

The British Fund for the National Gallery of Ireland

Directors' report and financial statements

Year ended 31 December 2007

Registered number 03195458



The British Fund for the National Gallery of Ireland

Directors' report and financial statements

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The British Fund for the National Gallery of Ireland

Directors' and other information

Directors

Lord Gowrie (British)
Sir Denis Mahon (Irish and British dual citizenship)
Raymond Keaveney (Irish)
William Earley (Irish)
Anthony Cronin (Irish)
Professor David Spearman (Irish)
Lochlann Quinn (Irish)
Orietta Benocci Adam (Italian)

Secretary

Gerald P D'Arcy

Administrative office

Merrion Square West
Dublin 2
Ireland

Registered office

37 Burnedge Lane
Grasscroft
Saddleworth
Oldham
Lancashire
OL4 4BZ
England

Auditors

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

Bankers

Bank of Ireland
20 Berkeley Square
London
W1J 6LL
England

The British Fund for the National Gallery of Ireland

Directors' report incorporating trustees annual report

The directors submit their report together with the audited financial statements of the company for the year ended 31 December 2007

Principal activities and business review

The British Fund for the National Gallery of Ireland is registered as a charity in the United Kingdom. It is a company limited by guarantee and is governed by the company's memorandum and articles of association.

The method of appointment of trustees is set out in the articles of association.

The general purpose of the charity is set out in the memorandum of association of the company. More specifically, since 1996, the charity has been raising funds for the construction of the National Gallery of Ireland's new Millennium Wing. This particular programme is now complete and almost all funds raised have been transferred to the National Gallery of Ireland's Millennium Wing development account. The charity has also been donated some funds for the specific acquisition of paintings of a particular origin and era for the National Gallery of Ireland. These funds have been designated separately.

The charity is managed and controlled through its council of management, which meets as required. With the completion of the Millennium Wing programme, it has now been agreed to develop a strategy to raise funds for acquisitions generally for the benefit of the National Gallery of Ireland.

Results

The results for the year are set out on page 6 of the financial statements.

Directors

In accordance with the Articles of Association Lord Gowrie, Sir Denis Mahon and Professor David Spearman retire by rotation and being eligible offer themselves for re-election. During the year Ms Orietta Benocci Adam was elected as a member of the council.

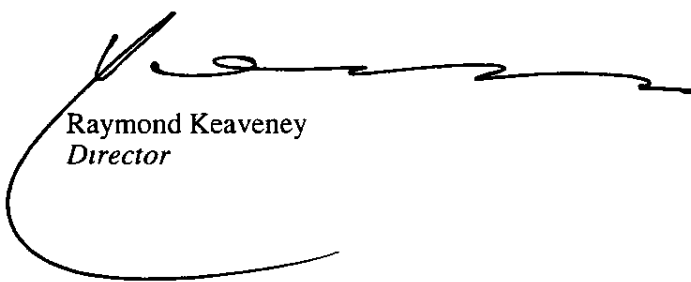
Status

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

Auditor

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

On behalf of the board



Raymond Keaveney
Director

21 October 2008

The British Fund for the National Gallery of Ireland

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards

The financial statements are required by law to 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 each of 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its statements comply with the Companies Act 1985. They are also responsible 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

The directors are also responsible for preparing a Directors' Report that complies with the Companies Act 1985

On behalf of board



Raymond Keaveney
Director



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

Independent auditor's report to the members of The British Fund for the National Gallery of Ireland

We have audited the financial statements of The British Fund for the National Gallery of Ireland for the year ended 31 December 2007 which comprise the Statements of financial activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As described in the Statement of Directors' responsibilities on page 3, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 directors 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.



Independent auditor's report to the members of The British Fund for the National Gallery of Ireland (*continued*)

Opinion

In our opinion the financial statements

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs as at 31 December 2007 and of the company's result for the year then ended,
- have been properly prepared in accordance with the Companies Act 1985

A handwritten signature in black ink, appearing to read 'KPMG', written over the printed name.

Chartered Accountants
Registered Auditor

21 October 2008

The British Fund for the National Gallery of Ireland

Statement of financial activities for the year ended 31 December 2007

	2007 £ Restricted Funds	2006 £ Restricted Funds
Income		
Deposit interest	771	571
Administration expenses	(723)	(860)
Contribution to painting	-	(22,500)
	<hr/>	<hr/>
Surplus/(deficit) for year	48	(22,789)
Surplus at beginning of year	27,577	50,366
	<hr/>	<hr/>
Surplus at end of year	27,625	27,577
	<hr/>	<hr/>

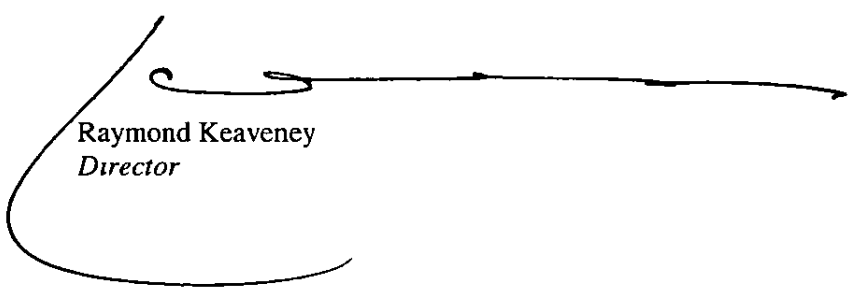
The income and expenditure arise from continuing activities. The company had no recognised gains or losses in the financial year or preceding financial year other than those dealt with in the income and expenditure account.

