

**Ilfracombe Art & Craft Society**  
**Unaudited Financial Statements**  
**31 December 2022**

**WESTCOTTS (SW) LLP**  
47 Boutport Street  
Barnstaple  
Devon  
EX31 1SQ

# **Ilfracombe Art & Craft Society**

## **Financial Statements**

**Year ended 31 December 2022**

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# **Ilfracombe Art & Craft Society**

## **Trustees' Annual Report**

### **Year ended 31 December 2022**

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The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2022.

#### **Reference and administrative details**

**Registered charity name** Ilfracombe Art & Craft Society

**Charity registration number** 1168685

**Principal office** 9/10 The Promenade  
Wider Road  
Ilfracombe  
EX34 8DQ  
Devon

#### **The trustees**

Mrs L Beard  
Mr C Curtis  
Mr A Kift (Resigned 4 April 2022)  
Mrs S Kelly  
Mrs A Rawlings  
Mrs V Evans (Appointed 4 April 2022)

**Independent examiner** Catherine Williams FCA DChA  
47 Boutport Street  
Barnstaple  
Devon  
EX31 1SQ

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

This Charitable Incorporated Organisation (CIO) was formed and registered with the Charities Commission on 9th August 2016. It remained dormant until 1st September 2016 when it acquired the assets, liabilities and obligations of the organisation known as the Ilfracombe Art and Craft Society on 1st September 2016. It also took over that organisation's operations from that date.

The charity is governed by its trustees who were appointed on its formation. The power of appointing new trustees is vested with the existing continuing trustees and/or approval at the charity's AGM.

# **Ilfracombe Art & Craft Society**

## **Trustees' Annual Report** *(continued)*

**Year ended 31 December 2022**

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### **Objectives and activities**

The charitable objects are to promote art for the benefit of the public by the establishment and maintenance of an art and craft gallery. To advance the education of the public in the arts, including (but not limited to) young people and disabled people.

Also, the prevention or relief of poverty in Ilfracombe and neighbouring districts by providing grants, items and services to individuals in need and/or charities, or other organisations working to prevent or relieve poverty.

The relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage. To advance for the benefit of the public such other exclusively charitable purposes (in accordance with the laws of England and Wales) as the trustees of the charity shall from time to time select.

The charity/society operates an art and craft gallery, showcasing work from local North Devon Residents. It charges commission on sales of artwork displayed, receives donations and carries out fund raising including an annual draw. Surpluses after expenses are or will be applied to assist in helping local causes in the welfare of the public. A community area is made available for schools and local groups to give them wider public support in the community. Workshops are also provided to individuals and groups.

### **Achievements and performance**

The charity negotiated a new 10-year lease with its landlord in 2017. The charity intends carrying out re-furbishment of the premises (it leases) during future years by utilising the funds it has accumulated. The charity has carried out its objectives successfully with the assistance of volunteers who have given their time and energy to enable the charity to continue to run its operations as planned.

Our community area was used by a variety of local art groups and solo exhibitors during the year, in May we participated in the annual Ilfracombe Art Trail and some of our members demonstrated their work in our art and craft centre over the weekend.

We liaise with Ilfracombe Academy, a specialist arts school and each week display their "art of the week" in the window of the centre.

The annual Christmas art competition was very popular, we received numerous entries and prizes were awarded to various age groups.

Cash donations of £500 each were given to Belle's Place and On the Doorstep, both providing people in our area relief and preventions of poverty. £200 in total, a mix of cash and art equipment was given to Delta, a local establishment giving young people a safe environment after school hours.

### **Financial review**

The charity had net incoming resources for the year of £3,096 (2021: £12,295).

### **Funds held in reserves**

As at the year end the charity holds £72,234 in reserves (2021: £69,138). The charity intends using much of these reserves carrying out re-furbishment of the premises (it leases) during future years.

