

**REGISTERED COMPANY NUMBER: SC046634 (Scotland)**  
**REGISTERED CHARITY NUMBER: SC007119**

**Report of the Trustees and  
Unaudited Financial Statements for the Year Ended 31 March 2018  
for  
Compass Gallery**



Gerber Landa & Gee  
Chartered Accountants  
Chartered Tax Advisers  
Pavilion 1  
Finnieston Business Park  
Minerva Way  
GLASGOW  
G3 8AU

## **Compass Gallery**

### **Contents of the Financial Statements for the Year Ended 31 March 2018**

	<b>Page</b>
Report of the Trustees	1 to 2
Independent Examiner's Report	3
Statement of Financial Activities	4
Balance Sheet	5 to 6
Notes to the Financial Statements	7 to 11

## **Compass Gallery**

### **Report of the Trustees for the Year Ended 31 March 2018**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2018. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

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.

#### **ACHIEVEMENT AND PERFORMANCE**

The company curated a popup exhibition in the west end of Glasgow that was very well received and continues to explore options for doing this in other locations. 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 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 in order to operate. The company achieved a small surplus in the current year as a result of improved trading conditions, a successful popup exhibition in the west end of Glasgow and a successful appeal for rates relief. The directors continue to work hard to improve sales figures and reduce expenditure where possible. The company currently achieves this without the aid of any grant funding.

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

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

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

The board of trustees has the power to appoint any trustees it sees fit based on their experience and the potential benefits they can bring to the charity.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

SC046634 (Scotland)

##### **Registered Charity number**

SC007119

##### **Registered office**

178 West Regent Street  
Glasgow  
G2 4RL

##### **Trustees**

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

##### **Company Secretary**

Ms G C Gerber

**Compass Gallery**

**Report of the Trustees  
for the Year Ended 31 March 2018**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Independent examiner**

Gerber Landa & Gee

Chartered Accountants

Chartered Tax Advisers

Pavilion 1

Finnieston Business Park

Minerva Way

GLASGOW

G3 8AU

Approved by order of the board of trustees on 30 August 2018 and signed on its behalf by:

Ms G C Gerber - Trustee

A handwritten signature in black ink, appearing to read 'G C Gerber', written in a cursive style.

**Independent Examiner's Report to the Trustees of  
Compass Gallery**

I report on the accounts for the year ended 31 March 2018 set out on pages four to eleven.

**Respective responsibilities of trustees and examiner**

The charity's trustees 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. The charity's 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 the independent examiner's report**

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. 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 seeking explanations from you as 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 connection with my examination, no matter has come to my attention:

- (1) 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; and
  - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

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



Calum Stewart LLB CA CTA  
Gerber Landa & Gee  
Chartered Accountants  
Chartered Tax Advisers  
Pavilion 1  
Finnieston Business Park  
Minerva Way  
GLASGOW  
G3 8AU

30 August 2018

# Compass Gallery

## Statement of Financial Activities for the Year Ended 31 March 2018

	Notes	31.3.18 Unrestricted fund £	31.3.17 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies		1,975	659
Other trading activities	2	100,719	73,357
Investment income	3	<u>2,000</u>	<u>2,000</u>
<b>Total</b>		104,694	76,016
<b>EXPENDITURE ON</b>			
Raising funds		51,539	28,094
Charitable activities			
Supporting emerging artists		<u>48,597</u>	<u>48,874</u>
<b>Total</b>		100,136	76,968
<b>NET INCOME/(EXPENDITURE)</b>		4,558	(952)
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		(72,070)	(71,118)
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>(67,512)</u>	<u>(72,070)</u>

The notes form part of these financial statements

# Compass Gallery

## Balance Sheet At 31 March 2018

	Notes	31.3.18 Unrestricted fund £	31.3.17 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	7	234	378
<b>CURRENT ASSETS</b>			
Stocks	8	2,500	2,500
Debtors	9	4,350	950
Cash at bank		<u>3,399</u>	<u>3,970</u>
		10,249	7,420
<b>CREDITORS</b>			
Amounts falling due within one year	10	(77,995)	(79,868)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>(67,746)</u>	<u>(72,448)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		(67,512)	(72,070)
<b>NET ASSETS/(LIABILITIES)</b>		<u>(67,512)</u>	<u>(72,070)</u>
<b>FUNDS</b>	11		
Unrestricted funds		(67,512)	(72,070)
<b>TOTAL FUNDS</b>		<u>(67,512)</u>	<u>(72,070)</u>

The notes form part of these financial statements

**Compass Gallery**

**Balance Sheet - continued  
At 31 March 2018**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 30 August 2018 and were signed on its behalf by:

