u>	<u>4,598,869</u>	<u>188,346</u>	<u>7,162,215</u>
Depreciation:				
At 1 January 2021	-	1,103,731	173,469	1,277,200
Charge for the year	-	36,791	6,421	43,212
At 31 December 2021	<u>-</u>	<u>1,140,522</u>	<u>179,890</u>	<u>1,320,412</u>
NET BOOK VALUE:				
At 31 December 2021	<u>2,375,000</u>	<u>3,458,347</u>	<u>8,456</u>	<u>5,841,803</u>
At 31 December 2020	<u>2,375,000</u>	<u>3,495,138</u>	<u>12,676</u>	<u>5,882,814</u>

The long-leasehold property relates to the depreciated historic cost of the charitable company's acquisition of Chawton House, which is leased from the family of Mr R. Knight on a peppercorn rent until 2115. Due to the nature of the restrictions within the lease, the Trustees consider the property to have no residual value to the Charity and therefore the long leasehold property is being depreciated in full over the life of the lease.

The investment property relates to freehold property adjacent to Chawton House, which the Charity rents to tenants in order to generate funds for the charitable use. A formal valuation was undertaken on 7 September 2021 by CKS Consulting. The valuation of the investment property was assessed to be £2,375,000.

15 Heritage assets

	Paintings and antiques	Books and manuscripts	Total
	£	£	£
Cost:			
At 1 January and 31 December 2021	<u>304,582</u>	<u>2,050,599</u>	<u>2,355,181</u>
NET BOOK VALUE:			
At 31 December 2021	<u>304,582</u>	<u>2,050,599</u>	<u>2,355,181</u>
At 31 December 2020	<u>304,582</u>	<u>2,050,599</u>	<u>2,355,181</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

16	Stocks	2021	2020
		£	£
	Stock for resale	7,110	13,175
	Other stock	1,505	1,505
		<u>8,615</u>	<u>14,680</u>
17	Debtors	2021	2020
		£	£
	Trade debtors	21,282	1,698
	Accrued income	6,751	15,788
	Prepayments	4,638	4,004
		<u>32,671</u>	<u>21,490</u>
18	Creditors: amounts falling due within one year	2021	2020
		£	£
	Trade creditors	12,491	17,260
	Other creditors	8,493	6,107
	Accruals and deferred income	56,739	32,711
		<u>77,723</u>	<u>56,078</u>
19	Deferred income	2021	2020
		£	£
	At 1 January 2021	5,952	4,850
	Additions during the year	25,016	2,549
	Amounts released to income	(1,500)	(1,690)
	At 31 December 2021	<u>29,468</u>	<u>5,709</u>

Deferred income as at 31 December 2021 comprises advanced income in relation to wedding and rental income in respect of 2022.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

20 Analysis of charitable funds

Analysis of movement in unrestricted funds

	Balance 1 Jan 2021	Income/gains	Expenditure	Transfer	Balance 31 Dec 2021
	£	£	£	£	£
General fund	159,070	441,321	(583,293)	-	17,098
Designated Capital Fund	7,403,842	-	(36,791)	-	7,367,051
Designated Bench Fund	44,064	-	(9,165)	-	34,899
Revaluation reserve	834,153	-	-	-	834,153
	8,441,129	441,321	(629,249)	-	8,253,201

Analysis of movement in unrestricted funds – previous year

	Balance 1 Jan 2020	Income/gains	Expenditure	Transfer	Balance 31 Dec 2020
	£	£	£	£	£
General fund	293,198	451,777	(512,050)	(73,885)	159,070
Designated Capital Fund	7,359,315	-	(43,420)	87,947	7,403,842
Designated Major Repairs Fund	15,000	-	-	(15,000)	-
Designated Bench Fund	44,064	-	-	-	44,064
Revaluation reserve	59,153	775,000	-	-	834,153
	7,770,730	1,226,777	(555,470)	(908)	8,441,129

The General Fund represents funds available for the charitable company's purposes as set out in the governing documents of the Charity.

The Designated Capital Fund represents the tangible and heritage assets held by the charitable company. Each year the annual depreciation charge in respect of the long leasehold property is deducted from this fund. The transfer in the year has ensured the fund covers the full net book value of all fixed and heritage assets held.

The Designated Major Repairs Fund represents funds available for the upkeep of the charitable company's fixed assets. This fund was transferred to the general fund during the previous year as it is not expected to be utilized in the near term.

The Designated Bench Fund represents funds donated through the North American Friends of Chawton House in support of an appeal to raise resources to construct, install and maintain seating throughout the grounds of Chawton House.

