

Eric and Salome Estorick Foundation

Annual Report and Financial Statement



Charity Registration Number: 1046374
Company Limited by Guarantee Registration Number: 03044221

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ERIC AND SALOME ESTORICK FOUNDATION

YEAR ENDED 30 JUNE 2022

Content	Page
Company information	1
Directors'/Trustees' report	2-14
Auditor's report	15-18
Statement of financial activities	19
Summary income and expenditure account	20
Balance sheet	21
Statement of cash flows	22
Notes to the financial statements	23-36

ERIC AND SALOME ESTORICK FOUNDATION

YEAR ENDED 30 JUNE 2022

Directors	Michael Estorick (chairman) Dawn Ades Jo Cottrell Alexander Estorick Isobel Estorick Vanessa Hall-Smith (resigned 30.6.2022) Gavin Henderson (resigned 18.1.2022) Martin Owen Jane McNeill (appointed 8 November 2022) Alexander Phillips (appointed 8 November 2022)
Company Secretary	Valentino Speziali
Address	39a Canonbury Square London N1 2AN www.estorickcollection.com
Company number	03044221
Charity number	1046374
Auditors	WMT - Chartered Accountants Verulam Point, Station Way, St Albans, Hertfordshire, AL1 5HE
Website	www.estorickcollection.com

ERIC AND SALOME ESTORICK FOUNDATION

THE DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR END 30 JUNE 2022

The Directors and Trustees present their annual report and accounts for the activities of the Eric and Salome Estorick Foundation ("the Foundation") for the year ending 30 June 2022. The accounts have been prepared in accordance with the accounting policies set out on pages 23 to 25 and comply with the Foundation's articles, the Companies Act 2006, applicable law and the requirements of 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 (FRS102) (Second edition) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Objective of the Charity and the Constitution

The Foundation is a charity and is constituted as a company limited by guarantee. It is therefore governed by a memorandum and articles of association.

The Foundation's objective and its principal activity is to create and maintain an environment conducive to the appreciation and understanding of modern art, particularly Italian art, through the promotion and display of its permanent collection of works of art and by running a temporary exhibition and education programme.

The Foundation has been funded in the past by the Eric and Salome Estorick Foundation (USA), a Delaware registered corporation which was closed in 2018 and the residual assets were transferred to the Foundation as a permanent endowment. There is also an expendable endowment for the care of the Collection and for the acquisition of works.

The Foundation owns 122 works of art which comprise the museum's permanent collection. 120 of these works had been collected by Eric and Salome Estorick during their lifetimes and were on loan when the museum opened in 1998. They have subsequently either been donated to or purchased by the Foundation. Of the two other works in the permanent collection, one was donated and the other purchased by the Foundation.

The Statement of Financial Activities shows total funds amounting to £14,454,991.

Public Benefit

The Trustees of the Foundation have paid regard to the Charity Commission's published guidance on public benefit. They believe that those who have access to the visual arts derive very real benefit from the experience. The museum seeks to be open and available to all and encourages participation by all. We offer a number of online activities free of charge and work with various charitable organisations in providing courses and activities free of charge or at low cost. Core costs have to be met and therefore with reluctance the museum levies an admission charge. All children up to age 18 and students with valid ID are permitted free entry and there are concessions for Senior Citizens, Registered Disabled, Job Seekers, Museum Association, London Culture, Association for Art History, Engage and National Art Pass members.

ERIC AND SALOME ESTORICK FOUNDATION

THE DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR END 30 JUNE 2022

Risk Management Policy

The Trustees have identified the main risks to which the Foundation is exposed, the current level of risk and its likely impact, the procedures to be put in place to mitigate the effects of identified risks and the level of residual risk. Any unanticipated risk emerging in the course of the year would be brought to the Board of Trustees for further consideration. The main identified risk is the physical security of the Collection which has been mitigated through a conservation programme, alarms, CCTV cameras, other security measures and insurance.

Reserves Policy

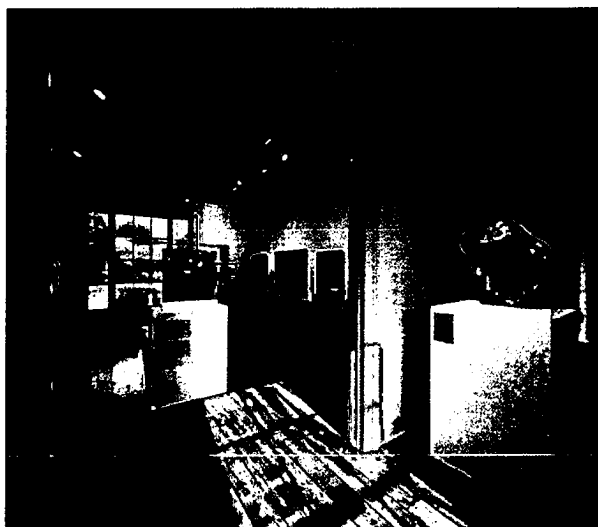
It is the policy of the Foundation to maintain unrestricted funds, which are the free reserves of the Foundation, at a level which equates to approximately nine months of unrestricted expenditure. This provides funds to cover management and administration and support costs and to respond to emergency applications for grants which arise. The total reserves of the charity amounted to £14,454,991 of which unrestricted reserves were £538,604, including fixed assets of £531,656. Additionally, there are endowment funds of £13,601,387 including an expendable endowment fund of £7.9m which can be used for the care of the Collection if required. Restricted funds amount to £325,000 relating to fixed assets.

Investments

During the year the investments provided a dividend income of £161,573 and capital loss of £573,047. The total return was £(411,474). During the year £30,000 of investments were sold to finance operations. The final investment mix was approximately 21% in the Blackrock Diversified Dynamic Return Fund, 29% in the iShares Developed World Index Fund (Equities) and 50% in the iShares Overseas Corporate Bond Index Fund.

Governance

The Foundation is directed by a Board of Trustees which meets four or five times a year. The day to day decision making is dealt with by the Director who delegates operational matters to the staff team as appropriate. All Directors of the company are also Trustees of the Foundation. The Board of Trustees has power to appoint additional trustees as it considers fit. New trustees receive an induction pack which provides full briefing on the founding documents, current policies, previous annual reports and recent board meeting minutes.



PRINCIPAL ACTIVITIES

Introduction

The Eric and Salome Estorick Foundation is known to the public as the Estorick Collection of Modern Italian Art (“the Estorick Collection”). It continues to attract attention for its high standard of visitor experience and has established a reputation for its diverse and challenging exhibition programme. The Trustees believe that the Estorick Collection’s unique and pioneering role in the presentation of Italian 20th century art continues to be justified. This is borne out by the consistently high level of recognition and interest which the programme receives from public and critics alike.

