

Company registration number: 01378599

Charity registration number: 507842

# Mostyn Gallery Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

G Hickerton  
Aston Hughes & Co Chartered Accountants  
Selby Towers  
29 Princes Drive  
Colwyn Bay  
North Wales  
LL29 8PE

## **Mostyn Gallery Limited**

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## **Mostyn Gallery Limited**

### **Reference and Administrative Details**

<b>Trustees</b>	Mr J C Salisbury, Chairman Mr A Cramerotti, Gallery Director (resigned 31 December 2023) Mr E Williams Ms V Griffiths Mrs H Weaver (resigned 31 December 2023) Mr D Lloyd Mrs M Hawkins Mr A Bertola Ms C Harding (appointed 31 December 2023)
<b>Charity Registration Number</b>	507842
<b>Company Registration Number</b>	01378599
<b>Registered Office</b>	The charity is incorporated in England and Wales. Oriel Mostyn 12 Vaughan Street Llandudno Conwy LL30 1AB
<b>Independent Examiner</b>	G Hickerton Aston Hughes & Co Chartered Accountants Selby Towers 29 Princes Drive Colwyn Bay North Wales LL29 8PE
<b>Solicitors:</b>	Gamlins 31-37 Russell Road Rhyl LL18 3DB
<b>Bankers</b>	National Westminster Bank Plc 250 Bishopsgate London EC2 4AA

**Mostyn Gallery Limited**  
**Strategic Report for the Year Ended 31 March 2024**

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2024, in compliance with s414C of the Companies Act 2006.

**Financial review**

***Policy on reserves***

The Trustees' Reserves Policy states that having given due consideration to the operational profile of the charity, Gallery Council has decided that it is appropriate to hold a reserve that would allow the charity to discharge its liabilities and close its operation in an orderly fashion should it be unable to continue its activities. The Trustees established that this would represent holding a reserve equivalent to 3 months' operational expenditure plus the redundancy costs of all staff members. This figure has been calculated to be £140,000. Establishing this reserve is the key basis of the programme schedule that has been adopted by the Gallery Council. The Gallery continues toward establishing this level of funds which is not yet met.

The total funds held by charity at the end of the reporting period were £2,790,281 (2023, £2,821,697).

This includes restricted funds of £82,877 (2023, £0).

The total funds that can only be realised by disposing of fixed assets were £2,790,281 (2023, £2,821,697).

The total free reserves held by the charity at the end of the reporting period were £0 (2023, £0).

**Plans for future periods**

The Trustees have agreed a programme schedule that consolidates the excellent work done over the past four years in terms of financial controls and stability. This will be complemented by a concerted effort to increase Mostyn's capability in terms of attracting corporate and individual giving.

***Key risks and uncertainties***

The most significant risk Mostyn faces is further cuts to the core funding received from ACW (Arts Council of Wales), in the context of a wider economic downturn and continued cost of living crisis.

Having already experienced initial cuts in this financial year, Mostyn sought to stabilise overhead costs, to ensure that all externally funded projects contribute towards the organisation's core costs, and strategically review all potential commercial opportunities to de-risk the funding uncertainties moving forward.

The Trustees have assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to those major risks.

The Trustees are in agreement that Mostyn Gallery Limited is able to continue as a going concern for at least the next 12 months.

The strategic report was approved by the trustees of the charity on 19 December 2024 and signed on its behalf by:

.....  
Mr J C Salisbury  
Trustee

## **Mostyn Gallery Limited**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and independent examiner's report of the charitable company for the year ended 31 March 2024.

#### **Objectives and activities**

##### ***Objects and aims***

Mostyn is a public art gallery and a not-for-profit organisation in Llandudno, North Wales, with a programme of contemporary art exhibitions on a par with those in major global art centres.

Mostyn Gallery Limited produces a range of creative activities for its visitors to enjoy at Mostyn or at home. These are inspired by the exhibition programme. Mostyn also works with schools, colleges, universities, youth, community and special needs groups.

The Gallery shop sells a wide range of jewellery, ceramics, prints, glassware, books, magazines and cards, supporting the work of over 400 independent artists and makers.

