

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

England & Wales · Charity number 291405

Details

Status Registered

Legal form Other

Registered 1985-03-20

Register [View on the Charity Commission register](#)

Contact

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Coleford
Radstock
BA3 5PF

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Website www.royalinstituteofpaintersinwatercolours.org

Activities

Objects: THE ADVANCEMENT OF THE AESTHETIC EDUCATION OF THE PUBLIC BY THE PROMOTION OF FINE ARTS AND IN PARTICULAR THE ART OF PAINTING IN WATER COLOURS.

Activities: The objectives of the RI are for the advancement of the aesthetic education of the public by the promotion of the fine arts and in particular the art of painting in watercolours. (These objectives are mainly realised through an annual exhibition. This year was the 209th and held at the Mall Galleries, London).

Classification

- **How:** Provides Advocacy/advice/information, Other Charitable Activities
- **What:** Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£99,388	£95,057	-	-
2023-12-31	£93,039	£86,941	-	-
2022-12-31	£68,184	£68,670	-	-
2021-12-31	£82,837	£84,353	-	-
2020-12-31	£61,938	£58,313	-	-

Trustees

Name	Role	Appointed
David Parfitt RI		2016-04-21
Mari French RI		2024-04-18
ROSA SEPPLE RI		2016-04-21

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

England & Wales - Charity number 291405

Accounts

Charity number: 291405

**ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS
UNAUDITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024**

**RPG Crouch Chapman LLP
Chartered Accountants & Statutory Auditor
40 Gracechurch Street
London
EC3V 0BT**

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

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ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Trustees	Robin Hazlewood (resigned 18 April 2024) Mari French (appointed 18 April 2024) Rosa Sepple David Parfitt
Charity registered number	291405
Principal office	13 Coal Barton Coleford Radstock BA3 5PF
Accountants	RPG Crouch Chapman LLP Chartered Accountants and Statutory Auditors 40 Gracechurch Street London EC3V 0BT
Bankers	HSBC Plc 33 The Borough Farnham Surrey GU9 7NJ
Independent Examiner	Jeremy Tyrrell BA (Hons) FCA RPG Crouch Chapman LLP 40 Gracechurch Street London EC3V 0BT

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees submit their annual report and the financial statements of the Royal Institute of Painters in Water Colours (the RI) for the year ended 31 December 2024. The Trustees confirm that the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP 2015) applicable to charities preparing their accounts in accordance with FRS 102.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed. Under these terms the Trustees are elected by ballot at the AGM.

CONSTITUTION POLICIES AND OBJECTIVES

The charity is governed by the trust deed, known as the rules. The charity was founded in 1831 and in 1863 by command of Queen Victoria was able to use the prefix "Royal". In 1985 it was granted charitable status and the objectives in its governing rules were amended as follows:

The objectives of the RI are for the advancement of the aesthetic education of the public by the promotion of the fine arts and in particular the art of painting in water colours.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

These objectives are mainly realised through an annual exhibition of which this year's, the 212th, was held at the Mall Galleries from 28th March to 13th April 2024. This exhibition consisted of 465 watercolour or water-based paintings, approximately 51% by the members and 49% by non-members. The non-members' entries were selected by a panel of RI members to ensure the high standard of the exhibition. In addition, in 2024, The RI sponsored 3 awards; The Coronation Award (for students under age 18), The RI Young Artist Award (under 30) and the Presidents Choice Award.

It is through the annual exhibition at the Mall Galleries and other exhibitions that the RI has in galleries and museums around the country that the RI has continued to promote the highest standard of watercolour. This is in conjunction with talks, events, demonstrations, and workshops given by members to the public during the run of the exhibition and at other times during the year. In 2019 the RI published a book, 'RI, Then and Now', a history of the RI that also showcased members and their work.

PUBLIC BENEFIT

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims & objectives and planning future activities.

CONNECTED CHARITIES

The charity is one of nine member societies of the Federation of British Artists (registered charity number 200048 and company number 683275). A representative from the charity sits on the board of trustees of the Federation. The Federation carries out activities in line with the charity's objects and collects income on behalf of the charity.

The charity currently provides a contribution to the costs of the annual exhibition born by the Federation of British Artists (FBA).

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

RISK MANAGEMENT

As the objectives of the RI are for the advancement of the aesthetic education of the public by the promotion of the Fine Arts and in particular the Art of Painting in Water Colours, and this is done mainly through the annual exhibition, which is funded through the sale of work and the submission fees, the risk would be the inability to hold this exhibition either through a downturn of the market or the unavailability of an exhibition space.

Our reserves policy recognises these risks. Were no exhibition space of an appropriate size to be available members would continue to exhibit, and hold demonstration events, singly or in small groups.

In light of this, the Trustees consider that they have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate the exposure to the major risks.

RESERVES POLICY

The Society's reserves policy is to hold sufficient funds to be able to continue an annual exhibition in London for at least 2 years. It is estimated that the cost of a London exhibition would be in the region of £50k for 1 week or £86k for 2 weeks. As such the trustees consider that there are sufficient funds to hold an annual exhibition for at least 2 years depending on whether the Society wished to hold a 1 or 2 week exhibition. The charity currently has free reserves (defined as net current assets) of £148,801 (2023: £144,245.)

FINANCIAL PERFORMANCE

During the year, the charity had total income of £100,388 (2023: £95,789), of which £99,388 (2023: £93,789) represents unrestricted income and £1,000 (2023: £2,750) represents restricted income. Total expenditure amounted to £95,832 (2023: £89,941), split between unrestricted expenditure of £95,057 (2023: £86,941) and restricted expenditure of £775 (2023: £3,000). After a funds transfer of £25 (2023: £Nil), this resulted in a net surplus of £4,556 (2023: £5,848), made up of an unrestricted surplus of £4,306 (2023: £6,098) and a restricted surplus of £250 (2023: deficit of £250). Total funds at the year end amounted to £188,801 (2023: £184,245), made up of unrestricted funds of £187,301 (2023: £182,994) and restricted funds of £1,500 (2023: £1,250).

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
David Parfitt

Treasurer

Date: 8 AUGUST 2025

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Independent examiner's report to the Trustees of Royal Institute of Painters in Water Colours (‘the charity’)

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2024.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (‘the 2011 Act’).

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.


I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Signed: 
Jeremy Tyrrell BA (Hons) FCA

Dated: 20.08.25

RPG Crouch Chapman LLP
40 Gracechurch Street
London EC3V 0BT

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	4	-	1,000	1,000	2,762
Charitable activities	5	94,298	-	94,298	88,681
Investments	6	5,090	-	5,090	4,346
Total income		99,388	1,000	100,388	95,789
Expenditure on:					
Charitable activities	7	95,057	775	95,832	89,941
Total expenditure		95,057	775	95,832	89,941
Net income		4,331	225	4,556	5,848
Transfers between funds	14	(25)	25	-	-
Net movement in funds		4,306	250	4,556	5,848
Reconciliation of funds:					
Total funds brought forward		182,995	1,250	184,245	178,397
Net movement in funds		4,306	250	4,556	5,848
Total funds carried forward		187,301	1,500	188,801	184,245

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 8 to 18 form part of these financial statements.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

**BALANCE SHEET
AS AT 31 DECEMBER 2024**

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	10	40,000	40,000
		<u>40,000</u>	<u>40,000</u>
Current assets			
Stocks	11	675	675
Debtors	12	35	281
Cash at bank and in hand		150,595	145,679
		<u>151,305</u>	<u>146,635</u>
Creditors: amounts falling due within one year	13	(2,504)	(2,390)
Net current assets		<u>148,801</u>	<u>144,245</u>
Total net assets		<u><u>188,801</u></u>	<u><u>184,245</u></u>
Charity funds			
Restricted funds	14	1,500	1,250
Unrestricted funds			
Designated funds	14	4,100	6,150
General funds	14	183,201	176,845
Total unrestricted funds	14	<u>187,301</u>	<u>182,995</u>
Total funds		<u><u>188,801</u></u>	<u><u>184,245</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
David Parfitt

Treasurer

Date: 8 AUGUST 2025

The notes on pages 8 to 18 form part of these financial statements.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information

The entity is an unincorporated trust registered with the Charity Commission in England and Wales, charity number 291405. Its principal office is 16 Beverley Path, Barnes, London, SW13 0AL, which is also its principal place of operation.

The activity of the trust remained that of the advancement of the aesthetic education of the public by the promotion of the fine arts and in particular the art of painting in water colours.

These financial statements have been prepared in GBP and all amounts have been rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Royal Institute of Painters in Water Colours meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The trustees confirm their unreserved and explicit compliance with the above regulations.

2.2 Tangible fixed assets

Tangible fixed assets comprise the chairman's chain of office which is carried at valuation and is not depreciated as a useful life cannot be established with reasonable certainty.

2.3 Income

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

Gifts in kind donated for fundraising purposes are included at valuation and recognised as income when they are sold.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank with whom the funds are deposited.

