

PAISLEY ART INSTITUTE
FINANCIAL ACCOUNTS
FOR THE YEAR ENDED
31 JULY 2014

JOHN KERR & COMPANY
CHARTERED ACCOUNTANTS

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TRUSTEES REPORT
FOR THE YEAR TO 31 JULY 2014

Paisley Art Institute (PAI) is a charitable unincorporated organisation. Our purpose, as recorded in our constitution, is the encouragement and promotion of Art by means of classes, lectures, exhibitions, the purchase of works of art or literature or by such other means which the committee determines appropriate.

Events

At the AGM in October 2013, President Michael Durning and Vice-President Eslyn Barr was re-elected and Carol Dewart was elected as a Joint Vice President. Paisley Art Institute Secretary Lindsay Neil BA(Hons) BFA, Hon. Treasurer May Byrne BA and Membership Secretary Irene McCann remained in the roles. Gillian Price who was on sabbatical from West Dunbartonshire Council became a new member of the Committee of Management.

The PAI Annual Exhibition took place in May 2014 and was open to any artist who wished to submit work. There were 695 works submitted and of those 502 were hung. We were proud to have put on the biggest exhibition in the Institute's history and confident yet that this would be the largest hanging of a single exhibition in Scotland of 2014.

Our 2014 visitor figures were calculated to include the Schools Competition, never having its footfall calculated before due to its location in a different part of the building. There were approximately 5,106 visitors, including of 338 guests to the Private View and 172 guests at our Corporate Evening. Will MacLean RSA RSW RGI Emeritus Professor of Duncan of Jordanstone College of Art and Sculptor, Tim Pomery former lecturer at Grays School of Art, accepted our invitation to be Guest Artists.

To promote interest and partnership within business and academic communities PAI hosted a Corporate Evening and a Private View for artists, purchasers and interested members of the public. An unprecedented twenty six awards were made during the Annual Exhibition; four of those were new awards. The 'Arnold Clark Award' was reprised and increased to £1000.

For those awards not chosen by the sponsors themselves, Jacki Bird of the BBC, gallery owner Joe Mullholland, and Gallery Manager of Glasgow Art Club, Gary Gilday were invited to act as external assessors to award the remainder of the prizes. As always all awards were open to all exhibitors and there were no age restrictions.

The exhibition was promoted by a bespoke colour poster and catalogue featuring the diptych of Past President Joe Hargan PPAI PAI on front and rear cover of the catalogue. A full media advertisement and editorial campaign was engaged.

In renewing our connections with illustrious members of the Institute we invited Mr Colin MacKean, the great nephew of J.A.D. MacKean, to join the Honorary Committee of Management. J.A.D. MacKean was a Vice President and Honorary President of PAI, he was Burgh Treasurer and stood against Herbert Asquith to represent Paisley at Westminster.

He was a patron of a many famous Scottish artists and possessed one of the best private art collections in the west of Scotland until his death in 1932. Much of his collection came to Paisley Art Institute's and the Paisley Museum's collections through his family.

TRUSTEES REPORT
FOR THE YEAR TO 31 JULY 2014

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PAI organised a Schools' Art Competition which ran with the Annual Exhibition showing all levels of indigenous talent from the emerging generation. The competition was open to all schools in Renfrewshire.

There are other large schools competitions during in the academic year (Royal Bank Of Scotland being one and another hosted at the museum) engaging Art Departments through the Curriculum for Excellence this resulted in 4 schools participating.

The competition attracted several sponsors, the Macfarlane Trust, and Artstore; 7 prizes altogether. The competition was judged by the President and prizes were awarded to the participating schools. All competition entries were exhibited during the run of the Annual Exhibition. Gillian Price who is a new member of the committee took on the role of organising the Schools Competition.

