

LILLY FENICHEL FOUNDATION
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 OCTOBER 2024

LILLY FENICHEL FOUNDATION

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for the period ended 31 October 2024**

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LILLY FENICHEL FOUNDATION

CHARITY INFORMATION
for the period ended 31 October 2024

CHARITY NUMBER:	1205185
TRUSTEES:	C D Z Martin S E Zelenka N R Z Martin E H Cox (Appointed 14 July 2024)
REGISTERED OFFICE:	33 Dents Road London SW11 6JA
AUDITORS:	Dafferns LLP Chartered Accountants Statutory Auditors One Eastwood Harry Weston Road Binley Business Park Coventry CV3 2UB
BANKERS:	C. Hoare & Co 37 Fleet Street London EC4P 4DQ

LILLY FENICHEL FOUNDATION
TRUSTEES' REPORT
for the period ended 31 October 2024

The Trustees present their annual report along with the financial statements of the Charity for the period ended 31 October 2024. The Trustees have adopted the provisions of Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual reports and financial statements of the Charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and 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 published in October 2019.

OBJECTIVES AND ACTIVITIES

The LFF's charitable object is the furtherance of the education of the public in the appreciation of art and the promotion of art, including without limitation in the Albuquerque area in the state of New Mexico, USA, in such ways as shall be exclusively charitable.

In practice, the trustees of the LFF intend to meet this object by, for the benefit of the public, protecting and promoting the oeuvre of Lilly Fenichel, a hitherto little-known, but important artist of the early Abstract Expressionist movement.

Its ultimate objective is to make grants to aspiring young artists who share Lilly Fenichel's approach to artistic creativity.

Its activities include the cataloguing and safeguarding of the body of artworks of Lilly Fenichel it owns, promoting Lilly Fenichel in the art world and making artworks available for selected exhibitions of public and private collections.

In order to finance these activities, it partners with suitable galleries and individuals in the sale of a limited number of artworks.

Funds permitting, it plans to trace and catalogue the artworks of Lilly Fenichel held by private collectors, which are currently either unknown to it or uncatalogued by it.

Success in meeting The LFF's objectives is, at present, measured by the sustainability and suitability of the environment in which it stores its artworks and the completeness and accuracy of its catalogue.

It is also measured by the quality and quantity of the exposure Lilly Fenichel's oeuvre gets in the art world, the extent to which Lilly Fenichel is acknowledged as an important artist of her time (often reflected in the prices buyers pay for her artworks), the sustainability of The LFF's finances, and ultimately by its ability to make grants to aspiring young artists.

The trustees have regard to the Charity Commission's guidance on public benefit.

ACHIEVEMENTS AND PERFORMANCE

Lilly Fenichel died at the age of 89 in her adopted home in New Mexico, USA, in 2016, leaving her estate, including her collected artworks, to her three closest living relatives, her first cousins once removed, Charles and Nicholas Zelenka Martin, residents of London, UK and Stephen Zelenka, a resident of Los Angeles, USA.

On inheriting the collected artworks, her beneficiaries realised that her legacy could not be preserved, her artwork properly appreciated, or her desire (and the desire of the trustees in promotion of the charity's objects) to help similarly minded aspiring artists be realised, without the promotion of her oeuvre and the sale of some of her artworks. However, they did not have the time or opportunity to do much about it before 2021.

LILLY FENICHEL FOUNDATION
TRUSTEES' REPORT
for the period ended 31 October 2024

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

The LFF was eventually founded on 12 October 2023. They endowed it with the net proceeds of the Lilly Fenichel estate and the artworks on 2 April 2024. This is the first annual report of the trustees of the LFF.

Since its foundation, the artworks have continued to be stored and the catalogue maintained in New Mexico, as they had been before the LFF's foundation and before Lilly Fenichel's death.

In June 2023, before the formation of The LFF, Lilly Fenichel's work appeared in 'West Coast Women of Abstract Expressionism' at the Berry Campbell Gallery in New York. One work was sold. This was possibly the first time her work had been exhibited in New York.