2.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.7 Cash Flow Exclusion

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirements to prepare such a statement.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 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 charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity's only fixed asset is the chairman's chain of office which is shown at a valuation obtained in 2010. The trustees are of the opinion that the value has not changed significantly since then. Information regarding the cost when created in the 1890's is not readily available.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

4. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	-	-	-	12
Grants	-	1,000	1,000	2,750
	<u>-</u>	<u>1,000</u>	<u>1,000</u>	<u>2,762</u>
<i>Total 2023</i>	<u>12</u>	<u>2,750</u>	<u>2,762</u>	

5. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
RI	8,043	8,043	7,211
Federation of British Artists	86,255	86,255	81,470
Total 2024	<u>94,298</u>	<u>94,298</u>	<u>88,681</u>
<i>Total 2023</i>	<u>88,681</u>	<u>88,681</u>	

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

6. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Investment income	5,090	5,090	4,346
<i>Total 2023</i>	<u>4,346</u>	<u>4,346</u>	

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Direct costs - RI	8,802	775	9,577	8,471
Direct costs - Federation of British Artists	86,255	-	86,255	81,470
	<u>95,057</u>	<u>775</u>	<u>95,832</u>	<u>89,941</u>
<i>Total 2023</i>	<u>86,941</u>	<u>3,000</u>	<u>89,941</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Direct costs - RI	7,267	2,310	9,577	8,471
Direct costs - Federation of British Artists	86,255	-	86,255	81,470
	<u>93,522</u>	<u>2,310</u>	<u>95,832</u>	<u>89,941</u>
<i>Total 2023</i>	<u>87,746</u>	<u>2,195</u>	<u>89,941</u>	

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2024 £	Federation of British Artists 2024 £	Total funds 2024 £	Total funds 2023 £
Other	-	86,255	86,255	81,470
Expenses	1,728	-	1,728	938
Awards	2,825	-	2,825	3,000
Bank charges	64	-	64	63
Workshops	2,650	-	2,650	2,275
	<u>7,267</u>	<u>86,255</u>	<u>93,522</u>	<u>87,746</u>
<i>Total 2023</i>	<u>6,276</u>	<u>81,470</u>	<u>87,746</u>	

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Independent Examiner's remuneration	<u>2,310</u>	<u>2,195</u>

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 December 2024, no Trustee expenses have been incurred (2023 - £NIL).

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

10. Tangible fixed assets

	Chain of Office £
Cost or valuation	
At 1 January 2024	40,000
At 31 December 2024	<u>40,000</u>
Net book value	
At 31 December 2024	<u>40,000</u>
At 31 December 2023	<u>40,000</u>

The chain is shown at a valuation obtained in 2010 and valuations are obtained at regular intervals. Information regarding the cost when created in the 1890s is not readily available.

11. Stocks

	2024 £	2023 £
Finished goods and goods for resale	<u>675</u>	<u>675</u>

12. Debtors

	2024 £	2023 £
Trade debtors	<u>35</u>	<u>281</u>
	<u>35</u>	<u>281</u>

13. Creditors: Amounts falling due within one year

	2024 £	2023 £
Accruals and deferred income	<u>2,504</u>	<u>2,390</u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

14. Statement of funds

Statement of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2024 £
Unrestricted funds					
Designated funds					
The Coronation Award	900	-	(300)	-	600
The President's Choice Award	2,250	-	(750)	-	1,500
The RI Young Artists' Award	3,000	-	(1,000)	-	2,000
	<u>6,150</u>	<u>-</u>	<u>(2,050)</u>	<u>-</u>	<u>4,100</u>
General funds					
General fund	176,845	99,388	(93,007)	(25)	183,201
Total Unrestricted funds	<u>182,995</u>	<u>99,388</u>	<u>(95,057)</u>	<u>(25)</u>	<u>187,301</u>
Restricted funds					
The Bao Hong Watercolour Artists Award	-	-	-	-	-
The Chaoson Watercolour Award	1,250	-	(275)	25	1,000
The Leathersellers' Award	-	-	-	-	-
The James Fletcher-Watson RI Award	-	1,000	(500)	-	500
President's Choice Award	-	-	-	-	-
	<u>1,250</u>	<u>1,000</u>	<u>(775)</u>	<u>25</u>	<u>1,500</u>
Total of funds	<u>184,245</u>	<u>100,388</u>	<u>(95,832)</u>	<u>-</u>	<u>188,801</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

14. Statement of funds (continued)

Restricted funds represent grants given for specific prizes. In the year to 31 December 2023, they are made up of four specific prizes or awards:

The Leathersellers' Award

The Leathersellers' Award represents funds originally given to the RI by the Leathersellers in 2014 for what was initially a 5 year period. Further top-ups for prizes were received in subsequent years but the award has now ended, with the last payment made in 2023.

The James Fletcher-Watson RI Award

The James Fletcher-Watson RI Award is based on a donation by the relatives of the late James Fletcher-Watson RI. The RI acts as a conduit for the award, which is funded on an annual basis by the Fletcher-Watson family.

The Bao Hong Watercolour Artists Award and The Chaosan Watercolour Award

Funds of £3,750 were received on 9 June 2018 in respect of The Bao Hong Watercolour Artists Award (for 2 x £250 awards each year) and The Chaosan Watercolour Award (for £250 each year). Both awards were for the 5-year-period from 2019 to 2023. The Chaosan Watercolour Award is continuing for a further 5 years. The Bao Hong Award has now formally ended.

The President's Choice Award

On 8 May 2019 £3,000 was received from an RI member who donated his 2019 Winsor & Newton Award to the RI. This is to fund an annual award of £750 for a period of 4 years (from 2020 to 2023).

Designated funds represent funds which the trustees have set aside for future award. Effective from 2024 the RI Council has decided to sponsor 3 annual awards, initially for 3 years:

The Coronation Award

£300 per year for a Young Artist under 18

The President's Choice Award

The Trustees have decided to continue this award by means of self-funding it.

The RI Young Artists Award

£1,000 per annum to replace the Leathersellers' Award.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

14. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2023 £</i>
Unrestricted funds					
Designated funds					
The Coronation Award	-	-	-	900	900
The President's Choice Award	-	-	-	2,250	2,250
The RI Young Artists' Award	-	-	-	3,000	3,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,150</u>	<u>6,150</u>
General funds					
General Funds - all funds	176,897	93,039	(86,941)	(6,150)	176,845
Total Unrestricted funds	<u>176,897</u>	<u>93,039</u>	<u>(86,941)</u>	<u>-</u>	<u>182,995</u>
Restricted funds					
The Bao Hong Watercolour Artists Award	500	-	(500)	-	-
The Chaoson Watercolour Award	250	1,250	(250)	-	1,250
The Leathersellers' Award	-	1,000	(1,000)	-	-
The James Fletcher-Watson RI Award	-	500	(500)	-	-
President's Choice Award	750	-	(750)	-	-
	<u>1,500</u>	<u>2,750</u>	<u>(3,000)</u>	<u>-</u>	<u>1,250</u>
Total of funds	<u>178,397</u>	<u>95,789</u>	<u>(89,941)</u>	<u>-</u>	<u>184,245</u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	40,000	-	40,000
Current assets	149,805	1,500	151,305
Creditors due within one year	(2,504)	-	(2,504)
Total	<u>187,301</u>	<u>1,500</u>	<u>188,801</u>

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	40,000	-	40,000
Current assets	145,385	1,250	146,635
Creditors due within one year	(2,390)	-	(2,390)
Total	<u>182,995</u>	<u>1,250</u>	<u>184,245</u>

16. Related party transactions

David Parfitt (treasurer) received a prize of £500 in 2023. No prize monies were awarded to trustees in 2024.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

England & Wales - Charity number 291405

Accounts

Charity number: 291405

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS
UNAUDITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

RPGCC
Chartered Accountants & Statutory Auditor
40 Gracechurch Street
London
EC3V 0BT

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

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ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees	Robin Hazlewood Rosa Sepple David Parfitt
Charity registered number	291405
Principal office	13 Coal Barton Coleford Radstock BA3 5PF
Accountants	RPG Crouch Chapman LLP Chartered Accountants and Statutory Auditors 40 Gracechurch Street London EC3V 0BT
Bankers	HSBC Plc 33 The Borough Farnham Surrey GU9 7NJ
Independent Examiner	Jeremy Tyrrell BA (Hons) FCA RPG Crouch Chapman LLP 40 Gracechurch Street London EC3V 0BT

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees submit their annual report and the financial statements of the Royal Institute of Painters in Water Colours (the RI) for the year ended 31 December 2023. The Trustees confirm that the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP 2015) applicable to charities preparing their accounts in accordance with FRS 102.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed. Under these terms the Trustees are elected by ballot at the AGM.

CONSTITUTION POLICIES AND OBJECTIVES

The charity is governed by the trust deed, known as the rules. The charity was founded in 1831 and in 1863 by command of Queen Victoria was able to use the prefix "Royal". In 1985 it was granted charitable status and the objectives in its governing rules were amended as follows:

The objectives of the RI are for the advancement of the aesthetic education of the public by the promotion of the fine arts and in particular the art of painting in water colours.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

These objectives are mainly realised through an annual exhibition of which this year's, the 211th, was held at the Mall Galleries from 30th March to 8th 2023. There were 3,076 visitors to the exhibition which was also shown online through the FBA website from March 2023. This exhibition consisted of 449 watercolour or water-based paintings, approximately 53% by the members and 47% by non-members. The non-members' entries were selected by a panel of RI members to ensure the high standard of the exhibition.

It is through the annual exhibition at the Mall Galleries and other exhibitions that the RI has in galleries and museums around the country that the RI has continued to promote the highest standard of watercolour. This is in conjunction with talks, events, demonstrations, and workshops given by members to the public during the run of the exhibition and at other times during the year. In 2019 the RI published a book, 'RI, Then and Now', a history of the RI that also showcased members and their work.

PUBLIC BENEFIT

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims & objectives and planning future activities.

