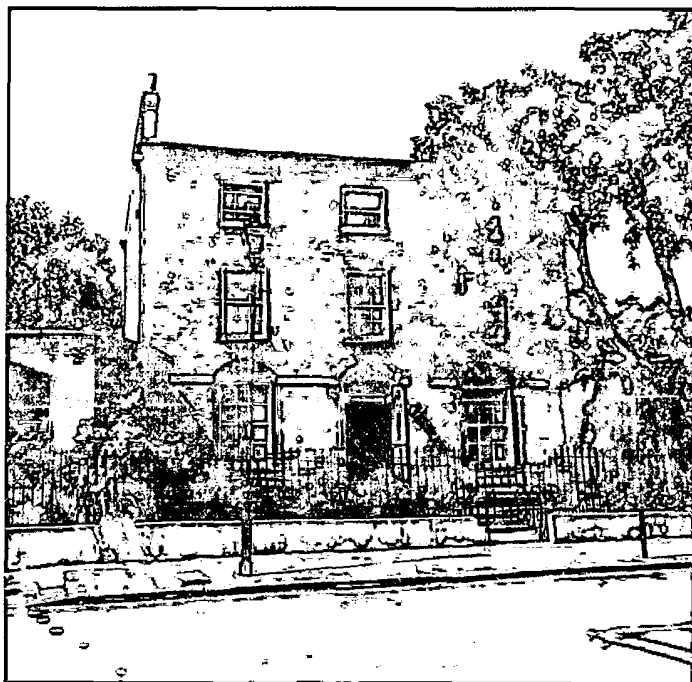


Estorick Collection
of modern Italian art

Eric and Salome Estorick Foundation

Annual Report and Financial Statement



WEDNESDAY



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COMPANIES HOUSE

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

ERIC AND SALOME ESTORICK FOUNDATION

YEAR ENDED 30 JUNE 2021

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ERIC AND SALOME ESTORICK FOUNDATION

YEAR ENDED 30 JUNE 2021

Directors	Michael Estorick (chairman) Dawn Ades Jo Cottrell Alexander Estorick Isobel Estorick Vanessa Hall-Smith Gavin Henderson Martin Owen
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 2021

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 2021. The accounts have been prepared in accordance with the accounting policies set out on pages 22 to 24 and comply with the Foundation's articles, the Companies Act 2006, applicable law and the 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 and 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 exhibition of the Estorick Collection ("the Collection") and by running a temporary display 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 £15,184,577.

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, LondonCulture, 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 2021

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

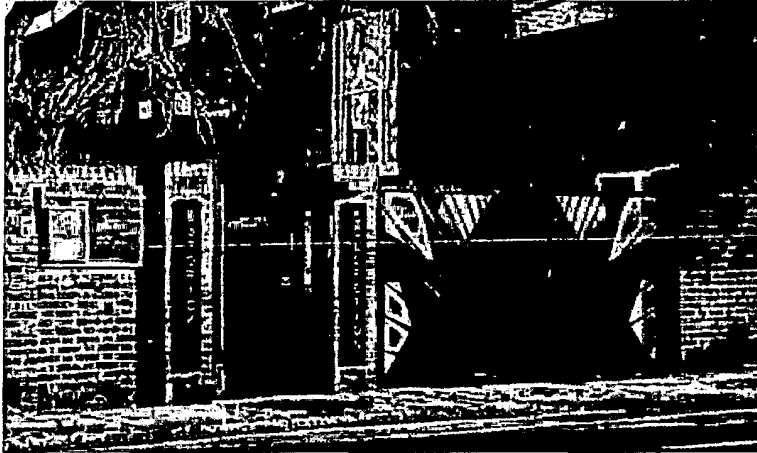
It is the policy of the Foundation to maintain unrestricted funds, which are the free reserves of the Foundation, at a level which equates to approximately nine months of unrestricted expenditure. This provides funds to cover management and administration and support costs and to respond to emergency applications for grants which arise. The total reserves of the charity amounted to £15,184,577 of which unrestricted reserves were £642,143, including fixed assets of £526,206. Additionally, there are endowment funds of £14,204,434 including an expendable endowment fund of £8.5m which can be used for the care of the Collection if required. Restricted funds amount to £338,000 relating to fixed assets.

Investments

During the year the investments provided a dividend income of £155,461 and capital growth of £259,066. The total return was £414,527. No investments were sold during the year because during the previous year £200,000 had been sold to create a cash buffer to see the Foundation through uncertain times. During the year the investment mix was adjusted to have less equities and more bonds by the sale of £1.2m of equities. The final investment mix was approximately 22% in the Blackrock Diversified Dynamic Return Fund, 28% 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. Third party indemnity insurance is in place to cover the trustees in their roles as directors of the company against a liability.