In 2023/4, one of Lilly Fenichel's artworks was included in a successful touring exhibition 'Action, Gesture, Paint: Women Artists and Global Abstraction 1940-1970' which, featured at the Whitechapel Gallery in London, UK, the Fondation Vincent Van Gough in Arles, France and the Kunsthalle in Bielefeld, Germany. This was, to the best of our knowledge, the first time a Lilly Fenichel artwork had ever been exhibited outside the USA.

In the spring of 2024, seven of Lilly Fenichel's artworks were featured in an exhibition of Abstract Expressionist female artists, 'Montage', held at the Gazelli Art House in London, UK, at which two were sold.

In the summer of 2024, Femmes Artistes du Musee de Mugines opened in the south of France with an early work by Lilly Fenichel in The Christian Levett Collection, which is displayed there.

At the end of 2024 The LFF's published a second edition of the catalogue of Lilly Fenichel's work entitled 'Against the Grain'. Copies are available from the LFF on request, free of charge.

Since 'Montage', the LFF has agreed the terms of an exclusive exhibition of twenty-one of Lilly Fenichel's artworks at the Gazelli Art House in London, UK, to be held in early 2025, entitled 'Against the Grain'. Again, this will be free of charge to the public.

The trustees are pleased with the progress of The LFF to 31 October 2024. In particular, they believe that the 'Against the Grain' exhibition is a significant development in their objective of having Lilly Fenichel acknowledged as an important artist of her time. The prices achieved by the sales at 'Montage' are consistent with this belief.

FINANCIAL REVIEW

Shortly after its inception, The LFF was endowed by its founders with approximately \$94,000 in cash and a collection of Lilly Fenichel's artworks, valued for probate purposes at about \$1.5m.

The two sales of artworks made in the period to 31 October 2024 were at prices above their probate valuations. The sales contributed to the LFF's cash reserves, which at the end of the period represented approximately 10 years of current recurring costs.

Despite the lack of recurring revenue, the trustees therefore consider The LFF to be financially sound. However, they are mindful that recurring costs are likely to increase.

The trustees have considered the principal non-financial risks to the trust. These are believed to relate to the storage, maintenance, access and transport of the artworks in New Mexico. These arrangements are considered sub-optimal, partly because of New Mexico's remoteness from the trustees and, as a result, the trust's reliance on its local unpaid, volunteer representative in New Mexico.

In order to mitigate this risk, it is the trustees' intention to contract a part-time representative in New Mexico to understudy the role and lead the trust's effort to trace and catalogue artworks of Lilly Fenichel that are currently unknown to it. They are also sub-optimal, because the storage facility does not meet the standards required for the trust to be able to insure the artworks.

LILLY FENICHEL FOUNDATION
TRUSTEES' REPORT
for the period ended 31 October 2024

FINANCIAL REVIEW (CONTINUED)

The trustees have researched the cost of relocating the artworks to a specialist art storage unit and insuring them. They have concluded that the trust's financial position is not sufficiently strong to be able to afford such a move yet but will review the situation at least annually and make the move when affordable.

In making this assessment, they have formed the view that, although less than optimal, the current facility is acceptable for the time being, as the artworks have been stored there for decades, without loss or damage.

Total expenditure was \$14,136 were related to the support costs for the Charity.

RESERVES POLICY

The operating costs of the Charity are low and consequently the Trustees consider there is no requirement to maintain a specific level of funds to meet these in future periods. All retained funds are therefore available for distribution.

PLANS FOR FUTURE PERIODS

In the year to 31 October 2025, the trustees plan to contract a part-time assistant in New Mexico to help manage storage and cataloguing and to build on the 'Against the Grain' exhibition by arranging something similar in the USA.

They also plan to develop relationships with selected public galleries, in order to have Lilly Fenichel's artworks on display permanently to the general public, thereby furthering the charity's object of promoting art and art education.

