

## Iconic painting of Penzance by Stanhope Forbes saved for the nation

26 August 2010

Following a three month public campaign, *Inner Harbour – Abbey Slip* by ‘the father of the Newlyn School’, Stanhope Forbes, has been secured for the public thanks to grants of £80,000 from the National Heritage Memorial Fund (NHMF), £40,000 from the V&A/MLA Purchase Grant Fund, £10,000 from the Friends of Penlee House, together with generous donations from many private individuals.

Image



Inner Harbour – Abbey Slip by Stanhope Forbes

Painted in 1921, *Inner Harbour – Abbey Slip* depicts an iconic view of Penzance known and loved throughout the country through its use on greetings cards and prints. The success of the fundraising campaign, together with the NHMF and V&A/MLA grants means this important item of Cornish heritage will now be available for everyone to enjoy at Penlee House Gallery & Museum, where it will be displayed less than half a mile from where it was painted.

Director of Penlee House Gallery & Museum, Alison Bevan, said: “We have been overwhelmed by the strength of public feeling towards keeping this well loved painting at Penlee House. We are absolutely delighted that the National Heritage

Memorial Fund and V&A/MLA grants have allowed this to happen. The painting has been on display while the campaign has been running and will now remain on our walls for the foreseeable future.”

Carole Souter, Chief Executive of the NHMF, commented: “This is great news. For thirty years the National Heritage Memorial Fund has been saving the nation’s most important treasures and now this piece of quintessentially Cornish heritage will join an outstanding collection.”

Stanhope Forbes (1857 – 1947) was one of Britain’s most important artists of his day. Not only did he achieve great acclaim, bringing Newlyn art colony to prominence, the School of Painting he founded with his wife Elizabeth also ensured Cornwall’s central role in British art throughout the 20th century.

Painted ‘en plein air’ at the bottom of Abbey Slip in Penzance, this superb example of Forbes’s later work combines meticulous recording of the built environment with highly accomplished painterly technique, brilliantly capturing the play of light on water. The painting was exhibited at the Royal Academy in 1922 and was also included in the landmark ‘Painting in Newlyn’ exhibition at the Barbican Art Gallery, London, in 1985. Since then it has been exhibited many times at Penlee House.

There has been remarkable public interest in the painting and the public campaign successfully raised over £16,000 from around 250 individual donors, which is testament to the strength of feeling that the painting should stay in Penzance. Major donors include Anita Ballin; Peter Michell; Anthony Bradbury; Margaret Powell; John Pattisson; Sir John & Lady Banham; Judith & John Mead; Dr Jane & Dr Roy Darke; in memory of Mrs Margaret Anne Veitch; Frank Ruhmund; Mr RSF de Unger; Hugh & Jane Bedford; Mrs C Blumenthal; John & Pep Branfield; Mr DC Bettiss; D.J. Maughfling; Madeleine Pender; Sir Alan Bowness; Margaret Williams; Mrs CPM Scrase in memory of Lt. Col. Martin Scrase and Frank Julian; Mr MF Cayley; Joseph and Nancy Burton Charitable Trust; Captain Peter J.C. Morgan; Miss M Sutton; Mr & Mrs R. Haselgrove; Mary Pritchard; Mr GW & Mrs & H Rowe. The fund was launched when the Friends of Penlee House (Registered Charity 1001644) committed £10,000, and the purchase has now been made possible through grants of £80,000 from NHMF and £40,000 from the V&A/MLA Purchase Grant Fund.

## **Notes to editors**

The painting was first purchased from the artist in 1921 by Miss F. Holman, whose family's engineering business was based in the buildings depicted. The current vendor, a local man, purchased it from the trustees of Miss Holman's estate in 1973 and the painting has remained in his possession ever since. It has been regularly lent it to exhibitions, and it has been on show at Penlee House for the past month as part of the fundraising campaign to secure it for the public.

Funding to acquire Stanhope Forbes's *Inner Harbour - Abbey Slip*

National Heritage Memorial Fund £80,000

The V&A/MLA Purchase Grant Fund £40,000

Public donations £16,100

The Friends of Penlee House £10,000

Capital Gains Tax remission £18,900

Total cost of purchase £165,000

## **The V&A/MLA Purchase Grant Fund**

The V&A has operated the Fund since 1881, helping museums, libraries and archives to develop their collections. The Purchase Grant Fund supports the purchase of material as diverse as a collection of letters from Daphne Du Maurier to Ivan Magee (Exeter University Library; £1,600 grant); the mixed media work Roberta Breitmore by Lynn Hershmann Leeson (Whitworth Art Gallery, University of Manchester; £50,000 grant) and a hoard of Iron Age coins from Little Horwood (Buckinghamshire County Museum; £12,900 grant ).

The grants budget, which now comes through the Museums, Libraries and Archives Council (MLA), is £900,000 for 2009-10. Demand is always very strong and funds are allocated to enable as many acquisitions as possible to be made. In 2008-9 grants of £1,019,758 was awarded to 93 organisations, enabling acquisitions of almost £3.5 million to go ahead.

## **Capital Gains Tax remission**

The purchase was subject to Capital Gains Tax relief, a scheme administered by the Capital Taxes Office at MLA (the Museums Libraries and Archives council) where HMRC exempt such sales from tax. This is made possible under an administrative arrangement known as the 'douceur', which entails sharing the benefit of tax exemption, granted by HRMC, between the vendor (usually 25%) and the purchaser (usually 75%). Hence the purchase price was reduced by 75%

of the CGT otherwise payable, the remaining 25% being a benefit to the vendor for selling to a museum.

Items which have been granted conditional exemption from capital taxation (Inheritance Tax ("IHT") or Capital Gains Tax ("CGT")) can be purchased by private treaty by a body listed in Schedule 3 of the Inheritance Tax Act 1984 (which includes most public museums, galleries and archives in the United Kingdom) at a price which is beneficial to both the public purchaser and private vendor. This is known colloquially as a Private Treaty Sale.

Such a sale will not give rise to a charge to IHT or CGT (sections 32 (4)(a) and 32A(5)(a) of the Inheritance Tax Act 1984 and section 258 of the Taxation of Chargeable Gains Act 1992).

For example when an item that has been granted conditional exemption from Inheritance Tax, which would have been payable at 40 per cent but for the exemption, is sold to a Schedule 3 body the purchasing body will usually only pay about 70 per cent of the item's agreed open market value. So an item valued at £100,000 can be acquired for £70,000.

This is made possible under an administrative arrangement known as the *douceur*. It entails sharing the benefit of fiscal exemption between the vendor (usually 25%) and the purchaser (usually 75%). Hence the vendor typically obtains a sweetener of 25% and the purchase price is reduced by 75%, of the IHT and CGT otherwise payable.

The arrangement follows the principles enunciated in their report in 1952 by the Waverley Committee on the Export of Works of Art etc.

Since 1982 H M Revenue & Customs has routinely requested owners of works of art, when it granted exemption, to give MLA 3 months' notice of an intention to sell them. You will find details of any items which we have been notified as coming up for sale below.

## **Further information**

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