

**Company Registered No: 03965285**

**Charity Registered No: 1080197**

**THE FLEMING-WYFOLD ART FOUNDATION**  
(a Company Limited by Guarantee and Registered as a Charity)

**Report and Financial Statements**

**for the year ended 31 March 2022**

**REFERENCE AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2022**

The Foundation is a charitable company limited by guarantee and incorporated as Company Number 03965285 and registered as Charity Number 1080197 on 3 April 2000.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. The directors of the charitable company are its trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees.

**TRUSTEES/DIRECTORS**

Mr R D Fleming (Chairman)

Mr J E Holloway

Mr R D Schuster

Mr J P Scott

Mrs K J Sparrow

**COMPANY SECRETARY**

C E S Scott

**REGISTERED OFFICE**

14 Buckingham Street

London

WC2N 6DF

**INDEPENDENT AUDITOR**

Moore Kingston Smith LLP

9 Appold Street

London

EC2A 2AP

**REGISTERED COMPANY NUMBER**

03965285

**REGISTERED CHARITY NUMBER**

1080197

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022**

The Trustees are pleased to present their report together with the consolidated financial statements of the Foundation and its Subsidiary for the year ended 31 March 2022 which are also prepared to meet the requirements for a Director's Report and Accounts for Companies Act purposes.

The reference and administrative information set out on Page 1 forms part of this report. The financial statements comply with the Charities Act 2011, as amended, the Companies Act 2006, the Memorandum and Articles of Association and the reviewed Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015).

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **TRUSTEES**

The Trustees who held office throughout the year are shown on Page 1. New Trustees, when required, are appointed by a Resolution of existing Trustees and are selected on the basis of their expertise and knowledge of the Foundation's activities.

New Trustees undergo an induction process when they are fully briefed on the activities of the Foundation. They are also guided through the decision-making processes, recent business plans and management reports and are provided with copies of relevant documentation. When necessary, Trustees are encouraged to attend relevant external training events appropriate to their role.

No Trustee receives a fee for the service they provide to the Foundation, all time spent on Foundation business is donated free of charge.

The Trustees are indemnified by The Fleming-Wyfold Art Foundation's Directors & Officers Liability insurance policy which is renewed annually.

### **ORGANISATION**

The Board of Trustees is responsible for the policy of the Foundation and the future development of the art collection as well as ensuring that the Charity Commission's guidelines on public benefit are met, and accordingly they meet a minimum of three times a year to review the progress of the Foundation and to make any decisions. In shaping the objectives for the year and planning activities, the Trustees have considered the Charity Commissions' guidance on public benefit, including the guide, Public Benefit: Running a Charity (PB2).

### **RISK MANAGEMENT**

The Trustees have a risk management strategy which comprises:

- a regular review of the risks the Foundation may face;
- the establishment of systems and procedures to mitigate the risks highlighted by the review;
- the implementation of procedures to minimise any potential impact on the Foundation should those risks materialise.

The major risks which have been identified and reported to the Trustees have been reviewed and the Trustees are satisfied that arrangements are in place to mitigate those risks.



## TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

### OBJECTS AND ACTIVITIES FOR THE PUBLIC BENEFIT

*"To aim to promote the exploration, understanding and enjoyment of Scottish art and creativity alongside the maintenance and public display from a collection of art."*

### FINANCIAL REVIEW

In addition to income from the investment portfolio, The Foundation continued its policy of raising funds through the leasing of certain works of art for use by other commercial organisations and licensing the copyright where it is owned by the Foundation for use worldwide.

The Foundation recorded a net operating surplus of £46,499 in the year (2021: £70,890 surplus).

Total expenditure increased by approximately 10% to £329,129 (2021: £291,917).

The Trustees established an Endowment Fund in 2006, which totalled £7,738,840 as at 31 March 2022 (2021: £7,404,574).

In addition, the Trustees raised £75,000 (2021: £76,180) by way of donations from other organisations and individuals.