Beyond 31 October 2025, financing permitting, it is the trustees' intention to move the collection to a specialist art storage facility, where it can be insured, and to make financial grants to aspiring young artists who share Lilly Fenichel's approach to artistic creativity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Lilly Fenichel Foundation is a Charitable Incorporated Organisation governed by its constitution dated 12 October 2023.

The Trustees who served during the period and since the period end are set out on page 1.

The founding trustees were the three principal beneficiaries of Lilly Fenichel's will: Charles Zelenka Martin; Nicholas Zelenka Martin and Stephen Zelenka.

None have any professional experience of the art world, but all have useful general management experience.

Emma Cox, a UK solicitor who specialises in charity law, was appointed during the period as an independent, non-family trustee, with valuable relevant professional experience.

In due course, the trustees would like to appoint another non-family trustee with professional management experience from the Art world, preferably based in the USA.

Decisions are made collectively by the trustees.

Major risks have been reviewed and policies established to manage those risks, as set out in the Financial Review.

The LFF has no employees but relies on the help and efforts of two volunteer associates who are based in the USA. RJ Baile is responsible for the storage, transport and cataloguing of the artworks and is based in New Mexico. Juri Koll looks after the website and art world public relations in the USA, based in Los Angeles. The trustees would like to record their thanks for the work they do for the LFF.

LILLY FENICHEL FOUNDATION

**TRUSTEES' REPORT
for the period ended 31 October 2024**

RISK MANAGEMENT

The Trustees have considered the major risks to which the Charity is exposed and have reviewed those risks and established systems and procedures to manage them.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees 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).

The law applicable to Charities in England and Wales 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 of the Charity for that period.

In preparing these 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 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and 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 the Trustees on and signed on their behalf by:

.....

N. R. Z. Martin – Trustee

LILLY FENICHEL FOUNDATION
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
LILLY FENICHEL FOUNDATION

Opinion

We have audited the financial statements of Lilly Fenichel Foundation (the 'Charity') for the period ended 31 October 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 October 2024, 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 Auditor's 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, may cast significant doubt on the Charity'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 Trustees' report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

LILLY FENICHEL FOUNDATION
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
LILLY FENICHEL FOUNDATION

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 5, 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.

Auditor's 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 affect there under.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of Trustees around actual and potential litigation and claims;
- Enquiry of Trustees in compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of activities and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

LILLY FENICHEL FOUNDATION

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
LILLY FENICHEL FOUNDATION**

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with regulations made under Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Dafferns LLP
Statutory Auditor
One Eastwood
Harry Weston Road
Binley Business Park
COVENTRY
CV3 2UB

Dated: 3 March 2025

Dafferns LLP is eligible for appointment as audit of the Charity by virtue of its eligibility for appointment as audit of a company under Section 1212 of the Companies Act 2006

LILLY FENICHEL FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
for the period ended 31 October 2024

	<u>Note</u>	<u>Unrestricted</u> <u>Fund</u> \$	<u>2024</u> <u>Total</u> \$
Income from:			
Donations and legacies	2	1,529,651	1,529,651
Interest receivable		1	1
Gain on disposal of heritage assets		18,863	18,863
Total Income		<u>1,548,515</u>	<u>1,548,515</u>
Expenditure on:			
Charitable activities	3	14,136	14,136
Total Expenditure		<u>14,136</u>	<u>14,136</u>
Net income / Net movement in funds		<u>1,534,379</u>	<u>1,534,379</u>
Reconciliation of funds:			
Total funds brought forward		-	-
Total funds carried forward	8	<u>1,534,379</u>	<u>1,534,379</u>

The statement of financial activities includes all gains and losses recognised during the period.

