

# THE DISCERNING EYE LTD

England & Wales · Charity number 1056091

## Details

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Status	Registered
Legal form	Charitable company
Company number	<a href="#">03040828</a>
Registered	1996-06-12
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	15 Claremont Road Claygate Esher KT10 0PL
Phone	01372 469268
Email	<a href="mailto:sarah.hall93@gmail.com">sarah.hall93@gmail.com</a>
Website	<a href="http://www.discerningeye.org">www.discerningeye.org</a>

## Activities

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**Objects:** TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE ARTS, IN PARTICULAR BUT NOT EXCLUSIVELY BY THE ORGANISING OF AN ANNUAL EXHIBITION KNOWN AS THE DISCERNING EYE.

**Activities:** The Charity aims to promote the artistic works of unknown artists and to offer prizes and busarries to further their artistic careers

## Classification

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- **How:** Provides Other Finance, Provides Services
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** The General Public/mankind

## Geography

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- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-02-28	£365,016	£190,236	-	-
2024-02-29	£207,309	£169,425	-	-
2023-02-28	£221,365	£168,300	-	-
2022-02-28	£207,369	£170,279	-	-
2021-02-28	£101,416	£87,217	-	-

## Trustees

Name	Role	Appointed
<b>Sarah Hall</b>	Chair	2019-01-17
Adelaide Maami Abena Damoah		2022-05-25
Dr Giles Brown		2020-02-24
Mervyn Metcalf		2021-03-01
Tabish Khan		2022-10-25

**THE DISCERNING EYE LTD**

England & Wales - Charity number 1056091

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# Accounts

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**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

**DIRECTORS REPORT**  
**FOR THE YEAR ENDED 28 FEBRUARY 2025**

The Directors, who are also Trustees of the charity for the purposes of the Companies Act, submit their annual report and the financial statements of the Discerning Eye Limited (the company) for the year ended 28 February 2025.

The Directors confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP15) "Accounting and Reporting by Charities including FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

**Structure, governance and management**

**a CONSTITUTION**

The company is a charitable company limited by guarantee and was set up by a Charity Commission Scheme.

**b METHOD OF APPOINTMENT OR ELECTION OF DIRECTORS**

The management of the company is the responsibility of the Directors who are elected and co-opted under the terms of the Trust deed.

**c ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The Directors are responsible for the day to day running of the charity.

**d RISK MANAGEMENT**

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

**Objectives and Activities**

**a POLICIES AND OBJECTIVES**

The company's principal activity during the period was to advance the education of the public in the arts and to encourage public awareness and interest in living British artists and their work.

There have been no changes in the objectives since the last annual report.

## **Achievements and performance**

### **a REVIEW OF ACTIVITIES**

The ING Discerning Eye 2024 exhibition was again held at the Mall Galleries and marked the 33<sup>rd</sup> edition of the event. As in recent years, the selection was virtual with artists submitting images rather than physical pieces. The Directors remain delighted with the hugely positive response, from artists across all of the regions and nations, to this approach. Once again, we held a fully hybrid exhibition with both physical and online viewing available. QR codes were used in gallery for information, for sales and to minimise the need for catalogues and price lists.

We saw a very positive number of submissions with around 7,500 pieces submitted by almost 3000 artists. As with the previous years' submissions the proportion of entries from outside London and the South East, grew again. As commented on in previous years an unintended but important outcome of the Covid forced move to virtual submissions is that we have achieved a much greener footprint for the exhibition.

We are very grateful to the selectors for their time and dedication over the selection period and for their support and presence at the private views in the first week of the exhibition. All were very enthusiastic and worked with us with great concentration, energy and good humour.

Sales were very encouraging again with the three Private View nights proving to be particularly strong selling points. Our longstanding sponsor ING continues to provide us with great support and their opening night was, as always, a resounding success. The Chair's PV returned for its fifth year and again saw large numbers of people. Both of these evenings resulted in high sales. We extended the Artists PV on the third evening to a late afternoon and evening event in order which resulted in a high attendance and it was great to see so many of the artists able to see their work as part of this exhibition.

We also held artist's demonstrations each public day of the exhibition which were very well received, both by the artists involved and the visitors to the gallery.

In addition to the exhibition, we continue to host webinars for artists and collectors.

The increased submission and the sales have helped boost the financial position of the charity and we have continued to invest some of that increased surplus in a new website, improving governance and in providing further on-line seminars for artists and new and budding collectors.

The Education and Advisory Committee continues to meet to guide the Directors on engagement and potential activities with artists, and to select the Drawing Prize Bursary.

We have been the recipients of a generous legacy and will be providing details of an extended artists' education programme and bursary scheme in the coming months.

## **Financial review**

### **a RESERVES POLICY**

The Directors aim to hold adequate resources to provide sufficient working capital for the company. At 28 February 2025, this was approximately 101% (2024 102%) of the budgeted annual expenditure, Cash reserves are held in various current and deposit accounts with CAF Bank, Barclays Bank and Lloyds Bank.

### **DIRECTORS RESPONSIBILITIES**

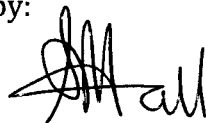
The Directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 surplus or deficit of the company for that period. In preparing these financial statements, the Directors are required to:

1. Select suitable accounting policies and then apply them consistently.
2. Make judgements and estimates that are reasonable and prudent.
3. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with current statutory requirements. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Directors on 23 October 2025 and signed on its behalf, by:



Sarah Hall

**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

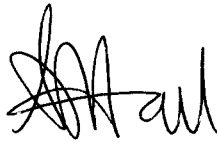
<b>Consolidated Statement of Financial Activities for the year ended 28 February 2025</b>					
	<b>Notes</b>	<b>Unrestricted Operational funds</b>	<b>Unrestricted Designated funds</b>	<b>2025 total</b>	<b>2024 total</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income and endowments from</b>					
Sponsorship	2	102,500	-	102,500	102,500
Investment income	3	887	-	887	593
Incoming resources from charitable activities	4	111,237	-	111,237	104,216
Donations and Legacies	5	-	150,392	150,392	-
<b>Total</b>		<b>214,624</b>	<b>150,392</b>	<b>365,016</b>	<b>207,309</b>
<b>Expenditure incurred on</b>					
Charitable activities	6	187,045	-	187,045	167,278
Governance costs	7	3,191	-	3,191	2,147
<b>Total</b>		<b>190,236</b>	<b>-</b>	<b>190,236</b>	<b>169,425</b>
Net gains/(losses) on investments		-	-	-	-
<b>Net income/(expense)</b>		<b>24,388</b>	<b>150,392</b>	<b>174,780</b>	<b>37,884</b>
<b>Transfers between funds</b>	8	(50,000)	50,000	-	-
<b>Other recognised gains/(losses)</b>		-	-	-	-
<b>Net movement in funds</b>					
Total funds brought forward		323,101	-	323,101	285,217
<b>Total funds carried forward</b>		<b>297,489</b>	<b>200,392</b>	<b>497,881</b>	<b>323,101</b>
<p>The statement of financial activities includes all gains and losses recognised in the year.  All income and expenditure derive from continuing activities.  The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2008.</p>					