The Trustees recognise that the temporary exhibitions have to be varied, and lesser-known artists represented, with a balance being maintained between monographic and thematic shows. The programme for the past year included an interesting selection of exhibitions and collateral activities that was consistent with the remit of the Foundation by displaying a wide variety of work linked to its collection of Italian 20th century art (see below).

In November 2021, the Estorick Collection was again designated a Quality Assured Visitor Attraction by Visit England in their assessment stated “The Estorick houses an exceptional collection of Italian art in a most attractive setting. At the time of this assessment, the whole collection was on display (very well presented and interpreted) which allowed for a fascinating insight into the variety of modern art movements represented in the collection. Overall, this is a unique attraction offering a very good visitor experience”. The Estorick Collection was therefore considered eligible to be nominated for a VE Hidden Gem Accolade which has been awarded to the Collection in October 2022. It also continues to retain Accredited Museum status from Arts Council England.

The Trustees acknowledge the continuing support of private and public collections in Italy and other countries through their generous loan of works to the museum. The Trustees also acknowledge the contribution of Arts Council England in providing Government Indemnity for those works on loan to the museum.

The Estorick Collection reopened in May 2021 after been forced to close its doors to the public due to the COVID-19 pandemic. This was an unprecedented and uniquely challenging period for the

ERIC AND SALOME ESTORICK FOUNDATION

THE DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR END 30 JUNE 2022

museum. After reopening to the public the Collection offered a series of online talks and interactive curatorial discussions, as well as a range of online activities for children, in addition to the museum's regular posts on Twitter, Instagram and Facebook.

Attendance 2021/2022 was 15,760, a figure that would undoubtedly have been higher had it not been for the COVID-19 crisis.

Press and Marketing

Alison Wright PR continued to be responsible for press relations; the media coverage is now well established in Britain and Italy as well as appearing in other international publications.

The museum's social media channels continued to grow throughout the year, promoting the temporary exhibitions as well as the artists, artworks and themes of the permanent collection. Social media were used to increase awareness of the museum and its activities, engaging and reaching both existing and new potential visitors. The number of followers on its Instagram account kept growing throughout the year reconfirming the positive trend of the past years. A small growth was recorded on Facebook and Twitter.

	Followers: July 2021	Followers: July 2022
Facebook	4,763	4861
Twitter	5,189	5299
Instagram	7,690	8901

Visitor impressions, collected through surveys, highlighted general satisfaction with regard to temporary exhibitions and the museum. Cross marketing with other museums, festivals and organisations helped in promoting the exhibitions programme as well as the museum. Printed and digital advertising, as well as leaflet distribution, was used to promote the exhibitions held at the museum during the year.

Four online talks were held during this period (*A Still Life: Paul Coldwell in Conversation with Roberta Cremoncini*; *The Estorick Collection: A Conversation with Roberta Cremoncini and Christopher Adams Part 1 & 2*, *Discovering Bice Lazzari* with Exhibition Curator Renato Miracco) and were attended by 226 users. A special private view for Members was held on 30 November and it was attended by 117 guests. A special tour for London Art Fair VIPs took place in April.

Cross marketing with other museums and organisations helped in promoting the exhibitions programme and the museum. Printed and digital advertising, as well as leaflet distribution, was used to promote the exhibitions held at the museum during the year.

ERIC AND SALOME ESTORICK FOUNDATION

THE DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR END 30 JUNE 2022

Membership Scheme

The total membership in June 2022 was 751, an increase of 178 from June 2021. Total membership comprises the following: 28 Life members, 104 Contributing members, 99 Joint memberships, 153 Joint Concession memberships, 160 Individual members and 207 Individual Concession members. 149 new memberships were taken out during the year.

Retention rate for returning members was 83%, with a number of previously lapsed members also renewing. The return to something closer to normality after the restrictions of the Covid-19 pandemic has seen the number of members bounce back from the losses during the periods that the museum was closed, with high retention rates throughout the year.

Exhibitions

Olivier Debré: Fervent Abstraction

30 June - 26 September 2021

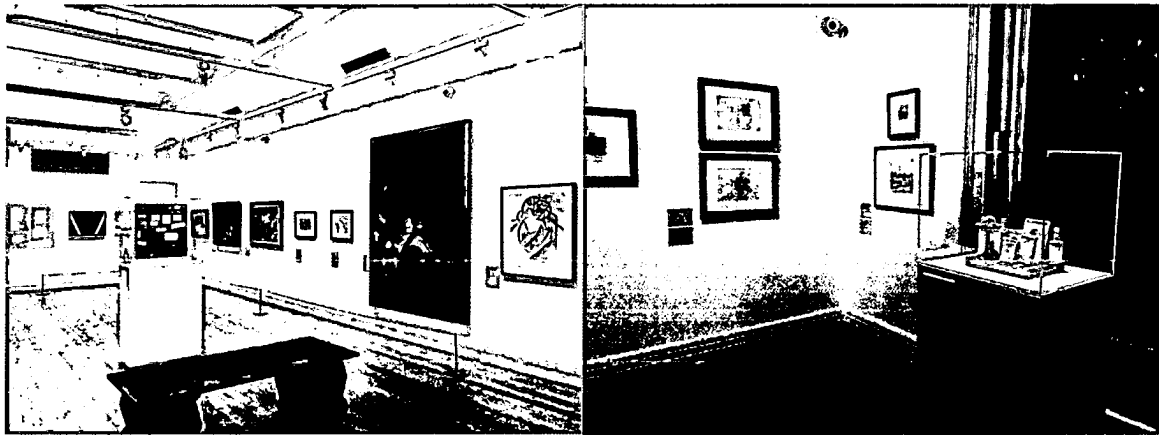


The first exhibition in England of paintings by French post-war artist Olivier Debré (1920-1999). Enormously prolific and internationally renowned, Debré was one of the key representatives of Lyrical Abstraction alongside Serge Poliakoff, Pierre Soulages and Nicolas de Staël. Originally influenced by Picasso, whom he met in 1941, Debré later began using the intense, vivid colours which would come to define his unique style from 1960 onward – a dramatic change of direction related in part to his encounters with American painters such as Mark Rothko and Jules Olitski. Describing his work as ‘fervent abstraction’, Debré’s ambition was to express as directly as possible the profound emotions awakened in him by the natural world. Chosen by Michael Estorick, Chairman of the Estorick Foundation, this show brought together some 30 oils and works on paper from all periods of the artist’s life, including 16 of his large-scale canvases. The exhibition was accompanied by a catalogue with contributions by Michael Estorick and art historians Fanny Dugeon, Sarah Wilson, and Henry Meyric Hughes.