The notes on pages 12 to 15 form part of these financial statements

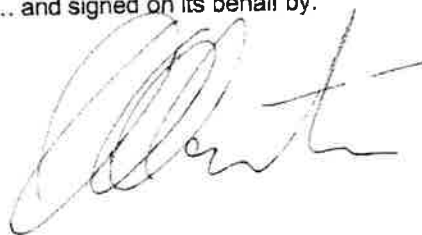
LILLY FENICHEL FOUNDATION

BALANCE SHEET at 31 October 2024

	<u>Notes</u>	\$	<u>2024</u>	\$
FIXED ASSETS				
Heritage assets	6		1,410,155	
			<u>1,410,155</u>	
CURRENT ASSETS				
Trade debtors	8	44,642		
Cash at bank and in hand		84,237		
		<u>128,879</u>		
CREDITORS:				
Amount falling due within one period:				
Accrued expenses		(3,857)		
Other creditors		<u>(798)</u>		
NET CURRENT ASSETS / (LIABILITIES)			124,224	
NET ASSETS			<u>1,534,379</u>	
Charity Funds:				
Unrestricted funds	9		1,534,379	
TOTAL FUNDS	10		<u>1,534,379</u>	

The financial statements have approved and authorised for issue by the Board of Trustees on 3-3-25 and signed on its behalf by:

N. R. Z. Martin - Trustee



The notes on pages 12 to 15 form part of these financial statements

LILLY FENICHEL FOUNDATION

STATEMENT OF CASH FLOWS
for the period ended 31 October 2024

	<u>Notes</u>	<u>2024</u> \$
Cash flow from operating activities		
Net income/(expenditure) for period		1,534,379
Donation of heritage assets	2	(1,412,505)
Gains on disposals of heritage assets		(18,863)
Decrease/(increase) in debtors	8	(44,642)
(Decrease)/increase in creditors		4,655
Net cash flow from operating activities		63,024
Cash flow from investing activities		
Proceeds from sale of heritage assets	7	21,213
Net cash flow from investing activities		21,213
Net increase/(decrease) in cash and cash equivalents		84,237
Cash and cash equivalents at 12 October 2023		-
Cash and cash equivalents at 31 October 2024		84,237
Cash and cash equivalents consists of:		
Cash at bank and in hand		84,237
Cash and cash equivalents at 31 October 2024		84,237

Analysis of changes in net debt

	<u>2023</u> \$	Cashflow \$	<u>2024</u> \$
Cash and cash equivalents	-	84,237	84,237
Total net debt	-	84,237	84,237

The notes on pages 12 to 15 form part of these financial statements

LILLY FENICHEL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 October 2024

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

Lilly Fenichel Foundation is a Charitable Incorporated Organisation in England registered on 12 October 2023. The address of the registered office is given in the Charity information on page 1 of these financial statements.

The nature of the Charity's operations and principal activities are the furtherance of public education in the appreciation and promotion of art by the late Lilly Fenichel.

The Charity constitutes a public benefit entity under FRS102.

The financial statements have been prepared in accordance with applicable accounting standards, the Charities Act 2011 and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in October 2019 (SORP (FRS102)).

The 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 the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention.

The financial statements are presented in US dollars which is the functional currency of the Charity, transactions are rounded to the nearest \$.

The significant accounting policies applied in the preparations of these financial statements are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

b) Income recognition

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income, the amount can be measured reliably, and it is probable that it will be received.

The deemed value of artwork gifted to the Charity is recognised as donation income at the date the right of ownership has been transferred.

Income is recognised on the sale of artwork, once ownership of the artwork has been transferred.

Income is recognised on artwork held under consignment arrangement only when the artwork has been sold to a third party by the consignee.

c) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

LILLY FENICHEL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 October 2024

1. ACCOUNTING POLICIES (CONTINUED)

d) Heritage Assets

Heritage assets are initially accounted for at deemed cost. No heritage assets have been revalued, nor depreciated due to the perceived infinite economic life of these heritage assets, which consist solely of artwork.

The Lilly Fenichel Foundation has approximately 600 art pieces, which were gifted by the estate of Lilly Fenichel on incorporation of the Charity. The art collection is held in support of the Charity's primary objective of advancing arts and art education by promoting the oeuvre of Lilly Fenichel widely, by placing selected art pieces with museums and galleries and private collections. The art collection is held in New Mexico.

