

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
FOR
THE BRITISH SPORTING ART TRUST

Malthouse & Company

Chartered Accountants & Business Advisers

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THE BRITISH SPORTING ART TRUST
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FOR THE YEAR ENDED 31ST MARCH 2021

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THE BRITISH SPORTING ART TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The object of the Charity is the advancement of the public education in the fine arts particularly through the formation and display of British sporting art; mounting loan exhibitions; sponsoring and publishing research on the subject of sporting art; encouraging and supporting young artists and students in the study of sporting art.

Significant activities

As a result of the Covid Pandemic and the lockdowns the activities of the Trust were severely curtailed in the year to March 2021. As a result there have been no functions, no Paul Mellon Lecture nor an Annual General Meeting. No visits were able to be organised and the research facilities were hardly available to be offered to students and other interested parties. In addition, no arts prizes were able to be awarded and only limited access to the Museum was able to be given during the year. In March 2021 the first of online lectures was given by Dr Hannah Clark – “The Thoroughly Modern Meltonian “ and several more have been given since then .These lectures are open to all including non-members.

The vision shaping the Trust's activities remains the promotion and fostering of knowledge and the appreciation of sporting art through public exhibition of significant works, publication of research in the form of essays and support for young artists and art history students. In furtherance of these aims the Trust's premises at Palace House, Newmarket continues to display sporting art throughout the ages with many significant loans whenever possible

Public benefit

The Trust's activities are reviewed each year to ensure they continue to reflect and further its aims and objectives. In planning activities, the Trustees have paid due regard to the Charity Commission's guidance on public benefit. Primarily the public benefits arise from the preservation and conservation of this important genre of British art. Additionally, admission to the Trust's galleries and research facilities in our Library of some 3,500 volumes and extensive archive material is available to all members of the public and research facilities are offered free to students.

Members of the public were able to view our exhibitions and use the Library when the facilities were able to be open.

THE BRITISH SPORTING ART TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Trustees continue to pursue the Trust's objectives for sporting art by promoting public display, research, the publication of essays, continuing to encourage young artists and arranging visits to important collections. The use of the Trust's library is also actively encouraged, particularly for educational purposes.

The Trust's premises at Palace House has a world-class display in the Fred Packard Museum and Galleries of Sporting Art showing sporting Art throughout the ages with loans from many galleries together with a significant number the Trust's own pictures and objet d'art.

FINANCIAL REVIEW

Treasurer's report

The Trust recorded an overall surplus of some £54,400 before net gains on investments of £94,800. The surplus includes gifts of prints £34,260, a legacy of £15,000, a donation of £5,000 for the purchase of a Peter Biegel painting and an appeal to Life members which raised some £6,700. The unrealised profit on investments reflects the significant downturn in the financial markets in March 2020 which recovered during the financial year. Excluding one off items of income and expenditure, gifts and restricted donations, the Trust made an overall loss of some £6,000 in the year.

Investment policy, objectives and performance

The Trustees have absolute discretion to invest in any shares, stocks, funds, securities, land, building, chattels or any other investment. The Trustees have engaged Rathbones Investment Management Limited as investment managers and their policy is to generate a balance between income and capital growth. The fund has a medium risk profile with some 9% invested in fixed interest securities, 27% in UK equities and 47% in overseas equities and the balance is held in cash and alternatives. The portfolio is held for the longer term and has an estimated yield of 1.9%. During the year the fund recovered the unrealised losses from the pandemic downturn in March 2020 and made an overall net gain of some £95,000 compared with a net loss in the previous year of £5,000.

Reserves policy

It is the policy of the Trust to maintain unrestricted funds, which are the free reserves of the Trust, at a level which equates to approximately twelve months unrestricted expenditure. At 31st March 2021 free reserves were £181,892. This figure includes the Michael Kidson legacy and an anonymous donation both within the investment portfolio and £8,333 for future Curatorship costs. Excluding these amounts the net free reserves were £63,897

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trust is constituted by Trust Deed dated 1st April 2019 and is a Charitable Incorporated Organisation number 1182442.