Attendance: 3,133 visitors

Estorick Collection Uncut

6 October – 19 December 2021



In autumn 2021, the Estorick's entire collection of modern Italian art was on show throughout the museum's six galleries. Internationally renowned, and rarely seen in full, it was formed by Eric and Salome Estorick in the immediate post-war period, and comprises some 120 paintings, drawings, prints and sculptures by many of the most prominent Italian artists of the modernist era, including Giacomo Balla, Umberto Boccioni, Giorgio de Chirico, Amedeo Modigliani, Giorgio Morandi and Gino Severini.

Grouped thematically, and spotlighting movements such as Futurism and Metaphysical Art, the display also featured works by major sculptors such as Mario Marini and Giacomo Manzù, and imagery by those painters to whom the Estoricks were particularly close: Massimo Campigli, Renato Guttuso and Zoran Music. Other artists, including Modigliani and Mario Sironi, were also the subjects of focused displays. Additionally, Estorick Collection Uncut featured a selection of striking volumes from the museum's library, including a number of rare Futurist manifestos and journals.

The exhibition represented an unmissable opportunity to explore what has been described as "one of the finest collections of early twentieth-century Italian art anywhere in the world".

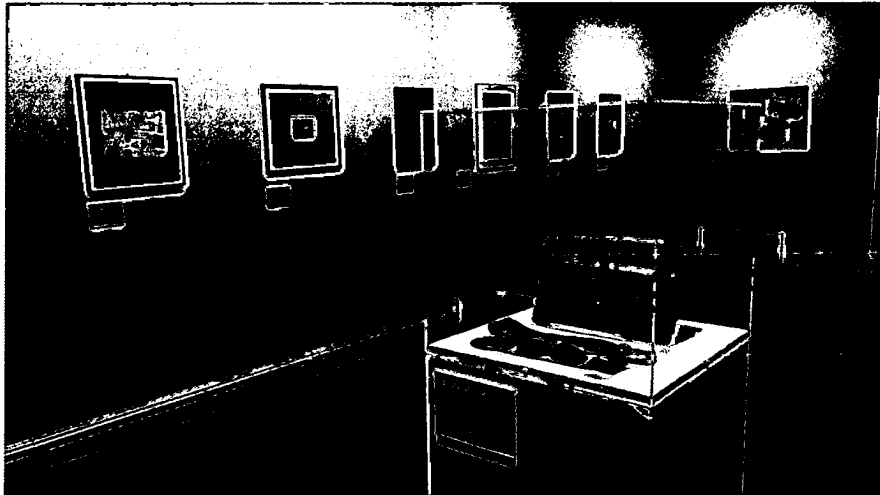
A Still Life: Paul Coldwell in Dialogue with Giorgio Morandi (galleries 5 and 6)

To complement Estorick Collection Uncut, the museum displayed a selection of new works by artist Paul Coldwell. Exhibited alongside the Estorick's holding of etchings and drawings by Morandi, Coldwell's prints, sculptures and poems were created in London under lockdown conditions between 2020 and 2021. In them, he explored parallels between his own experiences during that period and the self-imposed 'restrictions' of Morandi's life in Bologna, where the artist lived and worked for his entire career. As Coldwell observed: "What for others might be seen as limitations, for Morandi became creative opportunities. His work speaks of the capacity of the imagination to escape from confinement, something that I hope might be found in my work as well."

Attendance: 3,329

Bice Lazzari: Modernist Pioneer

14 January 2022 - 24 April 2022



Born in 1900 in Venice, Bice Lazzari studied music before moving on to focus on painting as an adolescent. Initially working largely in landscape, as was the fashion in Venice at the time, Lazzari made her first abstract compositions in the late 1920s, inspired by an interest in applied and decorative arts. Lazzari left Venice in 1935 and moved to Rome, where she remained until her death in 1981, initially supporting herself by collaborating with architects and decorators on abstract designs for clients. It was not until after the Second World War that Lazzari was able to devote herself to painting. Her work explored the formal aspects of painting and drawing, and her mark making was often inspired by music. Graphics, painting and decoration were inseparable elements of her highly individual artistic activity, which took the form of continuous annotations, an ongoing visual diary. Exploring the aesthetics of Art Informel, minimalism and hard-edged abstraction, her paintings made a significant contribution to twentieth-century Italian art, yet have remained largely unknown outside her native country.

Organised in collaboration with the Archivio Bice Lazzari, Rome, this exhibition featured some 40 works highlighting the artist's lyrical and highly original interpretation of abstract art.

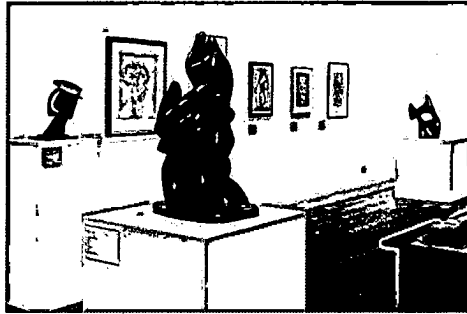
Attendance: 6,561

ERIC AND SALOME ESTORICK FOUNDATION

THE DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR END 30 JUNE 2022

Archipenko and the Italian Avant Garde

4 May 2022 - 4 September 2022



This ambitious exhibition proposed an alternative history of modernism by retracing the relationship between Alexander Archipenko and the masters of the Italian avant garde.

Born in Kyiv, Archipenko (1887-1964) was one of the twentieth century's most influential sculptors. He spent time in Moscow before settling in Paris in 1909, where he developed an emphatically modern interpretation of sculpture under the influence of Cubist imagery. Between 1911 and 1912 he created a number of truly original works in which human figures were broken down into sections that seemed to move in circles and spirals upon themselves.

These works immediately caught the eye of Futurists such as Umberto Boccioni, who would refer to Archipenko repeatedly in his writings on sculpture. Equally influential was the artist's investigation of negative space in sculptural form and his construction of 'sculpto-paintings' incorporating brightly painted elements in high relief.

After the First World War, Archipenko's work became a formal reference point for the new generation of Futurists working in Italy. Among these were Mino Rosso and Thayaht (Ernesto Michahelles) who adopted Archipenko's fluid, streamlined forms in their own 'aerosculptures' of the 1930s. Pioneering the 'biomorphic' approach adopted by many figures belonging to Marinetti's movement at this time, Archipenko's example suggested to young Italian artists how they might keep the avant-garde flame alight in the face of the prevailing 'Return to Order', which emphasised more traditional artistic values. Archipenko's work also informed the iconography of Metaphysical painting, his mannequin-like figures having caught the attention of artists such as Giorgio de Chirico and Carlo Carrà.

