

Paisley Art Institute

Trustees' Annual Report and Financial Statements

For the Year Ended 31 July 2016

Charity number SC000840

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**Trustees**

David Sutton

Eslyn Barr

Joseph Broadly

Richard Burgess

Lesley Hinde

President

Vice-President

Vice-President

Honorary Treasurer

Secretary

**Accountants**

McLaren Ross

19 Glasgow Road

Paisley PA1 3QX

**Charity number**

SC000840

## **Trustees' report**

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The Trustees present their report with the financial statements for the charity for the year ended 31 July 2016. The financial statements have been prepared in accordance with the basis of accounting and the accounting policies as set out in notes 3 and 4 respectively, to the accounts.

### **Reference and Administrative Information**

Scottish Charity number: SC000840

Address Paisley Art Institute  
Box 114  
Abbey House  
43 High Street  
Paisley PA1 2AH

Trustees during the year: Michael Durning (resigned 22 October 2015)  
David Sutton – President (appointed 22 October 2015)  
Joe Broadley – Vice-President (appointed 22 October 2015)  
Eslyn Barr – Vice-President  
Lindsay Neil (resigned 11 February 2016)  
Lesley Hinde – Secretary (appointed 11 February 2016)  
Richard Burgess – Honorary Treasurer

### **Structure and management**

Paisley Art Institute (PAI) is a charitable, unincorporated organisation. The purpose of the Institute, as recorded in the Constitution dated November 2011, is the encouragement and the promotion of Art by means of exhibitions and occasional lectures, meetings and classes, and the purchase of works of art or literature or by any other means which the committee determines appropriate.

The Charity's Committee of Management formally meets five times a year and includes the post holders of President, Vice-Presidents (2), Secretary, Membership Secretary and Honorary Treasurer. Informal meetings are arranged throughout the year.

### **Objectives and activities**

#### **Committee of Management**

At the October 2015 AGM several changes to the Trustees and Committee of Management were proposed and accepted. President Michael Durning stepped down after 4 years in post. President elect, David Sutton, was elected formally as the new President. Vice-President Eslyn Barr was re-elected. Joe Broadley HPAI was elected as a second Vice-President as allowed by the constitution. PAI Secretary, Lindsay Neil BA (Hons) and Membership Secretary, Irene McCann remained in their roles. The Honorary Treasurer, Richard Burgess, remained in post. New committee members were; Nicola Carberry, Alastair Strachan, Brent Morrison, Lisa Watt. These effectively replacing members stepping down from October; Tom Allan MA (Hons) ARBS PAI, Janet Forry BA (Hons), Gillian Price BA (Hons). Michael Durning PPAI PAI RSW remained on the committee.

Objectives and activities (continued)

**Events**

The historical exhibition: "**A Paisley Legacy, The Paisley Art Institute Collection**" opened in the Paisley Museum and Art Galleries from 3rd October 2015 and ran until 24th January 2016. The exhibition marked the double centenaries celebrating; the gifting of Galleries 2, 3, 4 and 5 to the PAI; the start of the PAI Collection. Approximately 230 works from the PAI Collection were catalogued and on show along with complementary loan artworks and had not been seen for 42 years. Visitors were recorded by the Galleries' attendants as 3,788 and 256 catalogues were sold. Being of historical interest, unsold catalogues were distributed to libraries, art schools, academic institutions and publishing bodies. There were 57 very positive feedback comments from visitors. There were very few negative comments and one negative comment, recurring from previous exhibitions, is that the artwork numbers (for cataloguing purposes) were too small. This will be addressed for the annual exhibition.

A series of lunch time talks on the PAI Collection were presented by Michael Durning PPAI PAI RSW and were well received.

The 128th **PAI Annual Exhibition** opened on the 14th May 2016 in the Paisley Museum and Art Galleries and ran until 26th June 2016. This continues to be an exhibition open to all artists and not just members of the PAI. Over 500 artworks of paintings and sculptures were submitted and 464 were hung or shown. Again, this represents the largest hanging of a single open exhibition in Scotland in 2016. Eye-catching, bespoke artwork numbers with the PAI logo were produced in response to comments on earlier exhibitions. PAI hosted Corporate and Private View evenings for artists, purchasers and interested members of the public. There were 3,274 visitors to the exhibition including 138 guests to the Corporate Evening and 339 to the Private View. 570 exhibition catalogues were sold throughout the span of the exhibition including the preview evenings. Catalogues were also distributed to sponsors, advertisers and special guests.

The Guest Artist was the well-known Kurt Jackson MA (Oxon) DLitt (Hon) RWA whose work reflects his commitment to the environment and the natural world. Jackson regularly contributes to radio and television and presents environmentally informed art documentaries for the BBC. The Guest Sculpture was Sir John Steell RSA (1804-1891) who was the most eminent and respected sculptor of the Victorian generation. A maquette of one his famous works sited in Edinburgh was kindly loaned to the PAI from the Paisley Museum's collection for the exhibition.

The exhibition was promoted by the production full colour posters using an image from one the PAI Artist Members. This image was also used for the front cover of the 128th catalogue. Publicity and promotion of the exhibition were further advertised through art media organisations, the PAI web site, Facebook and Twitter accounts.