Patron

The Chairman and Trustees were sad to have to accept the resignation of Sir Samuel Whitbread KCVO as the Trust's Patron due to his ill health at the end of the year. Sir Sam has been a constant and very generous friend to the Trust over many years since his becoming Patron in 2008, and we wish him and Lady Anne all the very best for the future.

Recruitment and appointment of new trustees

The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust Deed. The charity trustees of the CIO were all appointed to serve until 31st March 2022.

THE BRITISH SPORTING ART TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

Trustees:

In addition to the annual meeting, which must be held each year, the Trustees may hold other meetings during the year as and when the need arises.

The decision of the majority of the Trustees present at a meeting is binding for all Trustees.

Executive Committee:

The Executive Committee consists of ex officio officers plus up to six members elected by the Trustees and is responsible for the management of the charity.

The Executive Committee must meet at least once each quarter and within 7 days after each meeting a copy of the minutes are submitted to the Chairman of the Trustees.

Risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust and are satisfied that systems are in place to mitigate exposure to the major risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Charitable Incorporated Organisation number

1182442

Principal address

BSAT Gallery
Palace House
Palace Street
Newmarket
Suffolk
CB8 8EP

THE BRITISH SPORTING ART TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Patron

Sir Samuel Whitbread KCVO (retired 30th March 2021)

Trustees

John Chatfeild-Roberts (Chairman)

Brian Allen

Patricia Connor

Jonathan Fountain

Georgina Gold

James Harvey

Katherine Stewart

James Rawden-Mogg

Sarah Rouhani

Honorary Solicitor

Vacant

Honorary Treasurer

David Burton

Executive Committee

Tim Cox (Chairman)

Ann Cairns

Dr Hannah Clark

Dr Christopher Davenport-Jones

Diana Hill

Caroline Playne

Nicholas Price

Administrator

Sally Bills

Packard Curator

Sally Fletcher

Friends of British Sporting Art USA

Dr Martin Chasin

Auditors

Malthouse & Company Chartered Accountants
and Statutory Auditors

America House, Rumford Court

Rumford Place

Liverpool

Merseyside

L3 9DD

THE BRITISH SPORTING ART TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Weatherbys Bank
Sanders Road
Wellingborough
Northamptonshire
NN9 4BX

Investment Managers

Rathbones Investment Management Limited
Port of Liverpool Building
Pier Head
Liverpool
L3 1NW

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 of the incoming resources and application of resources, including the income and expenditure, of the charity 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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 that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Approved by order of the board of trustees on 20th May 2021 and signed on its behalf by:

John Chatfeild-Roberts - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE BRITISH SPORTING ART TRUST

Opinion

We have audited the financial statements of The British Sporting Art Trust (the 'charity') for the year ended 31 March 2021 on pages ten to twenty-four, which comprise the statement of Financial Activities, the Balance Sheet and notes to the Financial Statements including 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 charity's affairs as at 31 March 2021 and of its incoming resources and application of resources for the period 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 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from the date 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, including the trustees report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE BRITISH SPORTING ART TRUST

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 this gives rise to 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.

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit we have not identified material misstatements in the Trustee's report.

Matters on which we are required to report by exception – refer to Charities (Accounts and Reports) Regulations 2008 as follows:

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page five, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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:

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE BRITISH SPORTING ART TRUST

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the charity through discussions with trustees, and from our knowledge and experience of the charity's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity;
- we assessed the extent of compliance with the laws and regulations identified through making enquiries of management.
- we assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
 - making enquiries of management as to their knowledge of actual, suspected and alleged fraud;
 - considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.
- to address the risk of fraud through management bias and override of controls, we:
 - performed analytical procedures to identify any unusual or unexpected relationships;
 - tested journal entries to identify unusual transactions and investigated the rationale behind them;
- in response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
 - agreeing financial statement disclosures to underlying supporting documentation;
 - enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE BRITISH SPORTING ART TRUST