#### **Values**

- Support excellence: show the best international contemporary art, and the best work by regional artists, craftspeople and makers.
- Captivate and fascinate: encouraging discussion and reflection on how and why contemporary art is relevant to everyone's lives.
- Champion inclusivity: be welcoming, accessible and providing space for all voices.
- Collaborate: share Mostyn and the value of contemporary art beyond the building by working in partnership with others in the local communities.
- Act with Integrity: promote sustainable and ethical working practices and creative opportunities for others.
- Advocate: actively support the Welsh language and the Welsh cultural sector.

#### **Vision**

- To produce outstanding and internationally significant contemporary art exhibitions that aim to represent diverse perspectives on contemporary life.
- To engage, inspire and excite audiences, through ambitious exhibitions, learning and digital programmes.
- To provide a safe, inclusive, accessible and welcoming environment to share contemporary art and open dialogue with everyone.
- To passionately support and promote the Welsh language as a modern language of creativity and innovation.
- To nurture and promote Welsh and Wales based artists and creative practitioners, nationally and internationally.
- To be a resilient, diverse and sustainable organisation that contributes towards the cultural, social, environmental and economic fabric of Wales.

During this financial year, Mostyn Gallery Limited has maintained its position as the leading visual arts organisation in Wales increasing the reach, ambition and recognition of its artistic programme as well as its impact on the local community.

## **Mostyn Gallery Limited**

### **Trustees' Report**

#### ***Objectives, strategies and activities***

##### ***Audience numbers***

In 2023/24 59,686 on-site visits were received and 31,151 website unique visits, reaching 429,343 overall online users. 73,321 online users were actively engaged through various social media channels.

£395,004 was received as part of our annual portfolio funding from the Arts Council of Wales (ACW) to deliver our core exhibition activities, and a further £289,542 was raised from other charities, trusts and funds to support public engagement activities.

A 2% cut to annual funding from ACW this year meant that Mostyn Gallery was more reliant on these other fundraising activities; however a significant capital investment of over £250,000 from the Sennedd, as a partner in the National Contemporary Art Gallery of Wales project, and the provision of resource and revenue funding from a partnership with the National Gallery, London, along with improved sales from the Gallery Shop, have meant that the financial position has remained positive.

##### ***Exhibitions***

Rosemarie Castoro: Trap A Zoid (off site)

Rosemarie Castoro: Carving Space

Ffocws #1

Artes Mundi 10: Taloi Havini

Rooted in Wales

Syfrdanol

Diane Dal-pra: Dissolutions

Oren Pinhassi: False Alarm

The Great Outdoors

Soft Touch and Fluffy Delights

Stefan Brüggemann: Not Black, Not White, Silver

Mostyn Gallery Limited has worked in partnership with organisations such as IKT (IKT Congress 2023), Artes Mundi (AM10), The National Gallery, London (The Triumph of Art), and Amgueddfa Cymru (the National Contemporary Art Gallery of Wales) to deliver some of the exhibitions that have taken place during the year.

## **Mostyn Gallery Limited**

### **Trustees' Report**

#### ***Artistic Programme Events***

Events led and delivered by Mostyn Gallery Limited during the reporting period included:

Children's workshops

Artist's talks

Exhibition tours with curators

Digital events such as symposia and webinars

Art professional development workshops

Graduate and undergraduate Fine Art study visits

Health & Wellbeing group support

Family drop in art workshops

Disability Arts Cymru sessions

Rural artist residencies

Isdyfiant / Undergrowth events

Learning resource Packs

#### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

## **Mostyn Gallery Limited**

### **Trustees' Report**

#### **Structure, governance and management**

##### ***Nature of governing document***

Mostyn Gallery Limited is a company limited by guarantee as defined by the Companies Act 2006. It is a registered charity. The company was established in 1979 under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under the Articles of Association.

##### ***Charity constitution***

The trustees meet three times a year and are responsible for the management and strategic leadership of the charity and ensuring that the charity devotes all of its resources and assets towards meeting its objectives. All of the trustees are members of the company and guaranteed to contribute £1 in the event of a winding up.

