

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
PENWITH GALLERIES LTD
(LIMITED BY GUARANTEE)**

Greenwood Wilson
The Old School
The Stennack
St Ives
Cornwall
TR26 1QU

**PENWITH GALLERIES LTD
(LIMITED BY GUARANTEE)**

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FOR THE YEAR ENDED 31 MARCH 2021**

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**PENWITH GALLERIES LTD
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The advancement of public education in particular by encouraging the practice and disseminating knowledge of the arts and crafts in general but with a particular regard to contemporary painting, sculpture and other visual arts and to award scholarships, prizes or grants in aid to artists in need of training and financial assistance.

Significant activities

The main activities undertaken during the year in respect of the charitable company's objectives were the letting of studio space to artists and the exhibition of artwork at the gallery.

The year to March 2021 was a very unusual one because of the impact of the Covid 19 pandemic - this meant that we had to close the Gallery to visitors for a substantial part of the year. Nonetheless the year as a whole was very successful and when the Gallery was able to open its doors, we found that visitor numbers were very strong and our income from gallery hires and sales commission was good. We also managed to commission and complete the substantial refurbishment of the cottage at No 35 Back Road West which has been a long-standing ambition as well as creating a specialist archive room to increase our future involvement with education and research.

The trustees wish to record their particular gratitude to the Gallery's staff team for their hard work and dedication during this very difficult year; we are also grateful to the Penwith Society of Arts and to a number of individual artists for generous donations that have helped to fund our programme of improvement works.

FINANCIAL REVIEW

Financial position

We ended the financial year to 31st March 2021 with a surplus in the year on unrestricted funds of £18,089 which was a very good result. We had originally budgeted for a similar out-turn on the year to March 2021, but as the Covid pandemic took hold it was clear that the result for the year would be exceedingly hard to predict. The trustees were very grateful to be able to take advantage of both the government's furlough scheme to support staff salaries and the business support scheme channelled to business ratepayers via Cornwall Council; these schemes were invaluable in helping the charity to survive the year. As an illustration of this, sales and commission income in the 2019/20 year was £89,644, but in the 2020/21 year it fell to £56,794, but we received over £30,000 of Covid-related grants. The final result for the year to 31st March 2021 was a surplus of £45,995.

Reserves policy

Reserves are maintained at a level which ensures that the organisation's core activities can continue during a period of unforeseen difficulty.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01067234 (England and Wales)

Registered Charity number

264162

**PENWITH GALLERIES LTD
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Registered office

Penwith Galleries
Back Road West
St Ives
Cornwall
TR26 1NL

Trustees

J Emanuel
P R Williams
J Piper
Ms J E Bright (resigned 18/12/2019)
C M Clough (resigned 18/12/2019)
D E Try (appointed 13/01/2020)
M Verry (appointed 31/01/2020)
M R Watson (appointed 31/12/2019)
D J Elliott (appointed 02/03/2020)
J E George (Appointed 15/04/2020)

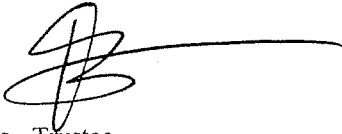
Company Secretary

P R Williams

Independent Examiner

Greenwood Wilson
The Old School
The Stennack
St Ives
Cornwall
TR26 1QU

Approved by order of the board of trustees on 20 October 2021 and signed on its behalf by:

A handwritten signature in black ink, consisting of a stylized 'P' and 'R' followed by a long horizontal line.

P R Williams - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
PENWITH GALLERIES LTD**

Independent examiner's report to the trustees of Penwith Galleries Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Peter Brotheridge
Greenwood Wilson
The Old School
The Stennack
St Ives
Cornwall
TR26 1QU

20 October 2021

**PENWITH GALLERIES LTD
(LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 Unrestricted fund £	2020 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		51,038	2,876
Charitable activities			
Gallery Activity		92,343	89,644
Investment income	2	26,935	33,223
Total		170,316	125,743
 EXPENDITURE ON			
Charitable activities			
Gallery Activity		124,321	107,654
 NET INCOME		45,995	18,089
 RECONCILIATION OF FUNDS			
Total funds brought forward		166,189	148,100
 TOTAL FUNDS CARRIED FORWARD		212,184	166,189

The notes form part of these financial statements

**PENWITH GALLERIES LTD
(LIMITED BY GUARANTEE)**

**BALANCE SHEET
31 MARCH 2021**

	Notes	2021 Unrestricted fund £	2020 Total funds £
FIXED ASSETS			
Tangible assets	7	191,987	73,578
CURRENT ASSETS			
Stocks	8	1,600	1,600
Debtors	9	23,963	-
Cash at bank and in hand		27,422	96,408
		<u>52,985</u>	<u>98,008</u>
CREDITORS			
Amounts falling due within one year	10	(32,788)	(5,397)
NET CURRENT ASSETS		<u>20,197</u>	<u>92,611</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		212,184	166,189
NET ASSETS		<u>212,184</u>	<u>166,189</u>
FUNDS	12		
Unrestricted funds		212,184	166,189
TOTAL FUNDS		<u>212,184</u>	<u>166,189</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.


The notes form part of these financial statements

**PENWITH GALLERIES LTD
(LIMITED BY GUARANTEE)**

**BALANCE SHEET - continued
31 MARCH 2021**

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

The financial statements were approved by the Board of Trustees and authorised for issue on 20 October 2021 and were signed on its behalf by:

A handwritten signature in black ink, consisting of a stylized 'P' and 'R' followed by a long horizontal line.

