

HASTINGS ARTS FORUM LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Company number 7540627

Charity number 1142575

**20 Marine Court
St Leonards on Sea
East Sussex
TN38 0DX**

HASTINGS ARTS FORUM LIMITED

(A company limited by guarantee) Company number 7540627 Charity number 1142575

Report of the trustees for the year ending 31 December 2022

Chair's report

This year has been distinguished by the work of our new Gallery Co-Ordinator Helen Savage. She brings with her a portfolio of professionalism, expertise and adaptability. The first two qualities are easy to qualify but the second is where Helen has shown what an invaluable asset she has become to the Forum in the year she has been working for us. She accepted the thorny issue of recruiting, training, and managing volunteers into her role. It had previously been a separate task of another volunteer. Her personable manner, her ability to relate peoples' work skills to the jobs and tasks to be covered, and her quiet and sympathetic ear has enabled her to build up a dedicated rota of volunteers that deliver the services of the Forum. Without this efficient team the Forum could not operate as it does. She is also implementing software upgrades for the management of our membership and is generally at the heart of all the working processes that go on within the Forum.

Over the last year we have noticed a small stream of artists who have come down from London or across from Brighton in the search for an exhibition space. They have expressed their gratitude in the ethos of our Gallery which is: run by artists, for artists. They appreciate the reduction of commercial pressure that comes from a more commercially run gallery. One that always has an eye on artists' work that will sell, against work that may be more risk taking or display a new and unknown approach. They also appreciate how easy and adaptable our space is to exhibit in and how our well-lit and uncluttered walls bring out the best in their work when it is hung or positioned.

Thanks to an anonymous donation we have recently been able to pay for various upgrades and improvements to the fabric of the gallery. Earlier in the year we had the front railings painted, the window frames re varnished and the façade decluttered. We also employed a sign writer to paint our logo on the fascia board. A new neon sign hangs in the window and lets people know we are open. Over the winter break we removed some stained carpet in the window area to expose some original pine parquet flooring. We then employed a specialist company to sand and varnish the floor. This has given the gallery a visual lift and again creates a minimal look which has had many admiring comments.

A lot of upgrading work has been done to our website this year. Ian O Leary, one of the trustees, has overseen a unifying process that brings in our new logo and helps to present a professional and considered look to the website, online newsletter and printed handouts. The members' gallery is also being updated to reflect our current members and their new work. To ease the workload on herself, Helen has a volunteer to help install the relevant files which can happen alongside her working space thanks to our recent purchase of a second PC. Our network administrator is giving us direct access to our system so we can make faster changes to our website.

All this background work goes on while our dedicated exhibitions and hanging team, turn around fortnightly shows to the high standards that artists have come to expect of the Forum. At the time of writing, the exhibition rota is full for 2023 and bookings for 2024 are starting to come in. Considering the delicate nature of the nations' finances and the closing of four prominent businesses in St Leonards earlier in the year, the Forum continues to punch above its weight and stay solvent. I feel confident in saying that the Forum will continue to thrive and offer the high-quality Gallery space and support that we have the reputation for delivering to our local artistic community. I and the board of trustees would like to give thanks to our team of volunteers who give so much of their free time and contribute so many different skill sets.

HASTINGS ARTS FORUM LIMITED

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Report of the trustees for the year ending 31 December 2022 (continued)

Our purposes and activities

The purposes of the charity are to advance the education of the public principally in Hastings and East Sussex in all areas of the arts but focusing mainly on the visual arts. All members of the public are eligible to join Hastings Arts Forum Limited upon payment of an annual subscription. The charity runs a gallery to exhibit members' art work in a regularly changing series of exhibitions. The shows are promoted by newsletter, on the website, through social media and by advertisement, and are open to view by all members of the public. Accordingly, the Trustees believe the charity meets the public benefit test as set out in guidance by the Charity Commission. The charity presently has a policy that precludes the making of any grants. As stated in Note 1 to the Accounts, the value of any voluntary help received is not included in these accounts. However, the ongoing voluntary contribution to the running of the galleries is critical to the future of the Charity and is much appreciated by all involved.

Financial review

Following the temporary closures of the Gallery during the period of the pandemic, 2022 has been a year mercifully without such interruptions. The year started slowly but improved steadily with a full programme of exhibitions, and ending the year with a strong finish with the Christmas show. Costs were kept under control although the effects of inflation were beginning to show. In the autumn, the Charity was extremely fortunate to receive a most generous anonymous donation of £5,000 for which we are most grateful. This together with a full year of activities in the Gallery enabled the Trustees to consider and proceed with external decoration of the premises including new fascia signage, having the wood block floor sanded, sealed and restored, purchase a laptop and add an illuminated sign in the window. These works have made a substantial improvement to the Gallery.

