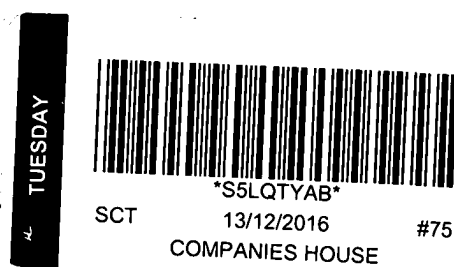


**Annual Report and  
Financial Statements  
for the Year Ended 31 March 2016  
for  
Compass Gallery Limited  
(A company limited by Guarantee and not having a share capital)**

**Registered Company Number: SC46634  
Registered Charity Number: SC007119**



# **Compass Gallery Limited**

## **Contents of the Financial Statements for the Year Ended 31 March 2016**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Directors</b>	<b>2</b>
<b>Statement of Financial Activities</b>	<b>3</b>
<b>Balance Sheet</b>	<b>4</b>
<b>Notes to the Financial Statements</b>	<b>6</b>
<b>Report of the Independent Examiner</b>	<b>9</b>

**Compass Gallery Limited**  
**Company Information**  
**for the Year Ended 31 March 2016**

**DIRECTORS:**

Ms A Stein  
G C Gerber  
F G Bloom  
Ms J R Stein

**SECRETARIES:**

G C Gerber  
Ms A Stein

**REGISTERED OFFICE:**

178 West Regent Street  
Glasgow  
G2 4RL

**REGISTERED CHARITY NO:** SC007119

**REGISTERED NUMBER:** SC46634

**ACCOUNTANTS:**

Gerber Landa & Gee  
Pavilion 1  
Finnieston Business Park  
Minerva Way  
Glasgow  
G3 8AU

## **Compass Gallery Limited**

### **Report of the Directors for the Year Ended 31 March 2016**

The directors who are also trustees for the purpose of the Companies Act, have pleasure in presenting their report and financial statements of the Charity for the year ended 31 March 2016.

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2015 to the date of this report.

G C Gerber

F G Bloom

A Stein

Ms J R Stein – appointed 11 January 2016

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The organisation is a charitable company limited by guarantee, incorporated on 13 May 1969. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Management of the company has been delegated to the directors who are appointed in accordance with the Memorandum and Articles of Association.

#### **OBJECTIVES & ACTIVITIES**

Compass Gallery limited is established to cultivate, educate and advance public understanding of the arts. By presenting a programme of contemporary art exhibitions it encourages a wider understanding of visual arts as an important way of enriching life and supporting cultural communities. Working from its gallery based in Glasgow City Centre, it extends its business throughout Scotland and beyond. Compass Gallery provides an educational and advisory role to the public, including; artists, art organisations and public museums and encourages acquisitions.

#### **ACHIEVEMENTS AND PERFORMANCE**

Economic conditions continue to be challenging, affecting public confidence and sales results of contemporary art, particularly at the London Art Fair. This is reflected in the decrease in sales figures for the year. However, the directors believe that by continuing to provide a programme of high quality exhibitions and working to encourage wider audiences, there is potential to identify new collectors. The company continues to curate and present quality, well-reviewed exhibitions, which continue to educate and inform the public and support the artists, in particular, the newly emerging graduates from the Scottish Art Schools.

#### **FINANCIAL REVIEW**

The company continues to be reliant on the ongoing support of its directors and related companies and charitable donations in order to operate. The deficit has arisen due to increase costs and the economic downturn leading to a decline in art sales over a number of years; this includes a deficit in the current year. The directors are continuing to make funding applications to arts bodies such as Creative Scotland and other trust funds. They are working hard to improve sales figures and trim costs.

#### **RESERVE POLICY**

The company does not hold reserves as a result of difficult trading conditions over a number of years. The directors continue to endeavour to improve the trading position of the company in order to build reserves sufficient to sustain the company.

**Compass Gallery Limited**

**Report of the Directors  
for the Year Ended 31 March 2016**

**STATEMENT OF TRUSTEES RESPONSIBILITY**

Under the regulations governing charities the Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust as at the end of the financial year and of the profit or loss of the Trust for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the financial statements have been properly prepared in accordance with the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities and Trustee Investment (Scotland) Act 2005 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

**ON BEHALF OF THE BOARD:**



G C Gerber - Director

6 December 2016

Compass Gallery Limited

**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCORPORATING INCOME & EXPENDITURE ACCOUNT**

For the year ended 31 March 2016

	Notes	Unrestricted Funds £	Total Funds £	2015 £
<b>INCOMING RESOURCES</b>				
Donations		590	590	927
Incoming Resources from Charitable Activities		85,602	85,602	66,943
Rental Income		2,000	2,000	2,000
		<u>88,192</u>	<u>88,192</u>	<u>69,870</u>
<b>RESOURCES EXPENDED</b>				
Charitable Activities		90,986	90,986	99,993
Governance Costs	2	2,050	2,050	2,150
Total resources expended		<u>93,036</u>	<u>93,036</u>	<u>102,143</u>
Net incoming resources		(4,844)	(4,844)	(32,273)
Balances brought forward at 1 April 2015		(66,274)	(66,274)	(34,001)
<b>BALANCES CARRIED FORWARD</b>				
<b>AT 31 March 2016</b>		<u>(71,118)</u>	<u>(71,118)</u>	<u>(66,274)</u>