The catalogue was supported by 14 advertisers, some new to working with the PAI. All exhibited works were eligible for 24 awards, mostly from generous, repeat sponsors. Some sponsors and award givers had declined this year but were replaced by new sponsors including two from the Paisley 2021 (City of Culture) Bid Team and one from The McKay Award. The guest external assessors chose works for awards not given by the specific sponsors and comprised Jean Cameron, Director of the 2021 Bid, Justin Currie, singer, James McNaught, art auctioneer and David Howat, solicitor.

### Objectives and activities (continued)

The Committee put out a competitive tender to printers for the 2016 annual exhibition catalogue and, based on the quotes, agreed to change printers resulting in significant cost savings but with the same quality over the previous year. Fewer publicity posters were printed and, with a complementary increase in web site and social media publicity, produced effective savings. The Honorary Treasurer also managed to recoup pockets of VAT erroneously charged by some advertisers used for PAI publicity. Sales of small works donated by artist members were down on the previous year but still raised £1,084 after commissions.

The PAI organised a competition for **Primary and Secondary Schools** and was open to all schools in Renfrewshire. The purpose is to encourage emerging talent in art. More active promotion of the competition by new Secretary Lesley Hinde resulted in record entries from 10 Secondary Schools, ranging from S1-S6, and 5 Primary Schools, ranging from P4-P7. From over 200 entries an excellent exhibition of 100 works were hung in tandem with the Annual Exhibition from 21st May to 21st August 2016 and attracted a large number of visitors. The Schools' Exhibition is hung above the main foyer and reception area of the Museum and visitor numbers are not measured directly but, given that 9,599 visitors pass the foyer to gain access to the upper level, it can be assumed that numbers up to this level would have visited the schools' work. The competition was judged by the President, one of the Vice-Presidents and the Honorary Treasurer with the Secretary acting as adjudicator. The generous sponsor, Macfarlane Group, allowed the PAI to present a trophy for the overall winner and 6 prizes over three age categories.

### PAI Collection

Gifts to the PAI Collection by three benefactors have been accepted formally by Paisley Museum and Art Galleries (Renfrewshire Leisure) as holders of the Collection. Namely a portrait of JAD Mackean by Maurice Greiffenhagen was gifted by Colin Mackean, a great nephew of Mackean. JAD Mackean was a Vice President and Honorary President of the PAI and a Burgh Treasurer and was a patron of many famous Scottish artists and a private collector. Two pieces of stoneware sculpture were gifted by the long-standing and respected PAI artist member Falconer Houston and his friend Gordon Mabbott. Both pieces, titled 'Paisley' and 'Glasgow' were sculpted by Falconer but the latter was in the possession of Gordon Mabbott.

### Loans

Loans of two important works from the PAI Collection were made to The Holburne Museum, Bath, to complement their 'Impressionism, Capturing Life' exhibition which ran from 13th February 2016 until 5th June 2016. The works were 'Road to Deauville' by Eugene Boudin (1824-1898) often regarded as the true father of Impressionism, and an early practitioner of painting 'en plein air', and 'Paisley Lawn Tennis Club' by Sir John Lavery (1856-1901) one of the famous 'Glasgow Boys'.

### Intimations

The PAI was informed of the passing of one of our Diplomates, James Spence RSW RGI PAI. He was a cofounder of The Glasgow Group in 1957 and exhibited widely at home, Europe and Russia and attracted many awards over the years.

## **Financial Review**

The Trustees' policy is to maintain sufficient reserves to cover a minimum of three months expenditure, excluding exhibition costs and artist payments. Exhibition costs are met from commission on exhibition painting sales and catalogue sales. Artist payments are only payable on exhibition sales completed and paid.

The Trustees' consider the results for the year ended 31 July 2016 to be satisfactory considering that the major exhibition "A Paisley Legacy, The Paisley Art Institute Collection" was funded from reserves and fund raising activity in the year.

## **Grants Policy**

The charity does not make grants. Awards are made annually on the basis of judging panel recommendations for various categories of art and most of these awards are funded by sponsors.

## **Risk Statement**

The trustees actively consider the risks to which the charity is exposed and where possible, and appropriate, take such actions as are necessary to mitigate those risks.

## **Statement of Trustees' Responsibilities**

It is the responsibility of the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the results of the charity for that year. In preparing the financial statements the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other regularities.

