



South West Academy of Fine and Applied Arts  
(A company limited by guarantee)

Report and Financial Statements Year ending 31 March 2018

Charity number 1087350

Company number: 04243361





## **South West Academy of Fine and Applied Arts**

### **Report of the trustees for the year ending 31 March 2018**

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2018 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 1st January 2015).

#### **Chair's report**

This last year has been successful for the South West Academy and I would first like to thank and pay tribute to the outgoing Chair Phil Creek, our Executive Director Chris Mitchell and fellow Trustees for the hard work and imagination that has brought about some remarkable achievements.

But we lost two important Academicians during the year: **Alan Fynn** and **Tracey Whitbread**. Alan served as chair of the trustees until 2015 and proved invaluable in developing our management structure and leading the organisation. Tracey was painting very intense landscape-driven abstracts when she was taken by a sudden and tragic illness. Both will be much missed.

I should also mention the recent loss of **Maureen Fayle**. Maureen was not an academician but a regular exhibitor to our Open Exhibitions and well known to many of you.

In the 2016 AGM report there were four main objectives in the 3 Year plan, to

- i. extend the exhibition programme
- ii. re-introduce exhibition catalogues.
- iii. ensure external funding for prizes
- iv. improve the Academies public exhibition profile.

We met these targets and exceeded them.

Our 2017 **Annual Open Exhibition** was held once again at Exeter Castle. 'The Castle' has become a well-established venue and this year we featured North Devon-based ceramist Sandy Brown, as our invited guest artist. This exhibition attracted a record number of submissions and over 1,300 visitors. Artists sold nine paintings and one print and Academy members also sold books and cards.



The Open Exhibition is an important part of our function. It allows emerging artists living in the South West of England to have their work formally and independently evaluated. 'The Open' also creates the prospect of being included in a high profile exhibition alongside some of the best of the region's artists. The part this can play in developing artists and raising their profile cannot be over estimated, and artists can take part without too much financial or geographical inconvenience.

Critical to the attraction of submissions to the Open Exhibition is the prizes offered. Prizes not only encourage entrants but allow us to acknowledge those submissions deserving special attention. I would like to thank those who supported us by offering prizes or advertising in our catalogues and to also thank Trustee, Alison Summerfield, who played a vital role in securing prize sponsors.

In October 2017 the Academicians held an **Autumn Exhibition** in St Ives at the esteemed Penwith Gallery. The exhibition allowed us to show some of our larger scale work to best advantage. It was well received and proved popular with both Academicians and visitors.

In January the **Academy's Winter Exhibition** returned to the Thelma Hulbert Gallery in Honiton. The Gallery which holds a permanent collection of Thelma Hulbert's work is a bright but intimate venue which suits so many of our members' work. The Exhibition was supported by a range of educational workshops and talks and attracted a lot of interest - six paintings and many prints were sold. We value working with the Thelma Hulbert Gallery and plan to return early in 2019.

In March 2018 the **Brownston Gallery** in Modbury held a second exhibition of some Academicians' work. Catherine Gillan has been very supportive of the Academy and has given prizes and sponsored catalogues. The collaboration is most welcome and I know that the artists involved appreciated the opportunity to show and sell their work.

Our **Summer Exhibition** took place in May at Cornwood in collaboration with Delamore Arts. This year, the Academy's Exhibition was held in the 'Stable Gallery', a newly-created space within the sculpture park and close to Delamore House. Visitor numbers were high, over 3,700, and members were able to show work for the whole month. A record number of fourteen paintings were sold during the exhibition. The opportunity to collaborate with Delamore Arts in what has become the region's most keenly anticipated arts event has been much appreciated.

Producing catalogues for our exhibitions is demanding but we have been able to produce 'online' catalogues for all our shows and make these available through our website. I would like to pay tribute to Tom Fynn who tirelessly updates the **SWAc Website** and makes it so vital and informative. We are increasingly utilizing social media to share our work, with Trustee Jenny Pymont taking a lead on **Facebook** and Tom Fynn managing our **Twitter** account.



**Printed catalogues** were produced for the Academy Exhibitions at the Thelma Hulbert Gallery and we were also integrated into the Delamore Arts Catalogue. The 'hard copy' catalogues give visitors a memento of their visit and something to refer back to and reflect upon. They provide a continuous and growing body of information about the Academy that will last. My thanks to Simon Butler for his work in designing and producing our catalogues.