This exhibition, juxtaposing works by Archipenko with imagery by a range of painters and sculptors, was curated by Dr Maria Elena Versari, Visiting Professor of Art History and Theory at Carnegie Mellon University, and with the cooperation of The Alexander Archipenko Foundation.

Attendance: 6,155

Education

The education programme continued to offer workshops for schools, universities, and community groups to explore themes in the temporary exhibitions and permanent collection in both English and Italian. Free twenty-minute guided tours and paid forty-minute tours were provided to a range of

ERIC AND SALOME ESTORICK FOUNDATION

THE DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR END 30 JUNE 2022

charity and community groups, schools, colleges and universities. Family Art Days and Under 5 sessions were programmed in the school holidays for each exhibition and a series of Adult Art Classes in the evenings. We continued to focus on providing a blended offer of in-person and online workshops and talks to respond to the on-going impact of the COVID-19 pandemic.

Our long-term partnership continued with Stuart Low Trust by adapting the workshops to be delivered online and every two weeks instead of four per exhibition to increase the opportunities for participants to socialise and support their well-being. Online talks were also provided for Age UK with a high attendance and to care homes across the UK in partnership with Vibrant Communities. We saw a positive increase of schools organising visits to the museum from the previous year and we continued to work with Islington's 11 by 11 scheme to offer free tours and self-led drawing sessions to encourage schools to attend in-person museum visits.

In the summer we worked in partnership with Bright Start to deliver under 5s outdoor workshops at Whittington Park and Andover Community Centre. Working with Isledon Youth Services we also delivered two workshops for 13-20 years olds as part of their Summersiversity programme to explore the museum. We received funding from Islington council for the Holidays, Activity and Food HAF provision to deliver creative enrichment workshops and provide access to food over the Christmas and Easter holidays for children on free school meals, on EHCP plans, with SEND and with social workers and their families.

	Olivier Debré Fervent Abstraction 30 June - 26 September 2021	Estorick Collection Uncut 6 October – 19 December 2021	Bice Lazzari: Modernist Pioneer 14 January 2022 - 24 April 2022	Archipenko and the Italian Avant Garde 4 May 2022 - 4 September 2022
Guided Tours	-	13 events, 321 attended	14 events, 377 attended	3 events, 36 attended
Workshops	11 scheduled, 7 events, 177 attended	4 events, 90 attended	8 events, 132 attended	8 events, 90 attended
Family Art Day	4 events, 57 attended	2 events, 12 attended	6 events, 81 attended	2 events, 37 attended
Under 5s sessions	-	1 event, 9 attended	3 events, 70 attended	1 event, 17 attended
Outreach	4 events, 74 attended	-	-	1 event, 32 attended
Education Events	1 event, 11 attended	1 event, 11 attended	1 event, 7 attended	1 event, 7 attended
Adult Art Classes	-	2 events, 30 attended 1 online event, 17 attended	3 events, 36 attended 1 online event, 6 attended	3 events, 44 attended
Online Talks	-	-	-	1 event, 32 attended
Online Workshops	6 events, 48 attended	7 events, 41 attended	10 events, 93 attended	-
TOTAL	22 events, 367 attended	31 events, 531 attended	46 events, 802 attended	20 events, 295 attended



Following on from the success of the *Print and Stitch* project with Islington Council for children in need the previous year we received funding from Harrow Council to deliver a pilot project. Unfortunately, due to increased pressures of the pandemic on social workers there weren't the resources to support the development of the project. The Adult Art programme provided classes online and in-person and the popularity of the life drawing classes has remained steady. We also delivered an online talk and art activity reflecting on climate change as part of Islington's Greener Together festival.

Café

The licensed Café continued to be run by Biagio Casella. It is open to visitors as well as the general public, offers a selection of pasta dishes, sandwiches and snacks with an Italian theme as well as hot and cold drinks and cakes. In April 2022 the Trustees decided not to renew the contract and to start to run the Café in house from the beginning of July 2022.

Gallery Hire

Six private events were held at the museum during the year, raising £5,105. Five of the events were private parties or memorials and one was a corporate staff party. As the Covid-19 restrictions were lifted in 2021, interest in venue hire increased, albeit from a very low level. At the end of the period in question, enquiries and bookings remained below pre-2020 levels.

Staffing

Roberta Cremoncini, continued in her role as Director and continued to run the Collection. Chris Adams continued as Assistant Curator, on a part-time basis (three days per week). Luke Alder continued as full-time Museum Administrator and Claudia Zanardi as full-time Marketing

ERIC AND SALOME ESTORICK FOUNDATION

THE DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR END 30 JUNE 2022

Coordinator. Jenny Pengilly continued as part-time Education Coordinator (4 days per week) and Marco Timillero as the Shop and Volunteers Manager. Amanda Williams joined the team on 1st July 2021 as Office Assistant. The museum also uses the services of a freelance book-keeper.

A rotating pool of volunteers are present in the galleries and in the shop during opening hours. A series of volunteers and interns have joined for short periods of time to help in the office and remotely on various specific tasks.

Volunteer briefings led by gallery staff are held at the start of each exhibition and ongoing training sessions were held regularly on Zoom. The Trustees are most grateful for the dedication and contribution made by staff and volunteers.

Staff salaries are reviewed by the Board on an annual basis, a performance related bonus scheme is not in operation.

Shop

The shop continues to offer a selection of catalogues and art books, together with a range of gifts, postcards and posters.

Library

The Library remains a valuable research tool for students and people interested in modern Italian art. Acquisitions were limited but a number of relevant books were received as gifts or in reciprocal exchange with other institutions. This is helping to keep the library up to date with new publications in relevant areas and the current holdings are 3,423 books and catalogues.

Future Programme

Following the end of *Archipenko and the Italian Avant Garde*, at the end of summer 2022, the Estorick Collection presents an exhibition of works by Luigi Pericle until the end of the year. 2023 will represent the 25th anniversary of the opening of the museum and that will be celebrated with an important exhibition of works by Giorgio Morandi and a series of other events highlighting the achievements of the collection in the past 25 years.

Fundraising

The Foundation did not engage in material fundraising from the public in the year to June 2022.

ERIC AND SALOME ESTORICK FOUNDATION

THE DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR END 30 JUNE 2022

Directors and Trustees

All Directors of the company are also Trustees of the Foundation. The Board of Directors has power to appoint additional Trustees as it considers fit to do so.

All Trustees named below served during the year.

