

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 2023
FOR
PENWITH GALLERIES LIMITED
(LIMITED BY GUARANTEE)**

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

PENWITH GALLERIES LIMITED
(LIMITED BY GUARANTEE)

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FOR THE YEAR ENDED 31 MARCH 2023

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**PENWITH GALLERIES LIMITED (REGISTERED NUMBER: 01067234)
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

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 2023. 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 2023 represented something of a return to normal activity after the upheavals of the Covid pandemic, with no forced gallery closures. The year as a whole was very successful and we were all very pleased to be able to welcome greater numbers of visitors, although both sales and donations were down somewhat on the previous year in a sign that wider economic difficulties were having an impact on disposable incomes.

As an organisation, we are aware that our buildings need significant investment; we have been able to make relatively small improvements in recent years but we have now started the process of grant applications to help to fund feasibility work with the aim of implementing major works over the next three years.

As always, the trustees wish to record their particular gratitude to the Gallery's staff team for their continuing hard work and dedication; 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 2023 with a surplus in the year on unrestricted funds of £23,616 which was a good result even though it was lower than the surplus recorded in the previous year - this had been something of an exception, partly thanks to government Covid grants.

As an illustration of this, sales and commission income in the 2021/22 year were about £110,000, but in the 2022/23 year this dropped to just under £100,000 and donations in 2022/23 fell from £53,000 to £36,000.

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 LIMITED (REGISTERED NUMBER: 01067234)
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

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

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 18 September 2023 and signed on its behalf by:



P R Williams - Trustee

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

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

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

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

18 September 2023

PENWITH GALLERIES LIMITED
(LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 Unrestricted fund £	2022 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		36,044	52,568
Charitable activities			
Gallery Activity		104,533	127,086
Investment income	2	32,248	34,864
Total		<u>172,825</u>	<u>214,518</u>
EXPENDITURE ON			
Charitable activities			
Gallery Activity		<u>149,209</u>	<u>142,983</u>
NET INCOME		23,616	71,535
RECONCILIATION OF FUNDS			
Total funds brought forward		283,719	212,184
TOTAL FUNDS CARRIED FORWARD		<u><u>307,335</u></u>	<u><u>283,719</u></u>

The notes form part of these financial statements

PENWITH GALLERIES LIMITED (REGISTERED NUMBER: 01067234)
(LIMITED BY GUARANTEE)

BALANCE SHEET
31 MARCH 2023

	Notes	2023 Unrestricted fund £	2022 Total funds £
FIXED ASSETS			
Tangible assets	6	254,569	255,223
CURRENT ASSETS			
Stocks	7	1,825	1,600
Debtors	8	28,069	31,913
Cash at bank and in hand		98,354	48,683
		<u>128,248</u>	<u>82,196</u>
CREDITORS			
Amounts falling due within one year	9	(75,482)	(53,700)
		<u>52,766</u>	<u>28,496</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		307,335	283,719
		<u>307,335</u>	<u>283,719</u>
NET ASSETS			
FUNDS	11		
Unrestricted funds		307,335	283,719
		<u>307,335</u>	<u>283,719</u>
TOTAL FUNDS			
		<u>307,335</u>	<u>283,719</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 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 LIMITED (REGISTERED NUMBER: 01067234)
(LIMITED BY GUARANTEE)

BALANCE SHEET - continued
31 MARCH 2023

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 18 September 2023 and were signed on its behalf by:

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

P R Williams - Trustee

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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 LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

2. INVESTMENT INCOME

	2023	2022
	£	£
Rents received	32,136	34,862
Deposit account interest	112	2
	<u>32,248</u>	<u>34,864</u>

3. NET INCOME/(EXPENDITURE)

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

	2023	2022
	£	£
Depreciation - owned assets	<u>6,876</u>	<u>5,277</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

5. STAFF COSTS

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

	2023	2022
	4	4
Administration	<u>4</u>	<u>4</u>

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

PENWITH GALLERIES LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

6. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 April 2022	54,203	196,091	24,997	5,422	280,713
Additions	-	-	6,222	-	6,222
	<u>54,203</u>	<u>196,091</u>	<u>31,219</u>	<u>5,422</u>	<u>286,935</u>
At 31 March 2023					
DEPRECIATION					
At 1 April 2022	-	11,185	9,455	4,850	25,490
Charge for year	-	4,059	2,245	572	6,876
	<u>-</u>	<u>15,244</u>	<u>11,700</u>	<u>5,422</u>	<u>32,366</u>
At 31 March 2023					
NET BOOK VALUE					
At 31 March 2023	<u>54,203</u>	<u>180,847</u>	<u>19,519</u>	<u>-</u>	<u>254,569</u>
At 31 March 2022	<u>54,203</u>	<u>184,906</u>	<u>15,542</u>	<u>572</u>	<u>255,223</u>

7. STOCKS

	2023 £	2022 £
Stocks	<u>1,825</u>	<u>1,600</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	19,745	15,445
Other debtors	124	124
VAT	-	16,344
Prepayments and accrued income	<u>8,200</u>	<u>-</u>
	<u>28,069</u>	<u>31,913</u>

PENWITH GALLERIES LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Other loans (see note 10)	25,000	25,000
Trade creditors	18,656	9,683
VAT	2,404	-
Other creditors	680	295
Accruals and deferred income	28,742	18,722
	<u>75,482</u>	<u>53,700</u>

10. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>25,000</u>	<u>25,000</u>

11. MOVEMENT IN FUNDS

	At 1/4/22	Net movement in funds	At 31/3/23
	£	£	£
Unrestricted funds			
General fund	283,719	23,616	307,335
	<u>283,719</u>	<u>23,616</u>	<u>307,335</u>
TOTAL FUNDS	<u>283,719</u>	<u>23,616</u>	<u>307,335</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	172,825	(149,209)	23,616
	<u>172,825</u>	<u>(149,209)</u>	<u>23,616</u>
TOTAL FUNDS	<u>172,825</u>	<u>(149,209)</u>	<u>23,616</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

11. MOVEMENT IN FUNDS - continued

Comparatives for 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
TOTAL FUNDS	<u>212,184</u>	<u>71,535</u>	<u>283,719</u>

Comparative 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
TOTAL FUNDS	<u>214,518</u>	<u>(142,983)</u>	<u>71,535</u>

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

	At 1/4/21 £	Net movement in funds £	At 31/3/23 £
Unrestricted funds			
General fund	212,184	95,151	307,335
TOTAL FUNDS	<u>212,184</u>	<u>95,151</u>	<u>307,335</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	387,343	(292,192)	95,151
TOTAL FUNDS	<u>387,343</u>	<u>(292,192)</u>	<u>95,151</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.