**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

**BALANCE SHEET AS AT 28 FEBRUARY 2025**

	Note	2025 £	£	2024 £	£
<b>CURRENT ASSETS</b>					
Debtors	10	51,178		1,875	
Discerning Eye art work collection		50,787		50,787	
Cash at bank		<u>401,341</u>		<u>276,099</u>	
		503,306		328,761	
<b>CREDITORS:</b> amounts falling due within one year	11	<u>-5,425</u>		<u>-5,660</u>	
			<u>497,881</u>		<u>323,101</u>
<b>NET CURRENT ASSETS</b>			<u>497,881</u>		<u>323,101</u>
<b>CHARITY FUNDS</b>					
Unrestricted funds	12		<u>497,881</u>		<u>323,101</u>

For the year ending 28/02/25 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.  
The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.  
The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.  
These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies regime.  
The financial statements were approved by the Directors on 23 October 2025 and signed on their behalf, by



**Sarah Hall**

The notes on pages 8 to 10 form part of these financial statements

# THE DISCERNING EYE LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2025

#### 1 Accounting Policies

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical costs convention, with the exception of investments which are included at market value, and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2015) and applicable accounting standards in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102), effective 1 January 2015 and the Companies Act 2006.

##### 1.2 Company status

The company is a company limited by guarantee and has no legal share capital. The Members of the the company are the Trustees named on page 1, On the event of a winding up every Member may be required to contribute £10 to the charity's assets for payment of the charity's debts and liabilities.

##### 1.3 Fund accounting

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

##### 1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

##### 1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated in a basis consistent with the use of the resources.

##### 1.6 Cash flow

The financial statements do not include a cash flow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under section 7 of the Financial Reporting Standard (FRS102)

<b>2 Voluntary Income</b>	<b>2025</b>	<b>2024</b>
Sponsorship	102,500	102,500
<b>3 Investment Income</b>		
Bank interest received	887	593
<b>4 Incoming Resources from Charitable Activities</b>		
Commission on Art exhibition sales & submissions	111,237	104,216
<b>5 Legacy Income</b>		
Income from the Christopher Jermy Trust	150,392	0
This has been allocated to an unrestricted designated fund.		

**THE DISCERNING EYE LIMITED**

**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2025**

<b>6 Charitable Activities</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Agents Fees	24,000	24,000
Agents commission on sales	13,491	9,783
Education Programme	1,750	0
Prize winners payments	7,750	8,000
Catalogue costs	1,200	1,200
Postage/email mailings & stationery costs	745	651
Exhibition costs	27,565	25,101
Credit card fees	1,844	1,311
Advertising	17,000	13,650
IT/Website costs	10,659	3,466
Submission fees to Agent	15,263	15,063
Transportation of Artists works and other travel costs	1,891	2,397
The Mall Galleries rent	61,065	61,065
Insurance	1,189	771
Storage costs	933	820
Bad Debt write off	700	0
	<u>187,045</u>	<u>167,278</u>

**7 Governance Costs**

Accountancy/Examiners fees	2,238	1,767
Education costs	0	0
Bank charges	60	70
Sundry expenses	893	310
	<u>3,191</u>	<u>2,147</u>

**8 Transfers between funds**

Transfer of £50,000 from the unrestricted operational fund to an unrestricted designated fund.

**9 Net Incoming Resources**

This is stated after charging:

Accountants and examiners costs	2,238	1,767
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During the year Mrs C Enskat received an accountancy fee of £1562

Directors received reimbursement of expenses of £331.59

**10 Debtors**

Other debtors, Legacy payment, £51,178 received post year end	51,178	1,875
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**11 Creditors**

Amounts falling due within one year

Other creditors and accruals	5,425	5,660
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**THE DISCERNING EYE LIMITED**

**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2025**

**12 SUMMARY OF FUNDS**

	<b>Brought forward</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Carried forward</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Unrestricted funds	<b>323,101</b>	<b>365,016</b>	<b>190,236</b>	<b>497,881</b>

**Independent Examiner's Report to the Trustees of  
The Discerning Eye limited  
For the year ended 28 February 2025**

I report on the accounts of the Charity for the year ended 28 February 2025, which are set out on pages 6 to 10

**Respective responsibilities of the Directors and examiner**

As described on pages 2, 3 and 4, the Trustees, who are also Directors of the company for the purposes of the Companies Act, are responsible for the preparation of the accounts and reports. It is my responsibility to carry out procedures designed to enable me to report my opinion.

**Basis of independent examiner's report**

My examination was carried out in accordance with section 145 of the Charities Act 2011, in accordance with the general Directions given by the Charity Commission and so my procedures consisted of comparing the accounts with the accounting records kept by the company and making such limited enquiries of the officers of the company as I considered necessary for the purpose of this report. The company is not required to obtain an audit under statutory requirements so consequently I do not express and audit opinion on these accounts.

**Independent examiner's statement**

In connection with my examination, it is my opinion that the accounts are in agreement with the accounting records kept by the company.

Signed:



Dated: 23/10/2025

H Nicholls  
7 Fox Lane  
Little Bookham  
Surrey  
KT23 3AT

**THE DISCERNING EYE LTD**

England & Wales - Charity number 1056091

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# Accounts

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# **THE DISCERNING EYE LIMITED**

**(A company limited by guarantee)**

## **DIRECTORS REPORT FOR THE YEAR ENDED 29 FEBRUARY 2024**

The Directors, who are also Trustees of the charity for the purposes of the Companies Act, submit their annual report and the financial statements of the Discerning Eye Limited (the company) for the year ended 29 February 2024.

The Directors confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP15) "Accounting and Reporting by Charities including FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

### **Structure, governance and management**

#### **a CONSTITUTION**

The company is a charitable company limited by guarantee and was set up by a Charity Commission Scheme.

#### **b METHOD OF APPOINTMENT OR ELECTION OF DIRECTORS**

The management of the company is the responsibility of the Directors who are elected and co-opted under the terms of the Trust deed.

#### **c ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The Directors are responsible for the day to day running of the charity.

#### **d RISK MANAGEMENT**

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

### **Objectives and Activities**

#### **a POLICIES AND OBJECTIVES**

The company's principal activity during the period was to advance the education of the public in the arts and to encourage public awareness and interest in living British artists and their work.

There have been no changes in the objectives since the last annual report.

## **Achievements and performance**

### **a REVIEW OF ACTIVITIES**

The ING Discerning Eye 2023 exhibition was again held at the Mall Galleries and marked the 32nd edition of the event. It also marked the 25<sup>th</sup> year of sponsorship by ING, which we are truly grateful for and proud to have.

