

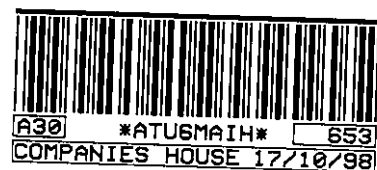


The British Fund for the National Gallery of Ireland

**Directors' report and
financial statements**

Year ended 31 December 1997

Registered number: 3195458



The British Fund for the National Gallery of Ireland

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Directors' report	2
Statement of directors' responsibilities	3
Auditors' report	4
Income and expenditure account	5
Balance sheet	6
Notes forming part of the financial statements	7 - 8



The British Fund for the National Gallery of Ireland

Directors' and other information

Directors

Lady Beit (British, Honorary Irish Citizen)
William D. Finlay (Irish)
Lord Gowrie (British)
Sir Denis Mahon (British)
Gerald B. Sheedy (Irish)

Secretary

Tina Roche

Administrative office

Merrion Square West
Dublin 2
Ireland

Registered office

11 Beaumont Gate
Shenley Hill
Radlett
Hertz
England

Auditors

KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

Bankers

Bank of Ireland
Piccadilly Branch
18 Lower Regent Street
London
England

The British Fund for the National Gallery of Ireland

Directors' report

The directors submit their report together with the audited financial statements of the company for the year ended 31 December 1997.

Principal activities and business review

The company was set up to advance aesthetic education of the public by promotion, support, assistance and improvement of the National Gallery of Ireland.

Results

The results for the year are set out on page 5 of the financial statements.

Directors

Gerald B. Sheedy and Lady Beit retire from the board by rotation in accordance with the Articles of Association and, being eligible, offer themselves for re-election.

Status

The company is limited by guarantee and does not have a share capital. The company is registered as a charity with the Inland Revenue.

Auditors

The auditors, KPMG, Chartered Accountants, will continue in office.

On behalf of the board



Director

21 September 1998

The British Fund for the National Gallery of Ireland

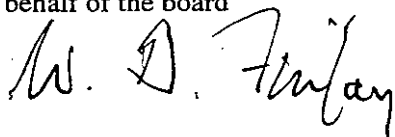
Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- 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 company will continue in business.

The directors are responsible for ensuring that proper books of account are kept which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Company Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the board



Director



Chartered Accountants

1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

Auditors' report to the members of The British Fund for the National Gallery of Ireland

We have audited the financial statements on pages 5 to 8.

Respective responsibilities of directors and auditors in relation to the financial statements

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion based on our audit, on those statements, and to report our opinion to you.

Basis of opinion

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

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 1997 and of its deficit for the year then ended and have been properly prepared in accordance with the Company's Act 1985.

*Chartered Accountants
Registered Auditors*

5 October 1998



The British Fund for the National Gallery of Ireland

Income and expenditure account for the year ended 31 December 1997

	<i>Notes</i>	1997 £	1996 £
Income			
Donations		125,584	250,000
Deposit interest		7,047	244
		<hr/>	<hr/>
		132,631	250,244
Expenditure			
Grant to National Gallery of Ireland		271,006	-
Unrealised exchange loss provided		2,312	-
Administration expenses		291	250
		<hr/>	<hr/>
(Deficit)/surplus for the year	3	(140,978)	249,994
Surplus at beginning of year		249,994	-
		<hr/>	<hr/>
Surplus at end of year		109,016	249,994
		<hr/>	<hr/>

The income and deficit arise from continuing activities. The company had no recognised gains or losses in the financial year other than those dealt with in the income and expenditure account.



The British Fund for the National Gallery of Ireland

Balance sheet at 31 December 1997

	Notes	1997 £	1996 £
Current assets			
Debtors	4	244	60,244
Bank and cash		109,022	190,000
		<hr/>	<hr/>
		109,266	250,244
		<hr/>	<hr/>
Current liabilities			
Creditors: amounts falling due within one year	5	(250)	(250)
		<hr/>	<hr/>
Net assets		109,016	249,994
		<hr/>	<hr/>
Capital and reserves			
Surplus of income over expenditure		109,016	249,994
		<hr/>	<hr/>

The notes on pages 7 to 8 form part of these financial statements. The financial statements were approved by the board members on 21 September 1998 and signed on their behalf by:

Director

The British Fund for the National Gallery of Ireland

Notes

forming part of the financial statements

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historic cost accounting rules.

Income recognition

Income is included in the financial statements on a cash receivable basis.

The company derives a proportion of its income from voluntary donations. The board have taken reasonable steps and controls to ensure that, as far as they reasonably can, they are satisfied income is substantially complete.

Foreign currency

Transactions in foreign currency are recorded using the rate of exchange ruling at the date of the transaction. The financial statements are prepared in Sterling pounds.

2 Taxation

The British Fund for the National Gallery of Ireland is regarded by the Board of the Inland Revenue as established for charitable purposes only and accordingly is exempt from corporation tax.

3 (Deficit) surplus for year

The (deficit) surplus has been arrived at after charging the following items;

	1997 £	1996 £
Auditors' remuneration	250	250
Directors' remuneration	-	-
	<u> </u>	<u> </u>

4 Debtors

	1997 £	1996 £
Accrued income	244	60,244
	<u> </u>	<u> </u>

The British Fund for the National Gallery of Ireland

Notes (continued)

5	Creditors: amounts falling due within one year	1997	1996
		£	£
	Accruals	250	250
		<u> </u>	<u> </u>

6 **Approval of financial statements**

The financial statements were approved by the directors at a meeting held on 21.9. 1998.

W. J. Finlay



Appendices

The following information does not form part of the audited statutory financial statements and is included solely for information purposes

The British Fund for the National Gallery of Ireland

Appendix 1: Donations and expenditure for the year ended 31 December 1997

Donations	1997	1996
	£	£
M. McGuckian	100,000	-
Ulster Bank	10,000	-
Sir Denis Mahon	15,584	-
Brownbrook - Distributors Limited	-	250,000
	<hr/>	<hr/>
	125,584	250,000
	<hr/>	<hr/>
Expenditure		
Grant to National Gallery of Ireland	271,006	-
Unrealised exchange loss provided	2,312	-
Administration expenses	291	250
	<hr/>	<hr/>
	273,609	250
	<hr/>	<hr/>