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# **Ilfracombe Art & Craft Society**

## **Trustees' Annual Report** *(continued)*

**Year ended 31 December 2022**

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### **Plans for future periods**

The charity intends to continue using the art gallery to raise funds to fulfill the objectives referred to above for the foreseeable future. The charity intends carrying out re-furbishment of the premises (ie I leases) during future years by utilising the funds it has accumulated.

The trustees' annual report was approved on 25<sup>th</sup> February 2023 and signed on behalf of the board of trustees by:

Mrs L Beard  
Trustee

# **Ilfracombe Art & Craft Society**

## **Independent Examiner's Report to the Trustees of Ilfracombe Art & Craft Society**

**Year ended 31 December 2022**

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I report to the trustees on my examination of the financial statements of Ilfracombe Art & Craft Society ('the charity') for the year ended 31 December 2022.

### **Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Independent examiner's statement**

I have completed my examination. I confirm that no material 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 charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Catherine Williams FCA DChA  
Independent Examiner  
Westcotts (SW) LLP  
47 Boutport Street  
Barnstaple  
Devon  
EX31 1SQ

14<sup>th</sup> March 2023

# Ilfracombe Art & Craft Society

## Statement of Financial Activities

Year ended 31 December 2022

		2022		2021
		Unrestricted	Total funds	Total funds
	Note	funds		
		£	£	£
<b>Income and endowments</b>				
Donations and legacies	4	1,313	1,313	11,836
Charitable activities	5	25,725	25,725	22,623
Investment income	6	16	16	43
<b>Total income</b>		<u>27,054</u>	<u>27,054</u>	<u>34,502</u>
<b>Expenditure</b>				
Expenditure on raising funds:				
Costs of other activities	7	—	—	(150)
Expenditure on charitable activities	8,9	(23,958)	(23,958)	(22,057)
<b>Total expenditure</b>		<u>(23,958)</u>	<u>(23,958)</u>	<u>(22,207)</u>
<b>Net income and net movement in funds</b>		<u>3,096</u>	<u>3,096</u>	<u>12,295</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		69,138	69,138	56,843
<b>Total funds carried forward</b>		<u>72,234</u>	<u>72,234</u>	<u>69,138</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 7 to 15 form part of these financial statements.

# Ilfracombe Art & Craft Society

## Statement of Financial Position

31 December 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible fixed assets	15	831	979
<b>Current assets</b>			
Stocks	16	850	600
Debtors	17	661	670
Cash at bank and in hand		76,206	72,549
		<u>77,717</u>	<u>73,819</u>
<b>Creditors: amounts falling due within one year</b>	18	<u>6,314</u>	<u>5,660</u>
<b>Net current assets</b>		<u>71,403</u>	<u>68,159</u>
<b>Total assets less current liabilities</b>		<u>72,234</u>	<u>69,138</u>
<b>Net assets</b>		<u>72,234</u>	<u>69,138</u>
<b>Funds of the charity</b>			
Unrestricted funds		<u>72,234</u>	<u>69,138</u>
<b>Total charity funds</b>	19	<u>72,234</u>	<u>69,138</u>

These financial statements were approved by the board of trustees and authorised for issue on 25<sup>th</sup> February 2023, and are signed on behalf of the board by:

Mrs L Beard  
Trustee

The notes on pages 7 to 15 form part of these financial statements.



# **Ilfracombe Art & Craft Society**

## **Notes to the Financial Statements**

**Year ended 31 December 2022**

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### **1. General information**

The charity is a Charitable Incorporated Organisation (CIO).