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 July 2019, the Estorick Collection was again designated a Quality Assured Visitor Attraction by Visit England. 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.

From mid-March to 15th July 2020, the Estorick Collection was forced to close its doors to the public due to the COVID-19 pandemic and again from 5th November to 1st December and then from 14th December 2020 to 19th May 2021. This was an unprecedented and uniquely challenging period for the museum. As in other cultural institutions, our team had to switch to remote working in accordance with government advice, with regular contact being maintained between members of staff via the Zoom video conferencing platform. The building was secured and monitored for the

ERIC AND SALOME ESTORICK FOUNDATION

THE DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR END 30 JUNE 2021.

duration of the first and subsequent lockdowns, and the security and fire alarm systems were maintained. Environmental conditions remained stable in the exhibition spaces, and particularly vulnerable pieces (such as works on paper and books) were covered over, closed or placed in storage for conservation reasons.

During lockdowns, the staff focused on how best to communicate with the museum's audience, with particular emphasis being placed on social media initiatives. These included live, interactive curatorial discussions, 'bite-size' introductions to works on display and a range of online activities for children, in addition to the museum's regular posts on Twitter, Instagram and Facebook.

Following the first lockdown, a set of guidelines – based on government advice – was drawn up to ensure the safe return of staff and visitors to the museum. Pre-booked ticketing was also introduced, with visitors being allocated timed entry slots in order to avoid overcrowding and facilitate social distancing. Having been forced to close ahead of schedule, the Tullio Crali exhibition was extended until mid-September 2020, with Italian Threads MITA Textile Design 1926- 1976 opening on 30th September, instead of April 2020 as originally planned.

During the financial year 2020-21, the museum was only open to the public for 132 days and overall attendance during 2020/2021 was 6091 – a figure that would undoubtedly have been higher had it not been for the COVID-19 crisis. Attendance 2019/2020 was 13,344.

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. With the three main social media channels, Facebook, Twitter and Instagram given priority, attention was focused on the temporary exhibitions as well as on the artists and artworks held in the permanent collection.

The use of social media to increase awareness of the museum and to improve knowledge of modern Italian art helped to reach and engage existing and potential visitors. The number of followers on our 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: June 2020	Followers: July 2021
Facebook	4,693	4763
Twitter	5,114	5189
Instagram	6,185	7690

Social media was of key importance during the lockdown months as a vital tool to keep the general public informed on the museum's activities. Educational activities and other multimedia content was widely used during these months. A number of bite-size videos were produced, edited and shared online throughout our standard social media channels (Facebook, Twitter and Instagram) as well as on our YouTube channel which received 9600 views. This content helped the museum keep up interest in our activities on our temporary exhibitions as well as on the permanent collection.

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Cross marketing with other museums and organisations helped in promoting the exhibitions programme and the museum. The museum promoted its exhibitions through print and online advertising.

Membership Scheme

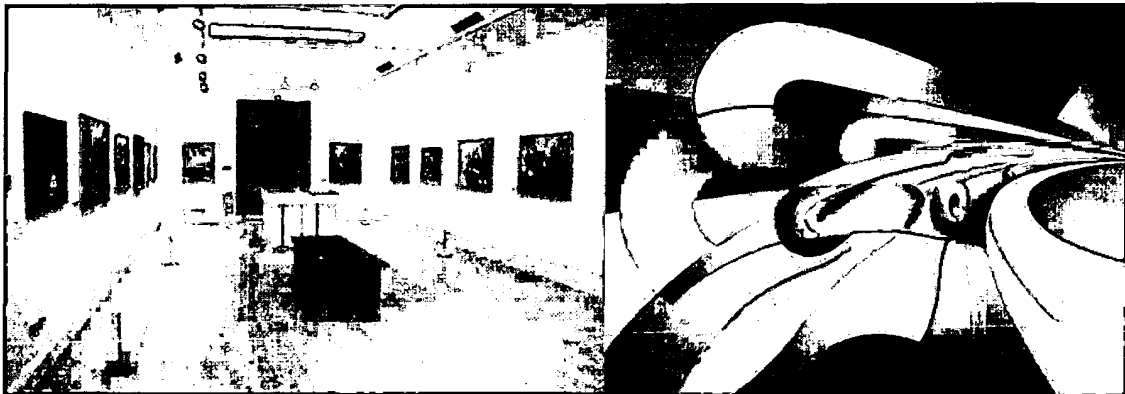
The total membership in June 2021 was 573, a decrease of 101 from June 2020. Total membership comprises the following: 27 Life members, 72 Contributing members, 87 Joint members, 110 Joint Concession members, 115 Individual members and 162 Individual Concession members. 67 new members joined during the year.