##### ***Recruitment and appointment of trustees***

Mostyn Gallery Trustees are recruited according to the skills required as identified by the Trustees.

A skills audit has been undertaken this year and it has been identified that more Trustees members are required to meet the needs of the organisation after the most recent Arts Council of Wales portfolio funding review (April 2024). This will ensure that the organisation has the breadth of skills needed to keep it moving forwards. A broad and diverse recruitment process will be adopted and governance training will be given regularly to members via professional bodies.

##### ***Decision making***

All decisions on policy and strategy are made by the Gallery Trustees and recorded in the minutes of the meetings. Day to day responsibility for the management of the charity is delegated to the Gallery Interim Director Clare Harding. Individual Trustees take particular interest in aspects of the business relating to their skills and expertise and provide mentorship and support in relation to these.

##### ***Induction and training of trustees***

The charity has a policy and procedure for the induction of volunteers and trustees. When necessary, the company provides training in order for Trustees to maintain appropriate knowledge of their role and responsibility as trustees under Company Law and Charity Commission guidelines.

##### ***Arrangements for setting key management personnel remuneration***

The Interim Director of the Gallery (Clare Harding) is a Trustee. The salary of the Director is agreed by Gallery Council who make the appointment. Expenses incurred by the Director are monitored by the Chair of Gallery Council. All other Trustees are unpaid except for expenses incurred directly on the charity's behalf.



## **Mostyn Gallery Limited**

### **Trustees' Report**

#### ***Major risks and management of those risks***

The most significant risk Mostyn faces is further cuts to the core funding received from ACW (Arts Council of Wales), in the context of a wider economic downturn and continued cost of living crisis.

Having already experienced initial cuts in this financial year, Mostyn sought to stabilise overhead costs, to ensure that all externally funded projects contribute towards the organisation's core costs, and strategically review all potential commercial opportunities to de-risk the funding uncertainties moving forward.

The Trustees have assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to those major risks.

The Trustees are in agreement that Mostyn Gallery Limited is able to continue as a going concern for at least the next 12 months.

## Mostyn Gallery Limited

### Trustees' Report

#### Statement of trustees' responsibilities

The trustees (who are also the directors of Mostyn Gallery Limited for the purposes of company law) 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

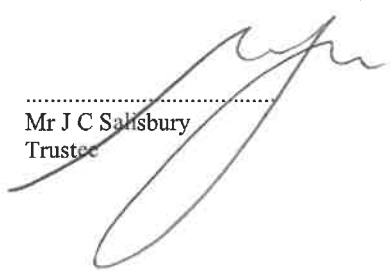
The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### Disclosure of information to independent examiner

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant information and to establish that the charity's independent examiner is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the independent examiner is unaware.

The annual report was approved by the trustees of the charity on 19 December 2024 and signed on its behalf by:



.....  
Mr J C Salisbury  
Trustee

## **Mostyn Gallery Limited**

### **Independent Examiner's Report to the trustees of Mostyn Gallery Limited ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2024.

#### **Responsibilities and basis of report**

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

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

#### **Independent examiner's statement**

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

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

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



G Glenis Hickerton BSc, FCA  
Aston Hughes & Co Chartered Accountants  
ICAEW

Selby Towers  
29 Princes Drive  
Colwyn Bay  
North Wales  
LL29 8PE

19 December 2024

## Mostyn Gallery Limited

### Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2024 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	423,293	261,253	684,546
Other trading activities	5	116,609	-	116,609
Investment income	6	1,083	-	1,083
Other income	7	52,259	-	52,259
Total Income		<u>593,244</u>	<u>261,253</u>	<u>854,497</u>
<b>Expenditure on:</b>				
Raising funds	8	(65,207)	-	(65,207)
Charitable activities	9	(613,435)	(207,271)	(820,706)
Total Expenditure		<u>(678,642)</u>	<u>(207,271)</u>	<u>(885,913)</u>
Net (expenditure)/income		(85,398)	53,982	(31,416)
Transfers between funds		<u>(28,895)</u>	<u>28,895</u>	<u>-</u>
Net movement in funds		(114,293)	82,877	(31,416)
<b>Reconciliation of funds</b>				
Total funds brought forward	23	<u>2,821,697</u>	<u>-</u>	<u>2,821,697</u>
Total funds carried forward	23	<u>2,707,404</u>	<u>82,877</u>	<u>2,790,281</u>

The notes on pages 14 to 30 form an integral part of these financial statements.