Once more the selection was virtual with artists submitting images rather than physical pieces. The Directors remain delighted with the hugely positive response to this approach and once again we held a fully hybrid exhibition with both physical and online viewing available. QR codes were used in gallery for information, for sales and to minimise the need for physical, printed catalogues and price lists.

We saw a very positive number of submissions, albeit a slight reduction on last year, with over 6,500 pieces submitted by almost 3000 artists. As in previous years', the proportion of entries from outside London and the South-East, grew resulting in a greater representation of artists from across the nations and regions. An unintended but important outcome of the Covid forced move to virtual submissions is that we have achieved a much greener footprint for the exhibition. We continue to explore ways to enhance that further.

We are very grateful to the 2023 selectors for their time and dedication over the selection period and for their support and presence at the private views in the first week of the exhibition. All were very enthusiastic and worked with us with great energy and good humour.

Sales were very encouraging again with the three Private View nights returning. Our longstanding sponsor ING continues to provide us with great support and their opening night was, as always, a resounding success with a new look and feel to the event. The Chair's PV returned for its fourth year and again saw large numbers of people. Both of these evenings resulted in high sales. We extended the Artists PV on the third evening to a late afternoon and evening event in order which resulted in a very high attendance, and it was great to see so many of the artists able to see their work as part of this exhibition and be awarded with their prizes in person.

We held two artists demonstrations each public day of the exhibition which were well received, both by the artists involved and the visitors to the gallery. This exhibition continues to be one of the most visited shows at the Mall Galleries

In addition to staging the exhibition, we continue to host webinars for artists and collectors.

The increased submission and the sales have helped boost the financial position of the charity and we have continued to invest some of that increased surplus in improving governance and in providing further on-line seminars for artists and new and budding collectors.

The Education and Advisory Committee continues to meet to guide the Directors on engagement and potential activities with artists, and to select the Drawing Prize Bursary.

We have appointed one new board member since the year end, Julian Wilde, the Sculptor who was a selector in 2023; he like the other board members adds to the breadth of talent, experience and connections on the board that should prove invaluable to us going forward.

## **Financial review**

### **a RESERVES POLICY**

The Directors aim to hold adequate resources to provide sufficient working capital for the company. At 29 February 2024, this was approximately 102% (2023 103%) of the budgeted annual expenditure, Cash reserves are held in various current and deposit accounts with CAF Bank, Barclays Bank and Lloyds Bank.

### **DIRECTORS RESPONSIBILITIES**

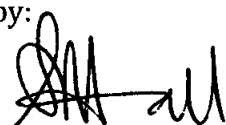
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Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 surplus or deficit of the company for that period. In preparing these financial statements, the Directors are required to:

1. Select suitable accounting policies and then apply them consistently.
2. Make judgements and estimates that are reasonable and prudent.
3. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with current statutory requirements. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Directors on 15 November 2024 and signed on its behalf, by:



Sarah Hall

**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 29 FEBRUARY 2024**

	Note	2024 £	2023 £
<b>INCOMING RESOURCES</b>			
Incoming resources from generated funds:			
Voluntary income	2	102,500	102,500
Investment income	3	593	144
Incoming resources from charitable activities	4	<u>104,216</u>	<u>118,721</u>
		<b>207,309</b>	<b>221,365</b>
<b>TOTAL INCOMING RESOURCES</b>			
<b>RESOURCES EXPENDED</b>			
Charitable activities	5	167,278	163,598
Governance costs	6	<u>2,147</u>	<u>4,702</u>
		<b>169,425</b>	<b>168,300</b>
<b>TOTAL RESOURCES EXPENDED</b>			
<b>MOVEMENT IN TOTAL FUNDS FOR THE YEAR- NET INCOME FOR THE YEAR</b>		<b>37,884</b>	<b>53,065</b>
Total funds brought forward		<u>285,217</u>	<u>232,152</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>323,101</u></b>	<b><u>285,217</u></b>

The statement of Financial Activities includes all gains and losses recognised in the year.

The notes in pages 8-10 form part of these Financial Statements.

**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

**BALANCE SHEET AS AT 29 FEBRUARY 2024**

	Note	2024 £	£	2023 £	£
<b>CURRENT ASSETS</b>					
Debtors	8	1,875		720	
Discerning Eye art work collection		50,787		50,787	
Cash at bank		<u>276,099</u>		<u>240,840</u>	
<b>CREDITORS: amounts falling due within one year</b>	9	<u>328,761</u>		<u>292,347</u>	
		-5,660		-7,131	
<b>NET CURRENT ASSETS</b>			<u><u>323,101</u></u>		<u><u>285,216</u></u>
			<u><u>323,101</u></u>		<u><u>285,216</u></u>
<b>CHARITY FUNDS</b>					
Unrestricted funds	10		<u><u>323,101</u></u>		<u><u>285,216</u></u>
			<u><u>323,101</u></u>		<u><u>285,216</u></u>

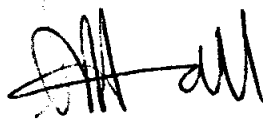
For the year ending 29/02/24 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies regime.

The financial statements were approved by the Directors on 15 November 2024 and signed on their behalf, by



**Sarah Hall**

The notes on pages 8 to 10 form part of these financial statements

**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2024**

**1 Accounting Policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical costs convention, with the exception of investments which are included at market value, and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2015) and applicable accounting standards in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102), effective 1 January 2015 and the Companies Act 2006.

**1.2 Company status**

The company is a company limited by guarantee and has no legal share capital. The Members of the the company are the Trustees named on page 1. On the event of a winding up every Member may be required to contribute £10 to the charity's assets for payment of the charity's debts and liabilities.

**1.3 Fund accounting**

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

**1.4 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**1.5 Resources expended**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated in a basis consistent with the use of the resources.

