

REGISTERED COMPANY NUMBER: 01067234 (England and Wales)
REGISTERED CHARITY NUMBER: 264162

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
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 2022**

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

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

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 2022. 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.

In the year to March 2022 we continued to see the impact of the Covid pandemic but closures were less frequent and sales recovered well. The year as a whole was very successful and we were all very pleased to be able to welcome greater numbers of visitors. The letting of the refurbished cottage at No 35 Back Road West to local arts charity the St Ives School of Painting has also been very successful and much-welcomed. Use of the completed specialist archive room is gradually increasing but this will be a slow process as confidence returns.

The trustees wish to record their particular gratitude to the Gallery's staff team for their continuing hard work and dedication as we came out of the pandemic; as always, 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 improvement works.

FINANCIAL REVIEW

Financial position

We ended the financial year to 31st March 2022 with a surplus in the year on unrestricted funds of £71,535 which was a very good result indeed. The trustees were again 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, although of course the sums were much smaller this year than in the year to March 2022 and most of our financial recovery is down to increased sales and donations. As an illustration of this, sales and commission income in the 2020/21 year was about £57,000, but in the 2021/22 year it recovered to about £110,000.

Reserves policy

The charity's policy on the level of reserves is that they should provide at least three months operating costs for our staff team and the base overheads of maintaining the premises so that the organisation's core activities can continue during a period of unforeseen difficulty. The reserves at present are at a satisfactory level.

The Trustees feel confident that the future of the Gallery's core activities are secure and that our finances are on a secure footing.

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.

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

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

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. The Trustees meet regularly (either in person or by online meeting) to review the business of the organisation and to manage and support the staff team led by Julia Kerrison as the Gallery Manager.

The Trustees believe that the organisation is well-placed to make the most of the opportunities and challenges that lie ahead for the arts in St Ives and we will continue to work with local partners such as the Penwith Society of Arts, Tate St Ives, St Ives School of Painting, the Borlase Smart John Wells Trust and the St Ives Society of Artists to benefit the communities of St Ives and Cornwall.

The Board is firmly committed to the principles of diversity and equal opportunities; we are also committed to improving the environmental impact of our work and our buildings.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01067234 (England and Wales)

Registered Charity number

264162

Registered office

Penwith Galleries
Back Road West
St Ives
Cornwall
TR26 1NL

Trustees

John Emanuel
Ross Williams
Dave Try
Mark Verry
Mark Watson
David Elliott
Jill George
Tom Leaper (appointed 1st April 2021)

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 14 November 2022 and signed on its behalf by:



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 2022.

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

14 November 2022

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

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 Unrestricted fund £	2021 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		52,568	51,038
Charitable activities			
Gallery Activity		127,086	92,343
Investment income	2	34,864	26,935
Total		<u>214,518</u>	<u>170,316</u>
 EXPENDITURE ON			
Charitable activities			
Gallery Activity		142,983	124,321
NET INCOME		<u>71,535</u>	<u>45,995</u>
 RECONCILIATION OF FUNDS			
Total funds brought forward		212,184	166,189
 TOTAL FUNDS CARRIED FORWARD		<u><u>283,719</u></u>	<u><u>212,184</u></u>

The notes form part of these financial statements

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

**BALANCE SHEET
31 MARCH 2022**

	Notes	2022 Unrestricted fund £	2021 Total funds £
FIXED ASSETS			
Tangible assets	6	255,223	191,987
CURRENT ASSETS			
Stocks	7	1,600	1,600
Debtors	8	31,913	23,963
Cash at bank and in hand		48,683	27,422
		<u>82,196</u>	<u>52,985</u>
CREDITORS			
Amounts falling due within one year	9	(53,700)	(32,788)
NET CURRENT ASSETS		<u>28,496</u>	<u>20,197</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>283,719</u>	<u>212,184</u>
NET ASSETS		<u>283,719</u>	<u>212,184</u>
FUNDS	11		
Unrestricted funds		<u>283,719</u>	<u>212,184</u>
TOTAL FUNDS		<u>283,719</u>	<u>212,184</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 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.

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

**BALANCE SHEET - continued
31 MARCH 2022**

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 14 November 2022 and were signed on its behalf by:

A handwritten signature in dark ink, consisting of a stylized 'P' followed by a long horizontal stroke that curves upwards at the end.