CONNECTED CHARITIES

The charity is one of nine member societies of the Federation of British Artists (registered charity number 200048 and company number 683275). A representative from the charity sits on the board of trustees of the Federation. The Federation carries out activities in line with the charity's objects and collects income on behalf of the charity.

The charity currently provides a contribution to the costs of the annual exhibition born by the Federation of British Artists (FBA).

RISK MANAGEMENT

As the objectives of the RI are for the advancement of the aesthetic education of the public by the promotion of the Fine Arts and in particular the Art of Painting in Water Colours, and this is done mainly through the annual exhibition, which is funded through the sale of work and the submission fees, the risk would be the inability to hold this exhibition either through a downturn of the market or the unavailability of an exhibition space.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Our reserves policy recognises these risks. Were no exhibition space of an appropriate size to be available members would continue to exhibit, and hold demonstration events, singly or in small groups.

In light of this, the Trustees consider that they have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate the exposure to the major risks.

RESERVES POLICY

The Society's reserves policy is to hold sufficient funds to be able to continue an annual exhibition in London for at least 2 years. It is estimated that the cost of a London exhibition would be in the region of £50k for 1 week or £86k for 2 weeks. As such the trustees consider that there are sufficient funds to hold an annual exhibition for at least 2 years depending on whether the Society wished to hold a 1 or 2 week exhibition. The charity currently has free reserves (net current assets) of £144,245.

FINANCIAL PERFORMANCE

During the year, the charity had total income of £95,789 (2022: £68,684), of which £93,039 (2022: £68,184) represents unrestricted income and £2,750 (2022: £500) represents restricted income. Total expenditure amounted to £89,941 (2022: £71,670), split between unrestricted expenditure of £86,941 (2022: £68,670) and restricted expenditure of £3,000 (2022: £3,000). After a funds transfer of £Nil (2022: £500), this resulted in a net surplus of £5,848 (2022: deficit of £2,988), made up of an unrestricted surplus of £6,098 (2022: deficit of £988) and a restricted deficit of £250 (2022: deficit of £2,000). Total funds at the year end amounted to £184,245 (2022: £178,397), made up of unrestricted funds of £182,995 (2022: £176,897) and restricted funds of £1,250 (2022: £1,500).

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
David Parfitt
Treasurer

Date: 31 JULY 2024

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Independent examiner's report to the Trustees of Royal Institute of Painters in Water Colours (‘the charity’)

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2023.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (‘the 2011 Act’).

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Signed: 

Dated: 6/8/2024

Jeremy Tyrrell BA (Hons) FCA

RPG Crouch Chapman LLP
40 Gracechurch Street
London EC3V 0BT

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	12	2,750	2,762	557
Charitable activities	5	88,681	-	88,681	67,276
Investments	6	4,346	-	4,346	851
Total income		93,039	2,750	95,789	68,684
Expenditure on:					
Charitable activities	7	86,941	3,000	89,941	71,670
Total expenditure		86,941	3,000	89,941	71,670
Net income/(expenditure) before net losses on investments		6,098	(250)	5,848	(2,986)
Net losses on investments		-	-	-	(2)
Net movement in funds		6,098	(250)	5,848	(2,988)
Reconciliation of funds:					
Total funds brought forward		176,897	1,500	178,397	181,385
Net movement in funds		6,098	(250)	5,848	(2,988)
Total funds carried forward		182,995	1,250	184,245	178,397

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 7 to 19 form part of these financial statements.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	10	40,000	40,000
		<u>40,000</u>	<u>40,000</u>
Current assets			
Stocks	11	675	675
Debtors	12	281	186
Cash at bank and in hand		145,679	139,617
		<u>146,635</u>	<u>140,478</u>
Creditors: amounts falling due within one year	13	(2,390)	(2,081)
Net current assets		<u>144,245</u>	<u>138,397</u>
Total net assets		<u><u>184,245</u></u>	<u><u>178,397</u></u>
Charity funds			
Restricted funds	14	1,250	1,500
Unrestricted funds			
Designated funds	14	6,150	-
General funds	14	176,845	176,897
Total unrestricted funds	14	<u>182,995</u>	<u>176,897</u>
Total funds		<u><u>184,245</u></u>	<u><u>178,397</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
David Parfitt
Treasurer

Date: 31 JULY 2024

The notes on pages 7 to 19 form part of these financial statements.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

The entity is an unincorporated trust registered with the Charity Commission in England and Wales, charity number 291405. Its principal office is 16 Beverley Path, Barnes, London, SW13 0AL, which is also its principal place of operation.

The activity of the trust remained that of the advancement of the aesthetic education of the public by the promotion of the fine arts and in particular the art of painting in water colours.

These financial statements have been prepared in GBP and all amounts have been rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Royal Institute of Painters in Water Colours meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The trustees confirm their unreserved and explicit compliance with the above regulations.

2.2 Tangible fixed assets

Tangible fixed assets comprise the chairman's chain of office which is carried at valuation and is not depreciated as a useful life cannot be established with reasonable certainty.

2.3 Income

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

Gifts in kind donated for fundraising purposes are included at valuation and recognised as income when they are sold.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank with whom the funds are deposited.

2.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.7 Cash Flow Exclusion

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirements to prepare such a statement.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 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 charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity's only fixed asset is the chairman's chain of office which is shown at a valuation obtained in 2010. The trustees are of the opinion that the value has not changed significantly since then. Information regarding the cost when created in the 1890's is not readily available.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	12	-	12
Grants	-	2,750	2,750
	<u>12</u>	<u>2,750</u>	<u>2,762</u>

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations	57	-	57
Grants	-	500	500
	<u>57</u>	<u>500</u>	<u>557</u>

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
RI	7,211	7,211
Federation of British Artists	81,470	81,470
Total 2023	<u>88,681</u>	<u>88,681</u>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
RI	3,138	3,138
Federation of British Artists	64,138	64,138
<i>Total 2022</i>	<u>67,276</u>	<u>67,276</u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Investment income	4,346	4,346
	<u>4,346</u>	<u>4,346</u>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Investment income	851	851
	<u>851</u>	<u>851</u>

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Direct costs - RI	5,471	3,000	8,471
Direct costs - Federation of British Artists	81,470	-	81,470
	<u>86,941</u>	<u>3,000</u>	<u>89,941</u>
	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total 2022 £</i>
Direct costs - RI	4,532	3,000	7,532
Direct costs - Federation of British Artists	64,138	-	64,138
	<u>68,670</u>	<u>3,000</u>	<u>71,670</u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Direct costs - RI	6,276	2,195	8,471
Direct costs - Federation of British Artists	81,470	-	81,470
	<u>87,746</u>	<u>2,195</u>	<u>89,941</u>

	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Direct costs - RI	5,456	2,076	7,532
Direct costs - Federation of British Artists	64,138	-	64,138
	<u>69,594</u>	<u>2,076</u>	<u>71,670</u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2023 £	Federation of British Artists 2023 £	Total funds 2023 £
Other	-	81,470	81,470
Expenses	938	-	938
Awards	3,000	-	3,000
Bank charges	63	-	63
Stock written off	2,275	-	2,275
	<u>6,276</u>	<u>81,470</u>	<u>87,746</u>

	Activities 2022 £	Federation of British Artists 2022 £	Total funds 2022 £
Other	288	64,138	64,426
Expenses	1,399	-	1,399
Awards	3,700	-	3,700
Bank charges	69	-	69
Stock written off	-	-	-
	<u>5,456</u>	<u>64,138</u>	<u>69,594</u>

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Audit & Accountancy	<u>2,195</u>	<u>2,076</u>

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 December 2023, no Trustee expenses have been incurred (2022 - £NIL).

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

10. Tangible fixed assets

	Chain of Office £
Cost or valuation	
At 1 January 2023	40,000
At 31 December 2023	<u>40,000</u>
Net book value	
At 31 December 2023	<u>40,000</u>
At 31 December 2022	<u>40,000</u>

The chain is shown at a valuation obtained in 2010 and valuations are obtained at regular intervals. Information regarding the cost when created in the 1890s is not readily available.

11. Stocks

	2023 £	2022 £
Finished goods and goods for resale	<u>675</u>	<u>675</u>

12. Debtors

	2023 £	2022 £
Trade debtors	<u>281</u>	<u>186</u>
	<u>281</u>	<u>186</u>

13. Creditors: Amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	<u>2,390</u>	<u>2,081</u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

14. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2023 £
Unrestricted funds					
Designated funds					
The Coronation Award	-	-	-	900	900
The President's Choice Award	-	-	-	2,250	2,250
The RI Young Artists' Award	-	-	-	3,000	3,000
	-	-	-	6,150	6,150
General funds					
General Funds - all funds	176,897	93,039	(86,941)	(6,150)	176,845
Total Unrestricted funds	176,897	93,039	(86,941)	-	182,995
Restricted funds					
The Bao Hong Watercolour Artists Award	500	-	(500)	-	-
The Chaoson Watercolour Award	250	1,250	(250)	-	1,250
The Leathersellers' Award	-	1,000	(1,000)	-	-
The James Fletcher-Watson RI Award	-	500	(500)	-	-
President's Choice Award	750	-	(750)	-	-
	1,500	2,750	(3,000)	-	1,250
Total of funds	178,397	95,789	(89,941)	-	184,245

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

14. Statement of funds (continued)

Restricted funds represent grants given for specific prizes. In the year to 31 December 2023, they are made up of four specific prizes or awards:

The Leathersellers' Award

The Leathersellers' Award represents funds originally given to the RI by the Leathersellers in 2014 for what was initially a 5 year period. Further top-ups for prizes were received in subsequent years but the award has now ended, with the last payment made in 2023.

