

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 March 2021
for
Compass Gallery Limited

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

Compass Gallery Limited

Contents of the Financial Statements for the Year Ended 31 March 2021

| | Page |
|--|-------------|
| 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 |

**Report of the Trustees
for the Year Ended 31 March 2021**

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 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

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 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 sustained a loss in the current year as a result of a significant drop in sales due to ongoing difficulties in the marketplace. The directors continue to work hard to improve sales figures and reduce expenditure where possible. The company operated in the current year 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

**Report of the Trustees
for the Year Ended 31 March 2021**

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 26 January 2022 and signed on its behalf by:

Ms G C Gerber - Trustee

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

I report on the accounts for the year ended 31 March 2021 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 (as amended). 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

26 January 2022

Compass Gallery Limited

**Statement of Financial Activities
for the Year Ended 31 March 2021**

| | | 31.3.21 Unrestricted fund £ | 31.3.20 Total funds £ |
|--|-------|--------------------------------------|--------------------------------|
| INCOME AND ENDOWMENTS FROM | Notes | | |
| Donations and legacies | | 314 | 523 |
| Other trading activities | 2 | 134,118 | 37,097 |
| Investment income | 3 | <u>2,000</u> | <u>2,000</u> |
| Total | | 136,432 | 39,620 |
| EXPENDITURE ON | | | |
| Raising funds | | 34,208 | 15,143 |
| Charitable activities | | | |
| Supporting emerging artists | | 26,127 | 35,848 |
| Other | | <u>-</u> | <u>(481)</u> |
| Total | | 60,335 | 50,510 |
| NET INCOME/(EXPENDITURE) | | <u>76,097</u> | <u>(10,890)</u> |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | | (92,005) | (81,115) |
| TOTAL FUNDS CARRIED FORWARD | | <u>(15,908)</u> | <u>(92,005)</u> |

The notes form part of these financial statements

Compass Gallery Limited (Registered number: SC046634)

**Balance Sheet
31 March 2021**

| | Notes | 31.3.21 Unrestricted fund £ | 31.3.20 Total funds £ |
|--|-------|--------------------------------------|--------------------------------|
| FIXED ASSETS | | | |
| Tangible assets | 7 | 58 | 77 |
| CURRENT ASSETS | | | |
| Stocks | 8 | 2,500 | 2,500 |
| Debtors | 9 | 404 | - |
| Cash at bank | | <u>69,659</u> | <u>2,058</u> |
| | | 72,563 | 4,558 |
| CREDITORS | | | |
| Amounts falling due within one year | 10 | (88,529) | (96,640) |
| NET CURRENT ASSETS/(LIABILITIES) | | <u>(15,966)</u> | <u>(92,082)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | (15,908) | (92,005) |
| NET ASSETS/(LIABILITIES) | | <u>(15,908)</u> | <u>(92,005)</u> |
| FUNDS | 11 | | |
| Unrestricted funds | | <u>(15,908)</u> | <u>(92,005)</u> |
| TOTAL FUNDS | | <u>(15,908)</u> | <u>(92,005)</u> |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 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.

The notes form part of these financial statements

Balance Sheet - continued
31 March 2021

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 26 January 2022 and were signed on its behalf by:

G C Gerber - Trustee

Compass Gallery Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

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

Tangible fixed assets

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

| | |
|-----------------------|---------------------------|
| 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.

Compass Gallery Limited

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

2. OTHER TRADING ACTIVITIES

| | 31.3.21 | 31.3.20 |
|--------------|----------------|---------------|
| | £ | £ |
| Sales | 55,688 | 26,410 |
| Other Income | <u>78,430</u> | <u>10,687</u> |
| | <u>134,118</u> | <u>37,097</u> |

3. INVESTMENT INCOME

| | 31.3.21 | 31.3.20 |
|----------------|--------------|--------------|
| | £ | £ |
| Rents received | <u>2,000</u> | <u>2,000</u> |

4. NET INCOME/(EXPENDITURE)

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

| | 31.3.21 | 31.3.20 |
|-----------------------------|-----------|-----------|
| | £ | £ |
| Depreciation - owned assets | <u>19</u> | <u>26</u> |

5. TRUSTEES' REMUNERATION AND BENEFITS

Gillian C Gerber was paid a curation fee of £5,000 (2020 - £5,000) for her services during the year, in accordance with the terms of the Trust Deed. No other Trustee received any remuneration.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted fund |
|-----------------------------------|-------------------|
| | £ |
| INCOME AND ENDOWMENTS FROM | |
| Donations and legacies | 523 |
| Other trading activities | 37,097 |
| Investment income | <u>2,000</u> |
| Total | <u>39,620</u> |
| EXPENDITURE ON | |
| Raising funds | 15,143 |
| Charitable activities | |
| Supporting emerging artists | 35,848 |
| Other | (481) |