Our total income for the year was £34,386 and expenditure was £27,378. Both these figures are a significant improvement on 2021, ending the year with a surplus of £7,008.

Reserves policy and going concern

The Charity's policy is to maintain minimum cash resources sufficient to meet outgoing expenditure for at least a three month period, primarily staff costs, rent, utility costs. The reserves at the Balance Sheet date amounted to £33,899. We believe this is enough to cover three months activities.

Reference and Administration details

Charity number	1142575
Company number	7540627
Charity's principal and registered office	20 Marine Court St. Leonards on Sea East Sussex, TN38 0DX
Our independent reviewer	Peter Watters FCA BFP

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purposes of charity law. The trustees and officers serving during the year and since the year end were as follows:

Trustee name	Office (if any)	Dates acted if not for whole year
Lesley Barker		
Angela Childs		Resigned 24 September 2022
Ray McChrystal	Chair	
Ian O'Leary		
Paul Sayers		Appointed 24 September 2022
Jo Welsh		

HASTINGS ARTS FORUM LIMITED

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Report of the trustees for the year ending 31 December 2022 (continued)

Structure, Governance and Management

Governing document	Memorandum and Articles of Association dated 22 February 2011.
Charity constitution	Company limited by Guarantee.
Appointment of trustees	Appointed by the members in general meeting, with casual vacancies filled by the trustees.
Organisation	The charity is managed by the Trustee Board that meets regularly and consists of representatives responsible for Administration, Exhibitions, Marketing and Fundraising, and Web and IT. These individual groups meet regularly and co-ordinate the activities of the volunteers.
Related parties	There are no related parties or related party transactions to report. None of our trustees receive remuneration or other benefit from their work with the charity other than that available to any other member.
Risk management	Major risks are assessed and reviewed by Trustees and reported at regular Trustee meetings.
Trustees' responsibilities in relation to the financial statements	<p>The charity trustees (who are also the directors of Hastings Arts Forum Limited for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law and the law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, for that period.</p> <p>In preparing the financial statements, the trustees are required to:</p> <ul style="list-style-type: none">-select suitable accounting policies and then apply them consistently;-observe the methods and principles in the Charities SORP;-make judgements and estimates that are reasonable and prudent;-state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;-prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

Declaration

The trustees declare that they have approved the trustees' report above

Signed on behalf of the charity's trustees

Full names	Raymond Richard McChrystal
Position	Trustee
Date	29.6.2023

HASTINGS ARTS FORUM LIMITED

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Statement of Financial Activities for the year ended 31 December 2022

	Notes	Unrestricted funds -general	Unrestricted funds - designated	Total Funds this year	Total Funds prior year
		£	£	£	£
INCOME from:					
Donations	3	6,444	-	6,444	14,624
Charitable activities	4	16,658	-	16,658	12,622
Other trading activities	5	11,283	-	11,283	9,290
Total		34,385	-	34,385	36,536
EXPENDITURE on:					
Charitable activities	6	26,783	-	26,783	22,381
Other	8	594	-	594	900
Total		27,377	-	27,377	23,281
Net income/(expenditure)		7,008	-	7,008	13,255
Transfers between funds		-	-	-	-
Other recognised gains/(losses)					
Gains and losses on revaluation of fixed assets		-	-	-	-
Gains and losses on investment assets		-	-	-	-
Net movement in funds		7,008	-	7,008	13,255
Reconciliation of funds:					
Total funds brought forward		26,891	663	27,554	14,299
Computer purchased			(663)	(663)	
Total funds carried forward		33,899	-	33,899	27,554

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

HASTINGS ARTS FORUM LIMITED

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Balance Sheet as at 31 December 2022

	Note	Total funds this year	Total funds last year
		£	£
Fixed assets			
Tangible assets	15	-	-
Total fixed assets		-	-
Current assets			
Debtors	16	235	265
Cash at bank and in hand		53,379	45,127
Total current assets		53,614	45,392
Liabilities			
Creditors: amounts falling due within one year	17	19,715	17,838
Net current assets		33,899	27,554
Total assets less current liabilities		33,899	27,554
Creditors: amounts falling due after one year		-	-
Provisions for liabilities and charges		-	-
Total Net assets		33,899	27,554
The funds of the charity			
Unrestricted funds - General		33,899	26,891
Unrestricted funds - Designated		-	663
Total charity funds		33,899	27,554

For the financial year ended 31 December 2022, the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year ended 31 December 2022 in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to the accounting records and for the preparation of accounts.

The notes on pages 7 to 14 form part of these financial statements.