The British Fund for the National Gallery of Ireland

Balance sheet at 31 December 2007

	<i>Notes</i>	2007 £	2006 £
Current assets			
Bank and cash		28,245	28,423
Current liabilities			
Creditors amounts falling due within one year	<i>4</i>	(620)	(846)
		<hr/>	<hr/>
Net assets		27,625	27,577
		<hr/>	<hr/>
Capital and reserves			
Restricted funds		27,625	27,577
		<hr/>	<hr/>

The financial statements were approved by the directors on 21 October 2008 and signed on their behalf by



Raymond Keaveney
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 directors 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

Reserves policy

In general, the charity raises funds for specific purposes, which it then treats as a restricted fund for each purpose. Reserves may be required in order to ensure that administration and management expenses in running the charity are available. Reserves may also be required to fund specific planned projects in the form of working capital. The amount of reserves required will depend upon the nature of each planned project

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 Surplus for year

The surplus has been arrived at after charging the following items,

	2007 £	2006 £
Auditor remuneration	525	450
Directors' remuneration	-	-
	<hr/>	<hr/>

4 Creditors amounts falling due within one year

	2007 £	2006 £
Accruals	620	846
	<hr/>	<hr/>

The British Fund for the National Gallery of Ireland

Notes (continued)

5 Reserves	2007	2006
	£	£
At beginning of year	27,577	50,366
Surplus/(deficit) for the year	48	(22,789)
	<hr/>	<hr/>
At end of year	27,625	27,577
	<hr/>	<hr/>

6 Related party transactions

In the prior year the British Fund for the National Gallery of Ireland donated an amount of £22,500 to the National Gallery of Ireland for the specific acquisition of a painting

7 Approval of financial statements

The financial statements were approved by the directors at a meeting held on 21 October 2008



KPMG
1 Stokes Place
St Stephen's Green
Dublin 2

Dear Sirs

This representation letter is provided in connection with your audit of the financial statements of The British Fund for the National Gallery of Ireland ("the Company"), for the year ended 31 December 2007, for the purpose of expressing an opinion as to whether these financial statements give a true and fair view of the financial position of The British Fund for the National Gallery of Ireland and of the results of its operations in accordance with accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland

We acknowledge as directors our responsibilities under the Companies Acts 1963 to 2006 for preparing financial statements which give a true and fair view and for making accurate representations to you. The Board approves the financial statements

The Board understands that auditing standards require you to obtain representations from directors on matters that are material to your opinion

The Board has made appropriate inquiries of directors and officers of the Company with the relevant knowledge and experience. Accordingly, the Board confirms, to the best of its knowledge and belief, the following representations given to you in connection with your audit of the financial statements for the year ended 31 December 2007

- 1 The financial statements referred to above are presented fairly, in all material respects, in accordance with accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland
- 2 All the accounting records have been made available to you for the purpose of your audit and the full effect of all the transactions undertaken by the company have been properly reflected and recorded in the accounting records in accordance with agreements, including side agreements, amendments and oral agreements. All other records and related information, including minutes of all management, Board and shareholders meetings, have been made available to you

- 3 The Board is not aware of any known actual or possible non-compliance with laws and regulations that could have a material effect on the ability of the Company to conduct its business and therefore on the results and financial position to be disclosed in the financial statements for the year ended 31 December 2007
- 4 The Board
 - (a) understands that the term “fraud” includes misstatements resulting from fraudulent financial reporting and misstatements resulting from misappropriation of assets. Misstatements resulting from fraudulent financial reporting involve intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users. Misstatements resulting from misappropriation of assets involve the theft of an entity’s assets, often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization
 - (b) acknowledges responsibility for the design and implementation of internal control to prevent and detect fraud and error
 - (c) there have been no instances of fraud or suspected fraud affecting the Company involving
 - management and those charged with governance,
 - employees who have significant roles in internal control, or
 - others where the fraud could have a material effect on the financial statements
 - (d) there have been no allegations of fraud, or suspected fraud, affecting the Company’s financial statements communicated by employees, former employees, analysts, regulators or others
 - (e) has disclosed to you the results of its assessment of the risk that the financial statements may be materially misstated as a result of fraud
- 5 The Board confirms the completeness of the information provided to you regarding the identification of related parties and regarding transactions with such parties that are material to the financial statements. The identity of, and balances and transactions with, related parties have been properly recorded and when appropriate, adequately disclosed in the notes to the financial statements. The Board is not aware of any other such matters required to be disclosed in the financial statements, whether under FRS 8 or other requirements
- 6 The Board has recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and has disclosed in the financial statements all guarantees that they have given to third parties
- 7 The estimated financial effect of pending or threatened litigation and claims against the Company has been properly recorded or disclosed in the financial statements. The Board is not aware of any additional claims that have been or are expected to be received

8. There are no

- (a) other gain or loss contingencies or other liabilities that are required to be recognised or disclosed in the financial statements, including liabilities or contingencies arising from environmental matters resulting from illegal or possibly illegal acts, or possible violations of human rights legislation, or
- (b) other environmental matters that may have a material impact on the financial statements

This letter was tabled and agreed at the meeting of the Board of Directors on 21 October 2008

Yours faithfully



Director

Director