# Compass Gallery Limited

## Balance Sheet 31 March 2016

	Notes	31.3.16 £	£	31.3.15 £	£
<b>FIXED ASSETS</b>					
Tangible assets	3		244		325
<b>CURRENT ASSETS</b>					
Stocks		2,500		1,450	
Debtors	4	1,400		620	
Cash at bank and in hand		<u>7,252</u>		<u>2,366</u>	
		11,152		4,436	
<b>CREDITORS</b>					
Amounts falling due within one year	5	<u>82,514</u>		<u>71,035</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(71,362)</u>		<u>(66,599)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>(71,118)</u>		<u>(66,274)</u>
<b>NET LIABILITIES</b>			<u>(71,118)</u>		<u>(66,274)</u>
<b>RESERVES</b>					
Unrestricted funds	6		<u>(71,118)</u>		<u>(66,274)</u>
			<u>(71,118)</u>		<u>(66,274)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2016 in accordance with Section 476 of the Companies Act 2006.

These financial statements have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies' regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Directors on 6 December 2016 and were signed on its behalf by:



Gillian C Gerber - Director

**Compass Gallery Limited**  
**Notes to the Financial Statements**  
**for the Year Ended 31 March 2016**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (January 2015), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities (January 2015).

**Incoming Resources**

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services.

**Governance costs**

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include costs linked to the strategic management of the charity.

**Tangible fixed assets**

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

Land and buildings	- 15% on reducing balance
Plant and machinery etc	- 25% on reducing balance

**Stocks**

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

**2. EXPENDITURE**

Governance costs include:

	31.3.16	31.3.15
	£	£
Independent Examiner's Remuneration	<u>2,050</u>	<u>2,200</u>



**Compass Gallery Limited**

**Notes to the Financial Statements  
for the Year Ended 31 March 2016**

**3. TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
<b>COST</b>			
At 1 April 2015 and 31 March 2016	1,579	9,312	10,891
<b>DEPRECIATION</b>			
At 1 April 2015	1,579	8,987	10,566
Charge for year	<u>-</u>	<u>81</u>	<u>81</u>
At 31 March 2016	<u>1,579</u>	<u>9,068</u>	<u>10,647</u>
<b>NET BOOK VALUE</b>			
At 31 March 2016	<u>-</u>	<u>244</u>	<u>244</u>
At 31 March 2016	<u>-</u>	<u>325</u>	<u>325</u>

**4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.16 £	31.3.15 £
Trade Debtors	1,400	-
Other debtors	<u>-</u>	<u>620</u>

**5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.16 £	31.3.15 £
Trade creditors	9,397	-
Taxation and social security	3,408	2,096
Accrued Charges	4,441	2,150
Other creditors	<u>65,268</u>	<u>66,789</u>
	<u>82,514</u>	<u>71,035</u>

# Compass Gallery Limited

## Notes to the Financial Statements - continued for the Year Ended 31 March 2016

### 6. MOVEMENT IN FUNDS

	Unrestricted Funds £
At 1 April 2015	(66,274)
Incoming resources	88,192
Outgoing resources	<u>(93,036)</u>
At 31 March 2016	<u>(71,118)</u>

### 7. RELATED PARTY DISCLOSURES

Included in other creditors falling due within one year is a loan of £29,727 (2015 - £36,009) from Gerber Bros Wholesale Ltd T/A Cyril Gerber Fine Art. Gillian C Gerber is a director of the company. The loan is interest free and has no fixed repayment date. A loan is also due to Gillian C Gerber of £35,167 (2015 - £31,152). The loan is interest free and has no fixed repayment date.

Gillian Gerber was re-imbursed £776 (2015 - £1,264) in Trustee expenses during the year in fulfilling her role as a Trustee, these related to expenses of the charity paid personally by Ms Gerber. She was also paid a curation fee of £5,000 (2015 - £5,000) for her services during the year, in accordance with the terms of the Trust Deed. No other Trustee received any remuneration.

**Compass Gallery Limited**  
**Independent Examiner's Report**  
**Compass Gallery Limited**

I report on the accounts of the Charity for the year ended 31 March 2016 set out on pages three to eight.

**Respective responsibilities of trustees and examiner**

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44 (1) (c) of the Act and to state whether particular matters have come to my attention.

**Basis of independent examiner's statement**

My examination was carried out in accordance with the Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

**Independent examiner's statement**

In the course of my examination, no matter has come to my attention;

(a) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met, or

(b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Henry C Seddon FCCA  
Gerber Landa & Gee  
Chartered Accountants  
Pavilion 1  
Finnieston Business Park  
Minerva Way  
Glasgow  
G3 8AU

Date: 6 December 2016