

Company registration number: 07512852

Charity registration number: 1143205

# Nottingham Society of Artists Ltd

known as

NSA

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2017

# **Nottingham Society of Artists Ltd**

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# **Nottingham Society of Artists Ltd**

## **Reference and Administrative Details**

### **Trustees**

Alan Gardner, Chairman  
Colin Treliving  
John Pooler  
Ann Clay  
Greg Langfield (appointed 28 July 2016)  
Margaret Spencer (appointed 28 July 2016)  
Ken Simpson (appointed 1 August 2016)  
Jane Sirkett (appointed 1 April 2017)  
Robert Davies (resigned 27 June 2016)

### **Principal Office**

St Luke's House  
71 Friar Lane  
Nottingham  
NG1 6DH

### **Company Registration Number**

07512852

### **Charity Registration Number**

1143205

### **Independent Examiner**

John O'Brien, employee of  
Community Accounting Plus  
7 Mansfield Road  
Nottingham  
NG1 3FB

# **Nottingham Society of Artists Ltd**

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2017.

### **Trustees**

Alan Gardner, Chairman

Colin Treliving

John Pooler

Ann Clay

Greg Langfield (appointed 28 July 2016)

Margaret Spencer (appointed 28 July 2016)

Ken Simpson (appointed 1 August 2016)

Jane Sirkett (appointed 1 April 2017)

Robert Davies (resigned 27 June 2016)

### **Structure, governance and management**

#### ***Nature of governing document***

The charity is a company limited by guarantee and registered charity. It is operated under the rules of its memorandum and articles of association dated 01/02/2011 and most recently amended 06/06/2013. It has no share capital and the liability of each member in the event of winding-up is limited to £10.

#### ***Recruitment and appointment of trustees***

The members vote at the AGM for new Trustees to be appointed, or Trustees are co-opted during the year and then their position is ratified at the AGM.

### **Objectives and activities**

#### ***Objects and aims***

The objects of the charity are for the public benefit, to advance education by the promotion and encouragement of the arts, including all forms of visual arts.

#### ***Objectives, strategies and activities***

The main activities are providing art classes and gallery space for artists to exhibit their work.

#### ***Public benefit***

If the public join as members they can take part in all the Society's activities.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

# **Nottingham Society of Artists Ltd**

## **Trustees' Report**

### **Achievements and performance**

During the period the main achievements were:

Extensive work has been undertaken to develop and make live the new NSofA website;

The Light Night exhibition was successful over with over 800 people viewing the exhibition and activities and some having their own portrait drawing produced by Members of the Society during the evening;

The membership arrangements have been transitioned to the new unified renewal point and clarifying the list of active and 'paid up' Members;

The building work in the ground floor gallery has allowed for larger pictures to be displayed and he offered the challenge of someone producing a 10' x 6' picture this year. The improvements in the gallery means that a more diverse range of media can be exhibited;

The Saturday workshops have proved successful and it is hoped to continue these.

### **Financial review**

We are happy with our financial progress.

### ***Policy on reserves***

We hold approximately £42,000 as reserve funds. Reserves are held to support the maintenance of our building, we intend to ringfence funds for certain projects this coming year.

# **Nottingham Society of Artists Ltd**

## **Trustees' Report**

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of Nottingham Society of Artists Ltd for the purposes of company law) are responsible for preparing the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the Charity on 6 October 2017 and signed on its behalf by:

.....

Alan Gardner

Trustee

## Nottingham Society of Artists Ltd

### Independent Examiner's Report to the trustees of Nottingham Society of Artists Ltd

I report on the accounts of the company for the year ended 31 March 2017 which are set out on pages 6 to 13 .

#### Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

#### Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. 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 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 matter has come to my attention:

(1) which gives me a reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

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.

.....  
John O'Brien MSc, FCCA, FCIE  
Employee of Community Accounting Plus

7 Mansfield Road  
Nottingham  
NG1 3FB

Date:.....

# Nottingham Society of Artists Ltd

## Statement of Financial Activities for the Year Ended 31 March 2017 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2017 £	Total 2016 £
<b>Income and Endowments from:</b>				
Charitable activities	2	29,427	29,427	33,092
Investment income	3	<u>23</u>	<u>23</u>	<u>21</u>
Total Income		<u>29,450</u>	<u>29,450</u>	<u>33,113</u>
<b>Expenditure on:</b>				
Charitable activities	4	<u>(30,787)</u>	<u>(30,787)</u>	<u>(35,225)</u>
Total Expenditure		<u>(30,787)</u>	<u>(30,787)</u>	<u>(35,225)</u>
<b>Other recognised gains and losses</b>				
Net movement in funds		(1,337)	(1,337)	(2,112)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>690,782</u>	<u>690,782</u>	<u>692,894</u>
Total funds carried forward		<u><u>689,445</u></u>	<u><u>689,445</u></u>	<u><u>690,782</u></u>

All of the Charity's activities derive from continuing operations during the above two periods.