The James Fletcher-Watson RI Award

The James Fletcher-Watson RI Award is based on a donation by the relatives of the late James Fletcher-Watson RI. The RI acts as a conduit for the award, which is funded on an annual basis by the Fletcher-Watson family.

The Bao Hong Watercolour Artists Award and The Chaosan Watercolour Award

Funds of £3,750 were received on 9 June 2018 in respect of The Bao Hong Watercolour Artists Award (for 2 x £250 awards each year) and The Chaosan Watercolour Award (for £250 each year). Both awards were for the 5-year-period from 2019 to 2023. The Chaosan Watercolour Award is continuing for a further 5 years. The Bao Hong Award has now formally ended.

The President's Choice Award

On 8 May 2019 £3,000 was received from an RI member who donated his 2019 Winsor & Newton Award to the RI. This is to fund an annual award of £750 for a period of 4 years (from 2020 to 2023).

Designated funds represent funds which the trustees have set aside for future award. Effective from 2024 the RI Council has decided to sponsor 3 annual awards, initially for 3 years:

The Coronation Award

£300 per year for a Young Artist under 18

The President's Choice Award

The Trustees have decided to continue this award by means of self-funding it.

The RI Young Artists Award

£1,000 per annum to replace the Leathersellers' Award.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

14. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2022 £</i>
Unrestricted funds						
Designated funds						
The Coronation Award	-	-	-	-	-	-
The President's Choice Award	-	-	-	-	-	-
The RI Young Artists' Award	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
General funds						
General fund	169,385	68,184	(68,670)	(500)	(2)	168,397
Revaluation reserve	8,500	-	-	-	-	8,500
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	177,885	68,184	(68,670)	(500)	(2)	176,897
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Unrestricted funds	177,885	68,184	(68,670)	(500)	(2)	176,897
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

14. Statement of funds (continued)

Restricted funds						
The Bao Hong Watercolour Artists Award	1,000	-	(500)	-	-	500
The Chaoson Watercolour Award	500	-	(250)	-	-	250
The Leathersellers' Award	500	-	(1,000)	500	-	-
The James Fletcher-Watson RI Award	-	500	(500)	-	-	-
President's Choice Award	1,500	-	(750)	-	-	750
	<u>3,500</u>	<u>500</u>	<u>(3,000)</u>	<u>500</u>	<u>-</u>	<u>1,500</u>
Total of funds	<u><u>181,385</u></u>	<u><u>68,684</u></u>	<u><u>(71,670)</u></u>	<u><u>-</u></u>	<u><u>(2)</u></u>	<u><u>178,397</u></u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	40,000	-	40,000
Current assets	145,385	1,250	146,635
Creditors due within one year	(2,390)	-	(2,390)
Total	<u>182,995</u>	<u>1,250</u>	<u>184,245</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	40,000	-	40,000
Current assets	138,978	1,500	140,478
Creditors due within one year	(2,081)	-	(2,081)
Total	<u>176,897</u>	<u>1,500</u>	<u>178,397</u>

16. Related party transactions

During the year, the charity received no donations from trustees (2022: £57 from 1 trustee). David Parfitt (treasurer) received a prize of £500 (no prize monies were awarded to trustees in the previous year).

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

England & Wales - Charity number 291405

Accounts

Charity number: 291405

**ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS
UNAUDITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022**

**RPG Crouch Chapman LLP
Chartered Accountants & Statutory Auditor
14-16 Dowgate Hill
London
EC4R 2SU**

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

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ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trustees	Robin Hazlewood Rosa Sepple David Parfitt
Charity registered number	291405
Principal office	16 Beverley Path Barnes London SW13 0AL
Accountants	RPG Crouch Chapman LLP Chartered Accountants and Statutory Auditors 5th Floor 14-16 Dowgate Hill London EC4R 2SU
Bankers	HSBC Plc 33 The Borough Farnham Surrey GU9 7NJ
Independent Examiner	Jeremy Tyrrell BA (Hons) FCA RPG Crouch Chapman LLP 5th Floor 14-16 Dowgate Hill London EC4R 2SU

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees submit their annual report and the financial statements of the Royal Institute of Painters in Water Colours (the RI) for the year ended 31 December 2022. The Trustees confirm that the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP 2015) applicable to charities preparing their accounts in accordance with FRS 102.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed. Under these terms the Trustees are elected by ballot at the AGM.

CONSTITUTION POLICIES AND OBJECTIVES

The charity is governed by the trust deed, known as the rules. The charity was founded in 1831 and in 1863 by command of Queen Victoria was able to use the prefix "Royal". In 1985 it was granted charitable status and the objectives in its governing rules were amended as follows:

The objectives of the RI are for the advancement of the aesthetic education of the public by the promotion of the fine arts and in particular the art of painting in water colours.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

These objectives are mainly realised through an annual exhibition of which this year's, the 210th, was held at the Mall Galleries from 14th to 23rd April 2022. It attracted 1602 visitors and was also shown online through the FBA website from April 2022. This exhibition consisted of 443 watercolour or water-based paintings, approximately 50% by the members and 50% by non-members. The non-members' entries were selected by a panel of RI members to ensure the high standard of the exhibition.

It is through the annual exhibition at the Mall Galleries and other exhibitions that the RI has in galleries and museums around the country that the RI has continued to promote the highest standard of watercolour. This is in conjunction with talks, events, demonstrations, and workshops normally given by members to the public during the run of the exhibition and at other times during the year. In 2019 the RI published a book, 'RI, Then and Now', a history of the RI that also showcases members and their work.

PUBLIC BENEFIT

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims & objectives and planning future activities.

CONNECTED CHARITIES

The charity is one of nine member societies of the Federation of British Artists (registered charity number 200048 and company number 683275). A representative from the charity sits on the board of trustees of the Federation. The Federation carries out activities in line with the charity's objects and collects income on behalf of the charity.

The charity currently provides a contribution to the costs of the annual exhibition born by the Federation of British Artists (FBA).

RISK MANAGEMENT

As the objectives of the RI are for the advancement of the aesthetic education of the public by the promotion of the Fine Arts and in particular the Art of Painting in Water Colours, and this is done mainly through the annual exhibition, which is funded through the sale of work and the submission fees, the risk would be the inability to hold this exhibition either through a downturn of the market or the unavailability of an exhibition space.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Our reserves policy recognises these risks. Were no exhibition space of an appropriate size to be available members would continue to exhibit, and hold demonstration events, singly or in small groups.

In light of this, the Trustees consider that they have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate the exposure to the major risks.

RESERVES POLICY

The Society's reserves policy is to hold sufficient funds to be able to continue an annual exhibition in London for at least 2 years. It is estimated that the cost of a London exhibition would be in the region of £50k for 1 week or £86k for 2 weeks. As such the trustees consider that there are sufficient funds to hold an annual exhibition for at least 2 years depending on whether the Society wished to hold a 1 or 2 week exhibition. The charity currently has free reserves (net current assets) of £138,397.

FINANCIAL PERFORMANCE

During the year, the charity had total income of £68,684 (2021: £84,337), of which £68,184 (2021: £82,337) represents unrestricted income and £500 (2021: £1,500) represents restricted income. Total expenditure amounted to £71,670 (2021: £87,353), split between unrestricted expenditure of £68,670 (2021: £84,353) and restricted expenditure of £3,000 (2021: £3,000). After a funds transfer of £500 (2021: £500), this resulted in a net deficit of £2,988 (2021: £3,016), made up of an unrestricted deficit of £988 (2021: £2,016) and a restricted deficit of £2,000 (2021: £1,000). Total funds at the year end amounted to £178,397 (2021: £181,385), made up of unrestricted funds of £176,897 (2021: £177,885) and restricted funds of £1,500 (2021: £3,500).

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
David Parfitt
Treasurer

Date: 27 JUNE 2023

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

**Independent examiner's report to the Trustees of Royal Institute of Painters in Water Colours
(the charity)**

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2022.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Signed: 

Dated: 27/06/2023

Jeremy Tyrrell BA (Hons) FCA

RPG Crouch Chapman LLP
14-16 Dowgate Hill
London EC4R 2SU

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	57	500	557	1,500
Charitable activities	5	67,276	-	67,276	82,825
Investments	6	851	-	851	12
Total income		68,184	500	68,684	84,337
Expenditure on:					
Charitable activities	7	68,670	3,000	71,670	87,353
Total expenditure		68,670	3,000	71,670	87,353
Net expenditure before net losses on					
Investments		(486)	(2,500)	(2,986)	(3,016)
Net losses on investments		(2)	-	(2)	-
Net expenditure		(488)	(2,500)	(2,988)	(3,016)
Transfers between funds	15	(500)	500	-	-
Net movement in funds		(988)	(2,000)	(2,988)	(3,016)
Reconciliation of funds:					
Total funds brought forward		177,885	3,500	181,385	184,401
Net movement in funds		(988)	(2,000)	(2,988)	(3,016)
Total funds carried forward		176,897	1,500	178,397	181,385

The Statement of financial activities includes all gains and losses recognised in the year.