The Revaluation Reserve represents the difference between the historic cost and revalued cost of the investment property following the revaluations undertaken by the Trustees in 2017, and CKS Consulting in 2021.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

20 Analysis of charitable funds (continued)

Analysis of movement in restricted funds

	Balance 1 Jan 2021	Income	Expenditure	Transfer	Balance 31 Dec 2021
	£	£	£	£	£
Book Conservation Fund	10,636	-	(2,488)	-	8,148
Painting Restoration Fund	3,636	-	-	-	3,636
Outdoor Lighting Fund	-	3,642	(4,348)	-	(706)
Culture Recovery Fund	38,573	35,600	(19,964)	-	54,209
Ardeola Charitable Trust	-	46,000	(19,167)	-	26,833
Building renovation	-	7,000	-	-	7,000
Website Development	(2,685)	-	-	-	(2,685)
Restricted funds	50,160	92,242	(45,967)	-	96,435

Analysis of movement in restricted funds – previous year

	Balance 1 Jan 2020	Income	Expenditure	Transfer	Balance 31 Dec 2020
	£	£	£	£	£
Book Conservation Fund	10,636	-	-	-	10,636
Painting Restoration Fund	3,636	-	-	-	3,636
Tea room/Scullery refurbishment	-	1,910	(2,818)	908	-
Visitor Experience Manager	-	80,420	(41,847)	-	38,573
Library Exhibition Room	-	9,250	(9,250)	-	-
Website Development	6,315	-	(9,000)	-	(2,685)
Restricted funds	20,587	91,580	(62,915)	908	50,160

The Restricted funds are available for future expenditure in relation to specific activities and projects that the charitable company will undertake.

The Book Conservation Fund represents funds of last resort to repair/conservate books.

The Painting Restoration Fund represents funds of last resort to repair/conservate art works.

The Outdoor Lighting Fund represents funds received from the South Downs National Park Authority for flexible outdoor lighting to run evening and winter outdoor events.

The Culture Recovery Fund (grant funding via the NLHF) represents funds held to cover essential costs due to loss of income because of forced closure during the pandemic. This fund is to cover some salary costs and some project costs between 1st October 2020 and 31st March 2021.

The Acquisition Fund relates to a Grant from the Friends of National Libraries and Godmersham Park Lost Sheep Society to finance the purchase of the Godmersham Park copy of William Cowper's Poems and The Task.

The Website Redevelopment Fund relates to funding from Foyle Foundation for the cost of re-designing the Chawton House website.

The Ardeola Charitable Trust Fund grant contributed to the salary costs of the Deputy Director for the period August 2021 – August 2022, as well as project costs for the Visiting Fellowship.

The Building Renovation Fund is a restricted donation received from an anonymous North American donor for the purposes of maintaining the building.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

21 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fixed Assets	-	5,841,803	-	5,841,803
Heritage Assets	-	2,355,181	-	2,355,181
Cash and current investments	53,535	39,119	96,435	189,089
Current Assets	41,286	-	-	41,286
Current Liabilities	(77,723)	-	-	(77,723)
	<u>17,098</u>	<u>8,236,103</u>	<u>96,435</u>	<u>8,349,636</u>
At 31 December 2021	<u>17,098</u>	<u>8,236,103</u>	<u>96,435</u>	<u>8,349,636</u>

Analysis of net assets between funds – previous year

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fixed Assets	-	5,882,814	-	5,882,814
Heritage Assets	-	2,355,181	-	2,355,181
Cash and current investments	186,098	44,064	43,040	273,202
Current Assets	29,050	-	7,120	36,170
Current Liabilities	(56,078)	-	-	(56,078)
	<u>159,070</u>	<u>8,282,059</u>	<u>50,160</u>	<u>8,491,289</u>
At 31 December 2020	<u>159,070</u>	<u>8,282,059</u>	<u>50,160</u>	<u>8,491,289</u>

22 Contingent Liabilities

Two former employees were members of a multi-employer pension scheme, which may expose the charitable company to liability due to the underfunding of the scheme. The charitable company is not, and has no intention to become, a member of any other multi-employer pension scheme. It is impracticable at this stage for the Trustees to determine the financial impact should this liability crystallise, however, the contingency planning for the charitable company does include contingent liability planning.

23 Related party transactions

Trustees remuneration and benefits have been detailed in note 11 of the financial statements. Donations were received in the year totalling £2,000 from one trustee (2020: £nil). Income was received by the charity from one trustee totalling £1,100 for the purchase of a book (2020: £nil).

24 Company information

Chawton House Library is a charitable company registered in England and Wales. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £10 per member of the charitable company.