Dawn Ades

Jo Cottrell

Alexander Estorick

Isobel Estorick

Michael Estorick

Vanessa Hall-Smith

Gavin Henderson

Martin Owen

Statement of Trustees' responsibilities

The Trustees (who are also the directors for the purpose of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees must prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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:

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgments and accounting estimates that are reasonable and prudent;
- d) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ERIC AND SALOME ESTORICK FOUNDATION

THE DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR END 30 JUNE 2022

Statement as to disclosure of information to auditors

The Trustees confirm that so far as they are aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

WMT - Chartered Accountants were appointed auditors to the Foundation and a resolution proposing their reappointment will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Michael Estorick
Chairman



Date *21 March 2023*

**ERIC AND SALOME ESTORICK FOUNDATION
AUDITOR'S REPORT TO THE MEMBERS OF ERIC & SALOME ESTORICK FOUNDATION
FOR THE YEAR ENDED 30 JUNE 2022**

Opinion

We have audited the financial statements of The Eric and Salome Estorick Foundation (the 'charitable company') for the year ended 30 June 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of 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 charitable company's affairs as at 30 June 2022 and of its 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 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 entity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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

**ERIC AND SALOME ESTORICK FOUNDATION
AUDITOR'S REPORT TO THE MEMBERS OF ERIC & SALOME ESTORICK FOUNDATION
FOR THE YEAR ENDED 30 JUNE 2022**

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.

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' report, which includes the directors' report prepared for company law purposes, 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' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- adequate 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 take advantage of the small companies' exemptions in preparing the trustees' 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.

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.

**ERIC AND SALOME ESTORICK FOUNDATION
AUDITOR'S REPORT TO THE MEMBERS OF ERIC & SALOME ESTORICK FOUNDATION
FOR THE YEAR ENDED 30 JUNE 2022**

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Charity Law and Tax and Pensions legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with the charitable objectives, public benefit, data protection, health and safety legislation and employment law.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

**ERIC AND SALOME ESTORICK FOUNDATION
AUDITOR'S REPORT TO THE MEMBERS OF ERIC & SALOME ESTORICK FOUNDATION
FOR THE YEAR ENDED 30 JUNE 2022**

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

WMT

Elizabeth Wicks (Senior Statutory Auditor)
for and on behalf of
WMT Chartered Accountants and Statutory Auditors

Verulam Point
Station Way
St Albans
Hertfordshire, AL1 5HE

Date: 22 March 2023

**ERIC AND SALOME ESTORICK FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2022	Total Funds 2021
		£	£	£	£	£
INCOME & ENDOWMENTS FROM:						
Donations & legacies	2	12,095	9,929	-	22,024	57,190
Charitable activities	3	152,944	-	-	152,944	70,817
Investments	4	-	-	161,573	161,573	155,461
Other	5	10,030	-	-	10,030	2,840
Total		<u>175,069</u>	<u>9,929</u>	<u>161,573</u>	<u>346,571</u>	<u>286,308</u>
EXPENDITURE ON:						
Raising funds	6	35,180	-	-	35,180	14,914
Charitable activities	7	445,001	22,929	-	467,930	379,138
Total		<u>480,181</u>	<u>22,929</u>	<u>-</u>	<u>503,110</u>	<u>394,052</u>
Net gains on investments	13	-	-	(573,047)	(573,047)	259,066
Net income / (expenditure)		<u>(305,112)</u>	<u>(13,000)</u>	<u>(411,474)</u>	<u>(729,586)</u>	<u>151,322</u>
Transfers between funds	17	191,573	-	(191,573)	-	-
Net movement in funds		<u>(113,539)</u>	<u>(13,000)</u>	<u>(603,047)</u>	<u>(729,586)</u>	<u>151,322</u>
Reconciliation of funds						
Total funds brought forward		<u>642,143</u>	<u>338,000</u>	<u>14,204,434</u>	<u>15,184,577</u>	<u>15,033,255</u>
Total funds carried forward		<u>528,604</u>	<u>325,000</u>	<u>13,601,387</u>	<u>14,454,991</u>	<u>15,033,255</u>

**ERIC AND SALOME ESTORICK FOUNDATION
SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2022**

	2022	2021
	£	£
INCOME		
Donations & legacies	22,024	57,190
Charitable activities	152,944	70,817
	<hr/>	<hr/>
Gross income	174,968	128,007
	<hr/>	<hr/>
EXPENDITURE		
Raising funds	35,180	14,914
Charitable activities	469,930	379,138
	<hr/>	<hr/>
Total expenditure	505,110	394,052
	<hr/>	<hr/>
Net income/(expenditure) before taxation for the financial year	(303,142)	(266,045)
Tax recoverable	10,030	2,840
	<hr/>	<hr/>
Net income / (expenditure) for the financial year	(293,112)	(263,205)
	<hr/>	<hr/>

Notes to the summary income and expenditure account

- i. The summary income and expenditure account is required to meet the accounting requirements of the Companies Act 2006 and presents in a different format amounts included in the Statement of Financial Activities, but excluding the endowment fund.

**ERIC AND SALOME ESTORICK FOUNDATION
BALANCE SHEET
AS AT 30 JUNE 2022**

	Notes	2022		2021	
		£	£	£	£
FIXED ASSETS					
Tangible assets	11		856,656		864,207
Heritage assets	12		5,696,200		5,696,200
Investments	13		7,853,685		8,456,731
			<u>14,406,541</u>		<u>15,017,138</u>
CURRENT ASSETS					
Stocks	14	15,462		15,872	
Debtors	15	52,460		35,621	
Cash at bank and In hand		<u>14,711</u>		<u>142,506</u>	
		82,633		193,999	
Creditors: amounts falling due within one year	16	<u>(34,183)</u>		<u>(26,560)</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>48,450</u>		<u>167,439</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>14,454,991</u>		<u>15,184,577</u>
FUNDS OF THE CHARITY					
Unrestricted funds	17	538,604		642,143	
Restricted funds	17	325,000		338,000	
Endowment funds	17	<u>13,601,387</u>		<u>14,204,434</u>	
TOTAL CHARITY FUNDS			<u>14,454,991</u>		<u>15,184,577</u>

In accordance with s454 of the Companies Act 2006 the Directors may amend these financial statements if they subsequently prove to be defective.

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime and in accordance with FRS102 SORP.

