

Cash and Investments

A detailed breakdown of the cash balances between the general, acquisitions and endowment accounts is shown on the attached sheets. At 31 December 2006, these totalled £1,049K of which £630K was held on higher interest rolling deposit.

Investments totalled £4.982M compared with £2K at 31/3/2006. In the short term, these are being managed as part of our existing arrangement with FF&P/RFT, and the ongoing management of them will be considered at the management committee meeting. The year end portfolio valuation forecasts an annual yield of £59K from these investments.

Art Collection

In addition to the disposals detailed above, the following works have been acquired this year:

	£
Helen Flockhart – Lemons Dripping	5,000
Sir David Wilkie RA - Portrait of James Morson of Naughton with His Granddaughter, Isabella	108,000
Andrew MacKenzie – Transmission 2	1,650
Janice McNab – The Philosopher's Ridge 2006	3,400
Graham Fagen – Bell 2006 (silk screen)	565
Graham Fagen – Roselle 2006 (silk screen)	565
Graham Fagen – Nancy 2006 (silk screen)	565
	<u>3,200</u>
Abigail McLellan – Branches	122,945

The value of the art collection on the balance sheet stands at £4.910M at 31 December 2006.

Accounting Administration

The daily accounts administration was transferred from Polly Bielecka to Janice Lamb and Tracey Pollock in RF Trustee Ltd in September 2006. Polly then spent a month catching up with the backlog of inputting, and Janice and Tracey concentrated on keeping the ongoing accounts up to date. This has worked extremely well. New accounting systems have been put in place from the point of sale through to inputting on computer, and Janice and Tracey are completely in control of the ongoing records.

The Fleming-Wyfold Art Foundation accounts are reconciled to date, and Fleming Collection Ltd will be completely reconciled within the next month. Once this has been completed, we will be able to produce more detailed reports on a more regular basis. Reporting requirements should be discussed by the management committee.

We are also currently finalising arrangements for a direct debit facility for the Friends' subscriptions.

CBT
23 January 2007