The closure of the museum for parts of the year due to the Covid-19 pandemic meant very few new members joined during these months and renewal rates dropped significantly. Whilst the membership decreased overall during the year 2020-2021, renewal rates have increased since reopening to the public again in May 2021.

Exhibitions

Tullio Crali: A Futurist Life

15 January - 15 September 2020



For Tullio Crali (1910-2000) Futurism was not just a school of painting, but an attitude to life itself. Reflecting the movement's enthusiasm for the modern world, his imagery embraced technology and the machine as important sources of creative inspiration. However, with its particular focus on "the immense visual and sensory drama of flight", Crali's work is most closely associated with the genre of 'aeropainting', which dominated Futurist research during the 1930s.

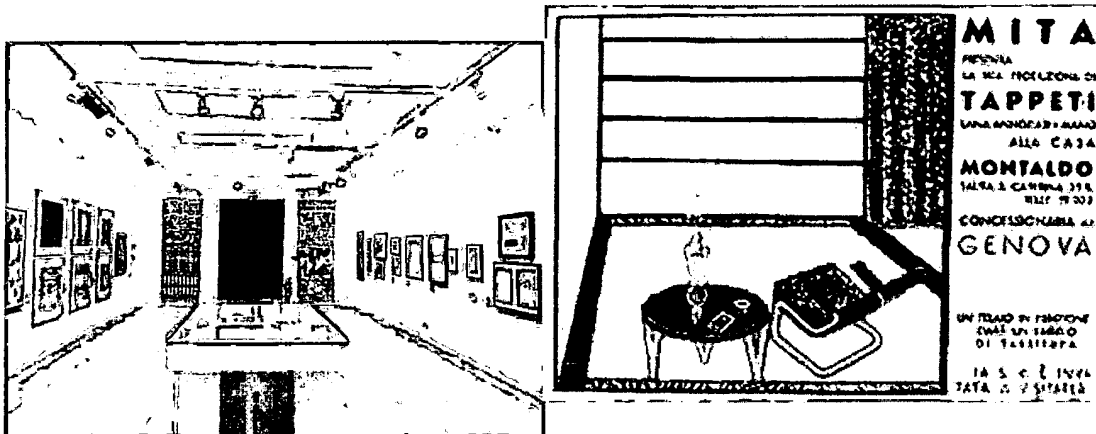
Crali discovered Futurism when he was just fifteen years old. An immediate convert, he officially joined the movement in 1929 and quickly developed his own distinctive interpretation of its artistic principles. Despite incorporating recognisable details such as clouds, wings and propellers, Crali's thrilling imagery challenged conventional notions of realism by means of its dynamic perspectives, simultaneous viewpoints and powerful combination of both figurative and abstract elements.

THE DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR END 30 JUNE 2021

Featuring rarely seen works from the 1920s to the 1980s, this exhilarating exhibition covered every phase of the artist's remarkably coherent career, including iconic aeropaintings, experimental works of visual poetry and mixed-media reliefs, as well as examples of 'cosmic' imagery dating from the 1960s, inspired by advances in space exploration. Also featured were a large number of Crali's famous *Sassintesi*: enigmatic compositions of stone and rock, 'sculpted' by natural forces.

Attendance: 7,946 (for the whole exhibition, including the extension period)

30 September 2020 - 20 June 2021



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ERIC AND SALOME ESTORICK FOUNDATION

THE DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR END 30 JUNE 2021

Reflecting the expert craftsmanship and full diversity of MITA's production, the exhibition featured original works, designs and photographs illustrating the firm's remarkable output. It included rugs, carpets, tapestries, limited-edition art panels, printed fabrics, scarves and major commissions that carried the banner of modernism from the 1920s to the 1970s. The show traced an evolution of taste; MITA's textiles travelled around the world, were shown in influential art exhibitions and defined the interior design of major Italian ocean liners (which Gio Ponti considered "floating art galleries"), as well as bringing the avant-garde into everyday life.