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

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn. This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Guy Playfer BA FCA (Senior Statutory Auditor)
for and on behalf of Malthouse & Company Chartered Accountants
and Statutory Auditors
America House, Rumford Court
Rumford Place
Liverpool
Merseyside
L3 9DD

Date: 25th January 2022

THE BRITISH SPORTING ART TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	31.3.21 Total funds £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and Legacies	2	120,838	34,260	-	155,098	112,096
Other Trading activities	3	7,804	-	-	7,804	19,818
Investment income	4	<u>8,782</u>	<u>-</u>	<u>-</u>	<u>8,782</u>	<u>10,233</u>
Total		137,424	34,260	-	171,684	142,147
EXPENDITURE ON						
Raising funds	5	9,024	-	2,385	11,409	21,621
Charitable activities						
Operation of Gallery and Exhibitions	6	<u>105,496</u>	<u>361</u>	<u>-</u>	<u>105,857</u>	<u>114,082</u>
Total		114,520	361	2,385	117,266	135,703
Net gains/(losses) on Investments		<u>23,362</u>	<u>-</u>	<u>71,406</u>	<u>94,768</u>	<u>(52,131)</u>
NET INCOME		46,266	33,899	69,021	149,186	(45,687)
Other recognised gains/(losses)						
Gains/(losses) on revaluation						
of Heritage Assets		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		46,266	33,899	69,021	149,186	(45,687)
RECONCILIATION OF FUNDS						
B/F		<u>319,459</u>	<u>2,657,324</u>	<u>273,920</u>	<u>3,250,703</u>	<u>3,296,390</u>
TOTAL FUNDS C/F		<u>365,725</u>	<u>2,691,223</u>	<u>342,941</u>	<u>3,399,889</u>	<u>3,250,703</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing operations

Continued

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The notes form part of these financial statements

THE BRITISH SPORTING ART TRUST
BALANCE SHEET
AT 31 MARCH 2021

		Unrestricted funds	Restricted funds	Endowment fund	31.3.21 Total funds	31.3.20 Total funds
	Notes	£	£	£	£	£
FIXED ASSETS						
Tangible assets	11	2,547	-	-	2,547	1,120
Heritage assets	12	181,286	2,673,828	-	2,855,114	2,815,854
Investments	13	<u>106,339</u>	<u>-</u>	<u>325,018</u>	<u>431,357</u>	<u>353,182</u>
		290,172	2,673,828	325,018	3,289,018	3,170,156
CURRENT ASSETS						
Stocks	14	500	-	-	500	500
Debtors	15	32,728	-	-	32,728	37,573
Investments	16	6,059	-	18,455	24,514	11,114
Cash at bank		<u>60,656</u>	<u>17,395</u>	<u>-</u>	<u>78,051</u>	<u>84,877</u>
		99,943	17,395	18,455	135,793	134,064
CREDITORS						
Amounts falling due within one year	17	<u>(24,390)</u>	<u>-</u>	<u>(532)</u>	<u>(24,922)</u>	<u>(53,517)</u>
NET CURRENT ASSETS		<u>75,553</u>	<u>17,395</u>	<u>17,923</u>	<u>110,871</u>	<u>80,547</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>365,725</u>	<u>2,691,223</u>	<u>342,941</u>	<u>3,399,889</u>	<u>3,250,703</u>
NET ASSETS		<u><u>365,725</u></u>	<u><u>2,691,223</u></u>	<u><u>342,941</u></u>	<u><u>3,399,889</u></u>	<u><u>3,250,703</u></u>
FUNDS						
Unrestricted funds	18				365,725	319,459
Restricted funds					2,691,223	2,657,324
Endowment funds					<u>342,941</u>	<u>273,920</u>
TOTAL FUNDS					<u><u>3,399,889</u></u>	<u><u>3,250,703</u></u>

The notes form part of these financial statements

THE BRITISH SPORTING ART TRUST
BALANCE SHEET - CONTINUED
AT 31 MARCH 2021

The financial statements were approved by the Board of Trustees on 20th May 2021 and were signed on its behalf by:

John Chatfeild-Roberts -Trustee

Jonathan Fountain -Trustee

THE BRITISH SPORTING ART TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

The financial statements have been prepared under the historical cost convention unless otherwise stated in the relevant accounting policy note and on a going concern basis.