**1.6 Cash flow**

The financial statements do not include a cash flow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under section 7 of the Financial Reporting Standard (FRS102)

<b>2 Voluntary Income</b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Sponsorship	102,500	102,500
<b>3 Investment Income</b>		
Bank interest received	593	144
<b>4 Incoming Resources from Charitable Activities</b>		
Commission on Art exhibition sales & submissions	104,216	118,720

# THE DISCERNING EYE LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2024

<b>5 Charitable Activities</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Agents Fees	24,000	24,000
Agents commission on sales	9,783	11,958
Prize winners payments	8,000	8,150
Catalogue & Newsletter costs	1,200	1,500
Postage/email mailings & stationery costs	651	614
Exhibition costs	25,101	23,766
Credit card fees	1,311	1,471
Advertising	13,650	17,998
IT/Website costs	3,466	1,548
Submission fees to Agent	15,063	18,279
Transportation of Artists works and other travel costs	2,397	2,775
The Mall Galleries rent	61,065	50,000
Insurance	771	632
Storage costs	820	907
	<b><u>167,278</u></b>	<b><u>163,598</u></b>

## 6 Governance Costs

Accountancy/Examiners fees	1,767	1,623
Education costs	0	0
Bank charges	70	75
Sundry expenses	310	3,004
	<b><u>2,147</u></b>	<b><u>4,702</u></b>

## 7 Net Incoming Resources

This is stated after charging:

Accountants and examiners costs	1,767	1,623
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During the year Mrs C Enskat received an accountancy fee of £1312  
Directors received reimbursement of expenses of £78.60

## 8 Debtors

Other debtors	1,875	720
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## 9 Creditors

Amounts falling due within one year

Other creditors and accruals	5,660	7,131
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**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2024**

**10 SUMMARY OF FUNDS**

	<b>Brought forward</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Carried forward</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General funds	285,217	207,309	169,425	323,101

**Independent Examiner's Report to the Trustees of  
The Discerning Eye limited  
For the year ended 29 February 2024**

I report on the accounts of the Charity for the year ended 29 February 2024, which are set out on pages 6 to 10

**Respective responsibilities of the Directors and examiner**

As described on pages 2, 3 and 4, the Trustees, who are also Directors of the company for the purposes of the Companies Act, are responsible for the preparation of the accounts and reports. It is my responsibility to carry out procedures designed to enable me to report my opinion.

**Basis of independent examiner's report**

My examination was carried out in accordance with section 145 of the Charities Act 2011, in accordance with the general Directions given by the Charity Commission and so my procedures consisted of comparing the accounts with the accounting records kept by the company and making such limited enquiries of the officers of the company as I considered necessary for the purpose of this report. The company is not required to obtain an audit under statutory requirements so consequently I do not express an audit opinion on these accounts.

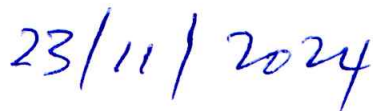
**Independent examiner's statement**

In connection with my examination, it is my opinion that the accounts are in agreement with the accounting records kept by the company.

Signed:



Dated:



H Nicholls  
7 Fox Lane  
Little Bookham  
Surrey  
KT23 3AT

**THE DISCERNING EYE LTD**

England & Wales - Charity number 1056091

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# Accounts

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**THE DISCERNING EYE LIMITED**

**(A company limited by guarantee)**

**Company Registered number: 03040828**

**DIRECTORS REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 28 FEBRUARY 2023**

**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

**CONTENTS**

	<b>Page</b>
<b>Reference and administrative details of the charity, its trustees and advisers</b>	<b>1</b>
<b>Directors report</b>	<b>2 - 4</b>
<b>Examiners report</b>	<b>5</b>
<b>Statement of financial activities</b>	<b>6</b>
<b>Balance sheet</b>	<b>7</b>
<b>Notes to the financial statements</b>	<b>8 - 10</b>

**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND  
ADVISERS FOR THE YEAR ENDED 28 FEBRUARY 2023**

**Directors:**  
**Sarah Hall, Chair**  
**Mervyn Metcalf,**  
**Richard Moxon**  
**Dr Giles Brown**  
**Adelaide Damoah**  
**Alice Whitehead**  
**Tabish Khan, appointed 25 October 2022**

**Company registered number**      **03040828**

**Charity registered number**      **1056091**

**Registered office**                      **15 Claremont Road**  
**Claygate**  
**Esher**  
**Surrey KT10 0PL**

## **THE DISCERNING EYE LIMITED**

**(A company limited by guarantee)**

### **DIRECTORS REPORT FOR THE YEAR ENDED 28 FEBRUARY 2023**

The Directors, who are also Trustees of the charity for the purposes of the Companies Act, submit their annual report and the financial statements of the Discerning Eye Limited (the company) for the year ended 28 February 2023.

The Directors confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP15) "Accounting and Reporting by Charities including FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

#### **Structure, governance and management**

##### **a CONSTITUTION**

The company is a charitable company limited by guarantee and was set up by a Charity Commission Scheme.

##### **b METHOD OF APPOINTMENT OR ELECTION OF DIRECTORS**

The management of the company is the responsibility of the Directors who are elected and co-opted under the terms of the Trust deed.

##### **c ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The Directors are responsible for the day to day running of the charity.

##### **d RISK MANAGEMENT**

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

#### **Objectives and Activities**

##### **a POLICIES AND OBJECTIVES**

The company's principal activity during the period was to advance the education of the public in the arts and to encourage public awareness and interest in living British artists and their work.

There have been no changes in the objectives since the last annual report.

## **Achievements and performance**

### **a REVIEW OF ACTIVITIES**

The ING Discerning Eye 2022 exhibition was again held at the Mall Galleries and marked the 31<sup>st</sup> edition of the event. Once more the selection was virtual with artists submitting images rather than physical pieces. The Directors remain delighted with the hugely positive response to this approach and once again we held a fully hybrid exhibition with both physical and online viewing available. QR codes were used in gallery for information, for sales and to minimise the need for catalogues and price lists.

We saw a very positive number of submissions with again over 7,500 pieces submitted by almost 3000 artists. As with the previous years' submissions the proportion of entries from outside London and the South East, grew again resulting in a greater representation of artists from across the nations and regions. An unintended but important outcome of the Covid forced move to virtual submissions is that we have achieved a much greener footprint for the exhibition.

We are very grateful to the selectors for their time and dedication over the selection period and for their support and presence at the private views in the first week of the exhibition. All were very enthusiastic and worked with us with great energy and good humour.

Sales were very encouraging again with the three Private View nights returning. Our longstanding sponsor ING continues to provide us with great support and their opening night was, as always, a resounding success. The Chair's PV returned for its third year and again saw large numbers of people. Both of these evenings resulted in high sales. We extended the Artists PV on the third evening to a late afternoon and evening event in order which resulted in a high attendance and it was great to see so many of the artists able to see their work as part of this exhibition.

We also held two artists demonstrations each public day of the exhibition which were very well received, both by the artists involved and the visitors to the gallery.

In addition to the exhibition, we continue to host webinars for artists and collectors.

The increased submission and the sales have helped boost the financial position of the charity and we have continued to invest some of that increased surplus in a new website, improving governance and in providing further on-line seminars for artists and new and budding collectors.

The Education and Advisory Committee continues to meet to guide the Directors on engagement and potential activities with artists, and to select the Drawing Prize Bursary.

We have appointed one new board member since the year end, Tabish Khan aka the London Art Critic, he like the other board members adds to the breadth of talent, experience and connections on the board that should prove invaluable to us going forward.