### ACHIEVEMENTS AND PERFORMANCE

Despite the Covid restraints, the Foundation continued to promote its Museum without Walls strategy staging an exhibition of Scottish Colourists at Inverness Art Gallery, which attracted 12,000 visitors and of the Glasgow Girls and Boys at Kirkcudbright Art Gallery, which attracted 14,500 visitors. Reflecting the Foundation's strategic investment in online content there has been a steady growth in activity. Educational initiatives included a young person's art competition and a project with the Highland Print Studio which targeted school students disadvantaged by the pandemic. Bursaries were also awarded to emerging artists. A number of key works were acquired for the collection to enhance its already strong holdings of Scottish Women artists.

### PUBLICATIONS

The Foundation continues to publish Scottish Arts News on an annual basis. A book on the Glasgow Girls and Boys was also published as a companion volume to the Scottish Colourists and to serve as a catalogue to the eponymous exhibition.

### PLANS FOR THE FUTURE

The opening up of museums and galleries has allowed a busy schedule of exhibitions to be planned in conjunction with increasing the online presence.

The Foundation will continue to acquire new works when it is felt that they will add to the quality and diversity of the collection.

### SUBSIDIARY UNDERTAKING

The subsidiary undertaking, Fleming Collection Limited, was dormant in the year and thus generated a profit of £nil in the year to 31 March 2022 (2021: profit of £nil).



**TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

**INVESTMENT POLICY, OBJECTIVES AND PERFORMANCE**

The Charity's investment objectives are:

- a) Preservation of capital and income after inflation, subject to periodic capital investment when required;
- b) Producing a consistent and sustainable income to support the general expenditure of the Charity; and
- c) Delivering these objectives within acceptable levels of risk.

To meet these objectives, the Charity's investments as a whole are managed on a total return basis, maintaining diversification across a range of asset classes to produce an appropriate balance between risk and return.

The Trustees have decided that it would be inappropriate to impose any specific ethical investment constraints upon the investment manager over and above those already contained within the managers' own ethical and socially responsible investment policies.

**RESERVES POLICY**

It is the policy of the Trustees to maintain unrestricted funds and an expendable endowment fund, which are free reserves of the Charity, at a level which will provide sufficient funds to cover management and administration costs and any unexpected costs that may arise from time to time, in addition to providing sufficient flexibility to add to the Collection when opportunities arise. The available reserves (excluding the Art Collection) as at 31 March 2022 amounted to £7,994,869 (2021: £7,634,408). The Trustees are satisfied with the level of reserves currently held.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the group and the incoming resources and application of resources, including the income and expenditure of the group for that period.

In preparing those financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2015;
- Make judgements and estimates that are reasonable and prudent; and
- State whether UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES (CONTINUED)**

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

The Trustees are responsible for ensuring that the Trustees' Annual Report is prepared in accordance with company law in the United Kingdom.

**INDEPENDENT AUDITOR**

In accordance with Section 487(2) of the Companies Act 2006, Moore Kingston Smith LLP are deemed to be reappointed as auditors of the Company for the following year.

So far as the Trustees are aware:

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

**SMALL COMPANY EXEMPTION**

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

Approved by the Trustees and signed on their behalf by:



C E S Scott  
Company Secretary  
Dated: 27 July 2022

The Fleming Wyfold Art Foundation  
Company Registered Number 03965285  
Charity Registered Number 1080197



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FLEMING-WYFOLD ART FOUNDATION**

**Opinion**

We have audited the financial statements of The Fleming-Wyfold Art Foundation (the 'company') for the year ended 31 March 2022 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets 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 FRS 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 group's and the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

**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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The 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. 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.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FLEMING-WYFOLD ART FOUNDATION (CONTINUED)**

**Other information (continued)**

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

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

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



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FLEMING-WYFOLD ART FOUNDATION (CONTINUED)**

**Responsibilities of trustees (continued)**

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

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 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.