The notes on pages 7 to 19 form part of these financial statements.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	10	40,000	40,000
Investments	11	-	2
		<u>40,000</u>	<u>40,002</u>
Current assets			
Stocks	12	675	675
Debtors	13	186	590
Cash at bank and in hand		139,617	142,098
		<u>140,478</u>	<u>143,363</u>
Creditors: amounts falling due within one year	14	(2,081)	(1,980)
Net current assets		<u>138,397</u>	<u>141,383</u>
Total net assets		<u><u>178,397</u></u>	<u><u>181,385</u></u>
Charity funds			
Restricted funds	15	1,500	3,500
Unrestricted funds			
General funds	15	168,397	169,385
Revaluation reserve		8,500	8,500
Total unrestricted funds	15	<u>176,897</u>	<u>177,885</u>
Total funds		<u><u>178,397</u></u>	<u><u>181,385</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
David Parfitt

Treasurer

Date: 27 JUNE 2023

The notes on pages 7 to 19 form part of these financial statements.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

The entity is an unincorporated trust registered with the Charity Commission in England and Wales, charity number 291405. Its principal office is 16 Beverley Path, Barnes, London, SW13 0AL, which is also its principal place of operation.

The activity of the trust remained that of the advancement of the aesthetic education of the public by the promotion of the fine arts and in particular the art of painting in water colours.

These financial statements have been prepared in GBP and all amounts have been rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Royal Institute of Painters in Water Colours meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The trustees confirm their unreserved and explicit compliance with the above regulations.

2.2 Tangible fixed assets

Tangible fixed assets comprise the chairman's chain of office which is carried at valuation and is not depreciated as a useful life cannot be established with reasonable certainty.

2.3 Income

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

Gifts in kind donated for fundraising purposes are included at valuation and recognised as income when they are sold.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank with whom the funds are deposited.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Cash Flow Exclusion

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirements to prepare such a statement.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2.12 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 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 charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity's only fixed asset is the chairman's chain of office which is shown at a valuation obtained in 2010. The trustees are of the opinion that the value has not changed significantly since then. Information regarding the cost when created in the 1890's is not readily available.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations	57	-	57
Grants	-	500	500
	<u>57</u>	<u>500</u>	<u>557</u>

	Restricted funds 2021 £	Total funds 2021 £
Donations	-	-
Grants	1,500	1,500
	<u>1,500</u>	<u>1,500</u>

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Charitable Activities	67,276	67,276
	<u>67,276</u>	<u>67,276</u>

	Unrestricted funds 2021 £	Total funds 2021 £
Charitable Activities	82,825	82,825
	<u>82,825</u>	<u>82,825</u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income	851	851
	<u>851</u>	<u>851</u>
	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Investment income	12	12
	<u>12</u>	<u>12</u>

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Direct costs - Activities	4,532	3,000	7,532
Direct costs - Federation of British Artists	64,138	-	64,138
	<u>68,670</u>	<u>3,000</u>	<u>71,670</u>
	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total 2021 £</i>
Direct costs - Activities	4,108	3,000	7,108
Direct costs - Federation of British Artists	80,245	-	80,245
	<u>84,353</u>	<u>3,000</u>	<u>87,353</u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

7. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Other costs 2022 £	Total 2022 £
Direct costs - Activities	7,532	7,532
Direct costs - Federation of British Artists	64,138	64,138
	<u>71,670</u>	<u>71,670</u>

	Other costs 2021 £	Total 2021 £
Direct costs - Activities	7,108	7,108
Direct costs - Federation of British Artists	80,245	80,245
	<u>87,353</u>	<u>87,353</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Direct costs - Activities	5,456	2,076	7,532
Direct costs - Federation of British Artists	64,138	-	64,138
	<u>69,594</u>	<u>2,076</u>	<u>71,670</u>

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Direct costs - Activities	5,128	1,980	7,108
Direct costs - Federation of British Artists	80,245	-	80,245
	<u>85,373</u>	<u>1,980</u>	<u>87,353</u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2022 £	Federation of British Artists 2022 £	Total funds 2022 £
Other	288	64,138	64,426
Expenses	1,399	-	1,399
Awards	3,700	-	3,700
Bank charges	69	-	69
Stock written off	-	-	-
	<u>5,456</u>	<u>64,138</u>	<u>69,594</u>

	Activities 2021 £	Federation of British Artists 2021 £	Total funds 2021 £
Other	-	80,245	80,245
Expenses	498	-	498
Awards	3,000	-	3,000
Bank charges	-	-	-
Stock written off	1,630	-	1,630
	<u>5,128</u>	<u>80,245</u>	<u>85,373</u>

Analysis of support costs

	Activities 2022 £	Total funds 2022 £
Accounts and independent examination	<u>2,076</u>	<u>2,076</u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Activities 2021 £</i>	<i>Total funds 2021 £</i>
Accounts and independent examination	1,980	1,980

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

10. Tangible fixed assets

	<i>Chain of Office £</i>
Cost or valuation	
At 1 January 2022	40,000
At 31 December 2022	40,000
Net book value	
At 31 December 2022	40,000
At 31 December 2021	40,000

The chain is shown at a valuation obtained in 2010 and valuations are obtained at regular intervals. Information regarding the cost when created in the 1890s is not readily available.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

11. Fixed asset investments

	Investments in subsidiary companies £
At 1 January 2022	2
Disposals	(2)
At 31 December 2022:	<u>-</u>
Net book value	
At 31 December 2022	-
At 31 December 2021	<u>2</u>

12. Stocks

	2022 £	2021 £
Finished goods and goods for resale	<u>675</u>	<u>675</u>

13. Debtors

	2022 £	2021 £
Trade debtors	<u>186</u>	<u>590</u>
	<u>186</u>	<u>590</u>

14. Creditors: Amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	<u>2,081</u>	<u>1,980</u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

15. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds						
General fund	169,385	68,184	(68,670)	(500)	(2)	168,397
Revaluation reserve	8,500	-	-	-	-	8,500
	<u>177,885</u>	<u>68,184</u>	<u>(68,670)</u>	<u>(500)</u>	<u>(2)</u>	<u>176,897</u>
Restricted funds						
The Bao Hong Watercolour Artists Award	1,000	-	(500)	-	-	500
The Chaoson Watercolour Award	500	-	(250)	-	-	250
The Leathersellers' Award	500	-	(1,000)	500	-	-
The James Fletcher-Watson RI Award	-	500	(500)	-	-	-
President's Choice Award	1,500	-	(750)	-	-	750
	<u>3,500</u>	<u>500</u>	<u>(3,000)</u>	<u>500</u>	<u>-</u>	<u>1,500</u>
Total of funds	<u>181,385</u>	<u>68,684</u>	<u>(71,670)</u>	<u>-</u>	<u>(2)</u>	<u>178,397</u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

15. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2021 £</i>
Unrestricted funds						
General fund	171,401	82,837	(84,353)	(500)	-	169,385
Revaluation reserve	8,500	-	-	-	-	8,500
	<u>179,901</u>	<u>82,837</u>	<u>(84,353)</u>	<u>(500)</u>	<u>-</u>	<u>177,885</u>
Restricted funds						
The Bao Hong Watercolour Artists Award	1,500	-	(500)	-	-	1,000
The Chaoson Watercolour Award	750	-	(250)	-	-	500
The Leathersellers' Award	-	1,000	(1,000)	500	-	500
The James Fletcher-Watson RI Award	-	500	(500)	-	-	-
President's Choice Award	2,250	-	(750)	-	-	1,500
	<u>4,500</u>	<u>1,500</u>	<u>(3,000)</u>	<u>500</u>	<u>-</u>	<u>3,500</u>
Total of funds	<u>184,401</u>	<u>84,337</u>	<u>(87,353)</u>	<u>-</u>	<u>-</u>	<u>181,385</u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

15. Statement of funds (continued)

Restricted funds represent grants given for specific prizes. In the year to 31 December 2021, they are made up of five specific prizes or awards (six including comparatives):

The Watercolour Award

The Neil Meacher Drawing Prize (renamed Watercolour Award in 2017) is based on an initial donation of £2,500 made in 2010, with annual prizes of £250 to be awarded over 10 years at the annual exhibition. 2020 was the 10th and final year it was awarded.

The Leathersellers' Award

The Leathersellers' Award represents funds originally given to the RI by the Leathersellers in 2014 for what was initially a 5 year period. Further top-ups for prizes have been received in subsequent years so that this award is still very much ongoing.

The James Fletcher-Watson RI Award

The James Fletcher-Watson RI Award is based on a donation by the relatives of the late James Fletcher-Watson RI. The RI acts as a conduit for the award, which is funded on an annual basis by the JFW family.

The Bao Hong Watercolour Artists Award and The Chaosan Watercolour Award

Funds of £3,750 were received on 9 June 2018 in respect of The Bao Hong Watercolour Artists Award (for 2 x £250 awards each year) and The Chaosan Watercolour Award (for £250 each year). Both awards are for the 5-year-period from 2019 to 2023.

The President's Choice Award

On 8 May 2019 £3,000 was received from an RI member who donated his 2019 Winsor & Newton Award to the RI. This is to fund an annual award of £750 for a period of 4 years (from 2020 to 2023).

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	40,000	-	40,000
Current assets	138,978	1,500	140,478
Creditors due within one year	(2,081)	-	(2,081)
Total	<u>176,897</u>	<u>1,500</u>	<u>178,397</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	40,000	-	40,000
Fixed asset investments	2	-	2
Current assets	139,863	3,500	143,363
Creditors due within one year	(1,980)	-	(1,980)
Total	<u>177,885</u>	<u>3,500</u>	<u>181,385</u>

17. Related party transactions

During the year, the charity received donations of £57 from one trustee (2021: no donations were received from trustees). There were no other related party transactions during the year (2021: none).