## Mostyn Gallery Limited

### Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	462,312	142,469	604,781
Charitable activities	4	521	-	521
Other trading activities	5	101,897	-	101,897
Investment income	6	453	-	453
Other income	7	27,823	-	27,823
Total Income		<u>593,006</u>	<u>142,469</u>	<u>735,475</u>
<b>Expenditure on:</b>				
Raising funds	8	(63,194)	-	(63,194)
Charitable activities	9	<u>(628,965)</u>	<u>(307,727)</u>	<u>(936,692)</u>
Total Expenditure		<u>(692,159)</u>	<u>(307,727)</u>	<u>(999,886)</u>
Net expenditure		(99,153)	(165,258)	(264,411)
Transfers between funds		<u>(40,232)</u>	<u>40,232</u>	<u>-</u>
Net movement in funds		(139,385)	(125,026)	(264,411)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>2,961,082</u>	<u>125,026</u>	<u>3,086,108</u>
Total funds carried forward	23	<u>2,821,697</u>	<u>-</u>	<u>2,821,697</u>

All of the charity's activities derive from continuing operations during the above two periods.

## Mostyn Gallery Limited

(Registration number: 01378599)  
Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	15	2,823,769	2,842,288
<b>Current assets</b>			
Stocks	16	28,008	26,857
Debtors	17	72,481	84,414
Cash at bank and in hand	18	289,243	99,466
		389,732	210,737
<b>Creditors: Amounts falling due within one year</b>	19	(318,567)	(219,987)
<b>Net current assets/(liabilities)</b>		71,165	(9,250)
<b>Total assets less current liabilities</b>		2,894,934	2,833,038
<b>Creditors: Amounts falling due after more than one year</b>	20	(104,653)	(11,341)
<b>Net assets</b>		2,790,281	2,821,697
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	23	82,877	-
<b>Unrestricted income funds</b>			
Unrestricted funds		2,707,404	2,821,697
<b>Total funds</b>	23	2,790,281	2,821,697

For the financial year ending 31 March 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

### Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 10 to 30 were approved by the trustees, and authorised for issue on 19 December 2024 and signed on their behalf by:

.....  
Mr J C Salisbury  
Trustee

The notes on pages 14 to 30 form an integral part of these financial statements.

## Mostyn Gallery Limited

### Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash expenditure		(31,416)	(264,411)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	8	196,603	161,137
Investment income	6	<u>(1,083)</u>	<u>(453)</u>
		164,104	(103,727)
<b>Working capital adjustments</b>			
Increase in stocks	16	(1,151)	(10,661)
Decrease/(increase) in debtors	17	11,933	(16,787)
Increase in creditors	19	98,579	41,321
Increase in deferred income	19	<u>93,312</u>	<u>-</u>
Net cash flows from operating activities		<u>366,777</u>	<u>(89,854)</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	6	1,083	453
Purchase of tangible fixed assets	15	<u>(178,083)</u>	<u>-</u>
Net cash flows from investing activities		<u>(177,000)</u>	<u>453</u>
Net increase/(decrease) in cash and cash equivalents		189,777	(89,401)
Cash and cash equivalents at 1 April	18	<u>99,466</u>	<u>188,867</u>
Cash and cash equivalents at 31 March	18	<u><u>289,243</u></u>	<u><u>99,466</u></u>

The notes on pages 14 to 30 form an integral part of these financial statements.

## **Mostyn Gallery Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2024**

#### **1 Charity status**

The charity is a charity limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Oriel Mostyn  
12 Vaughan Street  
Llandudno  
Conwy  
LL30 1AB

These financial statements were authorised for issue by the trustees on 19 December 2024.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

The financial statements have been prepared 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **Basis of preparation**

Mostyn Gallery Limited 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 notes.