## Financial review

### a RESERVES POLICY

The Directors aim to hold adequate resources to provide sufficient working capital for the company. At 28 February 2023, this was approximately 103% (2022 104%) of the budgeted annual expenditure, Cash reserves are held in various current and deposit accounts with CAF Bank, Barclays Bank and Lloyds Bank.

### DIRECTORS RESPONSIBILITIES

The Directors are responsible for preparing the Annual report and the 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 surplus or deficit of the company for that period. In preparing these financial statements, the Directors are required to:

1. Select suitable accounting policies and then apply them consistently.
2. Make judgements and estimates that are reasonable and prudent.
3. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with current statutory requirements. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Directors on 14 November 2023 and signed on its behalf, by:



Sarah Hall

**Independent Examiner's Report to the Trustees of  
The Discerning Eye limited  
For the year ended 28 February 2023**

I report on the accounts of the Charity for the year ended 28 February 2023, which are set out on pages 6 to 10

**Respective responsibilities of the Directors and examiner**

As described on pages 2, 3 and 4, the Trustees, who are also Directors of the company for the purposes of the Companies Act, are responsible for the preparation of the accounts and reports. It is my responsibility to carry out procedures designed to enable me to report my opinion.

**Basis of independent examiner's report**

My examination was carried out in accordance with section 145 of the Charities Act 2011, in accordance with the general Directions given by the Charity Commission and so my procedures consisted of comparing the accounts with the accounting records kept by the company and making such limited enquiries of the officers of the company as I considered necessary for the purpose of this report. The company is not required to obtain an audit under statutory requirements so consequently I do not express and audit opinion on these accounts.

**Independent examiner's statement**

In connection with my examination, it is my opinion that the accounts are in agreement with the accounting records kept by the company.

Signed:



Dated:

8/11/2023

H Nicholls  
7 Fox Lane  
Little Bookham  
Surrey  
KT23 3AT

**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 28 FEBRUARY 2023**

	Note	<u>2023</u> £	<u>2022</u> £
<b>INCOMING RESOURCES</b>			
Incoming resources from generated funds:			
Voluntary income	2	102,500	102,500
Investment income	3	144	3
Incoming resources from charitable activities	4	<u>118,721</u>	<u>104,866</u>
		221,365	207,369
<b>TOTAL INCOMING RESOURCES</b>			
<b>RESOURCES EXPENDED</b>			
Charitable activities	5	163,598	167,266
Governance costs	6	<u>4,702</u>	<u>3,013</u>
		<u>168,300</u>	<u>170,279</u>
<b>TOTAL RESOURCES EXPENDED</b>			
<b>MOVEMENT IN TOTAL FUNDS FOR THE YEAR-</b>		53,065	37,090
<b>NET INCOME FOR THE YEAR</b>			
Total funds brought forward		<u>232,152</u>	<u>195,062</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>285,217</u>	<u>232,152</u>

The statement of Financial Activities includes all gains and losses recognised in the year.

The notes in pages 8-10 form part of these Financial Statements.

**THE DISCERNING EYE LIMITED**

**(A company limited by guarantee)**

**BALANCE SHEET AS AT 28 FEBRUARY 2023**

	Note	<u>2023</u>		<u>2022</u>	
		£	£	£	£
<b>CURRENT ASSETS</b>					
Debtors	8	720		720	
Discerning Eye art work collection		50,787		50,787	
Cash at bank		<u>240,840</u>		<u>191,077</u>	
		292,347		242,584	
<b>CREDITORS: amounts falling due within one year</b>	9	<u>-7,131</u>		<u>-10,432</u>	
			<u>285,216</u>		<u>232,152</u>
<b>NET CURRENT ASSETS</b>			<u>285,216</u>		<u>232,152</u>
<b>CHARITY FUNDS</b>					
Unrestricted funds	10		<u>285,120</u>		<u>232,152</u>
			<u>285,120</u>		<u>232,152</u>

For the year ending 28/02/23 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies regime.

The financial statements were approved by the Directors on 14 November 2023 and signed on their behalf, by

**Sarah Hall**

The notes on pages 8 to 10 form part of these financial statements

**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023**

**1 Accounting Policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical costs convention, with the exception of investments which are included at market value, and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2015) and applicable accounting standards in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102), effective 1 January 2015 and the Companies Act 2006.

**1.2 Company status**

The company is a company limited by guarantee and has no legal share capital. The Members of the the company are the Trustees named on page 1, On the event of a winding up every Member may be required to contribute £10 to the charity's assets for payment of the charity's debts and liabilities.

**1.3 Fund accounting**

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

**1.4 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**1.5 Resources expended**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated in a basis consistent with the use of the resources.

**1.6 Cash flow**

The financial statements do not include a cash flow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under section 7 of the Financial Reporting Standard (FRS102)

<b>2 Voluntary Income</b>	<b>2023</b>	<b>2022</b>
Sponsorship	102,500	102,500
<b>3 Investment Income</b>		
Bank interest received	144	3
<b>4 Incoming Resources from Charitable Activities</b>		
Commission on Art exhibition sales, submissions & Membership fees	118,720	104,866

**THE DISCERNING EYE LIMITED**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023**

<b>5 Charitable Activities</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Agents Fees	24,000	24,000
Agents commission on sales	11,958	13,436
Prize winners payments	8,150	5,500
Catalogue & Newsletter costs	1,500	2,400
Postage/email mailings & stationery costs	614	651
Exhibition costs	23,766	20,266
Credit card fees	1,471	1,291
Advertising	17,998	16,460
IT/Website costs	1,548	10,115
Submission fees to Agent	18,279	18,605
Transportation of Artists works and other travel costs	2,775	2,705
The Mall Galleries rent	50,000	50,000
Insurance	632	589
Storage costs	907	1,248
	<b><u>163,598</u></b>	<b><u>167,266</u></b>

**6 Governance Costs**

Accountancy/Examiners fees	1,623	1,576
Education costs	0	150
Bank charges	75	97
Sundry expenses	3,004	1,190
	<b><u>4,702</u></b>	<b><u>3,013</u></b>

**7 Net Incoming Resources**

This is stated after charging:

Accountants and examiners costs	1,623	1,576
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During the year Mrs C Enskat received an accountancy fee of £1179  
Directors received reimbursement of expenses of £305

**8 Debtors**

Other debtors	720	720
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**9 Creditors**

Amounts falling due within one year

Other creditors and accruals	7,131	10,432
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**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023**

**10 SUMMARY OF FUNDS**

	<b>Brought forward</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Carried forward</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General funds	232,152	221,365	168,300	285,217

**THE DISCERNING EYE LTD**

England & Wales - Charity number 1056091

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# Accounts

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**THE DISCERNING EYE LIMITED**

**(A company limited by guarantee)**

**FOR THE YEAR ENDED 28 FEBRUARY 2022  
DIRECTORS REPORT**

The Directors, who are also Trustees of the charity for the purposes of the Companies Act, submit their annual report and the financial statements of the Discerning Eye Limited (the company) for the year ended 28 February 2022.