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

England & Wales - Charity number 291405

Accounts

Charity number: 291405

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS
UNAUDITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

RPG Crouch Chapman LLP
Chartered Accountants & Statutory Auditor
14-16 Dowgate Hill
London
EC4R 2SU

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

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ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees	Robin Hazlewood Rosa Sepple David Parfitt
Charity registered number	291405
Principal office	16 Beverley Path Barnes London SW13 0AL
Accountants	RPG Crouch Chapman LLP Chartered Accountants and Statutory Auditors 5th Floor 14-16 Dowgate Hill London EC4R 2SU
Bankers	HSBC Plc 33 The Borough Farnham Surrey GU9 7NJ
Independent Examiner	Jeremy Tyrrell BA (Hons) FCA RPG Crouch Chapman LLP 5th Floor 14-16 Dowgate Hill London EC4R 2SU

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees submit their annual report and the financial statements of the Royal Institute of Painters in Water Colours (the RI) for the year ended 31 December 2021. The Trustees confirm that the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP 2015) applicable to charities preparing their accounts in accordance with FRS 102.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed. Under these terms the Trustees are elected by ballot at the AGM.

CONSTITUTION POLICIES AND OBJECTIVES

The charity is governed by the trust deed, known as the rules. The charity was founded in 1831 and in 1863 by command of Queen Victoria was able to use the prefix "Royal". In 1985 it was granted charitable status and the objectives in its governing rules were amended as follows:

The objectives of the RI are for the advancement of the aesthetic education of the public by the promotion of the fine arts and in particular the art of painting in water colours.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

These objectives are mainly realised through an annual exhibition of which this year's, the 209th, was delayed due to COVID-19 lockdowns and restrictions and held at the Mall Galleries from 20th to 29th May 2021. It was also shown online through the FBA web-site from 1 April 2021. This exhibition consisted of 439 watercolour or water-based paintings, approximately 52% by the members and 48% by non-members. The non-members' entries were selected by a panel of RI members to ensure the high standard of the exhibition.

It is through the annual exhibition at the Mall Galleries and other exhibitions that the RI has in galleries and museums around the country that the RI has continued to promote the highest standard of watercolour. This is in conjunction with talks, events, demonstrations and workshops normally given by members to the public during the run of the exhibition and at other times during the year. In 2019 the RI published a book, 'RI, Then and Now', a history of the RI that also showcases members and their work.

PUBLIC BENEFIT

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims & objectives and planning future activities.

CONNECTED CHARITIES

The charity is one of nine member societies of the Federation of British Artists (registered charity number 200048 and company number 683275). A representative from the charity sits on the board of trustees of the Federation. The Federation carries out activities in line with the charity's objects and collects income on behalf of the charity.

The charity currently provides a contribution to the costs of the annual exhibition born by the Federation of British Artists (FBA).

RISK MANAGEMENT

As the objectives of the RI are for the advancement of the aesthetic education of the public by the promotion of the Fine Arts and in particular the Art of Painting in Water Colours, and this is done mainly through the annual exhibition, which is funded through the sale of work and the submission fees, the risk would be the inability to hold this exhibition either through a downturn of the market or the unavailability of an exhibition space.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Our reserves policy recognises these risks. Were no exhibition space of an appropriate size to be available members would continue to exhibit, and hold demonstration events, singly or in small groups.

In light of this, the Trustees consider that they have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate the exposure to the major risks.

RESERVES POLICY

It has been the policy of the RI to try to create sufficient reserves to be able to continue our annual exhibition for at least 2 years should anything happen to our present association with the FBA and through them the exhibition space at the Mall Galleries in London. The trustees are of the opinion that sufficient reserves are held for this purpose.

FINANCIAL PERFORMANCE

During the year, the charity had total income of £84,337 (2020: £63,438), of which £82,837 (2020: £61,938) represents unrestricted income and £1,500 (2020: £1,500) represents restricted income. Total expenditure amounted to £87,353 (2020: £62,063), split between unrestricted expenditure of £84,353 (2020: 58,313) and restricted expenditure of £3,000 (2020: £3,500). After a funds transfer of £500 (2020: £Nil), this resulted in a net deficit of £3,016 (2020: net surplus of £1,375), made up of an unrestricted deficit of £2,016 (2020: surplus of £3,625) and a restricted deficit of £1,000 (2020: deficit of £2,250).

Total funds at the year end amounted to £181,385 (2020: £184,401), made up of unrestricted funds of £177,885 (2020: £179,901) and restricted funds of £3,500 (2020: £4,500).

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2021

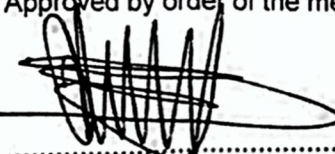
The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on 4 JULY 2022 and signed on its behalf by:


.....
David Parfitt
Treasurer

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Independent examiner's report to the Trustees of Royal Institute of Painters in Water Colours (‘the charity’)

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2021.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (‘the 2011 Act’).

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Signed:



Dated:

5/7/2022

Jeremy Tyrrell BA (Hons) FCA

RPG Crouch Chapman LLP
14-16 Dowgate Hill
London EC4R 2SU

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	4	-	1,500	1,500	6,505
Charitable activities	5	82,825	-	82,825	56,505
Investments	6	12	-	12	428
Total income		82,837	1,500	84,337	63,438
Expenditure on:					
Charitable activities		84,353	3,000	87,353	62,063
Total expenditure		84,353	3,000	87,353	62,063
Net (expenditure)/income		(1,516)	(1,500)	(3,016)	1,375
Transfers between funds	13	(500)	500	-	-
Net movement in funds		(2,016)	(1,000)	(3,016)	1,375
Reconciliation of funds:					
Total funds brought forward		179,901	4,500	184,401	183,026
Net movement in funds		(2,016)	(1,000)	(3,016)	1,375
Total funds carried forward		177,885	3,500	181,385	184,401

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 7 to 17 form part of these financial statements.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

**BALANCE SHEET
AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	9	40,000	40,000
Investments	10	2	2
		<u>40,002</u>	<u>40,002</u>
Current assets			
Stocks	11	675	2,305
Cash at bank and in hand		142,688	143,774
		<u>143,363</u>	<u>146,079</u>
Creditors: amounts falling due within one year	12	(1,980)	(1,680)
		<u>141,383</u>	<u>144,399</u>
Net current assets		<u>141,383</u>	<u>144,399</u>
Total assets less current liabilities		<u>181,385</u>	<u>184,401</u>
Net assets excluding pension asset		<u>181,385</u>	<u>184,401</u>
Total net assets		<u><u>181,385</u></u>	<u><u>184,401</u></u>
Charity funds			
Restricted funds	13	3,500	4,500
Unrestricted funds			
General funds	13	169,385	171,401
Revaluation reserve		8,500	8,500
		<u>177,885</u>	<u>179,901</u>
Total funds		<u><u>181,385</u></u>	<u><u>184,401</u></u>

The financial statements were approved and authorised for issue by the Trustees on
and signed on their behalf by:

4 JULY 2022

David Parfitt
Treasurer



The notes on pages 7 to 17 form part of these financial statements.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

The entity is an unincorporated trust registered with the Charity Commission in England and Wales, charity number 291405. Its principal office is 16 Beverley Path, Barnes, London, SW13 0AL, which is also its principal place of operation.

The activity of the trust remained that of the advancement of the aesthetic education of the public by the promotion of the fine arts and in particular the art of painting in water colours.

These financial statements have been prepared in GBP and all amounts have been rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Royal Institute of Painters in Water Colours meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The trustees confirm their unreserved and explicit compliance with the above regulations.

2.2 Tangible fixed assets

Tangible fixed assets comprise the chairman's chain of office which is carried at valuation and is not depreciated as a useful life cannot be established with reasonable certainty.

2.3 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Gifts in kind donated for fundraising purposes are included at valuation and recognised as income when they are sold.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank with whom the funds are deposited.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Cash Flow Exclusion

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirements to prepare such a statement.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 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 charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity's only fixed asset is the chairman's chain of office which is shown at a valuation obtained in 2010. The trustees are of the opinion that the value has not changed significantly since then. Information regarding the cost when created in the 1890's is not readily available.

4. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Grants	-	1,500	1,500
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	5	-	5
Legacies	5,000	-	5,000
Grants	-	1,500	1,500
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	5,005	1,500	6,505

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

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

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
Charitable Activities	<u>82,825</u>	<u>82,825</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Income from charitable activities	<u>56,505</u>	<u>56,505</u>

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Investment income	<u>12</u>	<u>12</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment income	<u>428</u>	<u>428</u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

7. Charitable Expenditure

	Charitable Costs 2021 £	Support Costs 2021 £	Total funds 2021 £
Governance costs	-	1,980	1,980
Charitable expenditure	85,373	-	85,373
	<u>85,373</u>	<u>1,980</u>	<u>87,353</u>
	<u>85,373</u>	<u>1,980</u>	<u>87,353</u>

	<i>Charitable Costs 2020 £</i>	<i>Support Costs 2020 £</i>	<i>Total funds 2020 £</i>
Governance costs	-	1,690	1,690
Charitable expenditure	60,373	-	60,373
	<u>60,373</u>	<u>1,690</u>	<u>62,063</u>
	<u>60,373</u>	<u>1,690</u>	<u>62,063</u>

Governance cost represent fees for the preparation of the accounts and the independent examination.

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £NIL).