P R Williams - Trustee

**PENWITH GALLERIES LTD
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 20% on cost
Fixtures and fittings	- 10% on reducing balance
Computer equipment	- Straight line over 3 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**PENWITH GALLERIES LTD
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

2. INVESTMENT INCOME

	2021	2020
	£	£
Rents received	26,897	33,176
Deposit account interest	38	47
	<u>26,935</u>	<u>33,223</u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	2,625	1,941
Deficit on disposal of fixed assets	<u>6,137</u>	<u>-</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were Trustees expenses of £1,258 for the year ended 31 March 2017, £1,667 for the year ended 31 March 2016.

5. STAFF COSTS

The average monthly number of employees during the year was as follows:

	2021	2020
	3	3
Administration	<u>3</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	2,876
Charitable activities	
Gallery Activity	89,644
Investment income	<u>33,223</u>
Total	125,743
EXPENDITURE ON	
Charitable activities	
Gallery Activity	107,654

**PENWITH GALLERIES LTD
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £
NET INCOME	18,089
RECONCILIATION OF FUNDS	
Total funds brought forward	148,100
TOTAL FUNDS CARRIED FORWARD	<u>166,189</u>

7. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 April 2020	54,203	11,308	25,644	5,422	96,577
Additions	-	118,697	8,474	-	127,171
Disposals	-	-	(11,548)	-	(11,548)
At 31 March 2021	<u>54,203</u>	<u>130,005</u>	<u>22,570</u>	<u>5,422</u>	<u>212,200</u>
DEPRECIATION					
At 1 April 2020	-	7,770	12,271	2,958	22,999
Charge for year	-	565	1,114	946	2,625
Eliminated on disposal	-	-	(5,411)	-	(5,411)
At 31 March 2021	<u>-</u>	<u>8,335</u>	<u>7,974</u>	<u>3,904</u>	<u>20,213</u>
NET BOOK VALUE					
At 31 March 2021	<u>54,203</u>	<u>121,670</u>	<u>14,596</u>	<u>1,518</u>	<u>191,987</u>
At 31 March 2020	<u>54,203</u>	<u>3,538</u>	<u>13,373</u>	<u>2,464</u>	<u>73,578</u>

8. STOCKS

	2021 £	2020 £
Stocks	<u>1,600</u>	<u>1,600</u>

**PENWITH GALLERIES LTD
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other debtors	1,347	-
VAT	22,616	-
	<u>23,963</u>	<u>-</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other loans (see note 11)	30,000	-
Trade creditors	661	-
Social security and other taxes	-	873
VAT	-	1,682
Other creditors	282	116
Accruals and deferred income	1,845	2,726
	<u>32,788</u>	<u>5,397</u>

11. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>30,000</u>	<u>-</u>

12. MOVEMENT IN FUNDS

	At 1/4/20	Net movement in funds	At 31/3/21
	£	£	£
Unrestricted funds			
General fund	166,189	45,995	212,184
	<u>166,189</u>	<u>45,995</u>	<u>212,184</u>
TOTAL FUNDS	<u>166,189</u>	<u>45,995</u>	<u>212,184</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	170,316	(124,321)	45,995
	<u>170,316</u>	<u>(124,321)</u>	<u>45,995</u>
TOTAL FUNDS	<u>170,316</u>	<u>(124,321)</u>	<u>45,995</u>

**PENWITH GALLERIES LTD
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

12. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/19 £	Net movement in funds £	At 31/3/20 £
Unrestricted funds			
General fund	148,100	18,089	166,189
TOTAL FUNDS	<u>148,100</u>	<u>18,089</u>	<u>166,189</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	125,743	(107,654)	18,089
TOTAL FUNDS	<u>125,743</u>	<u>(107,654)</u>	<u>18,089</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/19 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General fund	148,100	64,084	212,184
TOTAL FUNDS	<u>148,100</u>	<u>64,084</u>	<u>212,184</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	296,059	(231,975)	64,084
TOTAL FUNDS	<u>296,059</u>	<u>(231,975)</u>	<u>64,084</u>

**PENWITH GALLERIES LTD
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

**PENWITH GALLERIES LTD
(LIMITED BY GUARANTEE)**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	51,038	2,876
Investment income		
Rents received	26,897	33,176
Deposit account interest	38	47
	<hr/> 26,935	<hr/> 33,223
Charitable activities		
Sales	56,794	89,644
Grants	35,549	-
	<hr/> 92,343	<hr/> 89,644
Total incoming resources	170,316	125,743
EXPENDITURE		
Charitable activities		
Wages	60,350	52,769
Pensions	1,233	632
Rates and water	6,882	5,583
Insurance	8,906	6,831
Light and heat	3,673	2,942
Telephone	725	735
Postage and stationery	3,866	3,928
Advertising	1,808	2,290
Sundries	2,819	3,040
Cleaning and laundry	508	256
Repairs and renewals	13,839	14,843
Shop purchases	2,674	3,773
Licences & subscriptions	1,463	762
Travel and subsistence	-	127
Dep'n improvements to property	565	96
Dep'n fixtures & fittings	1,114	1,472
Dep'n computer equipment	946	375
Loss on sale of tangible fixed assets	6,137	-
Bank interest and charges	2,111	2,909
	<hr/> 119,619	<hr/> 103,363
Support costs		
Governance costs		
Accountancy	4,702	4,129
Carried forward	4,702	4,129

This page does not form part of the statutory financial statements

**PENWITH GALLERIES LTD
(LIMITED BY GUARANTEE)**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
Governance costs		
Brought forward	4,702	4,129
Legal and professional fees	-	162
	<hr/> 4,702	<hr/> 4,291
Total resources expended	<hr/> 124,321	<hr/> 107,654
Net income	<hr/> <hr/> 45,995	<hr/> <hr/> 18,089

This page does not form part of the statutory financial statements