A series of lunchtime talks was organised during the Annual Exhibition. Writer, Architectural Historian and former Secretary of PAI, spoke on the Development of the Scottish Castle. Tom Allan ARBS PAI presented 'A Tour of the Sculptures in the Exhibition'. Jonathan Macdonald MA, the Institute's art historian presented another popular "Painting Walk". All of the talks were most interesting and informative and well attended.

Continuing a programme of financial probity we are constantly looking at ways to cut costs and administration. Postal cost of is still large expenditure. Following the successful implementation and fine tuning we are continuing the new artist label format for the Annual Exhibition. Artists submitting work can fill out their labels and down load them from the PAI website keeping down costs in post, printing, to ensure legibility and cut administration. Artists can continue to use the older method by ordering labels and sending a stamped SAE.

The website is now managed by John Atchison who looks after the websites of the Royal Scottish Society of Painters in Watercolour and Royal Glasgow Institute of Fine Arts. His quote to build the new site was a tenth of many of the quotes given by website builders. The updated website is compatible with mobile phones and tablets as only 50% of users engage with websites through PC and laptop formats.

This year, during the Annual Exhibition, the Committee continued last years fund raising event, the sale of small works donated by artists. This proved to be as successful as last year and was enthusiastically supported by PAI members and the public, raising approximately £3750.

Planning for the 2015, 127th Annual Exhibition is underway and an additional show is planned to celebrate the centenary of the building and ceremonious hand-over of Galleries 2, 3, 4 & 5 by Paisley Art Institute. It was also the beginnings of the PAI Collection. We intend to display the Paisley Art Institute Collection for the first time since 1973, 41 years; and welcoming contributions from Paisley Museum.

A process of cataloguing all the oil paintings in public collections in Britain culminated at Paisley Museums. The Public Catalogue Foundation in Partnership with the BBC took 2 years to compile and photograph the Paisley Museum's Collection and that of Paisley Art Institute.

The two collections combined are the largest in the Strathclyde volume of the 30 volume catalogue. The PCF Catalogues are very impressive publications with all available paintings printed in colour.

The Catalogues are circulated nationally and internationally, Paisley Art Institute took full advantage of writing a 2 page Curatorial Foreword to the PAI Collection describing its history, the spirit of giving expressed by the donors, and the more recent contributions from the holders of the PAI Diploma and Scottish Drawing Competition.

Reserves Policy

The trustee's policy is to maintain sufficient reserves to cover a minimum of three months expenditure, excluding exhibition costs and artists payments. Exhibition costs are met from commissions on exhibition painting sales and artists payments are only payable on those exhibition sales completed and paid.

Grants Policy

The charity does not make grants. Awards are made annually on the basis of judging panel recommendations, for various categories of art. Many of these awards are sponsor funded.

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.

On Behalf of the Trustees

.....
Michael Durning BA(Hons) MA PPAI PAI
President, Paisley Art Institute
1 October 2014

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 31 JULY 2014

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	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Year 31.07.14 Total Funds</u>	<u>Year 31.07.13 Total Funds</u>
<u>Income Resources</u>					
Charitable Income	1	44,499	-	44,499	50,479
Investment Income	1	-	4	4	4
<hr/>					
Total Income Resources		44,499	4	44,503	50,483
 <u>Resources Expended</u>					
Direct Charity Expenditure	2	32,601	-	32,601	33,591
Support Costs	2	7,451	-	7,451	6,476
Governance Costs	2	914	-	914	773
<hr/>					
<u>Total Ongoing Resources</u>		40,966	-	40,966	40,840
<hr/>					
<u>Net Movements in Funds</u>		3,533	4	3,537	9,643
Total Funds Brought Forward		53,128	5,296	58,424	48,781
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<u>Total Funds Carried Forward</u>		56,661	5,300	61,961	58,424