Founded by Mario Alberto Ponis, MITA was formed "with the aim of using new mechanical inventions in the manufacture of classic hand-knotted carpets", merging new technologies with craft traditions for a characteristically Italian approach to industry. MITA began collaborating with creative thinkers at the forefront of modernism who produced rug patterns and designs that captured the aesthetic spirit of Futurism, Rationalism and the Novecento movement. Many of these partnerships lasted for years and were represented in submissions to world's fairs and the Triennales of Decorative and Modern Industrial Art in Milan.

After the Second World War, MITA greatly expanded its offerings beyond carpets and rugs to include tapestries, fabrics and other products. Collaborating with the most inventive and experimental artists of the period – many of them associated with the magazine *Domus* – Ponis extended MITA's visual vocabulary to include geometric abstraction and graphic illustration, vividly realized in limited-edition art panels printed on hemp or linen and signed by the artists. MITA also began tackling ambitious projects for private homes, bars, clubs and restaurants, and its influence was cemented with the firm's participation in Italy at Work: Her Renaissance in Design Today, a trendsetting exhibition that toured the U.S. in the early 1950s.

MITA's 50-year reign culminated in large post-war commissions for Italian ocean liners and shipping companies, with vibrant tapestries, curtains and furnishings that adorned lavish spaces on the vessels – most notably the first-class reading room of the ill-fated *Andrea Doria*.

This exhibition, organised in collaboration with MITA Archive, Nervi on loan to *Wolfsoniana - Palazzo Ducale Fondazione per la Cultura, Genoa*, revealed the company's characteristically Italian approach to design and, despite being postponed and closed for part of its original run, attracted a good audience. During the period of closure, we organised 3 online talks with the curators of the exhibition attended by a total of 203 participants.

Attendance: 3,730

Online Live Zoom Talks

A number of online talks have been organised related to the temporary exhibitions and the permanent collection which received very positive feedback and were attended by a good number of participants, totalling 651.

Education

In response to the on-going COVID-19 crisis and intermittent closure of the museum, the education programme has continued to provide a blended offer of both paid and free online and in-person talks and workshops to meet the diverse needs of primary and secondary schools, universities, families, and community groups. We continued to develop free weekly online art activity resources for our social media channels and more detailed versions to download from our website. These expanded on themes from the permanent collection and exhibitions and designed to only require simple materials to be usable for both home and school learning. Video presentations offering introductions to key art movements and artists in our collection were created and available to view on our website and YouTube channel.

In partnership with Islington Council, the museum received Children in Need (CIN) Project Funding to deliver the *Threads: Print and Stitch* project as part of the *Italian Threads: MITA Textile Design 1926-1976* exhibition. This included an online CPD session on creative facilitation for social workers and a series of 10 online workshops for 48 CIN and their families, including a posted art pack of materials and activity resources. The workshops explored artworks from the exhibition and introduced printing and sewing techniques to create printed postcards and fabric banners, with the resulting artwork celebrated in a final online exhibition.

For Islington Council's *11 by 11* Summer Festival, the museum worked with Yerbury Primary school to deliver online talks on Futurism followed by in-person practical art workshops at the school accompanied by advice for teachers on exhibition display in the school. We also worked with North Bridge House Senior Canonbury school to deliver a series of talks on the *Italian Thread* exhibition for their year 7, 9 and 12 students. The project aim was to allow them to interpret the artworks to create video content for our social media.

We continued our long term partnership with the Stuart Low Trust to deliver online art workshops for adults at a more frequent rate of twice a month. Maintaining our relationship with Age UK we now provide a regular online talk for each of our temporary exhibitions and have developed a connection with Ladder to the Moon to provide online art talks to care home residents around the UK. Working with Royal Holloway University we also developed an online talk and workshop on the theme of migration in our collection as part in the Being Human Festival.

	Tullio Crali A Futurist Life 15 January - 15 September 2020	Italian Threads MITA Textile Design 1926-1976 30 September 2020 - 20 June 2021
Guided Tours	10 scheduled, 3 events, 90 attended	6 events, 65 attended
Group Visits	7 scheduled, 3 events, 50 attended	3 events, 33 attended

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Workshops	11 scheduled, 7 events, 177 attended	-
Family Art Day	2 events, 53 attended	-
Under 5's sessions	1 event, 19 attended	-
Outreach	2 scheduled, 1 event, 25 attended	3 events, 92 attended
Education Events	1 event, 11 attended	1 event, 14 attended
Adult Art Classes	3 scheduled, 1 event, 18 attended	-
Online Resources	Free art activities and resources- families and schools	Free art activities and resources – families and schools
Online Talks	1 event, 12 attended	7 events, 122 attended
Online Workshops	-	23 events, 160 attended
TOTAL	38 scheduled, 22 events 455 Attended	13 events, 204 attended 30 online events, 282 attended TOTAL: 43 events, 486 attended

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.

