

LONG EATON ART ROOM
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
FOR
31 MARCH 2024

Company Registration Number 07148936
Charity Number 1136196

DERBY COMMUNITY ACCOUNTANCY SERVICE

Babington Lodge
128 Green Lane
Derby

**LONG EATON ART ROOM
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

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**LONG EATON ART ROOM
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The board of trustees/directors

Diane Dakin (Chair))
Ian Mitchell (Treasurer)
Ian Slater
Raymond Gumbley

Registered office

29-31 Lime Grove
Long Eaton
Nottingham
NG10 4LD

Independent Examiner

Mark Newey ACMA
Derby Community Accountancy Service
Babington Lodge
128 Green Lane
Derby
DE1 1RY

LONG EATON ART ROOM COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2024

The trustees, who are also Directors for the purposes of the Companies Act, have pleasure in presenting their report and the unaudited financial statements of the charity for the year ended 31 March 2024.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Long Eaton Art Room is based at 29-31 Lime Grove, Long Eaton, which is the company's registered office and the principal address of the charity. Long Eaton Art Room is a company limited by guarantee and not having a share capital (company registration No. 07148936) and Registered Charity (no 1136196). The Charity's governing document is the Memorandum and Articles of Association.

Trustee selection methods

The charity elects trustees at the Annual General Meeting. When the need arises, a skills audit to determine the requirements of the trustee body is carried out. People are approached to put themselves forward for election to meet the skills required.

Risk management policy

The trustees examine the major risks that the charity faces each financial year when preparing and updating the strategic plan. The charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the charity in the future.

OBJECTIVES AND ACTIVITIES

To promote for the benefit of the inhabitants of Erewash and the surrounding areas the provision of facilities, items and services to enable the public at large to engage in the creative arts and education in the arts and to do so in the interests of social welfare and with the object of improving the condition of life for the said inhabitants.

This is in accordance with the Charity's governing document, the Memorandum and Articles of Association, incorporated on 6 February 2010.

SUMMARY OF THE MAIN ACTIVITIES UNDERTAKEN FOR THE PUBLIC BENEFIT IN RELATION TO THESE OBJECTS

To achieve this object we will provide:

- A community art space located in the Borough of Erewash, with regular accessible creative sessions for all members of the community, providing a safe and inviting environment with equipment and materials for a wide range of creative arts.

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TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2024

- Workshops with tuition from practising artists, in our own studio or in community facilities elsewhere in the Borough of Erewash.
- An exhibition space for the display of work by individual artists, groups and schools.
- Individual artist studio spaces for rent to practising artists.
- Work experience and volunteer opportunities for individuals to improve their confidence, assertiveness and communication skills.

In delivering these facilities we aim to benefit the following sections of the public:

- The general public (of all ages from children to senior citizens), without any restriction on previous artistic education or experience, both individually and through community organisations such as societies and schools.
- Artists, who wish to develop their skills through the use of our facilities, and promote their work through exhibitions and workshops.
- Socially excluded groups and individuals, by providing an opportunity to participate more fully with society and improve self-esteem through creative activity.

Workshops are priced to recover direct costs and contribute to overheads. Exhibitions are open to the public to view without charge. We work with caring and supporting organisations to obtain funding for participation by disadvantaged individuals.

The Trustees believe that in undertaking these activities they have taken due regard of the guidance on public benefit issued by the Charity Commission.

Achievements and Performance

The financial year 1 April 2023 to 31 March 2024 has been very successful in terms of our activities with increasing attendance at our own workshops and at events organised by artists who hire our facilities, but it has been a challenging year financially.

1. We have been significantly impacted by a further increase in energy costs, with total spend on utilities up 70% on the previous year. At £17,750, utilities made up 27% of our operating expenditure. We received a small 'cost of living' grant of £250 from Erewash Borough Council via Erewash CVS but the majority of the additional cost has had to come from our reserves. At the end of the year we were able to negotiate new contracts for electricity and gas so we hope for a significant saving in the next financial year.
2. We also incurred expenditure of £5930 on building repairs and improvements, but fortunately some of this was funded by generous gift aided donations.