9. Tangible fixed assets

	Chain of Office £
Cost or valuation	
At 1 January 2021	40,000
At 31 December 2021	<u>40,000</u>
Net book value	
At 31 December 2021	<u>40,000</u>
At 31 December 2020	<u>40,000</u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

9. Tangible fixed assets (continued)

The chain is shown at a valuation obtained in 2010 and valuations are obtained at regular intervals. Information regarding the cost when created in the 1890's is not readily available.

10. Fixed asset investments

	Shares in group under- takings £
Cost or valuation	
At 1 January 2021	2
	<hr/>
At 31 December 2021	2
	<hr/> <hr/>
Net book value	
At 31 December 2021	2
	<hr/>
At 31 December 2020	2
	<hr/> <hr/>

The investment represents shares in the charity's subsidiary, R. I. Water Colours Limited. It was dissolved on 21 June 2022.

Principal subsidiaries

The following was a subsidiary undertaking of the charity:

Name	Holding
R. I. Water Colours Limited	100%

The financial results of the subsidiary for the year were:

	Net assets £
R. I. Water Colours Limited	2

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

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

11. Stocks

	2021	2020
	£	£
Finished goods and goods for resale	675	2,305

12. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Accruals and deferred income	1,980	1,680

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2021 £
Unrestricted funds					
General Funds - all funds	171,401	82,837	(84,353)	(500)	169,385
Revaluation reserve	8,500	-	-	-	8,500
	<u>179,901</u>	<u>82,837</u>	<u>(84,353)</u>	<u>(500)</u>	<u>177,885</u>
Restricted funds					
The Bao Hong Watercolour Artists Award	1,500	-	(500)	-	1,000
The Chaoson Watercolour Award	750	-	(250)	-	500
The Leathersellers' Award	-	1,000	(1,000)	500	500
The James Fletcher-Watson RI Award	-	500	(500)	-	-
President's Choice Award	2,250	-	(750)	-	1,500
	<u>4,500</u>	<u>1,500</u>	<u>(3,000)</u>	<u>500</u>	<u>3,500</u>
Total of funds	<u><u>184,401</u></u>	<u><u>84,337</u></u>	<u><u>(87,353)</u></u>	<u><u>-</u></u>	<u><u>181,385</u></u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

13. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 December 2020 £</i>
Unrestricted funds				
General Funds - all funds	167,776	61,938	(58,313)	171,401
Revaluation reserve	8,500	-	-	8,500
	<u>176,276</u>	<u>61,938</u>	<u>(58,313)</u>	<u>179,901</u>
Restricted funds				
The Watercolour Award	250	-	(250)	-
The Bao Hong Watercolour Artists Award	2,000	-	(500)	1,500
The Chaoson Watercolour Award	1,000	-	(250)	750
The Leathersellers' Award	500	1,000	(1,500)	-
The James Fletcher-Watson RI Award	-	500	(500)	-
President's Choice Award	3,000	-	(750)	2,250
	<u>6,750</u>	<u>1,500</u>	<u>(3,750)</u>	<u>4,500</u>
Total of funds	<u><u>183,026</u></u>	<u><u>63,438</u></u>	<u><u>(62,063)</u></u>	<u><u>184,401</u></u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

13. Statement of funds (continued)

Restricted funds represent grants given for specific prizes. In the year to 31 December 2021, they are made up of five specific prizes or awards (six including comparatives):

The Watercolour Award

The Neil Meacher Drawing Prize (renamed Watercolour Award in 2017) is based on an initial donation of £2,500 made in 2010, with annual prizes of £250 to be awarded over 10 years at the annual exhibition. 2020 was the 10th and final year it was awarded.

The Leathersellers' Award

The Leathersellers' Award represents funds originally given to the RI by the Leathersellers in 2014 for what was initially a 5 year period. Further top-ups for prizes have been received in subsequent years so that this award is still very much ongoing.

The James Fletcher-Watson RI Award

The James Fletcher-Watson RI Award is based on a donation by the relatives of the late James Fletcher-Watson RI. The RI acts as a conduit for the award, which is funded on an annual basis by the JFW family.

The Bao Hong Watercolour Artists Award and The Chaosan Watercolour Award

Funds of £3,750 were received on 9 June 2018 in respect of The Bao Hong Watercolour Artists Award (for 2 x £250 awards each year) and The Chaosan Watercolour Award (for £250 each year). Both awards are for the 5-year-period from 2019 to 2023.

The President's Choice Award

On 8 May 2019 £3,000 was received from an RI member who donated his 2019 Winsor & Newton Award to the RI. This is to fund an annual award of £750 for a period of 4 years (from 2020 to 2023).

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	40,000	-	40,000
Fixed asset investments	2	-	2
Current assets	139,863	3,500	143,363
Creditors due within one year	(1,980)	-	(1,980)
Total	177,885	3,500	181,385

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	40,000	-	40,000
Fixed asset investments	2	-	2
Current assets	141,579	4,500	146,079
Creditors due within one year	(1,680)	-	(1,680)
Total	179,901	4,500	184,401

15. Related party transactions

There were no related party transactions during the year (2020: none).

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

England & Wales - Charity number 291405

Accounts

Charity number: 291405

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS
UNAUDITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

RPG Crouch Chapman LLP
Chartered Accountants & Statutory Auditor
14-16 Dowgate Hill
London
EC4R 2SU

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

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ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees	Robin Hazlewood Rosa Sepple David Parfitt
Charity registered number	291405
Principal office	16 Beverley Path Barnes London SW13 0AL
Accountants	RPG Crouch Chapman LLP Chartered Accountants and Statutory Auditors 5th Floor 14-16 Dowgate Hill London EC4R 2SU
Bankers	HSBC Plc 33 The Borough Farnham Surrey GU9 7NJ
Independent Examiner	Jeremy Tyrrell BA (Hons) FCA RPG Crouch Chapman LLP 5th Floor 14-16 Dowgate Hill London EC2A 2BU

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees submit their annual report and the financial statements of the Royal Institute of Painters in Water Colours (the RI) for the year ended 31 December 2020. The Trustees confirm that the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP 2015) applicable to charities preparing their accounts in accordance with FRS 102.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed. Under these terms the Trustees are elected by ballot at the AGM.

CONSTITUTION POLICIES AND OBJECTIVES

The charity is governed by the trust deed, known as the rules. The charity was founded in 1831 and in 1863 by command of Queen Victoria was able to use the prefix "Royal". In 1985 it was granted charitable status and the objectives in its governing rules were amended as follows:

The objectives of the RI are for the advancement of the aesthetic education of the public by the promotion of the fine arts and in particular the art of painting in water colours.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

These objectives are mainly realised through an annual exhibition of which this year's, the 208th, was delayed due to COVID-19 lockdowns but it was eventually held at the Mall Galleries from 1st to 12th September 2020. It was also shown online through the FBA web-site from 1 April 2020. This exhibition consisted of 444 watercolour or water-based paintings, approximately 57% by the members and 43% by non-members. The non-members' entries were selected by a panel of RI members to ensure the high standard of the exhibition. The Mall Galleries recorded 1,188 visitors to the exhibition despite the COVID-19 restrictions.

It is through the annual exhibition at the Mall Galleries and other exhibitions that the RI has in galleries and museums around the country that the RI has continued to promote the highest standard of watercolour. This is in conjunction with talks, events, demonstrations and workshops normally given by members to the public during the run of the exhibition and at other times during the year. In 2019 the RI published a book, 'RI, Then and Now', a history of the RI that also showcases members and their work.

PUBLIC BENEFIT

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims & objectives and planning future activities.

CONNECTED CHARITIES

The charity is one of nine member societies of the Federation of British Artists (registered charity number 200048 and company number 683275). A representative from the charity sits on the board of trustees of the Federation. The Federation carries out activities in line with the charity's objects and collects income on behalf of the charity.

The charity currently provides a contribution to the costs of the annual exhibition born by the Federation of British Artists (FBA).

RISK MANAGEMENT

As the objectives of the RI are for the advancement of the aesthetic education of the public by the promotion of the Fine Arts and in particular the Art of Painting in Water Colours, and this is done mainly through the annual exhibition, which is funded through the sale of work and the submission fees, the risk would be the inability to hold this exhibition either through a downturn of the market or the unavailability of an exhibition space.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Our reserves policy recognises these risks. Were no exhibition space of an appropriate size to be available members would continue to exhibit, and hold demonstration events, singly or in small groups.

In light of this, the Trustees consider that they have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate the exposure to the major risks.

RESERVES POLICY

It has been the policy of the RI to try to create sufficient reserves to be able to continue our annual exhibition for at least 2 years should anything happen to our present association with the FBA and through them the exhibition space at the Mall Galleries in London.