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows

INCOME

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

Voluntary income received by way of donations and gifts to the Trust is included in full in the Statement of Financial Activities when received. Gifts of heritage assets are included in the Statement of Financial Activities at market value. Legacy income is recognised following a grant of probate when the executor or administrator has communicated in writing both the amount and the settlement date, which is normally when received.

Income from other trading activities is included in the Statement of Financial Activities when receivable.

Investment income is also included in the Statement of Financial Activities when receivable.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

Costs of raising funds are those incurred in the fundraising activities of the Trust. The costs of charitable activities include all resources expended by the Trust in undertaking its work to meet its charitable objectives.

ALLOCATION AND APPORTIONMENT OF COSTS

Costs incurred in the general running of the Trust, as opposed to direct management functions, are included as support costs.

THE BRITISH SPORTING ART TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES – continued

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment	-	straight line	33 1/3%
Other office equipment	-	straight line	10%
Library and gallery equipment	-	straight line	10% and 20%

HERITAGE ASSETS

Heritage assets are stated at market value which is considered to be their fair value. A revaluation of painting, prints and objets d'art normally occurs normally every third year. Heritage assets are reviewed for impairment by the gallery curator. A detailed inventory is maintained of all heritage assets held.

STOCKS

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

TAXATION

The charity is exempt from tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. The trustees may choose during the reporting period to set aside a part of the unrestricted funds to be used for a particular future project or commitment. By earmarking funds in this way, the trustees set up a Designated fund that remains part of the unrestricted funds of the charity.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds are required to be invested/retained for the charity's purposes.

The cost of raising and administering funds is charged against the specific fund.

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

THE BRITISH SPORTING ART TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

INVESTMENTS

Investments in quoted shares, traded bonds and similar are measured initially at cost and subsequently at fair value. Acquisitions are initially recognised at cost. Realised gains on disposals are calculated based on historic cost. The Statement of Financial Activities includes realised and unrealised gains and losses arising on investment revaluations and disposals throughout the year under the heading 'Net gains/(losses) on investments.' Cash held within the investment portfolio is shown as a current asset investment in the Balance Sheet.

DEBTORS AND CREDITORS

Debtors comprise prepayments which are valued at the amount prepaid.
Short term creditors are measured at their settlement amount.

2. DONATIONS AND LEGACIES

	31.3.21	31.3.20
	£	£
Gifts of pictures, prints and objets d'art	34,260	16,176
Donations, sponsorship and legacy	99,565	70,104
Subscriptions, life membership and tax recovered	<u>21,273</u>	<u>25,816</u>
	<u><u>155,098</u></u>	<u><u>112,096</u></u>

3. OTHER TRADING ACTIVITIES

	31.3.21	31.3.20
	£	£
Lectures, functions and visits	-	15,121
Trading income	<u>7,804</u>	<u>4,697</u>
	<u><u>7,804</u></u>	<u><u>19,818</u></u>

4. INVESTMENT INCOME

	31.3.21	31.3.20
	£	£
Income from listed investments	8,720	10,110
Deposit account interest	<u>62</u>	<u>123</u>
	<u><u>8,782</u></u>	<u><u>10,233</u></u>

THE BRITISH SPORTING ART TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

5. RAISING FUNDS

Other trading activities

	31.3.21	31.3.20
	£	£
Lectures, functions and visits	-	12,543
Newsletters and essays	3,720	3,790
Trading expenses	4,524	2,155
	<u>8,244</u>	<u>18,488</u>