Ms G C Gerber -Trustee



The notes form part of these financial statements



## Compass Gallery

### Notes to the Financial Statements for the Year Ended 31 March 2018

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

##### **Income**

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

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Tangible fixed assets**

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

Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 33% on cost

##### **Stocks**

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

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### 2. OTHER TRADING ACTIVITIES

	31.3.18	31.3.17
	£	£
Sales	90,563	73,357
Popup Sales	10,156	-
	<u>100,719</u>	<u>73,357</u>

# Compass Gallery

## Notes to the Financial Statements - continued for the Year Ended 31 March 2018

### 3. INVESTMENT INCOME

	31.3.18	31.3.17
	£	£
Rents received	<u>2,000</u>	<u>2,000</u>

### 4. NET INCOME/(EXPENDITURE)

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

	31.3.18	31.3.17
	£	£
Depreciation - owned assets	<u>144</u>	<u>158</u>

### 5. TRUSTEES' REMUNERATION AND BENEFITS

Gillian Gerber was re-imbursed £4,453 (2017 - £900) 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 (2017 - £5,000) for her services during the year, in accordance with the terms of the Trust Deed. No other Trustee received any remuneration, expenses or benefits.

### 6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
<b>INCOME AND ENDOWMENTS FROM</b>	
Donations and legacies	659
Other trading activities	73,357
Investment income	<u>2,000</u>
<b>Total</b>	<b>76,016</b>
<b>EXPENDITURE ON</b>	
Raising funds	28,094
Charitable activities	
Supporting emerging artists	<u>48,874</u>
<b>Total</b>	<b>76,968</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>(952)</b>

**Compass Gallery**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2018**

**6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

Unrestricted  
fund  
£

**RECONCILIATION OF FUNDS**

Total funds brought forward (71,118)

**TOTAL FUNDS CARRIED FORWARD** (72,070)

**7. TANGIBLE FIXED ASSETS**

	Short leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 April 2017 and 31 March 2018	<u>1,579</u>	<u>9,030</u>	<u>574</u>	<u>11,183</u>
<b>DEPRECIATION</b>				
At 1 April 2017	1,579	8,847	379	10,805
Charge for year	<u>-</u>	<u>46</u>	<u>98</u>	<u>144</u>
At 31 March 2018	<u>1,579</u>	<u>8,893</u>	<u>477</u>	<u>10,949</u>
<b>NET BOOK VALUE</b>				
At 31 March 2018	<u>-</u>	<u>137</u>	<u>97</u>	<u>234</u>
At 31 March 2017	<u>-</u>	<u>183</u>	<u>195</u>	<u>378</u>

**8. STOCKS**

	31.3.18	31.3.17
	£	£
Stocks	<u>2,500</u>	<u>2,500</u>

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

	31.3.18	31.3.17
	£	£
Trade debtors	<u>4,350</u>	<u>950</u>

# Compass Gallery

## Notes to the Financial Statements - continued for the Year Ended 31 March 2018

### 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.18	31.3.17
	£	£
Trade creditors	1,786	2,725
VAT	5,460	2,213
Other creditors	68,649	72,722
Accrued expenses	<u>2,100</u>	<u>2,208</u>
	<u>77,995</u>	<u>79,868</u>

### 11. MOVEMENT IN FUNDS

	At 1.4.17 £	Net movement in funds £	At 31.3.18 £
<b>Unrestricted funds</b>			
General fund	(72,070)	4,558	(67,512)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>(72,070)</u>	<u>4,558</u>	<u>(67,512)</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	104,694	(100,136)	4,558
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>104,694</u>	<u>(100,136)</u>	<u>4,558</u>

### Comparatives for movement in funds

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
<b>Unrestricted Funds</b>			
General fund	(71,118)	(952)	(72,070)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>(71,118)</u>	<u>(952)</u>	<u>(72,070)</u>

# Compass Gallery

## Notes to the Financial Statements - continued for the Year Ended 31 March 2018

### 11. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	76,016	(76,968)	(952)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>76,016</u>	<u>(76,968)</u>	<u>(952)</u>

### 12. RELATED PARTY DISCLOSURES

Included in other creditors falling due within one year is a loan of £27,727 (2017 - £29,727) from Gerber Bros Wholesale Ltd T/A Cyril Gerber Fine Art. Gillian C Gerber, Abigail Stein and Joanna Stein are directors of the company. The loan is interest free and has no fixed repayment date. A loan is also due to Gillian C Gerber of £40,682 (2017 - £42,585). The loan is interest free and has no fixed repayment date.