The Directors confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities including FR102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

**Structure, governance and management**

**a CONSTITUTION**

The company is a charitable company limited by guarantee and was set up by a Charity Commission scheme.

**b METHOD OF APPOINTMENT OR ELECTION OF DIRECTORS**

The management of the company is the responsibility of the Directors who are elected and co-opted under the terms of the Trust deed.

**c ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The Directors are responsible for the day to day running of the charity.

**d RISK MANAGEMENT**

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

**Objectives and Activities**

**a POLICIES AND OBJECTIVES**

The company's principal activity during the period was to advance the education of the public in the arts and to encourage public awareness and interest in living British artists and their work.

There have been no changes in the objectives since the last annual report.

2 REVIEW OF ACTIVITIES

It was with great pleasure that we returned to the Mall Galleries for the ING Discerning Eye 2021 exhibition. The selection was again done virtually with artists submitting images rather than physical pieces. The Directors were again delighted with the hugely positive response to this approach. This also meant that we were able to build on the learning from the totally virtual exhibition in 2020 and for the first time mount a fully hybrid exhibition with both physical and online viewing available. QR codes were used in gallery for information, for sales and to minimise the need for catalogues and price lists.

We saw a further increase in submissions with almost 7,200 pieces submitted by over 2700 artists. As with the previous year's submissions the proportion of entries from outside London and the South East, which was on average over 80% in physical submission years saw a greater representation of artists from across the nation and regions. An unintended but important outcome of the Covid forced move to virtual submissions is that we have achieved a much greener footprint for the exhibition.

We are very grateful to the selectors for their time and dedication, giving up two days for the selection on Zoom. All were very enthusiastic and worked with us with great energy and good humour.

Sales were very encouraging again with the three Private View nights returning. Our longstanding sponsor ING continues to provide us with great support and their opening night was, as always, a resounding success. The Chair's PV returned for its second year and again saw large numbers of people. Both of these evenings resulted in high sales. We extended the Artists' PV on the third evening to an afternoon and evening event in order to minimise congestion and again had a very positive response to that.

In addition to the exhibition other activity included six hosted webinars for artists on topics including Using Social Media, Entering Open Competitions and Working With Collectors.

The increased submission and the sales have helped boost the financial position of the charity and we have continued to invest some of that increased surplus in a new website, improving governance and in providing further on-line seminars for artists and new and budding collectors.

The Education and Advisory Committee continues to meet to guide the Directors on engagement and potential activities with artists, and to select the Drawing Prize Bursary.

We have appointed two new board members since the year end, Adelaide Damosh an artist and one of the 2021 selectors and Alice Whitehead who works as an art consultant. Both bring a breadth of talent, experience and connections that should prove invaluable to us going forward.

RESERVES POLICY 3

The Directors aim to hold adequate resources to provide sufficient working capital for the company. At 28 February 2022, this was approximately 104% (2021 104%) of the budgeted annual expenditure. Cash reserves are held in various current and deposit accounts with CAF Bank, Barclays Bank and Lloyds TSB Bank.

DIRECTORS RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 surplus or deficit of the company for that period. In preparing these financial statements, the Directors are required to:

1. Select suitable accounting policies and then apply them consistently.
2. Make judgements and estimates that are reasonable and prudent.
3. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with current statutory requirements. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Directors on 25th October 2022 and signed on its behalf by:

Sarah Hall

# THE DISCERNING EYE LIMITED

(A company limited by guarantee)

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 28 FEBRUARY 2022

	Note	2022 £	2021 £
<b>INCOMING RESOURCES</b>			
Incoming resources from generated funds:			
Voluntary income	2	102,500	20,000
Investment income	3	3	75
Incoming resources from charitable activities	4	<u>104,866</u>	<u>81,341</u>
		207,369	101,416
<b>TOTAL INCOMING RESOURCES</b>			
<b>RESOURCES EXPENDED</b>			
Charitable activities	5	167,266	84,774
Governance costs	6	<u>3,013</u>	<u>2,443</u>
		170,279	87,217
<b>TOTAL RESOURCES EXPENDED</b>			
<b>MOVEMENT IN TOTAL FUNDS FOR THE YEAR- NET INCOME FOR THE YEAR</b>		37,090	14,199
Total funds brought forward		<u>195,062</u>	<u>180,863</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>232,152</u>	<u>195,062</u>

The statement of Financial Activities includes all gains and losses recognised in the year.

The notes in pages 8-10 form part of these Financial Statements.

**THE DISCERNING EYE LIMITED**

**(A company limited by guarantee)**

**BALANCE SHEET AS AT 28 FEBRUARY 2022**

	Note	2022 £	£	2021 £	£
<b>CURRENT ASSETS</b>					
Debtors	8	720		2,720	
Discerning Eye art work collection		50,787		46,287	
Cash at bank		<u>191,077</u>		<u>154,756</u>	
		242,584		203,763	
<b>CREDITORS: amounts falling due within one year</b>	9	<u>-10,432</u>		<u>-8,701</u>	
			<u>232,152</u>		<u>195,062</u>
<b>NET CURRENT ASSETS</b>			<u>232,152</u>		<u>195,062</u>
<b>CHARITY FUNDS</b>					
Unrestricted funds	10		<u>232,152</u>		<u>195,062</u>

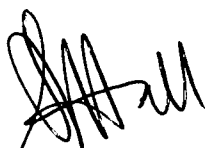
For the year ending 28/02/22 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies regime.

The financial statements were approved by the Directors on 25th October 2022 and signed on their behalf, by



**Sarah Hall**

The notes on pages 8 to 10 form part of these financial statements

# THE DISCERNING EYE LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022

### 1 Accounting Policies

#### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical costs convention, with the exception of investments which are included at market value, and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2015) and applicable accounting standards in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102), effective 1 January 2015 and the Companies Act 2006.

#### 1.2 Company status

The company is a company limited by guarantee and has no legal share capital. The Members of the the company are the Trustees named on page 1. On the event of a winding up every Member may be required to contribute £10 to the charity's assets for payment of the charity's debts and liabilities.