Gallery Hire

Two private events were held at the museum during the year, raising £1,140. Both events used the spaces as a film set: one for an interview, and one to record content for an advertisement. The COVID-19 pandemic continued to severely affect private hire events, with gatherings not possible for much of the year.

Staffing

Roberta Cremoncini, continued in her role as Director. The Director, 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 Coordinator. Jenny Pengilly continued as part-time Education Coordinator (4 days per week) and Marco Timillero as the Shop and Volunteers Manager. Jane Tyler, Office Assistant left at the beginning of June 2021. The position was advertised and following several interviews Amanda

ERIC AND SALOME ESTORICK FOUNDATION

THE DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR END 30 JUNE 2021

Williams joined the team on 1st July 2021. During the period of forced closure of the museum because of the COVID-19 crisis the position of shop manager was furloughed in addition to that of the building caretaker (one day per week). 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 and briefings 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. During the time the museum was closed to the public the online shop continued to function.

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 3,395 books and catalogues.

Future Programme

Following the end of MITA during the summer 2021, the Estorick Collection presents an exhibition by French post-war painter Olivier Debré (1920-1999), the first major show of the artist's work in the UK in 44 years, bringing together some 30 oils and works on paper, including 16 of Debré's large-scale paintings. In autumn 2021 the entire permanent collection will be on display throughout the building until December 2021 followed by an exhibition dedicated to the work of Bice Lazzari (1900-1981) in 2022.

Fundraising

The Foundation did not engage in material fundraising from the public in the year to June 2021.

ERIC AND SALOME ESTORICK FOUNDATION

THE DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR END 30 JUNE 2021

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 2021

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.

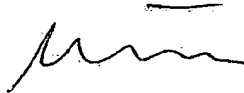
Auditors

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.

This report was approved by the Board of Directors and signed on its behalf by:

Michael Estorick
Chairman



Date

22.02.22

ERIC AND SALOME ESTORICK FOUNDATION
AUDITOR'S REPORT TO THE MEMBERS OF ERIC & SALOME ESTORICK FOUNDATION
FOR THE YEAR ENDED 30 JUNE 2021

Opinion

We have audited the financial statements of The Eric and Salome Estorick Foundation (the 'charitable company') for the year ended 30 June 2021 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 2021 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

**ERIC AND SALOME ESTORICK FOUNDATION
AUDITOR'S REPORT TO THE MEMBERS OF ERIC & SALOME ESTORICK FOUNDATION
FOR THE YEAR ENDED 30 JUNE 2021**

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

We have nothing to report in this regard.

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 2021**

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 2021**

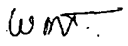
As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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.


Elizabeth Irvine
Senior Statutory Auditor
For and on behalf of WMT
Chartered Accountants and Statutory Auditors
Verulam Point
Station Way
St Albans
Hertfordshire
AL1 5HE

Date: 28 February 2022

**ERIC AND SALOME ESTORICK FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2021	Total Funds 2020
		£	£	£	£	£
INCOME & ENDOWMENTS FROM:						
Donations & legacies	2	52,740	4,450	-	57,190	11,542
Charitable activities	3	70,817	-	-	70,817	116,194
Investments	4	-	-	155,461	155,461	154,385
Other	5	2,840	-	-	2,840	5,483
Total		126,397	4,450	155,461	286,308	287,604
EXPENDITURE ON:						
Raising funds	6	14,914	-	-	14,914	22,820
Charitable activities	7	362,439	16,699	-	379,138	401,778
Total		377,353	16,699	-	394,052	424,598
Net gains on investments	13	-	-	259,066	259,066	330,533
Net income / (expenditure)		(250,956)	(12,249)	414,527	151,322	193,539
Transfers between funds	17	156,212	(751)	(155,461)	-	-
Net movement in funds		(94,744)	(13,000)	259,066	151,322	193,539
Reconciliation of funds						
Total funds brought forward		736,887	351,000	13,945,368	15,033,255	14,839,716
Total funds carried forward		642,143	338,000	14,204,434	15,184,577	15,033,255

**ERIC AND SALOME ESTORICK FOUNDATION
SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2021 £	2020 £
INCOME			
Donations & legacies	2	57,190	11,542
Charitable activities	3	70,817	116,194
		<hr/>	<hr/>
Gross income		128,007	127,736
		<hr/>	<hr/>
EXPENDITURE			
Raising funds	6	14,914	22,820
Charitable activities	7	379,138	401,778
		<hr/>	<hr/>
Total expenditure		394,052	424,598
		<hr/>	<hr/>
Net income/(expenditure) before taxation for the financial year		(266,045)	(296,862)
Tax recoverable	5	2,840	5,483
		<hr/>	<hr/>
Net income / (expenditure) for the financial year		(263,205)	(291,379)
		<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 2021