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TRUSTEES' ANNUAL REPORT

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3. We continue to benefit from the Co-Operative Community Fund who again selected us as one of the organisations from members' expenditure at local stores, with £2621 received in the year.
4. Our fabric sales of materials donated by local businesses continue to be popular and raised a total of £3661 this year.
5. We maintained a high level of occupancy of our artists studios. Whenever we have a vacancy there are always multiple applicants to take up the space which demonstrates the value of our facility for the local artistic community.
6. We have continued to grow and develop our focus on pre-booked workshop sessions. These have continued to be successful. We now run regular coffee and crafts workshops at reduced subsidised rates with a focus on creative crafts to reduce isolation and improve wellbeing. There are also monthly evening creative sessions at subsidised rates.
7. The subsidised room hire to artists who run their own sessions has increased again over the year. Providing facilities for regular evening classes and day workshops in a wide range of media, including water colours, ceramics, knitting, papercrafts, card making, collage, printing, gelli printing, felting, textiles, punch needle embroidery, glass fusing, life drawing, stained glass, pastels, sewing and more. Regular users include the East Midland Polymer Art group and many local artists.
8. We organised creative activity workshops for children and young people during school holidays.
9. In May we worked with resident artist Minifi to host the Unravelled Artisan Market again. This was a busy, well organised, well promoted and well attended exhibition with a wide variety of local artists and makers having the opportunity to showcase their work.
10. In November we held an Open Studios Event for our resident artists to showcase their own work, alongside a Christmas Craft Fair for visiting artists and designer makers to exhibit and sell their work. This was our best show to date, with large visitor numbers, great feedback and generous sales figures reported from traders and artists.
11. In December former resident artist Minifi held a Creepy Christmas Arts Market here in the community rooms. This was a resounding success with very large numbers of visitors running over a full weekend. This reached a large number of people who had previously not visited. She has since gone on to run more of these events in other venues across the surrounding areas. We look forward to hosting more of these again here in the future too.
12. We worked alongside resident artist David William Sampson to support him in his ceramics show under the banner "Toasted". He is expanding on this success and intends to hold multiple shows in the future both here and at Derby Museums. We look forward to having the Toasted show return here in December this year.

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YEAR ENDED 31 MARCH 2024

13. Other services that we provide for local artists both amateur and professional include kiln firing for ceramics and retail sales of arts and craft materials.
14. Taking into account our creative sessions, workshops, special events and hire of our spaces to other organisations, we estimate there have been approximately 8373 attendances to our facilities this year, the majority of which involve active participation in art or craft activities. This is a staggering 50% increase on last years numbers and reflects the hard work and dedication of our staff and volunteers.

Reserves

The reserves policy is to aim to maintain a cash reserve of a minimum of 3 months typical expenditure (currently £3000/month).

Independent Examiner

Mark Newey ACMA of Derby Community Accountancy Service was appointed Independent Examiner for the year.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

Registered office:
Long Eaton Art Room
29-31 Lime Grove
Long Eaton
Nottingham
NG10 4LD

Signed on behalf of the trustees



D. Dakin
Trustee

Approved by the trustees on 1st October 2024

**LONG EATON ART ROOM
COMPANY LIMITED BY GUARANTEE**

INDEPENDENT EXAMINERS REPORT

Independent Examiner's Report to the Trustees of Long Eaton Art Room

I report on the accounts of the company for the year ended 31 March 2024 which are set out on pages 7 to 16.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act). It is my responsibility to:

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

Basis of independent examiner's statement

My examination was carried out in accordance with 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 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.