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on 16 AUGUST 2021 and signed on its behalf by:



.....
David Parfitt
Treasurer

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Independent examiner's report to the Trustees of Royal Institute of Painters in Water Colours (the charity)

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2020.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Signed:



Dated: 24/8/21

Jeremy Tyrrell BA (Hons) FCA

RPG Crouch Chapman LLP
14-16 Dowgate Hill
London EC4R 2SU

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	4	5,005	1,500	6,505	7,180
Charitable activities	5	56,505	-	56,505	92,534
Investments	6	428	-	428	682
		<u>61,938</u>	<u>1,500</u>	<u>63,438</u>	<u>100,396</u>
Total income					
Expenditure on:					
Charitable activities	7	58,313	3,750	62,063	109,581
		<u>58,313</u>	<u>3,750</u>	<u>62,063</u>	<u>109,581</u>
Total expenditure					
		<u>3,625</u>	<u>(2,250)</u>	<u>1,375</u>	<u>(9,185)</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		176,276	6,750	183,026	192,211
Net movement in funds		3,625	(2,250)	1,375	(9,185)
		<u>179,901</u>	<u>4,500</u>	<u>184,401</u>	<u>183,026</u>
Total funds carried forward					

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 7 to 17 form part of these financial statements.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

**BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	9	40,000	40,000
Investments	10	2	2
		<u>40,002</u>	<u>40,002</u>
Current assets			
Stocks	11	2,305	4,935
Cash at bank and in hand		143,774	139,717
		<u>146,079</u>	<u>144,652</u>
Creditors: amounts falling due within one year	12	(1,680)	(1,628)
Net current assets		<u>144,399</u>	<u>143,024</u>
Total assets less current liabilities		<u>184,401</u>	<u>183,026</u>
Net assets excluding pension asset		<u>184,401</u>	<u>183,026</u>
Total net assets		<u><u>184,401</u></u>	<u><u>183,026</u></u>
Charity funds			
Restricted funds	13	4,500	6,750
Unrestricted funds			
General funds	13	171,401	167,776
Revaluation reserve		8,500	8,500
Total unrestricted funds	13	<u>179,901</u>	<u>176,276</u>
Total funds		<u><u>184,401</u></u>	<u><u>183,026</u></u>

The financial statements were approved and authorised for issue by the Trustees on 16 AUGUST 2021 and signed on their behalf by:

David Parfitt
Treasurer



The notes on pages 7 to 17 form part of these financial statements.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

The entity is an unincorporated trust registered with the Charity Commission in England and Wales, charity number 291405. Its principal office is 16 Beverley Path, Barnes, London, SW13 0AL, which is also its principal place of operation.

The activity of the trust remained that of the advancement of the aesthetic education of the public by the promotion of the fine arts and in particular the art of painting in water colours.

These financial statements have been prepared in GBP and all amounts have been rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Royal Institute of Painters in Water Colours meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Tangible fixed assets

Tangible fixed assets comprise the chairman's chain of office which is carried at valuation and is not depreciated as a useful life cannot be established with reasonable certainty.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.3 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Gifts in kind donated for fundraising purposes are included at valuation and recognised as income when they are sold.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank with whom the funds are deposited.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Cash Flow Exclusion

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirements to prepare such a statement.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 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 charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical areas of judgment:

The charity's only fixed asset is the chairman's chain of office which is shown at a valuation obtained in 2010. The trustees are of the opinion that the value has not changed significantly since then. Information regarding the cost when created in the 1890's is not readily available.

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations	5	-	5
Legacies	5,000	-	5,000
Grants	-	1,500	1,500
	<u>5,005</u>	<u>1,500</u>	<u>6,505</u>
	<u><u>5,005</u></u>	<u><u>1,500</u></u>	<u><u>6,505</u></u>
	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Donations	1,930	-	1,930
Grants	-	5,250	5,250
	<u>1,930</u>	<u>5,250</u>	<u>7,180</u>
	<u><u>1,930</u></u>	<u><u>5,250</u></u>	<u><u>7,180</u></u>

5. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £
Charitable Activities	56,505	56,505
	<u>56,505</u>	<u>56,505</u>
	<u><u>56,505</u></u>	<u><u>56,505</u></u>
	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Income from charitable activities	92,534	92,534
	<u>92,534</u>	<u>92,534</u>
	<u><u>92,534</u></u>	<u><u>92,534</u></u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Investment income	428	428
	<u>428</u>	<u>428</u>
	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Investment income	682	682
	<u>682</u>	<u>682</u>

7. Charitable Expenditure

	Charitable Costs 2020 £	Support Costs 2020 £	Total funds 2020 £
Governance costs	-	1,690	1,690
Charitable expenditure	60,373	-	60,373
	<u>60,373</u>	<u>1,690</u>	<u>62,063</u>
	<i>Charitable Costs 2019 £</i>	<i>Support Costs 2019 £</i>	<i>Total funds 2019 £</i>
Governance costs	-	1,672	1,672
Charitable expenditure	107,909	-	107,909
	<u>107,909</u>	<u>1,672</u>	<u>109,581</u>

Governance cost represent fees for the preparation of the accounts and the independent examination.

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

9. Tangible fixed assets

	Chain of Office £
Cost or valuation	
At 1 January 2020	40,000
At 31 December 2020	<u>40,000</u>
Net book value	
At 31 December 2020	<u>40,000</u>
At 31 December 2019	<u>40,000</u>

The chain is shown at a valuation obtained in 2010 and valuations are obtained at regular intervals. Information regarding the cost when created in the 1890's is not readily available.

10. Fixed asset investments

	Shares in group under- takings £
Cost or valuation	
At 1 January 2020	2
At 31 December 2020	<u>2</u>
Net book value	
At 31 December 2020	<u>2</u>
At 31 December 2019	<u>2</u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

**NOTES TO THE FINANCIAL STATEMENTS
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Principal subsidiaries

The following was a subsidiary undertaking of the charity:

Name	Holding
RI Water Colours Limited	100%

The subsidiary is dormant and has minimal assets and liabilities. The company is under the control of the charity and the only director is Mr Hazlewood.

11. Stocks

	2020	2019
	£	£
Finished goods and goods for resale	2,305	4,935

12. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Accruals and deferred income	1,680	1,628

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

13. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 December 2020 £
Unrestricted funds				
General Funds - all funds	167,776	61,938	(58,313)	171,401
Revaluation reserve	8,500	-	-	8,500
	<u>176,276</u>	<u>61,938</u>	<u>(58,313)</u>	<u>179,901</u>
Restricted funds				
The Watercolour Award	250	-	(250)	-
The Bao Hong Watercolour Artists Award	2,000	-	(500)	1,500
The Chaoson Watercolour Award	1,000	-	(250)	750
The Leathersellers' Award	500	1,000	(1,500)	-
The James Fletcher-Watson RI Award	-	500	(500)	-
President's Choice Award	3,000	-	(750)	2,250
	<u>6,750</u>	<u>1,500</u>	<u>(3,750)</u>	<u>4,500</u>
Total of funds	<u><u>183,026</u></u>	<u><u>63,438</u></u>	<u><u>(62,063)</u></u>	<u><u>184,401</u></u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

13. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 December 2019 £</i>
Unrestricted funds				
General Funds	179,461	95,146	(106,831)	167,776
Revaluation reserve	8,500	-	-	8,500
	<u>187,961</u>	<u>95,146</u>	<u>(106,831)</u>	<u>176,276</u>
Restricted funds				
The Watercolour Award	500	-	(250)	250
The Bao Hong Watercolour Artist Award	2,500	-	(500)	2,000
The Chaoson Watercolour Award	1,250	-	(250)	1,000
The Leathersellers' Award	-	1,500	(1,000)	500
The James Fletcher-Watson RI Award	-	500	(500)	-
The Plincke Prize	-	250	(250)	-
The President's Choice Award	-	3,000	-	3,000
	<u>4,250</u>	<u>5,250</u>	<u>(2,750)</u>	<u>6,750</u>
Total of funds	<u><u>192,211</u></u>	<u><u>5,250</u></u>	<u><u>(109,581)</u></u>	<u><u>183,026</u></u>

ROYAL INSTITUTE OF PAINTERS IN WATER COLOURS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13. Statement of funds (continued)

Restricted funds represent grants given for specific prizes. In the year to 31 December 2020, they are made up of seven specific prizes or awards:

The Watercolour Award

The Neil Meacher Drawing Prize (renamed Watercolour Award in 2017) is based on an initial donation of £2,500 made in 2020, with annual prizes of £250 to be awarded over 10 years at the annual exhibition. 2020 is the 10th and final year this has been awarded.

The Leathersellers' Award

The Leathersellers' Award represents funds originally given to the RI by the Leathersellers in 2014 for what was initially a 5 year period. Further top-ups for prizes have been received in subsequent years so that this award is still very much ongoing.

The James Fletcher-Watson RI Award

The James Fletcher-Watson RI Award is based on a donation by the relatives of the late James Fletcher-Watson RI. The RI acts as a conduit for the award, which is funded on an annual basis by the JFW family.

The Bao Hong Watercolour Artists Award and The Chaosan Watercolour Award

Funds of £3,750 were received on 9 June 2018 in respect of The Bao Hong Watercolour Artists Award (for 2 x £250 awards each year) and The Chaosan Watercolour Award (for £250 each year). Both awards are for the 5-year-period from 2019 to 2023.

The Richard Plincke RI Prize for Colour

The Richard Plincke RI Prize for Colour (Plincke Prize) is an award first made in 2019 for £250. It was awarded by Rosemary Plincke in memory of her husband, the late Richard Plincke RI (1928 - 2018) for the exhibition which demonstrates the most creative use of colour.

The President's Choice Award

On 8 May 2019 £3,000 was received from an RI member who donated his 2019 Winsor & Newton Award to the RI. This is to fund an annual award of £750 for a period of 4 years (from 2020 to 2023).

14. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	40,000	-	40,000
Fixed asset investments	2	-	2
Current assets	141,579	4,500	146,079
Creditors due within one year	(1,680)	-	(1,680)
Total	179,901	4,500	184,401

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

14. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	40,000	-	40,000
Fixed asset investments	2	-	2
Current assets	137,902	6,750	144,652
Creditors due within one year	(1,628)	-	(1,628)
Total	<u>176,276</u>	<u>6,750</u>	<u>183,026</u>

15. Related party transactions

There were no related party transactions during the year (2019: none).