Michael Carter has taken on the task of organizing the **Academy's archive** and I would like to thank him for this valuable work.

The **Annual Drecki Lecture** was held in the Royal Albert Memorial Museum, Exeter in June this year. As outgoing Chair, Phil Creek presented a talk about his work in art and education which proved enlightening and inspirational. It was well received and once again I would like to express our appreciation for the support we received from the Friends of RAMM in presenting our annual informative event.

This year we created yet more opportunities for our members to show their work and all of us have been able to reach new audiences. We all raised our profiles and have sold more work through Academy Exhibitions than in previous years.

We introduced a **Mentoring Programme** for Academy Associate members earlier this year. Engagement is voluntary and is available to Associates who feel they may benefit from support in developing their voice as an artist and raising the quality of their work. Many new artists have emerged and become elected to the Academy as Associate or full Academicians. We continue to grow and provide support and encouragement to artists in the South West.

The four exhibitions together with the Drecki Lecture and the many workshops have reached thousands of members of the public. We have raised the profile of the Academy both regionally and nationally and play a leading role in supporting art in the South West. It has been a successful year and, with the support of Academy members, we look forward to continuing this important work.

#### **Contributions to Charities**

The Academy continued to support the work of other charities by exhibiting as part of Delamore Arts in May 2017 with their nominated charity Horizons, a registered children's sailing charity. Honiton's Dementia Alliance charity is also supported with the Memory Café workshops as part of the Academy's programme of workshops at the Thelma Hulbert Gallery.

#### **The Friends of The Academy**

The number of Friends has very gradually increased throughout 2017/8 and the Academy is grateful to the active support of Friends in stewarding exhibitions. Particular thanks to Barbara Fletcher who acted as Chair of the Friends group for a short while. Our ambition is to continue to grow the Friends group and to extend and enrich their experiences with the Academy.



**Action** for the next two years will be to complete the three-year plan and then consolidate our position.

We will continue to seek additional opportunities to raise the profile of the Academy and our members' work. In this respect discussions are underway to exhibit in some prestigious regional venues. A return to the Penwith Gallery has been agreed for the Spring of 2020.

The Academy will be 20 years old in 2020 and we plan to celebrate this important Anniversary in other appropriate ways. The Open Exhibition remains our most important project both for educational and business purposes but the 2020 Open will be very special.

A handwritten signature in black ink, appearing to read 'Robert Mountjoy', written over a horizontal line.

Robert Mountjoy  
Chair of Trustees,  
September 2018



## **Structure, Governance and Management**

### **Governing Document**

The charity is a company limited by guarantee (number 04243361) and was incorporated on 29<sup>th</sup> June 2001. It was registered with the Charity Commission (registration number 1087350) on 4<sup>th</sup> July 2001. The company was established under a Memorandum of Association which describes the objects and powers of the charitable company, and it is governed under its Articles of Association. Individuals, who must be members of the company, are usually elected to the Board of Trustees (the Council) by the company sitting in general meeting. Alternatively, they may be appointed by members of the Council provided two thirds of the members of the Council support their appointment. One third of their number retires by rotation each year and are eligible for re-election. In furtherance of our charitable objects (see below), it is the company's policy that the Council is responsible for setting the overall strategy and policies of the organisation, and all matters pertaining to general administration.

### **Charitable Objects and strategy**

SWAc charitable objects as defined by the Memorandum and Articles of Association can be found on the Charity Commission website.

### **How Our Activities Deliver Public Benefit**

The Board of Trustees have complied with their duty under section 17(5) of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties. The trustees are satisfied that the aims, objectives and activities of the charity meet with the terms of this guidance.

### **Reference and administrative details**

Charity number: 1087350                      Company number: 04243361  
Registered Office: 3 Birchy Barton Hill, Exeter, England EX1 1ET

### **Our advisers**

Independent Examiner: Lee Bingham 72 Beacon Lane, Exeter, Devon EX4 8LW  
Bankers: HSBC plc                              250 High Street, Exeter, Devon, EX4 3PZ

### **Directors and trustees**

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:



## **Key management personnel SWAc: Trustees' and Directors**

Elected trustees:	A Bourne	
	S M Butler	
	A C Cotton	
	A Summerfield	(resigned 12th April 2018)
	P Creek	
	M Procter	(appointed 12th April 2018)
	A L Jones	
	R W Mountjoy	
	J Pymont	
	G Ramsden	
	D Norman	
	J J Corrigan	(resigned 8th February 2018)

Secretary	C H Mitchell
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## **Financial Review & Reserves Policy**

### **Reserves policy**

The reserves policy specifies that SWAc should have sufficient funds available to cover any outstanding liabilities.