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FLEMING-WYFOLD ART FOUNDATION (CONTINUED)**

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)**

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement 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 purposes of expressing an opinion on the effectiveness of the group and parent 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 group and parent 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 group or parent 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FLEMING-WYFOLD ART FOUNDATION (CONTINUED)**

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)**

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 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Neil Finlayson (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor  
9 Appold Street  
London  
EC2A 2AP

Date: 1 September 2022

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Expendable Endowment Fund £	Total 2022 £	Total 2021 £
<b>Income and endowments from:</b>						
Donations	3	75,000	-	-	75,000	76,180
Investments	4	-	-	189,095	189,095	173,593
Charitable activities	6	111,533	-	-	111,533	113,034
<b>Total income</b>		<b>186,533</b>	<b>-</b>	<b>189,095</b>	<b>375,628</b>	<b>362,807</b>
<b>Expenditure on:</b>						
Costs of generating funds	5	-	-	46,894	46,894	44,620
Charitable activities	7	282,235	-	-	282,235	247,297
<b>Total expenditure</b>		<b>282,235</b>	<b>-</b>	<b>46,894</b>	<b>329,129</b>	<b>291,917</b>
<b>Net operating (deficit)/surplus</b>		<b>(95,702)</b>	<b>-</b>	<b>142,201</b>	<b>46,499</b>	<b>70,890</b>
Transfer between funds	15	123,035	47,618	(170,653)	-	-
<b>Other recognised gains:</b>						
Gains on investment assets	11	-	-	362,718	362,718	1,194,424
		-	-	362,718	362,718	1,194,424
<b>Net income for the year</b>		<b>27,333</b>	<b>47,618</b>	<b>334,266</b>	<b>409,217</b>	<b>1,265,314</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		228,696	5,308,196	7,404,574	12,941,466	11,676,152
<b>Total funds carried forward</b>		<b>256,029</b>	<b>5,355,814</b>	<b>7,738,840</b>	<b>13,350,683</b>	<b>12,941,466</b>

All of the income and expenditure above relate to the parent company.

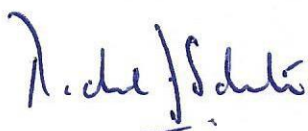


CONSOLIDATED BALANCE SHEET AT 31 MARCH 2022

	Note	2022 £	2021 £
<b>Fixed assets:</b>			
Tangible fixed assets	10	5,355,814	5,308,196
Investments	11	7,738,840	7,404,574
<i>Total fixed assets</i>		<b>13,094,654</b>	<b>12,712,770</b>
<b>Current assets:</b>			
Debtors	12	30,560	29,465
Cash at bank		260,051	235,623
<i>Total current assets</i>		<b>290,611</b>	<b>265,088</b>
<b>Liabilities</b>			
Creditors – amounts falling due within one year	13	(34,582)	(36,392)
<i>Net current assets</i>		<b>256,029</b>	<b>228,696</b>
<b>Total net assets</b>		<b>13,350,683</b>	<b>12,941,466</b>
<b>The funds of the group:</b>			
Unrestricted funds	15	256,029	228,696
Restricted funds	14	5,355,814	5,308,196
Endowment fund	14	7,738,840	7,404,574
<i>Total Charity funds</i>		<b>13,350,683</b>	<b>12,941,466</b>

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

The financial statements on pages 11 to 25 were approved by the Trustees and authorised for issue on 27 July 2022 and are signed on their behalf by:



Mr R D Schuster  
Trustee

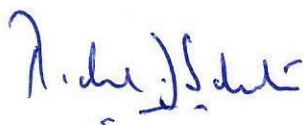
The Fleming-Wyfold Art Foundation  
Company Registered Number 03965285  
Charity Registered Number 1080197