The financial statements are prepared in sterling, and monetary amounts in these financial statements are rounded to the nearest £.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Income and endowments**

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 the income receivable can be measured reliably.



## **Mostyn Gallery Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2024**

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Deferred income***

Deferred income relates to a capital grant which is recognised in the profit and loss account on a systematic basis over the useful economic life of the asset to which it related to.

#### ***Other trading activities***

Shop income is recognised as earned (that is, as the related goods or services are provided). Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

#### ***Expenditure***

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Raising funds***

These are costs incurred in attracting voluntary income and in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### ***Governance costs***

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and trustees meetings and reimbursed expenses.

## **Mostyn Gallery Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2024**

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **Irrecoverable VAT**

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £1000.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Leasehold and other interests in land and buildings: over 30 years

Fixtures & Fittings: 20% Straight Line Basis

#### **Stock**

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## **Mostyn Gallery Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2024**

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Non-interest-bearing borrowings are recorded at fair value.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

## **Mostyn Gallery Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2024**

#### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## Mostyn Gallery Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### *Debt instruments*

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

## Mostyn Gallery Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 3 Income from donations and legacies

	Unrestricted		Total 2024	Total 2023
	General £	Restricted £	£	£
Donations and legacies;				
Donations from individuals	7,457	16,126	23,583	34,289
Grants, including capital grants;				
Government grants	403,604	218,627	622,231	25,370
Non government grants	12,232	26,500	38,732	545,122
	<u>423,293</u>	<u>261,253</u>	<u>684,546</u>	<u>604,781</u>

#### 4 Income from charitable activities

	Total 2024 £	Total 2023 £
Exhibitions	<u>-</u>	<u>521</u>

#### 5 Income from other trading activities

	Unrestricted General £	Total 2024 £	Total 2023 £
Trading income;			
Shop income	<u>116,609</u>	<u>116,609</u>	<u>101,897</u>
	<u>116,609</u>	<u>116,609</u>	<u>101,897</u>

## Mostyn Gallery Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 6 Investment income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Interest receivable and similar income;			
Interest receivable on bank deposits	1,083	1,083	453

#### 7 Other income

	Unrestricted General £	Total 2024 £	Total 2023 £
Cafe rental	4,167	4,167	4,458
Room hire	648	648	100
Museums and galleries exhibition tax relief	47,444	47,444	23,265
	<u>52,259</u>	<u>52,259</u>	<u>27,823</u>

#### 8 Expenditure on raising funds

##### a) Costs of trading activities

	Unrestricted General £	Total 2024 £	Total 2023 £
Note			
Costs of goods sold	65,207	65,207	63,194
	<u>65,207</u>	<u>65,207</u>	<u>63,194</u>

## Mostyn Gallery Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 9 Expenditure on charitable activities

	Note	Unrestricted		Total	Total
		General	Restricted	2024	2023
		£	£	£	£
Publicity costs		13,057	335	13,392	16,625
Premises costs		57,705	40,271	97,976	102,639
Exhibition program		36,605	102,279	138,884	294,066
Travel and subsistence		22,180	-	22,180	34,917
Office costs		68,721	-	68,721	12,888
Sundry expenses		12,304	-	12,304	453
Bank charges		662	-	662	1,815
Interest payable		567	-	567	692
Depreciation		160,987	35,616	196,603	161,137
Legal and professional		9,478	-	9,478	7,718
Staff costs		227,169	28,770	255,939	299,742
Governance costs	10	4,000	-	4,000	4,000
		<u>613,435</u>	<u>207,271</u>	<u>820,706</u>	<u>936,692</u>

#### Included within exhibition program costs are:

Grants made to individuals of £42,000.

Grants made to institutions of £4,000.