These financial statements were approved by the Board of Directors and Michael Estorick was authorised by the Board to sign on their behalf:


.....
Chairman MICHAEL ESTORICK

Date: 21.3.2023

Company registration no. 03044221

Charity registration no. 1046374

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

	2022	2021
	£	£
Cash flows from operating activities		
Net income for the year	(729,586)	151,322
Adjustments for:		
Depreciation on tangible fixed assets	37,543	31,733
(Gain) on investments	573,047	(259,066)
Income from investments	(161,573)	(155,461)
Disposal proceeds from the sale of investments	30,000	
(Increase)/decrease in stock	410	(1,779)
(Increase)/decrease in debtors	(16,840)	5,399
Increase/(decrease) in creditors	7,623	5,430
	<hr/>	<hr/>
Net cash (used in) operating activities	(259,376)	(222,422)
	<hr/>	<hr/>
Cash flows from investing activities		
Income from investments	161,573	155,422
Purchase of tangible fixed assets	(29,992)	(1,685)
Proceeds from sale of investments	-	-
	<hr/>	<hr/>
Net cash provided by investing activities	131,581	153,776
	<hr/>	<hr/>
Net increase / (decrease) in cash and cash equivalents	(127,795)	(68,646)
Cash and cash equivalents at the beginning of the year	142,506	211,152
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	14,711	142,506
	<hr/>	<hr/>
Cash and cash equivalents is made up of the following:		
Cash at bank and in hand	14,711	142,506
	<hr/>	<hr/>
Total	14,711	142,506
	<hr/>	<hr/>

Analysis of changes in net debt

	At 1 July 2021	Cash flow £	At 30 June 2022
	£		£
Cash at bank	<u>142,506</u>	<u>(127,795)</u>	<u>14,711</u>

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

1. ACCOUNTING POLICIES

1.1 Accounting Convention

The Foundation meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared under the historical cost convention, modified by the revaluation of investments, 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 (FRS102) (Second edition), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

The preparation of financial statements in compliance with SORP 2015 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the accounting policies (see note 1.15)

These financial statements are presented in Sterling as that is the currency of the primary economic environment in which the Charity operates.

1.2 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income, it is probable that it will be received and the amount can be quantified with reasonable accuracy. All income is gross without deduction for related expenditure. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receipt is probable.
- Investment income is included when receivable.
- Incoming resources from charitable trading activities are accounted for when earned.

Income is stated net of VAT where applicable.

1.3 Grants receivable

Grants, including government grants, are recognised on a receivable basis and are deferred only when the donor has imposed pre-conditions on the use of the grant.

1.4 Funds

The Foundation's funds consist of unrestricted, restricted and endowment funds. The Foundation may use unrestricted amounts at its discretion in furtherance of the charity's objectives. Restricted and endowment funds represent funds which are to be used in accordance with the donor's wishes.

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

1.5 Tangible fixed assets and depreciation

Tangible fixed assets, other than heritage assets, are stated at historical cost less depreciation. Depreciation is charged to the SOFA to write off the cost less estimated residual value of each asset over its expected useful life at the following rates:

Freehold Property	Over 50 years
Property Improvements	Over 50 years
Other assets	Over 4 years

1.6 Donated heritage assets

Works of art that are donated specifically for the furtherance of the objectives of the Foundation are recognised in the financial statements at their deemed cost being their fair value at the point of acquisition. Where information on the original 'cost' of assets transferred to the Foundation is unavailable those assets are not recognised in the financial statements however information on such assets is included in the notes to the financial statements. No depreciation is charged on heritage assets as they are considered to have an indefinite life however they are reviewed annually for impairment.

1.7 Stock

Stock is stated at the lower of cost and selling price less costs to sell. All items which are greater than 3 years old are written off at the end of each financial year.

1.8 Resources expended

Expenditure is recognised on an accruals basis as liabilities are incurred. Expenditure is recognised net of VAT where applicable.

- Charitable expenditure comprised those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transaction. All differences are taken to the statement of financial activities.

1.10 Financial Instruments

The Charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as debtors and creditors.

Financial instruments are initially measured at transaction value. They are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the SoFA.

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

1.11 Debtors

Short term debtors are measured at transaction price less any impairment losses.

1.12 Creditors

Creditors and provisions are recognised where the Foundation has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

1.13 Investments

Investments are carried at market values ruling at the balance sheet date with unrealised gains and losses being included in the statement of financial activities. Realised gains and losses are calculated on proceeds less opening market value.

1.14 Going concern

The trustees have assessed whether the use of going concern is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the trustees have considered the charitable company's forecasts and projections and have taken account of pressures on income. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

1.15 Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The nature of estimation means the actual outcomes could differ from those estimates. There were no material estimations necessary other than the decision on depreciation rates.

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2022 Total £
Voluntary Income				
Donations	12,095	9,929	-	22,024
	<hr/>	<hr/>	<hr/>	<hr/>
Total	12,095	9,929	-	22,024
				2021 Total £
Donations	15,161	-	-	15,161
Grants	8,000	4,450	-	12,450
Government Grants				
Furlough Scheme	29,579	-	-	29,579
	<hr/>	<hr/>	<hr/>	<hr/>
Total	52,740	4,450	-	57,190

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2022 Total £	2021 Total Unrestricted £
Shop Sales	47,112	-	-	47,112	24,513
Café contributions	2,411	-	-	2,411	899
Education	7,120	-	-	7,120	805
Other income	6,764	-	-	6,764	447
Fees receivable- admissions and membership	83,907	-	-	83,907	42,913
Rent receivable- gallery hire	5,630	-	-	5,630	1,240
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	152,944	-	-	152,944	70,817

4. INCOME FROM INVESTMENTS

All investment income arises from the investments in the BlackRock Dynamic Diversified Growth Fund, iShares Overseas Corporate Bond Index Fund and iShares Developed World Index Fund and relates to endowment funds.

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

5. OTHER INCOME

Other income relates to Museums and Galleries Exhibition Tax Relief which is an amount receivable under an HMRC scheme whereby qualifying entities may claim a 20-25% subsidy on the costs of producing permanent, temporary and touring exhibitions up to a specified limit per exhibition. It also includes

6. EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds	Restricted Funds	Endowment Funds	2022 Total	2021 Total Unrestricted
	£	£	£	£	£
Advertising and trade subscriptions	4,685	-	-	4,685	3,200
Opening stock	15,872	-	-	15,872	14,093
Shop purchases	23,537	-	-	23,537	12,070
Closing stock	(15,462)	-	-	(15,462)	(15,872)
Cultivation events and café expenses	4,748	-	-	4,748	373
Catalogue expenses	1,800	-	-	1,800	1,050
Total	35,180	-	-	35,180	14,914

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Endowment Funds	2022 Total	2021 Total
	£	£	£	£	£
Gross salaries and employer NIC	207,113	-	-	207,113	203,669
Temporary exhibitions	101,237	9,929	-	111,166	50,497
Printing, postage and stationery	2,309	-	-	2,309	2,797
Utilities	8,080	-	-	8,080	6,991
Collection insurance	28,789	-	-	28,789	23,739
Rates	5,175	-	-	5,175	1,396
Education materials	1,259	-	-	1,259	1,891
Telephone and fax	1,818	-	-	1,818	1,780
Travel and subsistence	678	-	-	678	-
Cleaning	4,116	-	-	4,116	2,011
Library collections	39	-	-	39	-
Building maintenance	10,752	-	-	10,752	21,207
Security	1,309	-	-	1,309	1,899
Depreciation	24,543	13,000	-	37,543	31,733
Internet and website	2,773	-	-	2,773	2,749
Irrecoverable VAT	15,051	-	-	15,051	1,021
Foreign exchange	1,290	-	-	1,290	-
Governance (note 8)	28,670	-	-	28,670	25,758
Total	445,001	22,929	-	467,930	379,138

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

In 2021 education materials costs of £680, £13,000 of depreciation costs and £1,820 of gross salaries and employer NIC costs were restricted costs. All other costs were unrestricted.