## COMPANY BALANCE SHEET AT 31 MARCH 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible fixed assets	10	5,355,814	5,308,196
Investments – in subsidiary undertaking	18	1	1
Investments – other	11	7,738,840	7,404,574
		<b>13,094,655</b>	<b>12,712,771</b>
<b>Current assets</b>			
Debtors	12	30,559	38,169
Cash at bank		260,051	226,918
		<b>290,610</b>	<b>265,087</b>
<b>Liabilities</b>			
Creditors – amounts falling due within one year	13	(34,582)	(36,392)
<i>Net current assets</i>		<b>256,028</b>	<b>228,695</b>
<b>Total net assets</b>		<b>13,350,683</b>	<b>12,941,466</b>
<b>The funds of the charity:</b>			
Unrestricted funds	15	256,029	228,696
Restricted funds	14	5,355,814	5,308,196
Endowment fund	14	7,738,840	7,404,574
<b>Total Charity funds</b>		<b>13,350,683</b>	<b>12,941,466</b>

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

The financial statements on pages 11 to 25 were approved by the Trustees and authorised for issue on 27 July 2022 and are signed on their behalf by:



Mr R D Schuster  
Trustee

The Fleming-Wyfold Art Foundation  
Company Registered Number 03965285  
Charity Registered Number 1080197



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

**Basis of preparation**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Foundation is a public benefit entity for the purposes of FRS 102 and a registered charity established as a company limited by guarantee in the United Kingdom and therefore has also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and Charities Act 2011. The accounts are prepared in sterling, which is the functional currency of the Charity, and rounded to the nearest pound.

**Going concern**

The financial statements have been prepared on a going concern basis which assumes the charitable company will continue in operational existence for the foreseeable future. Other than the impact on investment movement, Covid has not had much of an impact. If the pandemic was to continue/worsen once more, it is expected the impact will remain low. The Trustees have considered the Foundation's financial forecasts and are satisfied of the Foundation's ability 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. The Foundation therefore continues to adopt the going concern basis in preparing its financial statements.

**Consolidation of Subsidiary**

The Foundation is the sole shareholder in Fleming Collection Limited. Consolidated financial statements have been prepared in accordance with the Charities SORP 2015. As permitted by section 480 of the Companies Act 2006 and Charities SORP 2015, the Statement of Financial Activities for the Foundation is not presented as part of these financial statements.

**Fund Structure**

Unrestricted Funds comprise those funds which the Trustees are free to use in accordance with the charitable objects.

Restricted Funds are those which are given for particular purposes as specified by their donors. The Foundation has one restricted fund which represents the original donation to acquire the Fleming Collection of Scottish Art.

The Expendable Endowment Fund was created through the donation of a portfolio of investments from the late Mr Robin Fleming in 2007 along with the proceeds from the sale of the clocks and other works of art that no longer fitted the remit of the charity. Income arising on the Fund can be used in the Unrestricted Fund.

Designated Funds are amounts which have been put aside out of general unrestricted funds at the discretion of the Trustees.

**Income**

All income is recognised in the Consolidated Statement of Financial Activities (SOFA) when the conditions for receipt have been met and there is reasonable assurance of receipt. Where a claim for repayment of income tax has been or will be made such income is grossed up for the tax recoverable.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

**Grants and Donations Receivable**

Grants and donations are recognised in the SOFA when conditions for receipt have been complied with.

**Activities in furtherance of the Charity's Objects**

This represents income received from the ownership and utilisation of the collection and is accounted for when receivable.

**Investment Income**

Investment income is accounted for when receivable and is stated gross of any reclaimable taxation relief.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies are applied to the different categories of expenditure:

**Costs of Charitable Activities**

These costs relate to expenditure incurred by the Charity in relation to the promotion of the Charities objects, including the exhibiting, loaning and leasing of the art works.

**Support and Governance Costs**

Support and governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include expenses related to statutory audit fees, professional and legal fees and support costs.

**Tangible Fixed Assets including Heritage Assets**

Tangible Fixed Assets, which are stated at cost, include the Fleming collection of works of art which are available to exhibit to the public.

The Art Collection falls within the definition of 'Heritage Assets' under FRS 102 and the Charities SORP. Heritage assets are stated at cost or estimated market value if donated, unless a reliable estimate cannot be made/the cost of valuation is likely to exceed the benefits provided by the information, and are not subject to depreciation. Impairments in the carrying value of heritage assets are recognised if they have suffered physical deterioration or doubts arise as to their authenticity. The Art Collection is reviewed each year in order to assess whether any overall impairments are necessary.