On behalf of the Trustees,

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David Sutton PPAI  
President, Paisley Art Institute  
20 October 2016

Statement of Financial Activities

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	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>2016 Total Funds</u> £	<u>2015 Total Funds</u> £
<u>Income Resources</u>					
Charitable Income	1	40,494	-	40,494	34,888
Investment Income	1	181	2	183	2
<b>Total Income Resources</b>		<b>40,675</b>	<b>2</b>	<b>40,677</b>	<b>34,890</b>
<u>Resources Expended</u>					
Direct Charity Expenditure	2	34,750	100	34,850	26,486
Support Costs	2	6,320	-	6,320	6,697
Governance Costs	2	579	-	579	865
<b>Total Ongoing Resources</b>		<b>41,649</b>	<b>100</b>	<b>41,749</b>	<b>34,048</b>
<u>Net Movements in Funds</u>		<b>(974)</b>	<b>(98)</b>	<b>(1,072)</b>	<b>842</b>
Total Funds Brought Forward		57,501	5,302	62,803	61,961
<b>Total Funds Carried Forward</b>		<b>56,527</b>	<b>5,204</b>	<b>61,731</b>	<b>62,803</b>



Balance Sheet

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	<u>Notes</u>	<u>2016</u> £	<u>2015</u> £
<u>Fixed Assets</u>		-	-
<u>Current Assets</u>			
Cash at Bank and in Hand		41,266	63,443
Debtor – Renfrewshire Life		21,332	-
Debtors Advertising & Awards		71	260
		-----	-----
		62,669	63,703
<u>Current Liabilities</u>			
Accrued expenses		(938)	(900)
		-----	-----
		61,731	62,803
		=====	=====
<u>The following funds make up these balances:</u>			
Restricted income funds	7	5,204	5,302
Unrestricted income funds		56,527	57,501
		-----	-----
	8	61,731	62,803
		=====	=====

The Institute has no other investments, assets or material liabilities.

Approved by the Trustees on 20 October 2016 and signed on their behalf by:-

.....  
 Lesley Hinde  
 Secretary

.....  
 Richard Burgess  
 Honorary Treasurer

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	Unrestricted	Restricted	2016	2015
	<u>Notes</u>		<u>Total</u>	<u>Total</u>
	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
	£	£	£	£
<u>Incoming Resources</u>				
Exhibition Sales	19,090	-	19,090	13,175
Catalogue sales	3,350	-	3,350	2,337
Grants received	1,140	-	1,140	-
Postcard sales	1,275	-	1,275	2,794
Exhibition fees	4,157	-	4,157	4,340
Members subscriptions	3,612	-	3,612	3,912
Catalogue advertising	2,520	-	2,520	1,830
Prize and awards sponsors	5,350	-	5,350	6,500
	40,494	-	40,494	34,888
<u>Investment Income</u>				
Interest received	181	2	183	2

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Resources Expended

	<u>Notes</u>	Unrestricted <u>Funds</u> £	Restricted <u>Funds</u> £	2016 Total <u>Funds</u> £	2015 Total <u>Funds</u> £
<u>Direct Charitable Expenditure</u>					
Payments to Artists		12,767	-	12,767	8,938
Exhibition Expense		11,224	-	11,224	7,496
Museum Commissions		458	-	458	316
Prizes & Awards		5,300	100	5,400	6,850
Advertising		3,758	-	3,758	2,126
Website		265	-	265	115
Insurance		666	-	666	645
Conservation and restoration		312	-	312	-
		34,750	100	34,850	26,486
<u>Support Costs</u>					
Secretary/Treasurers Fees	6	4,417	-	4,417	5,192
Postage, Stationery & telephone		1,354	-	1,354	1,364
Meeting Costs		349	-	349	141
Equipment		200	-	200	-
		6,320	-	6,320	6,697
<u>Governance Costs</u>					
Accountancy		579	-	579	865

3 Basis of accounting

These accounts have been prepared on the basis of historic cost accordance with:

- accounting and Reporting by Charities – Statement of recommended Practice (SORP 2005)
- and with applicable Accounting Standards.

4 Accounting Policies

- Income and expenditure are accounted for on an accruals basis.
- It is the Trustees belief that they are the owners of a specific collection of paintings, but as the precise position of ownership has as yet to be legally confirmed, no value is shown in the accounts of Paisley Art Institute at this time.

5 The nature and purpose of the funds:-

General Funds

The general fund is used for the day to day running of the Institute.

Mary Armour Fund

The artist Mary Armour left £5,000 in her will to be used by the Institute. The Institute presents the William and Mary Armour Award each year at our annual exhibition.

6 Secretary/Treasurer Fees

Secretarial fees of £4,417 (2015: £5,192) were paid during the year for administrative duties of which. £3,500 was paid to trustees (2015: £3,667)

7 Restricted Income Fund

	Sculpture <u>Fund</u> £	Robert Edmonds <u>Fund</u> £	Mary Armour <u>Fund</u> £	<u>Total</u> £
Balance brought forward	262	407	4,633	5,302
Activity	-	-	(98)	(98)
Balance carried forward	262	407	4,535	5,204

8 Analysis of Net Assets Over Funds

	Unrestricted	Restricted	Total
	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
	£	£	£
Fixed Assets	-	-	-
Debtors	21,403	-	21,403
Cash	36,062	5,204	41,266
Accrued Expenses	(938)	-	(938)
	<hr/>		
Total Net Assets	56,527	5,204	61,731
	=====		

I report on the accounts of the Charity for the year ended 31 July 2015 which are set out on pages 6 to 11.

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 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 is 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 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

- 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 2006 Act and Regulation 4 of the 2006 Accounts Regulations, and  
  
to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2007 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.

.....  
McLaren Ross  
19 Glasgow Road  
Paisley PA1 3QX

.....  
Date