		Notes			
				2021	2020
				£	£
FIXED ASSETS					
Tangible assets	11			864,207	894,255
Heritage assets	12			5,696,200	5,696,200
Investments	13			<u>8,456,731</u>	<u>8,197,665</u>
				15,017,138	14,788,120
CURRENT ASSETS					
Stocks	14			15,872	14,093
Debtors	15			35,621	41,020
Cash at bank and in hand				<u>142,506</u>	<u>211,152</u>
				193,999	266,265
Creditors: amounts falling due within one year	16			<u>(26,560)</u>	<u>(21,130)</u>
NET CURRENT ASSETS/(LIABILITIES)				<u>167,439</u>	<u>245,135</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				<u>15,184,577</u>	<u>15,033,255</u>
FUNDS OF THE CHARITY					
Unrestricted funds	17			642,143	736,887
Restricted funds	17			338,000	351,000
Endowment funds	17			<u>14,204,434</u>	<u>13,945,368</u>
TOTAL CHARITY FUNDS				<u>15,184,577</u>	<u>15,033,255</u>

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:



Michael Estorick
 Chairman

22.02.22

Date:

Company registration no. 03044221
Charity registration no. 1046374

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

	2021 £	2020 £
Cash flows from operating activities		
Net income for the year	151,322	193,539
Adjustments for:		
Depreciation on tangible fixed assets	31,733	34,474
(Gain) on investments	(259,066)	(330,533)
Income from investments	(155,461)	(154,385)
(Increase)/decrease in stock	(1,779)	3,087
(Increase)/decrease in debtors	5,399	25,958
Increase/(decrease) in creditors	5,430	(76,552)
	<hr/>	<hr/>
Net cash (used in) operating activities	(222,422)	(304,412)
	<hr/>	<hr/>
Cash flows from investing activities		
Income from investments	155,422	154,385
Purchase of tangible fixed assets	(1,685)	(2,354)
Proceeds from sale of investments	-	360,000
	<hr/>	<hr/>
Net cash provided by investing activities	153,776	512,031
	<hr/>	<hr/>
Net increase / (decrease) in cash and cash equivalents	(68,646)	207,619
Cash and cash equivalents at the beginning of the year	211,152	3,533
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	142,506	211,152
	<hr/>	<hr/>
Cash and cash equivalents is made up of the following:		
Cash at bank and in hand	142,506	211,152
	<hr/>	<hr/>
Total	142,506	211,152
	<hr/>	<hr/>

Analysis of changes in net debt

	At 1 July 2020 £	Cash flow £	At 30 June 2021 £
Cash at bank	<u>211,152</u>	<u>(68,646)</u>	<u>142,506</u>

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

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 2021**

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 2021**

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 2021**

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total £
Voluntary Income				
Donations	15,161	-	-	15,161
Grants	8,000	4,450	-	12,450
Government Grants				
Furlough Scheme	29,579	-	-	29,579
Total	<u>52,740</u>	<u>4,450</u>	<u>-</u>	<u>57,190</u>
				2020 Total £
Donations	6,231	223	-	6,454
Government Grants				
Furlough Scheme	-	5,088	-	5,088
Total	<u>6,231</u>	<u>5,311</u>	<u>-</u>	<u>11,542</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total £	2020 Total Unrestricted £
Shop Sales	24,513	-	-	24,513	32,822
Café contributions	899	-	-	899	1,793
Education	805	-	-	805	3,838
Other income	447	-	-	447	11,439
Fees receivable- admissions and membership	42,913	-	-	42,913	62,402
Rent receivable- gallery hire	1,240	-	-	1,240	3,900
Total	<u>70,817</u>	<u>-</u>	<u>-</u>	<u>70,817</u>	<u>116,194</u>

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 2021

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.

6. EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds	Restricted Funds	Endowment Funds	2021 Total	2020 Total
	£	£	£	£	Unrestricted £
Advertising and trade subscriptions	3,200	-	-	3,200	4,434
Opening stock	14,093	-	-	14,093	17,180
Shop purchases	12,070	-	-	12,070	14,057
Closing stock	(15,872)	-	-	(15,872)	(14,093)
Cultivation events and café expenses	373	-	-	373	1,242
Catalogue expenses	1,050	-	-	1,050	-
Total	14,914	-	-	14,914	22,820

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Endowment Funds	2021 Total	2020 Total
	£	£	£	£	£
Gross salaries and employer NIC	201,849	1,820	-	203,669	195,617
Temporary exhibitions	50,497	-	-	50,497	68,153
Printing, postage and stationery	2,797	-	-	2,797	2,132
Utilities	6,991	-	-	6,991	8,802
Collection insurance	23,739	-	-	23,739	26,218
Rates	1,396	-	-	1,396	8,529
Education materials	1,211	680	-	1,891	1,560
Telephone and fax	1,780	-	-	1,780	1,526
Travel and subsistence	-	-	-	-	302
Cleaning	2,011	-	-	2,011	3,142
Library collections	-	-	-	-	26
Building maintenance	20,008	1,199	-	21,207	8,849
Security	1,899	-	-	1,899	2,647
Depreciation	18,733	13,000	-	31,733	34,473
Internet and website	2,749	-	-	2,749	1,098
Irrecoverable VAT	1,021	-	-	1,021	11,880
Governance (note 8)	25,758	-	-	25,758	26,824
Total	362,439	16,699	-	379,138	401,778

In 2020 education materials costs of £223, £13,000 of depreciation costs and £5,088 of gross salaries and employer NIC costs were restricted costs. All other costs were unrestricted.

ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

8. GOVERNANCE COSTS

	Unrestricted Funds	Restricted Funds	Endowment Funds	2021 Total	2020 Total Unrestricted
	£	£	£	£	£
Accountancy	7,230	-	-	7,230	8,490
Legal and professional fees	7,707	-	-	7,707	7,722
Audit fee	8,575	-	-	8,575	7,750
Bank Charges	2,246	-	-	2,246	2,862
Total	25,758	-	-	25,758	26,824

9. NET INCOMING RESOURCES BEFORE TRANSFERS

	2021 Total £	2020 Total £
Net incoming resources before transfers are stated after charging:		
Depreciation	31,544	34,473
Auditors' remuneration	8,575	7,750
Fees for other services	7,707	8,821

10. EMPLOYEES

	2021 Total £	2020 Total £
Salary and wages	186,966	180,283
National insurance contributions	12,832	11,613
Pension	3,871	3,721
Total	203,669	195,617

Average number of employees 8 8

There was one employee during the year with emoluments between £60,000 and £70,000 (2020: one).

There is one member of key management (2020: one). Her gross salary, employer pension contributions and employer's national insurance amounted to £69,154 (2020: £68,489).

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

11. TANGIBLE FIXED ASSETS

	Freehold Property	Property Improvements	Website Redesign	Other	Total
<i>Cost</i>	£	£	£	£	£
At 1 July 2020	538,578	971,209	35,020	44,118	1,588,925
Additions	-	-	-	1,685	1,685
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2021	538,578	971,209	35,020	45,803	1,590,610
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>					
At 1 July 2020	261,213	357,332	32,666	43,459	694,670
Charge for the year	10,772	19,424	589	948	31,733
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2021	271,985	376,756	33,255	44,407	726,403
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2021	266,593	594,453	1,765	1,396	864,207
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2020	277,365	613,877	2,354	659	894,255
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

12. HERITAGE ASSETS

	2021	2020
	£	£
Cost at 1 July 2020	5,696,200	5,696,200
	<hr/>	<hr/>
Cost at 30 June 2021	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.

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

	2021	2020
	£	£
Brought forward at 1 July 2020	8,197,665	8,227,132
Investment additions	1,200,000	-
Investment disposals	(1,200,000)	(360,000)
Investment realised gains/(losses)	161,279	3,175
Investment change in valuation	97,787	327,358
	<hr/>	<hr/>
Market value carried forward at 30 June 2021	8,456,731	8,197,665
	<hr/>	<hr/>

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

13. INVESTMENTS (continued)

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

Market Value	2021	2020
	£	£
Dynamic Diversified Growth Fund	1,881,590	1,692,617
iShares Overseas Corporate Bond Index Fund	4,225,306	3,413,988
iShares Developed World Index Fund	2,349,835	3,091,060
	<hr/>	<hr/>
	8,456,731	8,197,665
	<hr/>	<hr/>
Cost	2021	2020
	£	£
Dynamic Diversified Growth Fund	1,454,755	1,454,755
iShares Overseas Corporate Bond Index Fund	4,100,000	2,900,000
iShares Developed World Index Fund	1,695,432	2,734,153
	<hr/>	<hr/>
	7,250,187	7,088,908
	<hr/>	<hr/>