**Depreciation**

No depreciation has been provided on the collection as the Trustees consider that the estimated useful life of the collection is indefinite. Depreciation is provided on fixtures and fittings and is provided at a rate calculated to write off cost, less estimated residual value, evenly over their expected useful life.

The depreciation periods are as follows:

- |                         |         |
|-------------------------|---------|
| • Fixtures and fittings | 4 years |
| • Computer Equipment    | 2 years |



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

**Investments**

Investments are stated at market value at the Balance Sheet date. Any gain or loss on revaluation is taken to the SOFA.

**Pensions**

Contributions payable are charged to the SOFA in the year they are payable.

**Taxation**

The Foundation, being a registered charity, is exempt from the payment of income, corporation or capital gains tax to the extent that its activities are charitable in nature.

**Foreign Currency Transactions**

Assets and liabilities in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences arising during the year are included in the SOFA.

**Realised and Unrealised Gains and Losses**

All gains and losses are taken to the SOFA as they arise. Realised gains and losses on investments are calculated as all the difference between sales proceeds and opening market value (purchase price if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase price if later).

**Critical accounting estimates and areas of judgements**

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

**Financial instruments**

The Foundation has elected to apply the provisions of Section 11 Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to reduce the asset and settle the liability simultaneously.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand and current and fixed term deposits with banks.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

2. LIABILITY OF MEMBERS

The Fleming-Wyfold Art Foundation is a charitable company limited by guarantee.

Each member of the Charity undertakes to contribute such an amount as may be required (not exceeding £10) to the Charity's assets if it should be wound up whilst he is a member.

3. DONATIONS

	Unrestricted	Restricted	Expendable Endowment	Total
	Funds	Funds	Fund	2022
	£	£	£	£
The Lennox Hannay Charitable Trust	25,000	-	-	25,000
The Wyfold Charitable Trust	25,000	-	-	25,000
The PF Charitable Trust	25,000	-	-	25,000
	<b>75,000</b>	<b>-</b>	<b>-</b>	<b>75,000</b>

The above donations have been designated by the Trustees to the Art Acquisition Fund towards the purchase of artwork.

*Comparatives for the year ended 31 March 2021:*

	Unrestricted	Restricted	Expendable Endowment	Total
	Funds	Funds	Fund	2021
	£	£	£	£
The Lennox Hannay Charitable Trust	25,000	-	-	25,000
The Wyfold Charitable Trust	25,000	-	-	25,000
The PF Charitable Trust	25,000	-	-	25,000
Peter Micklethwait	1,000	-	-	1,000
Cash	180	-	-	180
	<b>76,180</b>	<b>-</b>	<b>-</b>	<b>76,180</b>

The above donations have been designated by the Trustees to the Art Acquisition Fund towards the purchase.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

## 4. INVESTMENT INCOME

Group	Unrestricted Funds £	Restricted Funds £	Expendable Endowment Fund £	Total 2022 £
Income from Investments	-	-	189,095	189,095
	-	-	189,095	189,095

*Comparatives for the year ended 31 March 2021:*

Group	Unrestricted Funds £	Restricted Funds £	Expendable Endowment Fund £	Total 2021 £
Income from Investments	-	-	173,593	173,593
	-	-	173,593	173,593

## 5. COSTS OF GENERATING FUNDS

Group	Unrestricted Funds £	Restricted Funds £	Expendable Endowment Fund £	Total 2022 £
Investment Management Fees	-	-	32,901	32,901
Custodian Fees	-	-	13,993	13,993
	-	-	46,894	46,894

*Comparatives for the year ended 31 March 2021:*

Group	Unrestricted Funds £	Restricted Funds £	Expendable Endowment Fund £	Total 2021 £
Investment Management Fees	-	-	28,770	28,770
Custodian Fees	-	-	15,850	15,850
	-	-	44,620	44,620

6. CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Expendable Endowment	Total
	Funds	Funds	Fund	2022
	£	£	£	£
Advertising	3,500	-	-	3,500
Loan of paintings	102,945	-	-	102,945
Reproduction charges - Bridgeman Art Library	1,041	-	-	1,041
Catalogue and book sales	3,393	-	-	3,393
Art Sales	654	-	-	654
	<b>111,533</b>	-	-	<b>111,533</b>

*Comparatives for the year ended 31 March 2021:*

	Unrestricted	Restricted	Expendable Endowment	Total
	Funds	Funds	Fund	2021
	£	£	£	£
Advertising	1,050	-	-	1,050
Loan of paintings	109,452	-	-	109,452
Reproduction charges - Bridgeman Art Library	1,176	-	-	1,176
Catalogue and book sales (non-Group)	1,356	-	-	1,356
	<b>113,034</b>	-	-	<b>113,034</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

7. COST OF CHARITABLE ACTIVITIES AND SUPPORT COSTS

	Unrestricted	Restricted	Expendable	Total
	Funds	Funds	Endowment	2022
	£	£	Fund	£
Bursary	9,740	-	-	9,740
Cost of staff (note 8)	120,678	-	-	120,678
Conservation	10,270	-	-	10,270
Promotion and marketing	21,698	-	-	21,698
Publication costs	4,810	-	-	4,810
Miscellaneous costs	19,526	-	-	19,526
Insurance	15,664	-	-	15,664
Intern and Training	1,662	-	-	1,662
IT & Communication costs	14,047	-	-	14,047
Storage & Transport	19,134	-	-	19,134
Travel Costs	5,601	-	-	5,601
Support and Governance	39,405	-	-	39,405
Costs (note 9)				
	<b>282,235</b>	<b>-</b>	<b>-</b>	<b>282,235</b>

*Comparatives for the year ended 31 March 2021:*

	Unrestricted	Restricted	Expendable	Total
	Funds	Funds	Endowment	2021
	£	£	Fund	£
Bursary	80	-	-	80
Cost of staff (note 8)	118,305	-	-	118,305
Conservation	15,066	-	-	15,066
Promotion and marketing	11,827	-	-	11,827
Publication costs	4,340	-	-	4,340
Miscellaneous costs	7,217	-	-	7,217
Insurance	15,133	-	-	15,133
IT & Communication costs	14,390	-	-	14,390
Storage & Transport	19,941	-	-	19,941
Printer Lease costs	(56)	-	-	(56)
Travel Costs	892	-	-	892
Support and Governance	40,162	-	-	40,162
Costs (note 9)				
	<b>247,297</b>	<b>-</b>	<b>-</b>	<b>247,297</b>

None of the Trustees have received any remuneration in the year (2021: £nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

7. COST OF CHARITABLE ACTIVITIES AND SUPPORT COSTS (CONTINUED)

Travel and other expenses totalling £1,219 incurred in connection with activities of the Charity was reimbursed to one member of the board of Trustees during the year (2021: £nil).

The Foundation considers the Director of Art and Collections and Web Manager as key management personnel. The total employment benefits including employer pension contributions of the key management personnel were £120,678 (2021: £118,305).

8. ANALYSIS OF STAFF COSTS

	Group 2022	Group 2021
	£	£
Wages and salaries	110,928	109,000
Social security costs	8,817	8,618
Pension contributions	933	687
	<b>120,678</b>	<b>118,305</b>

One employee received remuneration of between £80,000 to £90,000 in the year (2021: 1 between £80,000 to £90,000). This employee received no pension contributions.

The monthly average number of full time employees during the year was 2 (2021: 2).