M. Newey

Name: Mark Newey

Address: Derby Community Accountancy Service, 128 Green Lane, Derby, DE1 1RY

Date : 8/8/24

LONG EATON ART ROOM COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds Year to 31 Mar 2024 £	Total Funds Year to 31 Mar 2023 £
<u>Income from</u>					
Donations	3	281	2,500	2,781	5,269
Investment income	5	779	-	779	444
Grants receivable	4	2,872	-	2,872	500
Other income	6	55,353	625	55,978	51,462
Total incoming resources		59,285	3,125	62,410	57,675
<u>Expenditure on</u>					
Raising funds		1,275	-	1,275	1,247
Charitable activities		64,477	10,456	74,933	63,081
Total resources expended	7	65,752	10,456	76,208	64,328
Net incoming/(outgoing) resources before transfers		(6,467)	(7,331)	(13,798)	(6,653)
Transfer between funds		(35)	35	-	-
Net movement in funds		(6,502)	(7,296)	(13,798)	(6,653)
Funds brought forward		45,108	229,070	274,178	280,831
Funds carried forward		38,606	221,774	260,380	274,178

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 9 to 16 form part of these financial statements

LONG EATON ART ROOM COMPANY LIMITED BY GUARANTEE

BALANCE SHEET 31 MARCH 2024

		2024	2023
	Note	£	£
Fixed assets			
Tangible assets	11	224,520	228,693
Current assets			
Debtors	12	994	540
Cash at bank and in hand		36,811	51,439
Stock and work in progress		1,234	1,319
		<u>39,039</u>	<u>53,298</u>
Creditors: amounts falling due within one year	13	<u>3,179</u>	<u>7,813</u>
Net current assets		35,860	45,485
Total assets less current liabilities		<u>260,380</u>	<u>274,178</u>
Net assets		<u>260,380</u>	<u>274,178</u>
Funds			
Restricted	14	221,774	229,070
Unrestricted	14	38,606	45,108
TOTAL FUNDS		<u>260,380</u>	<u>274,178</u>

For the year ended 31 March 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

- (i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- (ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These financial statements were approved and authorised for issue by the Trustees on the 1st October 2024 and are signed on their behalf by:



D. Dakin
Trustee

Company Registration Number: 07148936

The notes on pages 9 to 16 form part of these financial statements.

LONG EATON ART ROOM COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Company information

Long Eaton Art Room is a company limited by guarantee not having a share capital. The company's registered office is, 29-31 Lime Grove, Long Eaton. At the end of the year there were 4 Trustees, each of whom, under the terms of the Memorandum and Articles of Association, had undertaken to contribute the sum not exceeding £1 in the event of a winding up of the company.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in Sterling which is the functional currency of the company. Monetary amounts in these financial statements to the nearest £.

The accounts have been prepared on historical cost convention apart from freehold property that is carried at market value. The principal accounting policies adopted are set out below.

These are accounts for the year ended 31 March 2024 prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015.

1.2 Going concern

At the time of approving the accounts, the Directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

LONG EATON ART ROOM COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

1.4 Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Gifts in kind have been included at market value of gifts received and in assets acquired. No amounts are included in the financial statements for services donated by volunteers.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in the support of the charitable activities.

1.6 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.9 Financial instruments

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

LONG EATON ART ROOM COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

1.11 Taxation

The charity is exempt from tax on income and gains falling with section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

1.12 Depreciation

Individual fixed assets are capitalised at cost and are depreciated over their estimated useful economic lives on a reducing balance basis as follows:-

Asset category	Annual rate
Equipment	33.3%
Buildings	2%

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimated and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

3 Donations and legacies

	Unrestricted Funds	Restricted Funds	Total Funds Year to 31 Mar 2024	Total Funds Year to 31 Mar 2023
	£	£	£	£
Donations from individuals	281	2,500	2,781	5,269
	281	2,500	2,781	5,269

4 Grants Receivable

	Unrestricted Funds	Restricted Funds	Total Funds Year to 31 Mar 2024	Total Funds Year to 31 Mar 2023
	£	£	£	£
Erewash Voluntary Action	250	-	250	500
Co-Operative Community Grant	2,622	-	2,622	-
	2,872	-	2,872	500

**LONG EATON ART ROOM
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

5. Interest receivable (unrestricted)

	Year to 31 Mar 2024	Year to 31 Mar 2023
	£	£
Bank interest receivable	779	444
	<u>779</u>	<u>444</u>