8. GOVERNANCE COSTS

	Unrestricted Funds	Restricted Funds	Endowment Funds	2022 Total	2021 Total Unrestricted
	£	£	£	£	£
Accountancy	8,848	-	-	8,848	7,230
Legal and professional fees	8,824	-	-	8,824	7,707
Audit fee	8,186	-	-	8,186	8,575
Bank Charges	2,812	-	-	2,812	2,246
Total	28,670	-	-	28,670	25,758

9. NET INCOMING RESOURCES BEFORE TRANSFERS

	2022 Total £	2021 Total £
Net incoming resources before transfers are stated after charging:		
Depreciation	37,543	31,544
Auditors' remuneration	8,186	8,575
Fees for other services	8,824	7,707

10. EMPLOYEES

	2022 Total	2021 Total
	£	£
Salary and wages	190,910	186,966
National insurance contributions	12,944	12,832
Pension	3,959	3,871
Total	207,813	203,669
Average number of employees	8	8

There was one employee during the year with emoluments between £60,000 and £70,000 (2021: one).

There is one member of key management (2021: one). Her gross salary, employer pension contributions and employer's national insurance amounted to £70,336 (2021: £69,154).

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

11. TANGIBLE FIXED ASSETS

	Freehold Property	Property Improvements	Website Redesign	Other	Total
<i>Cost</i>	£	£	£	£	£
At 1 July 2021	538,578	971,209	35,020	45,803	1,590,610
Additions	-	-	24,825	5,167	29,992
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2022	538,578	971,209	59,845	50,970	1,620,602
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>					
At 1 July 2021	271,985	376,756	33,255	44,407	726,403
Charge for the year	10,771	19,424	6,795	553	37,543
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2022	282,756	396,180	40,050	44,960	763,946
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2022	255,822	575,029	19,795	6,010	856,656
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2021	266,593	594,453	1,765	1,396	864,207
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

12. HERITAGE ASSETS

	2022	2021
	£	£
Cost at 1 July 2021	5,696,200	5,696,200
	<hr/>	<hr/>
Cost at 30 June 2022	5,696,200	5,696,200
	<hr/>	<hr/>

During the year to 30 June 2017, a collection of 68 works of Italian art with a deemed cost of £4,366,200 were donated to the Foundation by the Eric and Salome Estorick Foundation (USA). During the year to 30 June 2018, a further work of Italian art with a deemed cost of £400,000 was donated to the Foundation by the Eric and Salome Estorick Foundation (USA). These have been recognised in the Balance Sheet. There has been no change to the cost of heritage assets held since 30 June 2018.

In addition, a further 53 works of art are owned by the Foundation. Of these 53 works the 10 that were donated in 1999 are not included in the Balance Sheet because it was not a requirement at that time. The remaining 38 works have been included at the valuations applicable at the time of transfer, being £930,000. The whole collection has an insurance value of approximately £45m.

The collection brings together some of the finest and most important works created by Italian artists during the first half of the twentieth century and includes paintings, drawings and sculptures. The Foundation does not presently actively seek to acquire works for the collection, and seeks to avoid disposal of works in the collection in all but exceptional circumstances, as detailed in the Collection Development Policy. The Foundation aspires to the highest standard of care in preserving the collection, in line with the Care and Conservation Policy, relying on a combination of preventative and remedial conservation work.

As well as the collection owned by the Foundation there are also a number of works on long term loan to the collection.

The collection is open to the public and educational tours are encouraged.

13. INVESTMENTS

	2022	2021
	£	£
Brought forward at 1 July 2021	8,456,731	8,197,665
Investment additions	-	1,200,000
Investment disposals	(30,000)	(1,200,000)
Investment realised gains/(losses)	6,072	161,279
Investment change in valuation	(579,118)	97,787
	<hr/>	<hr/>
Market value carried forward at 30 June 2022	7,853,685	8,456,731
	<hr/>	<hr/>

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

13. INVESTMENTS (continued)

Details of material investments held at the year-end are as follows:

Market Value	2022	2021
	£	£
Dynamic Diversified Growth Fund	1,636,090	1,881,590
iShares Overseas Corporate Bond Index Fund	3,960,888	4,225,306
iShares Developed World Index Fund	2,256,707	2,349,835
	<hr/>	<hr/>
	7,853,685	8,456,731
	<hr/>	<hr/>

Cost	2022	2021
	£	£
Dynamic Diversified Growth Fund	1,430,827	1,454,755
iShares Overseas Corporate Bond Index Fund	4,100,000	4,100,000
iShares Developed World Index Fund	1,695,432	1,695,432
	<hr/>	<hr/>
	7,226,259	7,250,187
	<hr/>	<hr/>

14. STOCK

	2022	2021
	£	£
Book stock	15,462	15,872
	<hr/>	<hr/>

15. DEBTORS

	2022	2021
	£	£
Prepayments and accrued income	38,404	29,540
Trade debtors	2,767	1,033
Tax relief	10,030	2,840
VAT debtor	1,019	1,926
Other debtors	240	282
	<hr/>	<hr/>
	52,460	35,621
	<hr/>	<hr/>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	17,386	12,360
Taxation and social security	6,094	2,999
Other creditors and accruals	10,703	11,201
	<hr/>	<hr/>
	34,183	26,560
	<hr/>	<hr/>