BALANCE SHEET
FOR THE YEAR TO 31 JULY 2014

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	<u>Notes</u>	<u>2014</u> £	<u>2013</u> £
<u>Fixed Assets</u>	4	-	-
<u>Current Assets</u>			
Cash at Bank and in Hands		65,738	54,091
Debtor - Paisley Museum		215	6,422
Debtors Advertising Awards		310	-
		-----	-----
		66,263	60,513
<u>Current Liabilities</u>			
Accrued expenses		(4,302)	(2,089)
		-----	-----
		61,961	58,424
		=====	=====
<u>The following funds make up these balances:</u>			
Restricted income funds	7	5,300	5,296
Unrestricted income funds	5	56,661	53,128
		-----	-----
		61,961	58,424
		=====	=====

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

Approved by the Trustees on 26 August 2014 and signed on their behalf by:-

.....
M Durning
President
1 October 2014

.....
May Byrne
Secretary & Honorary Treasurer
1 October 2014

NOTES TO THE ACCOUNTS
FOR THE YEAR TO 31 JULY 2014

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Note 1

	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Year 31.07.14 Total Funds</u>	<u>Year 31.07.13 Total Funds</u>
<u>Incoming Resources</u>					
Exhibition Sales		22,705	-	22,705	27,460
Catalogue sales		2,629	-	2,629	1,847
Members subscriptions		4,208	-	4,208	4,373
Exhibition fees		4,667	-	4,667	5,401
Advertising & web fees		2,400	-	2,400	3,479
Postcard sales		3,527	-	3,527	3,574
Donations		13	-	13	845
Grant received		-	-	-	600
Prize and awards sponsors		4,350	-	4,350	2,900
		44,499	-	44,499	50,479
<u>Investment Income</u>					
Interest received		-	4	4	4

NOTES TO THE ACCOUNTS
FOR THE YEAR TO 31 JULY 2014

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Note 2

Resources Expended

				Year 31.07.14	Year 31.07.13
	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total Funds</u>	<u>Total Funds</u>
<u>Direct Charitable Expenditure</u>					
Payments to Artists		13,945	-	13,945	18,995
Exhibition Expense		7,514	-	7,514	9,041
Museum Commissions		545	-	545	549
Prizes & Awards Paid in the Year		4,900	-	4,900	2,880
Advertising		4,295	-	4,295	985
Website		755	-	755	549
Insurance		647	-	647	592
		32,601	-	32,601	33,591
<u>Support Costs</u>					
Secretary/Treasurers Fees	4	5,757	-	5,757	4,838
Postage & Stationery		1,429	-	1,429	988
Meeting Costs		265	-	265	650
		7,451	-	7,451	6,476
<u>Governance Costs</u>					
Accountancy		812	-	812	773
Legal Fees		102	-	102	-
		914	-	914	773

NOTES TO THE ACCOUNTS
FOR THE YEAR TO 31 JULY 2014

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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 Trustees Remuneration and Expenses

Secretarial fees of £5,757 (2013:£4,838) were paid during the year for administrative duties. There are no other paid employees.

7 Restricted Income Fund

	<u>Sculpture Fund</u>	<u>Robert Edmonds Fund</u>	<u>Mary Armour Fund</u>	<u>Total</u>
	£	£	£	£
Balance brought forward	262	407	4,627	5,296
Activity	-	-	4	4
Balance carried forward	262	407	4,631	5,300

NOTES TO THE ACCOUNTS
FOR THE YEAR TO 31 JULY 2014

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8 Analysis of Net Assets Over Funds

	Unrestricted <u>Funds</u>	Restricted <u>Funds</u>	Total <u>Funds</u>
	£	£	£
Fixed Assets	-	-	-
Debtors	525	-	525
Cash	60,438	5,300	65,738
Accrued Expenses	(4,302)	-	(4,302)
Total Net Assets	56,661	5,300	61,961
	=====	=====	=====

I report on the accounts of the Charity for the year ended 31 July 2014 which are set out on pages 4 to 9.

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 have 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.

.....
 Bruce Fairgrieve
 John Kerr & Company, CA
 32a Hamilton Street, Saltcoats, KA21 5DS

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 Date