Investment management costs

	31.3.21	31.3.20
	£	£
Portofio management (Unrestricted £780 Endowment £2385)	<u>3,165</u>	<u>3,133</u>
Aggregate amount	<u>11,409</u>	<u>21,621</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (see note 7)	Total costs
	£	£	£
Operating of gallery and exhibitions	<u>99,857</u>	<u>6,000</u>	<u>105,857</u>

7. SUPPORT COSTS

	£
Governance costs - Audits remuneration	<u>6,000</u>

THE BRITISH SPORTING ART TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 March 2021 nor for year ended 31 March 2020.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	95,395	16,701	-	112,096
Other trading activities	19,818	-	-	19,818
Investment income	<u>10,233</u>	<u>-</u>	<u>-</u>	<u>10,233</u>
Total	125,446	16,701	-	142,147
EXPENDITURE ON				
Raising funds	19,260	-	2,361	21,621
Charitable activities				
Operation of gallery and exhibitions	<u>113,732</u>	<u>350</u>	<u>-</u>	<u>114,082</u>
Total	132,992	350	2,361	135,703
Net gains/(losses) on investments	(12,852)	-	(39,279)	(52,131)

THE BRITISH SPORTING ART TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – continued

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total fund £
NET INCOME	(20,398)	16,351	(41,640)	(45,687)
Other recognised gains/(losses)	-	-	-	-
	<u>(20,398)</u>	<u>16,351</u>	<u>(41,640)</u>	<u>(45,687)</u>
RECONCILIATION OF FUNDS				
Total funds B/F	339,857	2,640,973	315,560	3,296,390
TOTAL FUNDS C/F	<u><u>319,459</u></u>	<u><u>2,657,324</u></u>	<u><u>273,920</u></u>	<u><u>3,250,703</u></u>

10. AUDITOR'S REMUNERATION

	31.3.21 £	31.3.20 £
Audit (inclusive of VAT)	<u><u>6,000</u></u>	<u><u>7,200</u></u>

THE BRITISH SPORTING ART TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2020	3,977	720	4,697
Additions	-	1,720	1,720
At 31 March 2021	<u>3,977</u>	<u>2440</u>	<u>6,417</u>
DEPRECIATION			
At 1 April 2020	2,858	719	3,577
Charge for period	<u>292</u>	<u>1</u>	<u>293</u>
At 31 March 2021	<u>3,150</u>	<u>720</u>	<u>3,870</u>
NET BOOK VALUE			
At 31 March 2021	<u>827</u>	<u>1,720</u>	<u>2,547</u>
At 31 March 2020	<u>1,119</u>	<u>1</u>	<u>1,120</u>

12. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 April 2020	2,815,854
Additions	39,260
At 31 March 2021	<u>2,855,114</u>
NET BOOK VALUE	
At 31 March 2021	<u>2,855,114</u>
At 31 March 2020	<u>2,815,854</u>
	31.3.21 £
Paintings, prints and objets d'art	2,806,250
Library and gallery	<u>48,864</u>
Total	<u>2,855,114</u>
	31.3.20 £
	2,766,990
	<u>48,864</u>
	<u>2,815,854</u>

Prints and other works of art purchased by the Trust are included in the above figures at £183,590.
The historic cost at 31 March 2021 was £109,314

THE BRITISH SPORTING ART TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

12. HERITAGE ASSETS

The paintings, prints and objects d'art were revalued by Nicholas Price, a member of the Executive Committee, in April 2019. This revaluation was reflected in the 2019 accounts.

The library and gallery includes £47,580 of which £25,500 relates to books revalued by Roy Heron, £5,000 to the Ackerman Photographic Archive (revalued by David Fuller in September 2012), £11,080 to the Mead Photographic Archive purchased in 2017 and the Allerton Collection gifted in 2020 valued at £5,000. The remaining £1,000 relates to the value of fixtures and fittings within the gallery, which were revalued by the Trustees in November 2016.

13. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2020	353,182
Additions	27,345
Disposals	(50,343)
Revaluation	<u>101,173</u>
At 31 March 2021	<u>431,357</u>
 NET BOOK VALUE	
At 31 March 2021	<u>431,357</u>
At 31 March 2020	<u>353,182</u>
 Listed investments	<u>431,357</u>

The historic cost of the listed securities at 31 March 2021 was £344,690

14. STOCKS

31.3.21 £	31.3.20 £
<u>500</u>	<u>500</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21 £	31.3.20 £
Other debtors	<u>32,728</u>	<u>37,573</u>

THE BRITISH SPORTING ART TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

16. CURRENT ASSET INVESTMENTS

	31.3.21	31.3.20
	£	£
Cash held within investment portfolio	<u>24,514</u>	<u>11,114</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Other creditors	<u>24,922</u>	<u>53,517</u>

18. MOVEMENT IN FUNDS

	As at 01.4.20	Net movement in funds	As at 31.3.21
Unrestricted funds			
General fund	311,126	46,266	357,392
Curatorship	8,333	-	8,333
	<u>319,459</u>	<u>46,266</u>	<u>365,725</u>
Restricted funds			
Gifts and Bequests	2,639,568	34,260	2,673,828
Mead and other donations	17,756	(361)	17,395
	2,657,324	33,899	2,691,223
Endowment funds			
Endowment fund	273,920	69,021	342,941
TOTAL FUNDS	<u>3,250,703</u>	<u>149,186</u>	<u>3,399,889</u>

THE BRITISH SPORTING ART TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

18. MOVEMENT IN FUNDS – continued

Net movement in funds, included in the above are as follows:

	Incoming resource £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	87,424	(64,520)	23,362	46,266
Curatorship	50,000	(50,000)	-	-
	<u>137,424</u>	<u>(114,520)</u>	<u>23,362</u>	<u>46,266</u>
Restricted funds				
Gifts and Bequests	34,260	-	-	34,260
Other donations	-	(361)	-	(361)
	<u>34,260</u>	<u>(361)</u>	<u>-</u>	<u>33,899</u>
Endowment funds				
Endowment fund	-	(2,385)	71,406	69,021
TOTAL FUNDS	<u>171,684</u>	<u>(117,266)</u>	<u>94,768</u>	<u>149,186</u>

The Curatorship fund was set up in 2016 in respect of donations to cover Curatorial costs and includes a Curatorship donation received in advance. Donations for the restoration of the Mead Photographic Collection (net £17,395) is also noted separately within Restricted Funds.

The Gifts and Bequests fund represents the value of the paintings, prints and objects d'art, and library that have been gifted to the Trust.

An earlier endowment fund appeal raised £250,000 to provide a reserve so that the Trust could maintain its objectives as disclosed in the Trustees Report. The Trustees have undertaken to defray the Management Fee of the Gallery from other income of the Trust.

19. RELATED PARTY DISCLOSURES

Two Trustees are also Trustees of the National Horseracing Museum (charity number 283656).

One Trustee donated £15,000 for the sponsorship of the Edwards Exhibition and the purchase of a picture. During the year the Trust paid £78,081 to the museum in respect of Management Fees and for the Trust's shared staff costs in respect of a joint Administrator and Packard Curator.

Trading income from shop sales is shown in the accounts after a 30% deduction by The National Horseracing Museum. The maximum deduction deduction for the year totals £30

20. Year ended 31st March 2021 – Heritage Assets Five Year Summary

	2021 £	2020 £	2019 £	2017 £	2016 £
B/fwd	2,815,854	2,794,578	3,181,824	3,166,426	3,168,777
Additions	39,260	21,276	838	15,398	1,649
Revaluation	-	-	(388,084)	-	(4,000)
C/fwd	<u>2,855,114</u>	<u>2,815,854</u>	<u>2,794,578</u>	<u>3,181,824</u>	<u>3,166,426</u>