Further information on the collection is given in Note 6 of the accounts.

e) Financial Instruments

Debtors and creditors with no stated interest rate and receivable or payable within one period are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

f) Unrestricted Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

g) Foreign currencies

Assets and liabilities in Sterling are translated to the functional currency of US Dollars, at the rates of exchange ruling at the balance sheet date. Transactions in Sterling are translated into US Dollars at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

h) Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

2. DONATIONS AND LEGACIES

	<u>2024</u>
	\$
Cash donation	93,717
Donated heritage assets	1,412,505
Gift aid income receivable	23,429
	<u>1,529,651</u>

3. EXPENDITURE ON CHARITABLE ACTIVITIES

	<u>2024</u>
	\$
Storage of artwork	3,924
Website	67
Transportation of artwork	3,941
Sundry expenses	791
IT	1,128
Bank charges	197
Foreign exchange loss	231
Audit and accountancy (governance)	3,857
	<u>14,136</u>

LILLY FENICHEL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 October 2024

4. AUDITORS REMUNERATION

The auditor's remuneration amounts to an audit fee of \$3,214 and other services of \$643.

5. EMPLOYEE AND TRUSTEE REMUNERATION AND EXPENSES

The Charity had no employees during the year.

No trustee or persons connected with Trustees received any remuneration from the Charity during the year.

In 2024, no Trustees received reimbursement of expenses from the Charity.

6. RECONCILIATION OF HERITAGE ASSETS

	<u>Artwork</u>	<u>Total Assets</u>
<u>Cost</u>	\$	\$
12 October 2023	-	-
Additions	1,412,505	1,412,505
Disposals	(2,350)	(2,350)
Cost at 31 October 2024	<u>1,410,155</u>	<u>1,410,155</u>

The collection of 638 paintings is reported in the Balance Sheet at deemed cost, being the probate valuation of the paintings. The valuation assessment was performed in 2017 by Appraisal & Connoisseur Associates, an International Society of Appraisers accredited appraisal firm based in New Mexico, USA.

The heritage assets have not been depreciated, as the assets are perceived to have an indefinite useful life.

7. FINANCIAL SUMMARY OF HERITAGE ASSET TRANSACTIONS

	<u>2024</u>
	\$
<u>Purchases</u>	
Paintings	-
<u>Donations</u>	
Paintings	1,412,505
TOTAL ADDITIONS	<u>1,412,505</u>
<u>Disposal of Paintings</u>	
Carrying value	2,350
Sales proceeds	21,213

8. TRADE DEBTORS

	<u>2024</u>
	\$
Proceeds receivable on artwork sale	21,213
Gift aid receivable	23,429
	<u>44,642</u>

Gift aid receivable is in relation to cash gifted to the foundation, with further details given in Note 11.

LILLY FENICHEL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 October 2024

9. UNRESTRICTED FUNDS

Analysis of movements in unrestricted funds

	<u>Balance</u> <u>12</u> <u>October</u> <u>2023</u> \$	<u>Income,</u> <u>transfers</u> <u>and gains</u> \$	<u>Expenditure,</u> <u>transfers</u> <u>and losses</u> \$	<u>Balance</u> <u>31 October</u> <u>2024</u> \$
Unrestricted	-	1,548,515	(14,136)	1,534,379
	<u>-</u>	<u>1,548,515</u>	<u>(14,136)</u>	<u>1,534,379</u>

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Analysis of net assets between funds

	<u>Tangible</u> <u>Fixed</u> <u>Assets</u> \$	<u>Net</u> <u>Current</u> <u>Assets</u> \$	<u>Total</u> \$
Unrestricted	1,410,155	124,224	1,534,379
	<u>1,410,155</u>	<u>124,224</u>	<u>1,534,379</u>

11. RELATED PARTY TRANSACTIONS

On the 2 April 2024, Trustees C. Martin and N. Martin gifted the Charity a cash sum of \$93,757. In addition, they along with S. Zelenka, donated the 638 pieces of artwork they had inherited from the estate of Lilly Fenichel.

12. CONTROLLING PARTY

The Charity is under the control of its Trustees.