The financial statements were approved by the Trustees on 29.6.2023 and signed on their behalf by

Jo Welsh

Trustee

HASTINGS ARTS FORUM LIMITED

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Annual accounts for the year ended 31 December 2022

Notes on the accounts

1 Accounting Policies

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

1.1 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 January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1.2 The charity meets the definition of a public benefit entity as defined by FRS 102.

1.3 Preparation of the accounts on a going concern basis.

The trustees are of the view that the charity is a going concern.

1.4 Change in the basis of accounting

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year.

1.5 Income recognition policies

Recognition of incoming resources	These are included in the Statement of Financial Activities (SoFA) when: <ul style="list-style-type: none">• the charity becomes entitled to the resources;• the trustees are sufficiently certain they will receive the resources;• the monetary value can be measured reliably.
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Incoming resources with related expenditure	Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA.
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Grants and donations	Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.
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Tax reclaims on donations and gifts	Incoming resources from tax reclaims are included in the SoFA at the same time as the gift to which they relate.
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Contractual income and performance related grants	This is only included in the SoFA once the related goods or services have been delivered.
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Gifts in kind	Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SoFA as incoming resources when receivable.
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HASTINGS ARTS FORUM LIMITED

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Annual accounts for the year ended 31 December 2022

Notes on the accounts

Accounting policies continued

Income recognition policies continued

Donated services and facilities These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Volunteer help The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

Investment income This is included in the accounts when receivable.

Investment gains and losses This includes any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

1.6 Expenditure

Liability recognition Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Grants with performance conditions Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.

Grants payable without performance conditions These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

1.7 Assets

Tangible fixed assets for use by charity These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or a reasonable value on receipt. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and Fittings - 20% straight line

Investments Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at trustees' best estimate of market value.

Stocks and work in progress These are valued at the lower of cost or market value.

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

Cash at bank and in hand Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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.

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Notes on the accounts

2 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The charity is a public benefit entity.

3 Income from donations

	2022	2021
	£	£
Donations	6,444	2,054
Grants	-	12,570
Total income from Donations	6,444	14,624

The Forum benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with accounting standards, the economic contribution of general volunteers is not measured in the accounts.

4 Income from charitable activities

	2022	2021
	Unrestricted funds	Unrestricted funds
	£	£
Membership subscriptions	5,573	5,476
Gift Aid	792	178
Gallery Hire	10,293	6,960
Workshops	-	8
Total income from charitable activities	16,658	12,622

5 Income earned from other trading activities

	2022	2021
	£	£
Commission on sales of work	10,324	8,345
Commission on sales of cards	630	776
Other Income	329	169
Total Income from other trading activities	11,283	9,290

HASTINGS ARTS FORUM LIMITED

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Notes to the accounts

6 Expenditure on charitable activities

	Members services £	Exhibitions + Activities £	Total £	Basis of allocation
Rates	-	261	261	Direct cost
Rent & service charges	-	7,500	7,500	Direct cost
Electricity	-	480	480	Direct cost
Telephone & WiFi	-	818	818	Direct cost
Maintenance	-	3,639	3,639	Direct cost
Insurance	-	340	340	Direct cost
Stock Costs	-	-	-	Direct cost
Publicity and printing	-	1,033	1,033	Direct cost
Open evenings	289	866	1,155	Shared 25/75
Technology support	309	310	619	Shared equally
Staff	2,275	6,825	9,100	Shared 25/75
Volunteers	-	320	320	Direct cost
Office administration	199	599	798	Shared 25/75
Exhibition and Workshop expenses	-	-	-	Direct cost
Depreciation Fixtures/Fittings	-	-	-	Shared 25/75
Governance costs (see note 10)	360	360	720	Shared equally
Total	3,432	23,351	26,783	

7 Summary analysis of expenditure and related income for charitable purposes.

This table shows the costs of the two main charitable activities and the sources of income directly to support those activities.

	Members services £	Exhibitions + Activities £	Total £
Costs	(3,432)	(23,351)	(26,783)
Membership subscriptions	5,573	-	5,573
Gallery Hire	-	10,293	10,293
Commission on sales of artists' work	-	10,954	10,954
Gift Aid /Other Sales Income	792	329	1,121
Net cost funded from other income	2,933	(1,775)	1,158
Other Trading expenses - Finance charges Note 8			(594)
Donations and Grants Note 3			6,444
Net Income			7,008

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Notes to the accounts

8 Other trading expenses

	2022	2021
	£	£
Finance charges	594	900
	<u>594</u>	<u>900</u>

9 Analysis of support costs

The charity identifies the costs of its support functions and these are apportioned separately between the two key charitable activities undertaken (see note 7) in the year. The table below shows the basis for apportionment.