14. STOCK

	2021	2020
	£	£
Book stock	15,872	14,093
	<hr/>	<hr/>

15. DEBTORS

	2021	2020
	£	£
Prepayments and accrued income	29,540	26,320
Trade debtors	1,033	922
Tax relief	2,840	12,925
VAT debtor	1,926	853
Other debtors	282	-
	<hr/>	<hr/>
	35,621	41,020
	<hr/>	<hr/>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	12,360	7,630
Taxation and social security	2,999	2,856
Other creditors and accruals	11,201	10,644
	<hr/>	<hr/>
	26,560	21,130
	<hr/>	<hr/>

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

17. MOVEMENT OF FUNDS

	Balance 1.7.2020	Income	Expenditure	Gains/ (losses)	Transfers	Balance 30.6.2021
	£	£	£	£		£
UNRESTRICTED	736,887	126,397	(377,353)	-	156,212	642,143
RESTRICTED						
Heritage Lottery	351,000	-	(13,000)	-	-	338,000
Other restricted funds	-	4,450	(3,699)	-	(751)	-
	<u>351,000</u>	<u>4,450</u>	<u>(16,699)</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>

	Balance 30.6.2019	Income	Expenditure	Gains/ (losses)	Transfers	Balance 30.6.2020
	£	£	£	£		£
UNRESTRICTED	500,881	127,908	(406,287)	-	514,385	736,887
RESTRICTED						
Heritage Lottery	364,000	-	(13,000)	-	-	351,000
Museum	-	223	(223)	-	-	-
Government furlough scheme	-	5,088	(5,088)	-	-	-
	<u>364,000</u>	<u>5,311</u>	<u>(18,311)</u>	<u>-</u>	<u>-</u>	<u>351,000</u>
ENDOWMENT						
Heritage asset	13,923,333	154,385	-	330,533	(514,385)	13,893,866
Eric and Salome Estorick Foundation (USA) - D	51,502	-	-	-	-	51,502
	<u>13,974,835</u>	<u>154,385</u>	<u>-</u>	<u>330,533</u>	<u>(514,385)</u>	<u>13,945,368</u>
TOTAL	<u>14,839,716</u>	<u>287,604</u>	<u>(424,598)</u>	<u>330,533</u>	<u>-</u>	<u>15,033,255</u>

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

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.

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 2021 is £8,456,731 (2020: £8,197,665). Upward movement of the market value of the endowment funds is £259,066 (2020: £330,533). 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 £155,461 (2020: £514,385) was transferred from the endowment fund to unrestricted funds. Of this £155,461 (2019: £154,385) was investment income and £Nil (2020: £360,000) was drawn down from the investment fund.

**ERIC AND SALOME ESTORICK FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS AND RESERVES

Fund balances are represented by:

	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)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2021	642,143	338,000	14,204,434	15,184,577

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Fixed Assets	543,254	351,000	13,893,866	14,788,120
Current Assets	214,763	-	51,502	266,265
Current Liabilities	(21,130)	-	-	(21,130)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2020	736,887	351,000	13,945,368	15,033,255

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 (2020: £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 2021**

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 2021**

COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2020

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2020
		£	£	£	£
INCOME & ENDOWMENTS FROM:					
Donations & legacies	2	6,231	5,311	-	11,542
Charitable activities	3	116,194	-	-	116,194
Investments	4	-	-	154,385	154,385
Other	5	5,483	-	-	5,483
		<hr/>	<hr/>	<hr/>	<hr/>
Total		127,908	5,311	154,385	287,604
		<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURE ON:					
Raising funds	6	22,820	-	-	22,820
Charitable activities	7	383,467	18,311	-	401,778
		<hr/>	<hr/>	<hr/>	<hr/>
Total		406,287	18,311	-	424,598
		<hr/>	<hr/>	<hr/>	<hr/>
Net gains on investments	13	-	-	330,533	330,533
		<hr/>	<hr/>	<hr/>	<hr/>
Net income/(expenditure)		(278,379)	(13,000)	484,918	193,539
		<hr/>	<hr/>	<hr/>	<hr/>
Transfers between funds	17	514,385	-	(514,385)	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		236,006	(13,000)	(29,467)	193,539
		<hr/>	<hr/>	<hr/>	<hr/>
Reconciliation of funds					
Total funds brought forward		500,881	364,000	13,974,835	14,839,716
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward		736,887	351,000	13,945,368	15,033,255
		<hr/>	<hr/>	<hr/>	<hr/>