9. SUPPORT AND GOVERNANCE COSTS

	Total Unrestricted 2022	Total Unrestricted 2021
	£	£
<i>Support / Administrative Costs</i>		
Charity Administration/Financial Reporting and Bookkeeping/Administration Services	28,805	28,738
<i>Governance Costs</i>		
Auditor's remuneration		
Audit fee – current year	10,000	10,000
- prior year under/(over) accrual	50	(1,550)
- other fees	550	2,974
	<b>39,405</b>	<b>40,162</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

## 10. TANGIBLE FIXED ASSETS

	Heritage Assets (Art Collection)	Computer Equipment	Total
Group and Charity			
Cost	£	£	£
Brought Forward	5,307,058	7,182	5,314,240
Additions	48,756	-	48,756
Carried Forward	5,355,814	7,182	5,362,996
<b>Depreciation</b>			
Brought Forward	-	6,044	6,044
Provided for the Year	-	1,138	1,138
Carried Forward	-	7,182	7,182
<b>Net Book Value as at 31 March 2022</b>	<b>5,355,814</b>	<b>-</b>	<b>5,355,814</b>
<b>Net Book Value as at 31 March 2021</b>	<b>5,307,058</b>	<b>1,138</b>	<b>5,308,196</b>

**Heritage Assets (Art Collection)**

The Fleming Collection ranks as one of the finest collection of Scottish art outside museums. Acquisition was started in the late 1960s by a Director of Robert Fleming & Co. The collection comprises circa 600 oils and watercolours ranging in date from 1633 to the present day; and is particularly noted for containing some of the most iconic paintings of the period. It is intended to remain a living collection by acquiring further works where the opportunity arises and where they are consistent with the themes of the collection.

During the past five years the following movements in the collection have occurred:

Year ended 31 March	Donations £	Purchases £	Disposals £	Proceeds £
2022	-	48,756	-	(650)
2021	-	39,462	-	-
2020	-	30,720	-	-
2019	-	131,340	(1,375)	(22,313)
2018	-	70,500	-	-

Items from the Collection are regularly loaned to museums and galleries for Exhibition purposes and images are available to view online. Items not otherwise required for exhibition are loaned commercially to businesses for display. The collection is actively managed by the Collections and Web Manager who supervises all loans, monitors the condition of the paintings and arranges for their conservation where necessary.

The collection is insured with Lockton Insurance and was valued by Christie's in 2017 at £18,711,960.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

11. INVESTMENTS

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Market value brought forward	7,404,574	6,245,122
Acquisitions at cost	490,307	1,122,547
Less: disposal proceeds (realised capital cash)	(632,305)	(729,680)
	<b>7,262,576</b>	<b>6,637,989</b>
Realised gains on disposals	61,295	63,542
Net gain on revaluation	301,423	1,130,882
	<b>7,625,294</b>	<b>7,832,413</b>
Add: net movement in realised capital cash retained for reinvestment	113,546	(427,839)
<b>Market value at 31 March</b>	<b>7,738,840</b>	<b>7,404,574</b>
<i>Historical cost at 31 March</i>	<i>6,168,675</i>	<i>5,927,771</i>
<b>Analysis of investments :-</b>		
Equities	5,458,203	5,334,998
Property funds	889,147	756,326
Bonds	688,630	747,561
Hedge funds	408,062	383,554
Cash held for reinvestment	294,798	182,135
<b>Market value at 31 March</b>	<b>7,738,840</b>	<b>7,404,574</b>

No investments comprised in excess of 10% of the value of the portfolio as at 31 March 2022 (2021: £nil).

12. DEBTORS

	<b>Group 2022 £</b>	<b>Charity 2022 £</b>	<b>Group 2021 £</b>	<b>Charity 2021 £</b>
Trade debtors	2,236	2,236	1,087	1,087
Prepaid expenses	16,633	16,633	16,508	16,508
Amounts due from subsidiary	-	-	-	8,704
Taxes repayable	11,691	11,691	11,870	11,870
	<b>30,560</b>	<b>30,560</b>	<b>29,465</b>	<b>38,169</b>

13. ANALYSIS OF LIABILITIES

	<b>Group 2022 £</b>	<b>Charity 2022 £</b>	<b>Group 2021 £</b>	<b>Charity 2021 £</b>
Trade creditors	4,264	4,264	6,828	6,828
Other creditors	1,163	1,163	1,196	1,196
Accruals	29,155	29,155	28,368	28,368
	<b>34,582</b>	<b>34,582</b>	<b>36,392</b>	<b>36,392</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

