

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 2019

Nottingham Society of Artists Ltd

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7 to 13

Nottingham Society of Artists Ltd

Reference and Administrative Details

Trustees	Alan Gardner, Chairman Colin Treliving John Pooler Ann Clay Greg Langfield Margaret Spencer Jane Sirkett
Principal Office	St Luke's House 71 - 73 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 2019.

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 as amended by certificate of incorporation on change of name dated 18/06/2013. 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.

Achievements and performance

This year we had to take on quite a lot of essential maintenance work to the property at St Luke's House. This we see as an ongoing problem with an old building. We also had a burst drain in the outside street which caused flooding in our basement. We now have to deal with our insurance company to sort out compensation and making safe the basement area.

We continued with our wide variety of exhibition. We supported our annual schools exhibition; we also did a retrospective exhibition of Jim Brown's paintings. This raised £400 for the British Heart Foundation.

To enhance the hiring of our Gallery space we have employed a student graduate. This has proved to have a positive effect on our bookings.

Nottingham Society of Artists Ltd

Trustees' Report

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.

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 trustees' report and 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 and signed on its behalf by:

.....
Jane Sirkett
Trustee

Nottingham Society of Artists Ltd

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

Independent examiner's report to the trustees of Nottingham Society of Artists Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2019.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
John O'Brien MSc, FCCA, FCIE, employee of Community Accounting Plus
Fellow of the Association of Charity Independent Examiners

7 Mansfield Road
Nottingham
NG1 3FB

Date:.....

Nottingham Society of Artists Ltd

Statement of Financial Activities for the Year Ended 31 March 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2019 £	Total 2018 £
Income and Endowments from:				
Donations and legacies	2	489	489	1,206
Charitable activities	3	27,429	27,429	28,546
Investment income	4	200	200	25
Total Income		<u>28,118</u>	<u>28,118</u>	<u>29,777</u>
Expenditure on:				
Charitable activities	5	<u>(33,037)</u>	<u>(33,037)</u>	<u>(19,383)</u>
Total Expenditure		<u>(33,037)</u>	<u>(33,037)</u>	<u>(19,383)</u>
Net (expenditure)/income		<u>(4,919)</u>	<u>(4,919)</u>	<u>10,394</u>
Net movement in funds		(4,919)	(4,919)	10,394
Reconciliation of funds				
Total funds brought forward		<u>699,839</u>	<u>699,839</u>	<u>689,445</u>
Total funds carried forward		<u><u>694,920</u></u>	<u><u>694,920</u></u>	<u><u>699,839</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 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	11	639,000	639,146
Current assets			
Debtors	12	30	-
Cash at bank and in hand		<u>59,371</u>	<u>61,391</u>
		59,401	61,391
Creditors: Amounts falling due within one year	13	<u>(3,481)</u>	<u>(698)</u>
Net current assets		<u>55,920</u>	<u>60,693</u>
Net assets		<u><u>694,920</u></u>	<u><u>699,839</u></u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>694,920</u>	<u>699,839</u>
Total funds		<u><u>694,920</u></u>	<u><u>699,839</u></u>

For the financial year ending 31 March 2019 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 5 to 13 were approved by the trustees, and authorised for issue on 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 2019

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.

Statement of compliance

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.

Basis of preparation

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.

Exemption from preparing a cash flow statement

The charity opted to adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Nottingham Society of Artists Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

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.

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.

Nottingham Society of Artists Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019

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.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

2 Income from donations and legacies

	Unrestricted funds		
	General £	Total 2019 £	Total 2018 £
Donations and legacies;			
Donations from individuals	489	489	1,206
	<u>489</u>	<u>489</u>	<u>1,206</u>

3 Income from charitable activities

	Unrestricted funds		
	General £	Total 2019 £	Total 2018 £
Membership subscription	17,182	17,182	17,231
Rental income	2,103	2,103	1,329
Gallery rental	5,633	5,633	8,337
Commission on exhibition sales	2,212	2,212	1,415
Sundry income	299	299	234
	<u>27,429</u>	<u>27,429</u>	<u>28,546</u>

Nottingham Society of Artists Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019

4 Investment income

	Unrestricted funds		
	General	Total	Total
	£	2019	2018
		£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	200	200	25

5 Expenditure on charitable activities

	Unrestricted funds		
	General	Total	Total
	£	2019	2018
		£	£
Rates & water	3,433	3,433	3,402
Heat & light	4,540	4,540	3,484
Insurance	4,303	4,303	4,298
Telephone & internet	382	382	509
Cleaning	251	251	201
Wages	2,421	2,421	1,168
Exhibition costs	360	360	288
Printing, postage & stationery	2,224	2,224	1,690
Equipment, repairs & premises maintenance	2,873	2,873	2,418
Advertising & memberships	264	264	240
Sundry expenditure	-	-	5
Depreciation	146	146	145
Legal & professional fees	1,108	1,108	1,040
Licences	428	428	295
Honorarium	100	100	200
Major repairs	9,804	9,804	-
Donations paid	400	400	-
	33,037	33,037	19,383

6 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2019	2018
	£	£
Depreciation of fixed assets	146	145

Nottingham Society of Artists Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019

7 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.

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:

	2019 £	2018 £
Independent examination	555	530
Other financial services	204	156
	<u>759</u>	<u>686</u>

9 Staff costs

The aggregate payroll costs were as follows:

	2019 £	2018 £
Staff costs during the year were:		
Wages and salaries	<u>2,421</u>	<u>1,168</u>

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

	2019 No	2018 No
Average number of employees	<u>2</u>	<u>1</u>

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

Nottingham Society of Artists Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 April 2018	<u>639,000</u>	<u>1,782</u>	<u>640,782</u>
At 31 March 2019	<u>639,000</u>	<u>1,782</u>	<u>640,782</u>
Depreciation			
At 1 April 2018	-	1,636	1,636
Charge for the year	<u>-</u>	<u>146</u>	<u>146</u>
At 31 March 2019	<u>-</u>	<u>1,782</u>	<u>1,782</u>
Net book value			
At 31 March 2019	<u>639,000</u>	<u>-</u>	<u>639,000</u>
At 31 March 2018	<u>639,000</u>	<u>146</u>	<u>639,146</u>

Nottingham Society of Artists Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019

12 Debtors

	2019 £	2018 £
Other debtors	30	-

13 Creditors: amounts falling due within one year

	2019 £	2018 £
Other creditors	2,481	698
Deferred income	1,000	-
	3,481	698

14 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.

15 Related party transactions

There were no related party transactions in the year.