6. Other income

	Year to 31 Mar 2024	Year to 31 Mar 2023
	£	£
Open studio fees	430	689
Kiln firing and other services	1,983	1,523
Workshops	5,847	3,525
Artist studio rental	29,784	30,344
Materials for studio use	1,575	1,052
Other charitable services	-	18
Room hire	11,946	8,040
Fundraising sales	3,662	5,701
Tuck shop sales	126	151
Gift Aid	625	419
	<u>55,978</u>	<u>51,462</u>

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

7. Total resources expended

	Total Funds Year to 31 £ Mar 2024	Total Funds Year to 31 £ Mar 2023
Rent and rates	467	985
Depreciation	4,866	4,782
Building maintenance	5,931	3,125
Utilities	17,750	10,622
Consumables	1,148	903
Food	297	275
Goods for resale	1,275	1,247
Publicity	228	308
Studio, equipment and repairs	2,469	2,267
Artist Fees	22,492	21,840
Professional fees	590	642
Staff wages	16,639	15,216
Insurance	2,056	2,056
Subscriptions	-	60
	<u>76,208</u>	<u>64,328</u>

Expenditure on charitable activities was £74,933 (2023: £63,081) of which £10,456 was restricted (2023 £7,743)

8. Net (expenditure)/income

Net (expenditure)/income for the year is stated after charging/(crediting):

	2024 £	2023 £
Independent Examiner's Fees	530	520
Depreciation	<u>4,866</u>	<u>4,782</u>

9. Directors and key management personnel

During the year Trustees did not receive remuneration. The key management personnel of the charity consist of the Trustees, professional advisors and the employees.

**LONG EATON ART ROOM
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

10. Employees

The aggregate payroll costs were:

	Year to 31 Mar 2024	Year to 31 Mar 2023
	£	£
Wages and salaries	16,584	15,203
Social security costs	-	-
Pension costs	55	13
	<u>16,639</u>	<u>15,216</u>

No employee earned more than £60,000 per annum. No trustees were reimbursed for expenditure.

The average number of staff employed by the charity during the financial year amounted to:

	Year to 31 Mar 2024	Year to 31 Mar 2023
	No	No
Direct Charitable Staff	2	3
Governance	-	-
	<u>2</u>	<u>3</u>

**LONG EATON ART ROOM
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

11. Tangible fixed assets

	Building	Fixtures, fittings & Equipment	Artworks	Total
	£	£	£	£
Cost				
At 31 March 2023	283,916	5,575	2,065	291,556
Additions	-	693	-	693
At 31 March 2024	283,916	6,268	2,065	292,249
Depreciation				
At 31 March 2023	57,616	5,247	-	62,863
Charge for the year	4,526	340	-	4,866
At 31 March 2024	62,142	5,587	-	67,729
Net book value				
At 31 March 2024	221,774	681	2,065	224,520
At 31 March 2023	226,300	328	2,065	226,993

12. Debtors

	2024	2023
	£	£
Other Debtors	994	540
	<u>994</u>	<u>540</u>

13. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Artist studio deposits	2,380	2,296
Trade creditors	799	5,517
Total Creditors	<u>3,179</u>	<u>7,813</u>

LONG EATON ART ROOM COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

14. Statement of funds

	At 1 April 2023 £	Incoming £	Outgoing £	Transfers £	At 31 March 2024 £
Unrestricted reserves	45,108	59,285	(65,752)	(35)	38,606
Total unrestricted funds	45,108	59,285	(65,752)	(35)	38,606
Buildings	229,070	3,125	(10,456)	35	221,774
Total restricted funds	229,070	3,125	(10,456)	35	221,774
Total funds	274,178	62,410	(76,208)	-	260,380

Restricted Funds

The Building fund represented the value of the building yet to be depreciated and future expenditure.

15 Analysis of net assets

	Tangible fixed assets	Other net assets	Total
	£	£	£
Unrestricted funds	2,746	35,860	38,606
Restricted funds			
Building Project	221,774	-	221,774
	<u>224,520</u>	<u>35,860</u>	<u>260,684</u>

16. Related party transactions

The charity had no related party transactions that required disclosure.