The charity's free reserves, as disclosed on the balance sheet, were £10,532 at 31st March 2018 and had no outstanding liabilities.

### **Investment policy**

Surplus funds are held in a HSBC higher-interest charity account specifically designed to maximise returns, and will be reviewed during 2018/19.

### **Risk Management**

The trustees have also conducted their own review of the major risks to which the charity is exposed, and systems have been established to minimise these risks. A risk management review will be conducted on an annual basis.

## **Trustees' and examiners respective responsibilities**

The charity trustees (who are also the directors of the SWAc for the purposes of company law) are responsible for preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general directions given by the charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

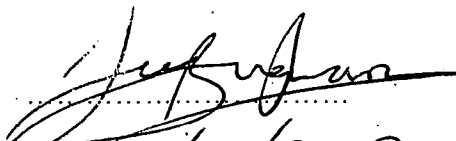
## **Basis of independent examiner's statement**

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes the review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required for an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

## **Independent examiner's statement**

In connection with my examination, no material matter has come to my attention which gives reasonable cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.



05/10/2018

Lee Bingham  
ACCA Part Qualified  
Beacon House, 72 Beacon Lane, Beacon Heath Exeter EX4 8LW





**Statement of Financial Activities  
for year ending 31 March 2018**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
<b>Income:</b>					
Donations and legacies	3	2,581	-	2,581	904
Income from charitable activities:					
Exhibition income		23,962	-	23,962	21,104
Income from other trading activities:					
Membership fees		8,176	-	8,176	6,025
Investment income		1	-	1	0
<b>Total income</b>		<b>34,720</b>	<b>-</b>	<b>34,720</b>	<b>28,033</b>
<b>Expenditure</b>					
Expenditure on charitable activities:					
Charitable expenditure	4	30,513	-	30,513	26,700
Other	4	250	-	250	500
<b>Total expenditure</b>		<b>30,763</b>	<b>-</b>	<b>30,763</b>	<b>27,200</b>
<b>Net income/(expenditure) and net movement in funds for the year</b>		<b>3,957</b>	<b>-</b>	<b>3,957</b>	<b>833</b>
<b>Reconciliation of funds</b>					
Total Funds brought forward		6,575	-	6,575	5,742
<b>Total funds carried forward</b>		<b>10,532</b>	<b>-</b>	<b>10,532</b>	<b>6,575</b>

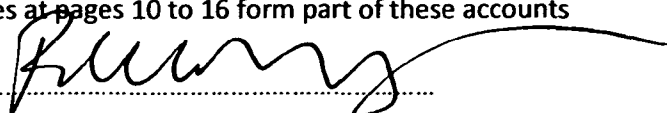
The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

## Balance Sheet as at 31st March 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	6	110	220
<b>Total Fixed Assets</b>		<u>110</u>	<u>220</u>
<b>Current assets</b>			
Debtors	7	2,400	2,000
Cash at bank and in hand		8,272	4,855
<b>Total Current Assets</b>		<u>10,672</u>	<u>6,855</u>
<b>Liabilities</b>			
Creditors falling due within one year	8	(250)	(500)
<b>Net Current assets</b>		<u>10,422</u>	<u>6,355</u>
<b>Net assets</b>		<u>10,532</u>	<u>6,575</u>
<b>The funds of the charity:</b>			
Unrestricted income funds	12	10,532	6,575
<b>Total charity funds</b>		<u>10,532</u>	<u>6,575</u>

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes at pages 10 to 16 form part of these accounts

Signed  .....

Name Robert Mountjoy, Chair of trustees on behalf of the trustees

Approved by the trustees on 13.09.18 .....



