

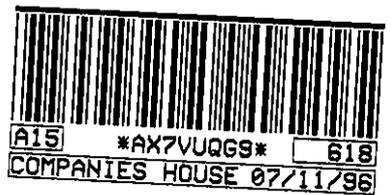
Co. No.

registered number:  
03044221  
England and Wales

ERIC & SALOME ESTORICK FOUNDATION

ANNUAL REPORT AND ACCOUNTS

30 JUNE 1996



ERIC & SALOME ESTORICK FOUNDATION

ANNUAL REPORT AND ACCOUNTS  
FOR THE PERIOD ENDED 30 JUNE 1996

---

Report of the directors	pages 1-2
Report of the auditors to the shareholders	page 3
Income and expenditure account	page 4
Balance sheet	page 5
Accounting policies	page 6
Notes to the accounts	pages 7-8
Not forming part of the statutory accounts:	
Detailed income and expenditure account	page 9

**ERIC & SALOME ESTORICK FOUNDATION****REPORT OF THE DIRECTORS  
FOR THE PERIOD ENDED 30 JUNE 1996**

---

The Foundation is both a company limited by guarantee registered in England and Wales no. 3044221 and a registered charity no. 1046374. Although the company was incorporated in April 1995, no activity occurred until March 1996, when assets and bank accounts were transferred from the eponymous American foundation, an unincorporated association registered in Delaware, USA.

The directors present their report with the accounts of the company for the period ended 30 June 1996.

**PRINCIPAL ACTIVITY**

The company's principal activity is to create and maintain an environment conducive to the appreciation and understanding of art. To this end the Foundation is setting up a museum at Northampton Lodge in Canonbury Square, London, so that the collection of early 20th century Italian art of the late Eric and Salome Estorick can be on permanent public display. The museum is being set up taking into account national guidelines and procedures, and the Foundation achieved provisional registration with the Museums and Galleries Commission in November 1995. In addition, the Foundation will complement the display of the collection with a series of temporary exhibitions and educational events as further funding allows, and provide a library for public use. The Foundation was made a positive offer of capital funding by the National Heritage Lottery Fund in May 1996 so that the renovation of Northampton Lodge might proceed in the coming financial year.

The Foundation completed the successful cataloguing of over 2,000 library books in February 1996, and also made acquisitions of important catalogue raisonnés and monographs, relating to the artists in the Estorick Collection. Cataloguing of works of art, designated for the Foundation on the settlement of the Estate of the late Eric Estorick, is also in progress. At 30 June 1996, after an extensive conservation survey of the collection, 59 condition reports have been written and 49 treatments undertaken. 20 condition reports have yet to be written, with a maximum of 25 treatments still outstanding.

The directors' report is continued on page 2.

ERIC & SALOME ESTORICK FOUNDATION

REPORT OF THE DIRECTORS - continued  
FOR THE PERIOD ENDED 30 JUNE 1996

---

DIRECTORS

The directors who served during the period were:

- Robert Anthione
- Stanley Bloom
- Michael Estorick
- Philippa Harrison (appointed April 1996)
- Ray Perman (resigned October 1995)

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those accounts, the directors are required to select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; and prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that accounts comply with the Companies Act 1985. 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.

AUDITORS

The auditors, Derek Rothera & Company, are deemed to be re-appointed in accordance with Section 386 of the Companies Act 1985.

In preparing the above report, the directors have taken advantage of special exemptions applicable to small companies.

Approved by the directors on 19. October/1996

  
 .....  
 Michael Estorick

## ERIC &amp; SALOME ESTORICK FOUNDATION

REPORT OF THE AUDITORS TO THE SHAREHOLDERS  
FOR THE PERIOD ENDED 30 JUNE 1996

---

We have audited the accounts on pages 4 to 8 which have been prepared in accordance with the accounting policies set out on page 6.

## RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

## BASIS OF OPINION

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

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

## OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30 June 1996 and of its surplus for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Derek Rothera & Company  
Chartered Accountants and Registered Auditors  
339/340 Upper Street, London N1 0PD

19/06/1996

## ERIC &amp; SALOME ESTORICK FOUNDATION

INCOME AND EXPENDITURE ACCOUNT  
FOR THE PERIOD ENDED 30 JUNE 1996

	<u>Note</u>	<u>1996</u>
TURNOVER		2,944
Cost of charitable activities		<u>(9,715)</u>
GROSS DEFICIT		(6,771)
Other income		573,690
Operating expenses		<u>(23,705)</u>
OPERATING SURPLUS	1	543,214
Interest receivable		<u>160</u>
RETAINED SURPLUS FOR THE FINANCIAL PERIOD	£	<u><u>543,374</u></u>

The turnover and results derive wholly from continuing operations.

The income and expenditure account includes all recognised gains and losses.

The policies and notes on pages 6 to 8 form part of these accounts.

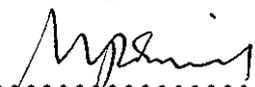
## ERIC &amp; SALOME ESTORICK FOUNDATION

BALANCE SHEET  
AT 30 JUNE 1996

	Note	1996
		<u>          </u>
<b>FIXED ASSETS</b>		
Tangible assets	2	538,141
<b>CURRENT ASSETS</b>		
Cash at bank		6,333
		<u>6,333</u>
<b>CREDITORS:</b> Amounts falling due within one year	3	(1,100)
		<u>          </u>
<b>NET CURRENT ASSETS</b>		5,233
		<u>          </u>
<b>NET ASSETS</b>		£ 543,374
		<u>          </u>
<b>CAPITAL AND RESERVES</b>		
Called up share capital	4	-
Income and expenditure account		543,374
		<u>          </u>
<b>Total funds</b>	5	£ 543,374
		<u>          </u>

The directors have taken advantage of special exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the accounts and have done so on the ground that in their opinion the company qualifies as a small company.

Approved by the directors on 19./October/1996

  
.....  
Michael Estorick

The policies and notes on pages 6 to 8 form part of these accounts.

## ERIC &amp; SALOME ESTORICK FOUNDATION

ACCOUNTING POLICIES  
FOR THE PERIOD ENDED 30 JUNE 1996

---

## BASIS OF ACCOUNTING

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

## TURNOVER

Turnover represents net invoiced sales of goods and services, excluding Value Added Tax.

## TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its estimated useful life, as follows:-

Freehold property	over fifty years
Computer equipment	over four years

## ERIC &amp; SALOME ESTORICK FOUNDATION

NOTES TO THE ACCOUNTS  
FOR THE PERIOD ENDED 30 JUNE 1996

	<u>1996</u>		
<b>1. OPERATING PROFIT</b>			
The operating profit is stated after charging:			
Fixed assets depreciation		2,843	
Directors' remuneration		-	
Auditors' remuneration		<u>800</u>	
<b>2. TANGIBLE ASSETS</b>			
	<u>Freehold Property</u>	<u>Computer Equipment</u>	<u>Total</u>
Cost:			
At 10 April 1995	-	-	-
Additions	538,578	2,406	540,984
At 30 June 1996	<u>538,578</u>	<u>2,406</u>	<u>540,984</u>
Depreciation:			
At 10 April 1995	-	-	-
Charge for the period	2,693	150	2,843
At 30 June 1996	<u>2,693</u>	<u>150</u>	<u>2,843</u>
Net book values:			
At 30 June 1996	<u>535,885</u>	<u>2,256</u>	<u>538,141</u>

## ERIC &amp; SALOME ESTORICK FOUNDATION

NOTES TO THE ACCOUNTS (continued)  
FOR THE PERIOD ENDED 30 JUNE 1996

---

	1996
3. CREDITORS: Amounts falling due within one year	
Other creditors and accruals	1,100
	<u>1,100</u>

## 4. CALLED UP SHARE CAPITAL

In accordance with its Memorandum of Association the company does not have a share capital and is limited by guarantee.

## 5. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

Retained surplus for the financial period	543,374
Funds carried forward	<u>543,374</u>