Compass Gallery Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

| | |
|---------------------------------|----------------------|
| | Unrestricted fund |
| | £ |
| Total | <u>50,510</u> |
| NET INCOME/(EXPENDITURE) | <u>(10,890)</u> |

RECONCILIATION OF FUNDS

| | |
|------------------------------------|-----------------|
| Total funds brought forward | (81,115) |
| TOTAL FUNDS CARRIED FORWARD | <u>(92,005)</u> |

7. TANGIBLE FIXED ASSETS

| | Short leasehold £ | Fixtures and fittings £ | Computer equipment £ | Totals £ |
|-----------------------------------|-------------------------|----------------------------------|----------------------------|---------------|
| COST | | | | |
| At 1 April 2020 and 31 March 2021 | <u>1,579</u> | <u>9,030</u> | <u>574</u> | <u>11,183</u> |
| DEPRECIATION | | | | |
| At 1 April 2020 | 1,579 | 8,953 | 574 | 11,106 |
| Charge for year | <u>-</u> | <u>19</u> | <u>-</u> | <u>19</u> |
| At 31 March 2021 | <u>1,579</u> | <u>8,972</u> | <u>574</u> | <u>11,125</u> |
| NET BOOK VALUE | | | | |
| At 31 March 2021 | <u>-</u> | <u>58</u> | <u>-</u> | <u>58</u> |
| At 31 March 2020 | <u>-</u> | <u>77</u> | <u>-</u> | <u>77</u> |

8. STOCKS

| | | |
|--------|--------------|--------------|
| | 31.3.21 | 31.3.20 |
| | £ | £ |
| Stocks | <u>2,500</u> | <u>2,500</u> |

Compass Gallery Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.3.21 | 31.3.20 |
|-------------|------------|----------|
| | £ | £ |
| Prepayments | <u>404</u> | <u>-</u> |

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.3.21 | 31.3.20 |
|------------------|---------------|---------------|
| | £ | £ |
| Trade creditors | 6,852 | 1,347 |
| VAT | 2,200 | 3,798 |
| Other creditors | 75,224 | 87,295 |
| Accrued expenses | <u>4,253</u> | <u>4,200</u> |
| | <u>88,529</u> | <u>96,640</u> |

11. MOVEMENT IN FUNDS

| | At 1.4.20 | Net movement in funds | At 31.3.21 |
|---------------------------|-----------------|-----------------------------|-----------------|
| | £ | £ | £ |
| Unrestricted funds | | | |
| General fund | (92,005) | 76,097 | (15,908) |
| TOTAL FUNDS | <u>(92,005)</u> | <u>76,097</u> | <u>(15,908)</u> |

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

| | Incoming resources | Resources expended | Movement in funds |
|---------------------------|-----------------------|-----------------------|----------------------|
| | £ | £ | £ |
| Unrestricted funds | | | |
| General fund | 136,432 | (60,335) | 76,097 |
| TOTAL FUNDS | <u>136,432</u> | <u>(60,335)</u> | <u>76,097</u> |

Comparatives for movement in funds

| | At 1.4.19 | Net movement in funds | At 31.3.20 |
|---------------------------|-----------------|-----------------------------|-----------------|
| | £ | £ | £ |
| Unrestricted funds | | | |
| General fund | (81,115) | (10,890) | (92,005) |
| TOTAL FUNDS | <u>(81,115)</u> | <u>(10,890)</u> | <u>(92,005)</u> |

Compass Gallery Limited

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

11. MOVEMENT IN FUNDS - continued

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

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 39,620 | (50,510) | (10,890) |
| TOTAL FUNDS | <u>39,620</u> | <u>(50,510)</u> | <u>(10,890)</u> |

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

| | At 1.4.19 £ | Net movement in funds £ | At 31.3.21 £ |
|---------------------------|-----------------|----------------------------------|--------------------|
| Unrestricted funds | | | |
| General fund | (81,115) | 65,207 | (15,908) |
| TOTAL FUNDS | <u>(81,115)</u> | <u>65,207</u> | <u>(15,908)</u> |

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 176,052 | (110,845) | 65,207 |
| TOTAL FUNDS | <u>176,052</u> | <u>(110,845)</u> | <u>65,207</u> |

12. RELATED PARTY DISCLOSURES

Included in other creditors falling due within one year is a loan of £23,733 (2020: £37,777) from Gerber Bros Wholesale Ltd T/A Cyril Gerber Fine Art. Gillian C Gerber, Abigail Stein and Joanna Stein are directors of this company. The loan is interest free and has no fixed repayment date. A loan is also due to Gillian C Gerber of £51,491 (2020 - £49,198). The loan is interest free and has no fixed repayment date.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.