Statement of Cash Flows for year ending 31 March 2018

	Note	2018	2017
		£	£
Cash used in operating activities	13	3,417	844
Cash flows from investing activities			
Purchase of Equipment		-	-
Cash provided by (used in) investing activities			
Cash flows from financing activities			
Cash used in financing activities		-	-
Increase (decrease) in cash and cash equivalents in the year		3,417	844
Cash and cash equivalents at the beginning of the year		4,855	4,011
Total cash and cash equivalents at the end of the year		<u>8,272</u>	<u>4,855</u>



## Notes on the accounts

### 1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### a) Basis of preparation

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

#### b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances is provided.

#### a) Preparation of the accounts on a going concern basis

The trustees are of the view that the immediate future of the Trust for the next 12 to 18 months and that on this basis the charity is a going concern.

#### b) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

#### c) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated



item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

d) Interest receivable

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

e) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

f) Expenditure and irrecoverable VAT

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

g) Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Asset Category	Annual rate
Equipment	20%

h) Debtors

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



i) Cash at bank and in hand

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

j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

k) Financial instruments

The Academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**2 Legal status of the Academy**

The Academy is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to a maximum of £10 per member of the charity.

**3 Income from Donations & Legacies**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Gifts	2,406	774
Donated Services	175	130
	<u><b>2,581</b></u>	<u><b>904</b></u>

SWAc benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.



**4 Analysis of expenditure on charitable activities**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Charitable activities</b>		
Artists' and exhibition fees	16,824	9,079
Advertising & Promotion	4,712	5,877
Printing	357	1,466
Administration costs	6,846	6,527
Office expenses	1,205	1,626
Charity Donations	0	1,500
Bank charges	459	514
Depreciation	110	111
<b>Total</b>	<u><u>30,513</u></u>	<u><u>26,700</u></u>
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Other</b>		
Independent examiner's fees	<u><u>250</u></u>	<u><u>500</u></u>

**5 Corporation Taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**6 Tangible fixed assets**

	<b>Total</b>
	<b>£</b>
<b>Cost:</b>	
As at 1 April 2017	553
Additions	-
As at 31 March 2018	<u>553</u>
<b>Depreciation:</b>	
As at 1 April 2017	333
Charge for the year	110
As at 31 March 2018	<u>443</u>
<b>Net book value</b>	
As at 1st April 2017	<u><u>220</u></u>
As at 31st March 2018	<u><u>110</u></u>



**7 Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Prepayments & Accrued Income	<u>2,400</u>	<u>2,000</u>

**8 Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other creditors & accruals	<u>250</u>	<u>500</u>

**9 Post-balance sheet events**

The Trustees have confirmed that there are no post balance sheet events.

**10 Related parties**

There have been no related party transactions in the period requiring disclosure

**11 Controlling entity**

The charity is controlled by the trustees who are all directors of the company

**12 Analysis of movements in unrestricted funds**

	<b>1st April 2017</b>	<b>Income</b>	<b>Expenditure</b>	<b>31st March 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General fund	<u>6,575</u>	<u>34,720</u>	<u>30,763</u>	<u>10,532</u>





**13 Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Net movement in funds	3,957	833
Add back depreciation charge	110	111
Deduct interest income shown in investing activities	-	-
Decrease (increase) in stock	-	-
Decrease (increase) in debtors	(400)	(600)
Increase (decrease) in creditors	(250)	500
Net cash used in operating activities	<u><u>3,417</u></u>	<u><u>844</u></u>

## The South West Academy of Fine & Applied Arts

### Statement of Financial Activities year ended 31st March 2018

<b>Income</b>	<b>2018</b>	<b>2017</b>
Event Income	23,962	21,104
Friends Donations	2,406	774
SWAC Membership Fees	8,176	6,025
Other Income	175	130
	<u>34,719</u>	<u>28,033</u>
<b>Other Income</b>		
Bank Interest Received	1	0
	<u>34,720</u>	<u>28,033</u>
<b>Total Income</b>		
<b>Expenses</b>		
Advertising	4,712	5,877
Artists Payments	7,650	4,667
Exhibition Costs	9,174	4,412
Administrator Costs	6,846	6,527
Office Expenses	1,205	1,628
Printing	357	1,465
Charity Donations	0	1,500
Auditor/accountant	250	500
Bank Charges	459	514
Depreciation	110	111
<b>Total Expenditure</b>	<u>30,763</u>	<u>27,200</u>
<b>Net Surplus/(Deficit)</b>	<u><u>3,957</u></u>	<u><u>833</u></u>