Analysis for support and governance costs.

Support cost	Members Services £	Exhibitions +Activities £	Total £	Basis of apportionment
Governance - Independent Review	360	360	720	Shared equally
Finance	297	297	594	Shared equally
Information Technology	309	310	619	Shared equally
Staff	2,275	6,825	9,100	Shared 25/75
Total	<u>3,241</u>	<u>7,792</u>	<u>11,033</u>	

10 Net Income for the year

	2022	2021
	£	£
This is stated after charging:		
Depreciation	-	-
Independent Reviewer's fee	720	920

11 Trustees' remuneration

None of the trustees have been paid any remuneration or received any other benefits from an employment with the charity.

12 Trustee's expenses

	2022	2021
	£	£
Number of trustees who were paid expenses	-	-
Nature of the expenses	n/a	n/a
Total amount paid	<u>-</u>	<u>-</u>

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Notes to the accounts

13 Staff costs and numbers

Staff costs were as follows:	2022	2021
Wages and salaries	£9,080	£8,255
Social security costs	£20	£0
Employer's contributions were made to a defined contribution pension scheme.	-	-

The average monthly number of employees during the year was as follows:	No.	No.
Administration	1	1

There are no employees who received employee benefits of more than £60,000.

14 Operating Lease commitments

The charity does not have any future minimum lease payments under non-cancellable operating leases but does hold an informal tenancy agreement in respect of the gallery.

	2022	2021
Future rent and service charge payments due within one year	£7,500	£7,500

HASTINGS ARTS FORUM LIMITED

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Notes to the accounts

15 Tangible fixed assets

15.1 Cost or valuation

	Fixtures, fittings and equipment	Total
	£	£
Balance brought forward	6,074	6,074
Additions	-	-
Revaluations	-	-
Disposals	-	-
Transfers	-	-
Balance carried forward	<u>6,074</u>	<u>6,074</u>

15.2 Accumulated depreciation and impairment provisions

	Basis Rate	Straight Line 20%	
Balance brought forward		6,074	6,074
Depreciation charge for year		-	-
Impairment provisions		-	-
Revaluations		-	-
Disposals		-	-
Transfers		-	-
Balance carried forward		<u>6,074</u>	<u>6,074</u>

15.3 Net book value

Brought forward	-	-
Carried forward	-	-

15.4 Revaluation

No assets have been revalued.

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Notes to the accounts

16 Debtors

	Amounts falling		Amounts falling	
	This year	Last year	This year	Last year
	£	£	£	£
Trade debtors	-	-	-	-
Amounts due from subsidiary and associated undertakings	-	-	-	-
Other debtors	-	-	-	-
Prepayments and accrued income	235	265	-	-
Total	235	265	-	-

17 Creditors: amounts falling due with one year

	Amounts falling		Amounts falling	
	This year	Last year	This year	Last year
	£	£	£	£
Loans and overdrafts	-	-	-	-
Trade creditors	-	-	-	-
Amounts due to subsidiary and associated undertakings	-	-	-	-
Other creditors and accruals	16,847	14,778	-	-
Deferred income	2,868	3,060	-	-
Taxation and social security costs	-	-	-	-
Total	19,715	17,838	-	-

18 Deferred Income

Deferred income comprises deposits received in respect of Gallery Hire for 2023 and the prepaid proportion of members' subscriptions.

19 Transactions with related parties.

There are no transactions with related parties.

20 Security over assets

No charge or other security exists over any assets of the charity.

21 Corporation Taxation

The charity is exempt from tax on income and gains falling within 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.

22 Additional disclosure

On 1 January 2012, the assets and liabilities of Hastings Arts Forum, an unincorporated members association, were transferred to Hastings Arts Forum Limited, which then commenced trading as a registered charity.

23 Independent Examination

These accounts are subject to Independent Examination and fees of £720 are payable. No other fees for assurance, tax advisory or other financial services are payable to the Independent Reviewer.

HASTINGS ARTS FORUM LIMITED

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Independent Examiner's Report to the Trustees of Hastings Arts Forum Limited

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 December 2022, which are set out on pages 5 to 14.

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 charity 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 report I have completed my examination. I confirm that no matter has come to my attention in connection with the examination giving me cause to believe:

- (1) accounting records were not kept in respect of the company as required by section 386 of the Companies Act 2006; or
- (2) the accounts do not accord with those accounting 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 the 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.

Signed P Watters

Date 6.7.2023

Name Peter Watters FCA BFP

Address McPhersons CFG Limited

23 St Leonards Road, Bexhill on Sea, East Sussex, TN40 1HH