#### 1.3 Fund accounting

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

#### 1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

#### 1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated in a basis consistent with the use of the resources.

#### 1.6 Cash flow

The financial statements do not include a cash flow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under section 7 of the Financial Reporting Standard (FRS102)

### 2 Voluntary Income

2022      2021

Sponsorship

102,500      20,000

### 3 Investment Income

Bank interest received

3              75

### 4 Incoming Resources from Charitable Activities

Commission on Art exhibition sales, submissions & Membership fees      104,866      81,341

**THE DISCERNING EYE LIMITED**

**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022**

<b>5 Charitable Activities</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Agents Fees	24,000	24,000
Agents commission on sales	13,436	8,564
Prize winners payments	5,500	5,500
Catalogue & Newsletter costs	2,400	1,100
Printing costs	0	870
Postage/email mailings & stationery costs	651	756
Exhibition costs	20,266	7,364
Credit card fees	1,291	1,192
C24 Exhibition costs	0	150
Advertising	16,460	15,399
IT/Website costs	10,115	2,180
Submission fees to Agent	18,605	16,000
Transportation of Artists works and other travel costs	2,705	0
The Mall Galleries rent	50,000	0
Insurances	589	564
Storage costs	1,248	1,135
	<u>167,266</u>	<u>84,774</u>

**6 Governance Costs**

Accountancy/Examiners fees	1,576	1,429
Education costs	150	600
Bank charges	97	67
Sundry expenses	1,190	347
	<u>3,013</u>	<u>2,443</u>

**7 Net Incoming Resources**

This is stated after charging:

Accountants and examiners costs	1,576	1,429
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During the year Mrs C Enskat received an accountancy fee of £1170  
Directors received reimbursement of expenses of £195

**8 Debtors**

Other debtors	720	2,720
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**9 Creditors**

Amounts falling due within one year

Other creditors and accruals	10,432	8,702
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**THE DISCERNING EYE LIMITED**

**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022**

**10 SUMMARY OF FUNDS**

	<b>Brought forward</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Carried forward</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General funds	<b>195,062</b>	<b>207,369</b>	<b>170,279</b>	<b>232,152</b>

**Independent Examiner's Report to the Trustees of  
The Discerning Eye limited  
For the year ended 28 February 2022**

I report on the accounts of the Charity for the year ended 28 February 2022, which are set out on pages 6 to 10

**Respective responsibilities of the Directors and examiner**

As described on pages 2, 3 and 4, the Trustees, who are also Directors of the company for the purposes of the Companies Act, are responsible for the preparation of the accounts and reports. It is my responsibility to carry out procedures designed to enable me to report my opinion.

**Basis of independent examiner's report**

My examination was carried out in accordance with section 145 of the Charities Act 2011, in accordance with the general Directions given by the Charity Commission and so my procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as I considered necessary for the purpose of this report. The company is not required to obtain an audit under statutory requirements so consequently I do not express and audit opinion on these accounts.

**Independent examiner's statement**

In connection with my examination it is my opinion that the accounts are in agreement with the accounting records kept by the company.

Signed:



Dated: 24/10/22

H Nicholls  
7 Fox Lane  
Little Bookham  
Surrey  
KT23 3AT

**THE DISCERNING EYE LTD**

England & Wales - Charity number 1056091

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# Accounts

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**THE DISCERNING EYE LIMITED**

**(A company limited by guarantee)**

**Company Registered number: 03040828**

**DIRECTORS REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 28 FEBRUARY 2021**

**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

**CONTENTS**

	<b>Page</b>
<b>Reference and administrative details of the charity, its trustees and advisers</b>	<b>1</b>
<b>Directors report</b>	<b>2 - 4</b>
<b>Examiners report</b>	<b>5</b>
<b>Statement of financial activities</b>	<b>6</b>
<b>Balance sheet</b>	<b>7</b>
<b>Notes to the financial statements</b>	<b>8 - 10</b>

**THE DISCERNING EYE LIMITED**

**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND  
ADVISERS FOR THE YEAR ENDED 28 FEBRUARY 2021**

**Directors:** John Caine, resigned 14/12/2020  
Brenda Fenton, resigned 14/12/2020  
Anthony Humphreys, resigned 28/02/2021  
John Penrose, resigned 21/06/2021  
Mervyn Metcalf, appointed 01/03/2021  
Richard Moxon  
Dr Giles Brown  
Sarah Hall, Chair

**Company registered number** 03040828

**Charity registered number** 1056091

**Registered office** 15 Claremont Road  
Claygate  
Esher  
Surrey KT10 0PL

## **THE DISCERNING EYE LIMITED**

**(A company limited by guarantee)**

### **DIRECTORS REPORT FOR THE YEAR ENDED 28 FEBRUARY 2021**

The Directors, who are also Trustees of the charity for the purposes of the Companies Act, submit their annual report and the financial statements of the Discerning Eye Limited (the company) for the year ended 28 February 2021.

The Directors confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP15) "Accounting and Reporting by Charities including FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

#### **Structure, governance and management**

##### **a CONSTITUTION**

The company is a charitable company limited by guarantee and was set up by a Charity Commission Scheme.

##### **b METHOD OF APPOINTMENT OR ELECTION OF DIRECTORS**

The management of the company is the responsibility of the Directors who are elected and co-opted under the terms of the Trust deed.

##### **c ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The Directors are responsible for the day to day running of the charity.

##### **d RISK MANAGEMENT**

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

#### **Objectives and Activities**

##### **a POLICIES AND OBJECTIVES**

The company's principal activity during the period was to advance the education of the public in the arts and to encourage public awareness and interest in living British artists and their work.

There have been no changes in the objectives since the last annual report.

## **Achievements and performance**

### **a REVIEW OF ACTIVITIES**

The Directors were very pleased with the hugely positive response to and the increased sales at the 2020 exhibition which was held as a virtual exhibition only for the first time in our history. Despite the uncertainty about what the environment would be in November 2020 in light of the Covid pandemic, we were very keen to continue to support artists and hold some sort of exhibition. So, working with both our sponsor ING UK and The Mall Galleries, we made the decision in June 2020 that it would be inappropriate to ask artists to gather to submit in person and for the first time we did not have a physical selection of pieces. The number of submissions exceeded our expectations and in addition we saw a more geographically diverse range of submissions than in previous years, with more pieces from outside London and the South East.

Holding the exhibition virtually allowed us to increase the number of works shown and each selector was given a broader scope to create their own selection in previous years. The increased submission meant that the selectors had to give up two days for the process, which took place on Zoom and we are very grateful for their time and dedication.

As it stands at the time of writing we are intending to hold a physical exhibition in November 2021. However, we will again have a virtual submission for this year although we hope to be able to gather for the selection process.

The increased submission and the sales have helped boost the financial position of the charity and we have been investing some of that increased surplus in providing an on-line programme of seminars for artists with a further strand for new and budding collectors later in the year.

The Education and Advisory Committee continues to meet to guide the Directors on engagement and potential activities with artists, and to select the Drawing Prize Bursary.

Since the year end Tony Humphreys, our longstanding CEO has retired from the Charity. John Caine another Board member also resigned. Both have been on the board for over 20 years and the Charity and its Directors are very grateful for their hard work, guidance and belief in the Charity and its mission over all of those years. The Directors would also like to extend huge thanks to Mary Dodwell for all of her tireless work and enthusiasm over many years.

We are delighted that Tony Humphreys will be one of the selectors for our 2021 exhibition.