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

17. MOVEMENT OF FUNDS

	Balance 1.7.2021	Income	Expenditure	Gains/ (losses)	Transfers	Balance 30.6.2022
	£	£	£	£		£
UNRESTRICTED	642,143	175,069	(480,181)	-	191,573	528,604
RESTRICTED						
Heritage Lottery	338,000	-	(13,000)	-	-	325,000
Italian Cultural Institute	-	1,800	(1,800)	-	-	-
Lakonishok Foundation	-	8,129	(8,129)	-	-	-
	<u>351,000</u>	<u>9,929</u>	<u>(22,929)</u>	<u>-</u>	<u>-</u>	<u>325,000</u>
ENDOWMENT						
Heritage asset	14,152,932	161,573	-	(573,047)	(191,573)	13,549,886
Eric and Salome Estorick Foundation (USA) - D	51,502	-	-	-	-	51,502
	<u>14,204,434</u>	<u>161,573</u>	<u>-</u>	<u>(573,047)</u>	<u>(191,573)</u>	<u>13,601,387</u>
TOTAL	<u>15,184,577</u>	<u>346,571</u>	<u>(503,110)</u>	<u>(573,047)</u>	<u>-</u>	<u>14,454,991</u>
	Balance 30.6.2020	Income	Expenditure	Gains/ (losses)	Transfers	Balance 30.6.2021
	£	£	£	£		£
UNRESTRICTED	736,887	96,818	(350,077)	-	156,212	639,840
RESTRICTED						
Heritage Lottery	351,000	-	(13,000)	-	-	338,000
Museum						
Government furlough scheme	-	4,450	(3,699)	-	(751)	-
	-	29,579	(29,579)	-	-	-
	<u>351,000</u>	<u>34,029</u>	<u>(43,975)</u>	<u>-</u>	<u>(751)</u>	<u>338,000</u>
ENDOWMENT						
Heritage asset	13,893,866	155,461	-	259,066	(155,461)	14,152,932
Eric and Salome Estorick Foundation (USA) - D	51,502	-	-	-	-	51,502
	<u>13,945,368</u>	<u>155,461</u>	<u>-</u>	<u>259,066</u>	<u>(155,461)</u>	<u>14,204,434</u>
TOTAL	<u>15,033,255</u>	<u>286,308</u>	<u>(394,052)</u>	<u>259,066</u>	<u>-</u>	<u>15,184,577</u>

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

17. MOVEMENT OF FUNDS (continued)

UNRESTRICTED FUNDS:

Unrestricted funds are the free reserves of the Foundation.

RESTRICTED FUNDS:

Heritage Lottery Fund: represents £650,000 awarded to the Foundation in 1997 for the purpose of restoring Northampton Lodge. The funds were spent in 1997 and 1998. £13,000 yearly depreciation is charged to the fund over 50 years as per accounting policy. The fund will be exhausted in year 2047.

Arts Council: represents funds received to contribute towards the Make Futurism Great Again exhibition.

Government furlough scheme

As a result of the COVID 19 pandemic the Foundation applied for funding under the government furlough scheme. The income from this grant was used in accordance with the scheme requirements to fund related salary costs.

ENDOWMENT FUNDS:

Heritage asset endowment fund. The heritage asset endowment funds initially arose as the result of the disposal of one of the Foundation's heritage assets. Although the policy of the Foundation is to retain heritage assets for the benefit of the Collection, it was decided that, given the exceptional circumstances, one of the paintings held as a donated heritage asset (though not previously capitalised) should be sold in order to generate cash funds for the Collection and for funding future acquisitions. These funds were invested and the market valuation of the investment funds as at 30 June 2022 is £7,853,685 (2021: £8,456,731). Downward movement of the market value of the endowment funds is £573,047 (2021: upward movement of £259,066). In 2007, 2017 and 2018 a number of artworks were transferred/ donated to the Foundation (see note 12) and were added to this endowment fund.

Eric and Salome Estorick Foundation (USA) – D: represents funds received from Eric and Salome Estorick Foundation (USA) for investment.

The endowment funds are all expendable endowments other than Fund D above which is a permanent endowment fund. Under the terms of the consent for Fund D granted by Eric and Salome Estorick Foundation (USA) the principal amount invested must remain intact, and only investment income, not exceeding 5% of the principal may be transferred to unrestricted income each year.

During the year £191,573 (2021: £156,212) was transferred from the endowment fund to unrestricted funds. Of this £161,573 (2021: £155,461) was investment income and £30,000 (2021: £Nil) was drawn down from the investment fund.

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS AND RESERVES

Fund balances are represented by:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £
Fixed Assets	531,656	325,000	13,549,885	14,406,541
Current Assets	31,113	-	51,502	82,663
Current Liabilities	(3,183)	-	-	(34,183)
	<u>528,604</u>	<u>325,000</u>	<u>13,601,387</u>	<u>14,454,991</u>
At 30 June 2022				

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
Fixed Assets	526,206	338,000	14,152,932	15,017,138
Current Assets	142,497	-	51,502	193,999
Current Liabilities	(26,560)	-	-	(26,560)
	<u>642,143</u>	<u>338,000</u>	<u>14,204,434</u>	<u>15,184,577</u>
At 30 June 2021				

20. FINANCIAL INSTRUMENTS

As noted in the accounting policies on page 23, the Foundation only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as debtors and creditors.

The investments of the Foundation are financial assets measured at fair value through the Statement of Financial Activities (see note 13)

21. DIRECTORS/TRUSTEES' REMUNERATION AND EXPENSES

The aggregate amount of reimbursed expenses paid to the Directors/Trustees was £nil (2021: £nil).

No Director/Trustee received any remuneration in the year.

22. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

23. CAPITAL STRUCTURE

The Foundation ("The Company") is limited by guarantee and does not have share capital. Each member's liability shall not exceed £10.00 in the event of a winding up.

24. CONTROLLING PARTY

No single party has ultimate control over the Foundation.

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2021

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2021
		£	£	£	£
INCOME & ENDOWMENTS FROM:					
Donations & legacies	2	23,161	34,029	-	57,190
Charitable activities	3	70,817	-	-	70,817
Investments	4	-	-	155,461	155,461
Other	5	2,840	-	-	2,840
		<hr/>	<hr/>	<hr/>	<hr/>
Total		96,818	34,029	155,461	286,308
		<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURE ON:					
Raising funds	6	14,914	-	-	14,914
Charitable activities	7	335,163	43,975	-	379,138
		<hr/>	<hr/>	<hr/>	<hr/>
Total		350,077	43,975	-	394,052
		<hr/>	<hr/>	<hr/>	<hr/>
Net gains on investments	13	-	-	259,066	259,066
		<hr/>	<hr/>	<hr/>	<hr/>
Net income/(expenditure)		(253,259)	(9,946)	414,527	151,322
		<hr/>	<hr/>	<hr/>	<hr/>
Transfers between funds	17	155,461	-	(155,461)	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		(97,798)	(9,946)	259,066	151,322
		<hr/>	<hr/>	<hr/>	<hr/>
Reconciliation of funds					
Total funds brought forward		736,887	351,000	13,945,368	15,033,255
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward		639,089	341,054	14,204,434	15,184,577
		<hr/>	<hr/>	<hr/>	<hr/>