## Mostyn Gallery Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 10 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Independent examiner fees			
Examination of the financial statements	4,000	4,000	4,000
	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>

#### 11 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2024 £	2023 £
Operating leases - other assets	36,250	46,145
Other non-audit services	3,848	3,870
Depreciation of fixed assets	199,603	161,135
Finance charges payable	567	692
Independent examination	<u>4,000</u>	<u>4,000</u>

#### 12 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

##### Mr A Cramerotti

Mr A Cramerotti received remuneration of £40,034 (2023: £49,799) between 1 April 2023 and 31 December 2023 and pension costs of £1,059 (2023 £1,321).

The remuneration and expenses paid on behalf of Mr Cramerotti were in respect of day to day management of the charity and fulfilling his role as the gallery director. The transactions reimbursed to Mr Cramerotti were travel and subsistence costs incurred by him whilst on business travel using the company credit card.

##### Ms C Harding

Ms C Harding received remuneration of £9,388 between 1 January 2024 and 31 March 2024 pensions costs of £247 were paid during the same period.

The remuneration and expenses paid on behalf of Ms Harding were in respect of day to day management of the charity and fulfilling her role as the gallery director. The transactions reimbursed to Ms Harding were travel and subsistence costs incurred by her whilst on business travel using the company credit card.

## Mostyn Gallery Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 13 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
<b>Staff costs during the year were:</b>		
Wages and salaries	240,228	279,872
Social security costs	11,345	13,973
Pension costs	4,366	5,076
Other staff costs	-	821
	<u>255,939</u>	<u>299,742</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2024 No	2023 No
Average numbers	<u>14</u>	<u>19</u>

No employee received emoluments of more than £60,000 during the year.

#### Remuneration of key management personnel

Remuneration for services to the charity:-

	£	£
Salary	51,600	52,000
Employer's NI	5,761	6,234
Employer's pension	1,306	1,321
	<u>58,667</u>	<u>59,558</u>

## Mostyn Gallery Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 15 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Total £
<b>Cost</b>			
At 1 April 2023	4,726,549	125,537	4,852,086
Additions	-	178,083	178,083
At 31 March 2024	<u>4,726,549</u>	<u>303,620</u>	<u>5,030,169</u>
<b>Depreciation</b>			
At 1 April 2023	1,890,144	119,653	2,009,797
Charge for the year	157,550	39,053	196,603
At 31 March 2024	<u>2,047,694</u>	<u>158,706</u>	<u>2,206,400</u>
<b>Net book value</b>			
At 31 March 2024	<u>2,678,855</u>	<u>144,914</u>	<u>2,823,769</u>
At 31 March 2023	<u>2,836,405</u>	<u>5,884</u>	<u>2,842,289</u>

Included within the net book value of land and buildings above is £2,678,855 (2023 - £2,836,405) in respect of leasehold property.

#### 16 Stock

	2024 £	2023 £
Stocks	<u>28,008</u>	<u>26,857</u>

#### 17 Debtors

	2024 £	2023 £
Trade debtors	52,842	57,158
Prepayments	12,521	13,097
Other debtors	<u>7,118</u>	<u>14,159</u>
	<u>72,481</u>	<u>84,414</u>

## Mostyn Gallery Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 18 Cash and cash equivalents

	2024 £	2023 £
Cash on hand	40	40
Cash at bank	289,203	99,426
	<u>289,243</u>	<u>99,466</u>

#### 19 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	261,595	148,700
Other taxation and social security	2,818	3,200
VAT liability	5,556	-
Other creditors	40,098	55,363
Accruals	8,500	12,724
	<u>318,567</u>	<u>219,987</u>

#### 20 Creditors: amounts falling due after one year

	2024 £	2023 £
Other loans	11,341	11,341
Deferred income	93,312	-
	<u>104,653</u>	<u>11,341</u>

Amounts included within other loans relate to a concessionary loan which attracts no interest and is not expected to be repaid.

	£	£
Deferred income brought forward	-	-
Grant deferred in the year	93,312	-
Deferred income carried forward	<u>93,312</u>	<u>-</u>

#### 21 Obligations under finance leases and hire purchase contracts

The total value of future minimum lease payments was as follows:

## Mostyn Gallery Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

	2024	2023
	£	£
Within one year	(36,250)	(36,250)
In two to five years	(145,000)	(145,000)
In over five years	<u>(435,000)</u>	<u>(471,250)</u>
	<u>(616,250)</u>	<u>(652,500)</u>
Lease payments recognised as an expense	(36,250)	(36,250)

#### 22 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £4,366 (2023 - £5,076). Contributions totalling £1,037 (2023 - £947) were payable to the scheme at the end of the year and are included in creditors.