## 14. FUND ANALYSIS

	Unrestricted	Restricted	Expendable Endowment	Total
	Funds	Funds	Fund	2022
Group	£	£	£	£
Tangible fixed assets	-	5,355,814	-	5,355,814
Investments	-	-	7,738,840	7,738,840
Debtors	30,560	-	-	30,560
Cash	260,051	-	-	260,051
Liabilities	(34,582)	-	-	(34,582)
	<b>256,029</b>	<b>5,355,814</b>	<b>7,738,840</b>	<b>13,350,683</b>

*Comparatives for the year ended 31 March 2021:*

	Unrestricted	Restricted	Expendable Endowment	Total
	Funds	Funds	Fund	2021
Group	£	£	£	£
Tangible fixed assets	-	5,308,196	-	5,308,196
Investments	-	-	7,404,574	7,404,574
Debtors	29,465	-	-	29,465
Cash	235,623	-	-	235,623
Liabilities	(36,392)	-	-	(36,392)
	<b>228,696</b>	<b>5,308,196</b>	<b>7,404,574</b>	<b>12,941,466</b>

A description of the purpose of the funds is given in Note 1 to the financial statements.

## 15. UNRESTRICTED FUNDS

	Designated Funds	General Unrestricted Funds	Total Unrestricted Funds
	£	£	£
Balance brought forward	42,297	186,399	228,696
Incoming Resources	75,000	110,879	185,879
Art Sales	654	-	654
Expenditure	(1,138)	(281,097)	(282,235)
Fund Transfers	(47,618)	170,653	123,035
<b>Balance carried forward</b>	<b>69,195</b>	<b>186,834</b>	<b>256,029</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

16. UNRESTRICTED FUNDS (CONTINUED)

*Comparatives for the year ended 31 March 2021:*

	Designated Funds	General Unrestricted Funds	Total Unrestricted Funds 2021
	£	£	£
Balance brought forward	40,919	119,855	160,774
Incoming Resources	76,180	113,034	189,214
Expenditure	-	(247,927)	(247,927)
Historic adjustment to reflect earlier additions	(36,862)	36,862	-
Fund Transfers	(37,940)	163,945	126,005
<b>Balance carried forward</b>	<b>42,297</b>	<b>186,399</b>	<b>228,696</b>

The Designated Fund represents the Art Acquisitions Fund which was set up by the Trustees to provide funds for the purchase of art for the Art Collection. Where a donation is received which is specified to be for a particular purpose those donations are included in the Restricted Funds (Note 14). Any donations of art are also treated as Restricted Funds and capitalised in the Art Collection. The Designated Fund carried forward as at 31 March 2022 amounted to £69,195 (2021: £42,297).

During the year the Trustees purchased art costing £48,756 (2021: £39,462) utilising Designated Funds. This is included as purchased art in the Art Collection (Note 10).

Expenditure on art restoration has been met from the General Unrestricted Funds.

During the year £123,035 (2021: £126,005) was transferred from the expendable endowment fund to the unrestricted funds. These transfers were made in order to support the running costs of the charity.

17. RELATED PARTY TRANSACTIONS

**RFT Management Services Limited ("RFTMS")**

Mr R D Schuster is a director of RFTMS. RFTMS charged the Foundation for Charity Administration and Book-keeping services £28,805 (2021: £28,641) and recharged costs of £4,880 (2021 £5,767) during the year.

18. INVESTMENT IN SUBSIDIARY UNDERTAKING

	2022	2021
	£	£
Fleming Collection Limited	1	1

The investment in subsidiary undertaking comprises the entire share capital of Fleming Collection Limited (registered company number 04351531). Fleming Collection Limited previously undertook commercial activities on behalf of The Fleming-Wyfold Art Foundation. Fleming Collection Limited has been dormant throughout the financial year ended 31 March 2022.