

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 33rd 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

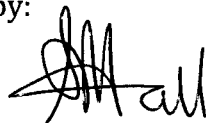
The Directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

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

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

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BALANCE SHEET AS AT 28 FEBRUARY 2025

	Note	2025 £	£	2024 £	£
CURRENT ASSETS					
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	
CREDITORS: amounts falling due within one year	11	<u>-5,425</u>		<u>-5,660</u>	
			<u>497,881</u>		<u>323,101</u>
NET CURRENT ASSETS			<u>497,881</u>		<u>323,101</u>
CHARITY FUNDS					
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

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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)

2 Voluntary Income

2025	2024
Sponsorship	102,500 102,500

3 Investment Income

Bank interest received	887 593
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4 Incoming Resources from Charitable Activities

Commission on Art exhibition sales & submissions	111,237 104,216
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5 Legacy Income

Income from the Christopher Jermy Trust	150,392 0
This has been allocated to an unrestricted designated fund.	

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

6 Charitable Activities	2025	2024
	£	£
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
	187,045	167,278

7 Governance Costs

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

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

12 SUMMARY OF FUNDS

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

**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 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: 23/10/2025

H Nicholls
7 Fox Lane
Little Bookham
Surrey
KT23 3AT