P R Williams - Trustee

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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 2022**

2. INVESTMENT INCOME

	2022	2021
	£	£
Rents received	34,862	26,897
Deposit account interest	2	38
	<u>34,864</u>	<u>26,935</u>

3. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Depreciation - owned assets	5,277	2,625
Deficit on disposal of fixed assets	-	6,137
	<u>-</u>	<u>8,762</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

5. STAFF COSTS

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

	2022	2021
Administration	4	3
	<u>4</u>	<u>3</u>

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

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

6. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 April 2021	54,203	130,005	22,570	5,422	212,200
Additions	-	66,086	2,427	-	68,513
	<u>54,203</u>	<u>196,091</u>	<u>24,997</u>	<u>5,422</u>	<u>280,713</u>
DEPRECIATION					
At 1 April 2021	-	8,335	7,974	3,904	20,213
Charge for year	-	2,850	1,481	946	5,277
	<u>-</u>	<u>11,185</u>	<u>9,455</u>	<u>4,850</u>	<u>25,490</u>
NET BOOK VALUE					
At 31 March 2022	<u>54,203</u>	<u>184,906</u>	<u>15,542</u>	<u>572</u>	<u>255,223</u>
At 31 March 2021	<u>54,203</u>	<u>121,670</u>	<u>14,596</u>	<u>1,518</u>	<u>191,987</u>

7. STOCKS

	2022 £	2021 £
Stocks	<u>1,600</u>	<u>1,600</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	15,445	-
Other debtors	124	1,347
VAT	16,344	22,616
	<u>31,913</u>	<u>23,963</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other loans (see note 10)	25,000	30,000
Trade creditors	9,683	661
Other creditors	295	282
Accruals and deferred income	18,722	1,845
	<u>53,700</u>	<u>32,788</u>

10. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>25,000</u>	<u>30,000</u>

11. MOVEMENT IN FUNDS

	At 1/4/21 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General fund	212,184	71,535	283,719
	<u>212,184</u>	<u>71,535</u>	<u>283,719</u>
TOTAL FUNDS	<u>212,184</u>	<u>71,535</u>	<u>283,719</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	214,518	(142,983)	71,535
	<u>214,518</u>	<u>(142,983)</u>	<u>71,535</u>
TOTAL FUNDS	<u>214,518</u>	<u>(142,983)</u>	<u>71,535</u>

Comparatives for 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>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

11. MOVEMENT IN FUNDS - continued

Comparative 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
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>170,316</u>	<u>(124,321)</u>	<u>45,995</u>

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

	At 1/4/20 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General fund	166,189	117,530	283,719
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>166,189</u>	<u>117,530</u>	<u>283,719</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	384,834	(267,304)	117,530
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>384,834</u>	<u>(267,304)</u>	<u>117,530</u>

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022.

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

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	52,568	51,038
Investment income		
Rents received	34,862	26,897
Deposit account interest	2	38
	<hr/> 34,864	<hr/> 26,935
Charitable activities		
Sales	110,142	56,794
Grants	16,944	35,549
	<hr/> 127,086	<hr/> 92,343
Total incoming resources	214,518	170,316
EXPENDITURE		
Charitable activities		
Wages	69,006	60,350
Pensions	1,373	1,233
Rates and water	4,098	6,882
Insurance	10,629	8,906
Light and heat	4,475	3,673
Telephone	703	725
Postage and stationery	7,041	3,866
Advertising	525	1,808
Sundries	3,326	2,819
Cleaning and laundry	678	508
Repairs and renewals	14,886	13,839
Shop purchases	3,662	2,674
Licences & subscriptions	1,594	1,463
Travel and subsistence	196	-
Exhibition expenses	1,624	-
Dep'n improvements to property	2,849	565
Dep'n fixtures & fittings	1,480	1,114
Dep'n computer equipment	946	946
Loss on sale of tangible fixed assets	-	6,137
Bank interest and charges	4,051	2,111
Own art fees	873	-
	<hr/> 134,015	<hr/> 119,619
Support costs		
Governance costs		
Accountancy	6,061	4,702
Carried forward	6,061	4,702

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 2022**

	2022 £	2021 £
Governance costs		
Brought forward	6,061	4,702
Legal and professional fees	800	-
Bookkeeping costs	2,107	-
	<hr/> 8,968	<hr/> 4,702
Total resources expended	<hr/> 142,983	<hr/> 124,321
Net income	<hr/> <hr/> 71,535	<hr/> <hr/> 45,995