## Mostyn Gallery Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 23 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
<b>Unrestricted funds</b>					
<i>General</i>					
General	2,821,697	593,244	(678,642)	(28,895)	2,707,404
<b>Restricted funds</b>					
NRW - Learning and undergrowth programme	-	38,037	(53,856)	15,819	-
NCAGW - Capital Fund	-	75,887	(75,887)	-	-
NCAGW - Capital Staffing	-	4,203	(4,203)	-	-
NCAGW - Project Management	-	10,000	(10,000)	-	-
National Gallery	-	81,000	(123)	-	80,877
WCVA - Energy efficiency survey	-	1,000	-	-	1,000
IKT	-	6,500	(9,675)	3,175	-
Orin Pinhassi	-	15,000	(15,000)	-	-
Tuur & Revital	-	10,000	(11,512)	1,512	-
Dianne Dal-Pra	-	2,000	(7,083)	5,083	-
Rosemarie Castoro	-	8,000	(8,000)	-	-
Taloi Havini	-	1,126	(4,432)	3,306	-
National Museum	-	8,500	(7,500)	-	1,000
<b>Total restricted funds</b>	-	261,253	(207,271)	28,895	82,877
<b>Total funds</b>	2,821,697	854,497	(885,913)	-	2,790,281

## Mostyn Gallery Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
<i>General</i>					
General	2,961,082	593,006	(692,159)	(40,232)	2,821,697
<b>Restricted</b>					
Summer of fun project	-	2,500	(2,500)	-	-
Digital Innovation	-	5,000	(5,000)	-	-
Llandudno Tourist & Innovation Grant	-	7,370	(7,370)	-	-
Cerith Wyn Evans	-	33,500	(44,596)	11,096	-
Criw Celf	1,565	39,596	(41,161)	-	-
Jacqueline de Jong Exhibition	-	-	(18,721)	18,721	-
Angharad Williams Exhibition	-	2,000	(6,902)	4,902	-
Garfield Weston Culture Fund	89,307	-	(85,807)	(3,500)	-
NRW L & E - Undergrowth program	-	45,863	(47,150)	1,287	-
Heating system repairs	-	1,200	(5,200)	4,000	-
Project Space	25,842	(1,785)	(27,586)	3,529	-
Creativity is Mistakes	520	-	(569)	49	-
Temporary Atlas	(148)	-	-	148	-
Frances Disley Project	6,950	7,225	(14,175)	-	-
Podcast Digital Project	990	-	(990)	-	-
<b>Total restricted funds</b>	<u>125,026</u>	<u>142,469</u>	<u>(307,727)</u>	<u>40,232</u>	<u>-</u>
<b>Total funds</b>	<u><u>3,086,108</u></u>	<u><u>735,475</u></u>	<u><u>(999,886)</u></u>	<u><u>-</u></u>	<u><u>2,821,697</u></u>

## Mostyn Gallery Limited

### Notes to the Financial Statements for the Year Ended 31 March 2024

#### 24 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2024 £
Tangible fixed assets	2,823,768	-	2,823,768
Current assets	306,855	82,877	389,732
Current liabilities	(318,566)	-	(318,566)
Creditors over 1 year	(104,653)	-	(104,653)
Total net assets	<u>2,707,404</u>	<u>82,877</u>	<u>2,790,281</u>

	Unrestricted funds General £	Total funds at 31 March 2023 £
Tangible fixed assets	2,842,288	2,842,288
Current assets	210,737	210,737
Current liabilities	(219,987)	(219,987)
Creditors over 1 year	(11,341)	(11,341)
Total net assets	<u>2,821,697</u>	<u>2,821,697</u>

#### 25 Related party transactions

There were no related party transactions in the year.