One of last year's selectors, Mervyn Metcalfe, an investment banker and a passionate art collector has now joined the Board.

## Financial review

### a RESERVES POLICY

The Directors aim to hold adequate resources to provide sufficient working capital for the company. At 28 February 2021, this was approximately 104% (2020 103%) of the budgeted annual expenditure, Cash reserves are held in various current and deposit accounts with CAF Bank, Barclays Bank and Lloyds TSB Bank.

### DIRECTORS RESPONSIBILITIES

The Directors are responsible for preparing the Annual report and the 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 surplus or deficit of the company for that period. In preparing these financial statements, the Directors are required to:

1. Select suitable accounting policies and then apply them consistently.
2. Make judgements and estimates that are reasonable and prudent.
3. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with current statutory requirements. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Directors on 31<sup>st</sup> October 2021 and signed on its behalf, by:



Sarah Hall

**Independent Examiner's Report to the Trustees of  
The Discerning Eye limited  
For the year ended 28 February 2021**

I report on the accounts of the Charity for the year ended 28 February 2021, which are set out on pages 6 to 10

**Respective responsibilities of the Directors and examiner**

As described on pages 2, 3 and 4, the Trustees, who are also Directors of the company for the purposes of the Companies Act, are responsible for the preparation of the accounts and reports. It is my responsibility to carry out procedures designed to enable me to report my opinion.

**Basis of independent examiner's report**

My examination was carried out in accordance with section 145 of the Charities Act 2011, in accordance with the general Directions given by the Charity Commission and so my procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as I considered necessary for the purpose of this report. The company is not required to obtain an audit under statutory requirements so consequently I do not express an audit opinion on these accounts.

**Independent examiner's statement**

In connection with my examination it is my opinion that the accounts are in agreement with the accounting records kept by the company.

Signed:



Dated: 28 Oct 2021

H Nicholls  
7 Fox Lane  
Little Bookham  
Surrey  
KT23 3AT

**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 28 FEBRUARY 2021**

		<b>Unrestricted Total Funds</b>	
		<b>Funds</b>	
	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>INCOMING RESOURCES</b>			
Incoming resources from generated funds:			
Voluntary income	2	20,000	102,500
Investment income	3	75	757
Incoming resources from charitable activities	4	<u>81,341</u>	<u>62,102</u>
		<b>101,416</b>	<b>165,359</b>
<b>TOTAL INCOMING RESOURCES</b>			
<b>RESOURCES EXPENDED</b>			
Charitable activities	5	84,774	139,268
Governance costs	6	<u>2,443</u>	<u>3,077</u>
		<b>87,217</b>	<b>142,345</b>
<b>TOTAL RESOURCES EXPENDED</b>			
		<b>14,199</b>	<b>23,014</b>
<b>MOVEMENT IN TOTAL FUNDS FOR THE YEAR- NET INCOME/FOR THE YEAR</b>			
Total funds at 1 March 2020		<u>180,863</u>	<u>157,849</u>
<b>TOTAL FUNDS AT 28 FEBRUARY 2021</b>		<u><b>195,062</b></u>	<u><b>180,863</b></u>

The statement of Financial Activities includes all gains and losses recognised in the year.

The notes in pages 8-10 form part of these Financial Statements.

**THE DISCERNING EYE LIMITED**  
(A company limited by guarantee)

**BALANCE SHEET AS AT 28 FEBRUARY 2021**

	Note	2021 £	£	2020 £	£
<b>CURRENT ASSETS</b>					
Debtors	8	2,720		2,923	
Discerning Eye art work collection		46,287		43,787	
Cash at bank		<u>154,756</u>		<u>139,826</u>	
		203,763		186,535	
<b>CREDITORS:</b> amounts falling due within one year	9	<u>-8,701</u>		<u>-5,673</u>	
			<u>195,062</u>		<u>180,863</u>
<b>NET CURRENT ASSETS</b>			<u>195,062</u>		<u>180,863</u>
<b>CHARITY FUNDS</b>					
Unrestricted funds	10		<u>195,062</u>		<u>180,863</u>

For the year ending 28/02/21 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies regime.

The financial statements were approved by the Directors on 31st October 2021 and signed on their behalf, by



**Sarah Hall**

The notes on pages 8 to 10 form part of these financial statements

**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021**

**1 Accounting Policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical costs convention, with the exception of investments which are included at market value, and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2015) and applicable accounting standards in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102), effective 1 January 2015 and the Companies Act 2006.

**1.2 Company status**

The company is a company limited by guarantee and has no legal share capital. The Members of the the company are the Trustees named on page 1, On the event of a winding up every Member may be required to contribute £10 to the charity's assets for payment of the charity's debts and liabilities.

**1.3 Fund accounting**

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

**1.4 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**1.5 Resources expended**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated in a basis consistent with the use of the resources.

**1.6 Cash flow**

The financial statements do not include a cash flow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under section 7 of the Financial Reporting Standard (FRS102)

<b>2 Voluntary Income</b>	<b>2021</b>	<b>2020</b>
Sponsorship	20,000	102,500
<b>3 Investment Income</b>		
Bank interest received	75	757
<b>4 Incoming Resources from Charitable Activities</b>		
Commission on Art exhibition sales, submissions & Membership fees	81,341	62,102

**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021**

<b>5 Charitable Activities</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Agents Fees	24,000	24,000
Agents commission on sales	8,564	8,552
Prize winners payments	5,500	4,850
Catalogue & Newsletter costs	1,100	300
Printing costs	870	2,776
Postage/email mailings & stationery costs	756	1,186
Exhibition costs	7,364	21,844
Credit card fees	1,192	0
C24 Exhibition costs	150	1,886
Advertising	15,399	8,669
IT/Website costs	2,180	2,867
Submission fees to Agent	16,000	5,000
Transportation of Artists works and other travel costs	0	5,309
The Mall Galleries rent	0	50,000
Insurances	564	981
Storage costs	1,135	1,048
	<u>84,774</u>	<u>139,268</u>

**6 Governance Costs**

Accountancy/Examiners fees	1,429	1,793
Education costs	600	750
Bank charges	67	90
Sundry expenses	347	444
	<u>2,443</u>	<u>3,077</u>

**7 Net Incoming Resources**

This is stated after charging:

Accountants and examiners costs	1,429	1,793
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During the year Mrs C Enskat received an accountancy fee of £1026

During the year, Directors received reimbursement of - expenses of £244

**8 Debtors**

Other debtors	2,720	2,923
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**9 Creditors**

Amounts falling due within one year

Social security and other taxes		
Other creditors and accruals	8,702	5,673

**THE DISCERNING EYE LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021**

**10 SUMMARY OF FUNDS**

	<b>Brought forward</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Carried forward</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General funds	<b>180,863</b>	<b>101,416</b>	<b>87,217</b>	<b>195,062</b>