# Nottingham Society of Artists Ltd

(Registration number: 07512852)  
Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	10	639,291	639,436
<b>Current assets</b>			
Debtors	11	-	1,000
Cash at bank and in hand		54,025	51,622
		<u>54,025</u>	<u>52,622</u>
<b>Creditors: Amounts falling due within one year</b>	12	<u>(3,871)</u>	<u>(1,276)</u>
<b>Net current assets</b>		<u>50,154</u>	<u>51,346</u>
<b>Net assets</b>		<u>689,445</u>	<u>690,782</u>
<b>Funds of the Charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted income funds		689,445	690,782
<b>Total funds</b>		<u>689,445</u>	<u>690,782</u>

For the financial year ending 31 March 2017 the Charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the Charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities 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 financial statements on pages 6 to 13 were approved by the trustees, and authorised for issue on 6 October 2017 and signed on their behalf by:

.....  
Colin Treliving  
Trustee

# **Nottingham Society of Artists Ltd**

## **Notes to the Financial Statements for the Year Ended 31 March 2017**

### **1 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **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.

Nottingham Society of Artists Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### **Going concern**

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

#### **Income and endowments**

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### **Charitable activities**

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Taxation**

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## Nottingham Society of Artists Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2017

#### Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

##### Asset class

Furniture & equipment

Land & buildings

##### Depreciation method and rate

25% straight line

Depreciation has not been charged on the land and buildings, because in the opinion of the trustees, the estimated residual value is not materially different from the carrying amount of the land and buildings.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Fund accounting

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity.

# Nottingham Society of Artists Ltd

## Notes to the Financial Statements for the Year Ended 31 March 2017

### 2 Income from charitable activities

	Unrestricted funds		
	General	Total	Total
	£	2017	2016
		£	£
Membership subscription	16,188	16,188	14,674
Rental income	2,204	2,204	2,119
Gallery rental	8,805	8,805	11,871
Commission on exhibition sales	1,750	1,750	1,247
Donations	150	150	856
Exhibition membership fees	-	-	2,325
Sundry income	330	330	-
	<u>29,427</u>	<u>29,427</u>	<u>33,092</u>

### 3 Investment income

	Unrestricted funds		
	General	Total	Total
	£	2017	2016
		£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	23	23	21
	<u>23</u>	<u>23</u>	<u>21</u>

# Nottingham Society of Artists Ltd

## Notes to the Financial Statements for the Year Ended 31 March 2017

### 4 Expenditure on charitable activities

	Unrestricted funds		
	General	Total	Total
	£	2017	2016
		£	£
Rates & water rates	3,263	3,263	1,681
Heat & light	3,412	3,412	4,867
Insurance	4,130	4,130	4,278
Telephone & postage	409	409	377
Cleaning	170	170	279
Wages	1,123	1,123	1,408
Exhibition costs	1,009	1,009	1,166
Printing, postage & stationery	2,265	2,265	955
Equipment, repairs & premises maintenance	12,666	12,666	17,254
Prizes, hospitality & gifts	400	400	200
Advertising & memberships	390	390	390
Sundry expenditure	157	157	659
Depreciation	145	145	213
Legal & professional fees	1,148	1,148	998
Honorarium	100	100	500
	<u>30,787</u>	<u>30,787</u>	<u>35,225</u>

### 5 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2017	2016
	£	£
Depreciation of fixed assets	<u>145</u>	<u>213</u>

### 6 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

### 7 Staff costs

The aggregate payroll costs were as follows:

# Nottingham Society of Artists Ltd

## Notes to the Financial Statements for the Year Ended 31 March 2017

	2017 £	2016 £
<b>Staff costs during the year were:</b>		
Wages and salaries	<u>1,123</u>	<u>1,408</u>

The monthly average number of persons (including senior management team) employed by the Charity during the year was as follows:

	2017 No	2016 No
Average number of employees	<u>1</u>	<u>1</u>

No employee received emoluments of more than £60,000 during the year.

### 8 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus are analysed as follows:

	2017 £	2016 £
Independent examination	526	526
Other financial services	256	97
	<u>782</u>	<u>623</u>

### 9 Taxation

No tax was charged in the year (2016 - £nil).

### 10 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 April 2016	<u>639,000</u>	<u>1,782</u>	<u>640,782</u>
At 31 March 2017	<u>639,000</u>	<u>1,782</u>	<u>640,782</u>
<b>Depreciation</b>			
At 1 April 2016	-	1,346	1,346
Charge for the year	-	145	145
At 31 March 2017	-	<u>1,491</u>	<u>1,491</u>
<b>Net book value</b>			
At 31 March 2017	<u>639,000</u>	<u>291</u>	<u>639,291</u>
At 31 March 2016	<u>639,000</u>	<u>436</u>	<u>639,436</u>

## Nottingham Society of Artists Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2017

#### 11 Debtors

	2017 £	2016 £
Other debtors	-	1,000

#### 12 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	2,845	-
Other creditors	1,026	1,276
	3,871	1,276

#### 13 Charity status

The Charity is a Charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the Charity in the event of liquidation.

#### 14 Related party transactions

There were no related party transactions in the year.