The address of the principal office is:

9/10 The Promenade Wilder Road Ilfracombe Devon EX34 8DQ
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### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Going concern**

There are no material uncertainties about the charity's ability to continue.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# **Ilfracombe Art & Craft Society**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 December 2022**

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### **3. Accounting policies** *(continued)*

#### **Incoming resources**

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### **Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

# Ilfracombe Art & Craft Society

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2022

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#### 3. Accounting policies *(continued)*

##### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

##### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings                      -     15% on a reducing balance

##### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

##### **Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

# Ilfracombe Art & Craft Society

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2022

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#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### 4. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
<b>Donations</b>				
Other donations	268	268	487	487
<b>Grants</b>				
Coronavirus Grant	—	—	10,764	10,764

# Ilfracombe Art & Craft Society

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

### 4. Donations and legacies *(continued)*

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
<b>Subscriptions</b>				
Membership	1,045	1,045	585	585
	<u>1,313</u>	<u>1,313</u>	<u>11,836</u>	<u>11,836</u>

### 5. Charitable activities

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
Commission from sales	25,725	25,725	22,623	22,623
	<u>25,725</u>	<u>25,725</u>	<u>22,623</u>	<u>22,623</u>

### 6. Investment income

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	16	16	43	43
	<u>16</u>	<u>16</u>	<u>43</u>	<u>43</u>

### 7. Costs of other activities

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
Fundraising costs	—	—	150	150
	<u>—</u>	<u>—</u>	<u>150</u>	<u>150</u>

### 8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
Donations made	1,790	1,790	1,147	1,147
Support costs	22,168	22,168	20,910	20,910
	<u>23,958</u>	<u>23,958</u>	<u>22,057</u>	<u>22,057</u>

### 9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	<b>Total funds 2022 £</b>	Total fund 2021 £
Art gallery expenses, etc.,	1,790	22,168	23,958	22,057
	<u>1,790</u>	<u>22,168</u>	<u>23,958</u>	<u>22,057</u>

# Ilfracombe Art & Craft Society

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2022

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#### 10. Analysis of support costs

	Charitable activities £	<b>Total 2022</b> £	Total 2021 £
Premises	12,750	12,750	12,750
Communications and IT	635	635	541
General office	677	677	411
Rates, water, light and heat	3,183	3,183	1,698
Repairs and Maintenance	742	742	1,933
Insurance	766	766	617
Miscellaneous costs	61	61	54
Accountancy	1,434	1,434	1,266
Depreciation	148	148	172
Memberships	37	37	35
Protective equipment - Coronavirus	—	—	57
Streamline charges	1,735	1,735	1,376
	<u>22,168</u>	<u>22,168</u>	<u>20,910</u>

#### 11. Net income

Net income is stated after charging/(crediting):

	<b>2022</b> £	2021 £
Depreciation of tangible fixed assets	<u>148</u>	<u>172</u>

#### 12. Independent examination fees

	<b>2022</b> £	2021 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,500</u>	<u>1,500</u>

#### 13. Staff numbers

There were no paid staff during 2022 or 2021. The charity had 38 volunteers working for it during 2022 (including the trustees) (2021: 38).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

#### 14. Trustee remuneration and expenses

No remuneration or expenses have been paid to any of the trustees during the period.

# Ilfracombe Art & Craft Society

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

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### 15. Tangible fixed assets

	Fixtures and fittings £
<b>Cost</b>	
At 1 January 2022 and 31 December 2022	1,385
<b>Depreciation</b>	
At 1 January 2022	406
Charge for the year	148
<b>At 31 December 2022</b>	<u>554</u>
<b>Carrying amount</b>	
At 31 December 2022	<u>831</u>
At 31 December 2021	<u>979</u>

The cost, at 1 January 2018, of the tangible assets shown above are the written down value of those assets acquired from the organisation who previously ran the gallery where those assets are located. This was part of the net assets transferred to the charity shown as donation from I.A and C.S. (pre CIO).

### 16. Stocks

	2022 £	2021 £
Packaging and draw prizes	850	600

### 17. Debtors

	2022 £	2021 £
Prepayments and accrued income	661	670

# Ilfracombe Art & Craft Society

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2022

#### 18. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	4,405	3,801
Accruals and deferred income	1,909	1,859
	<u>6,314</u>	<u>5,660</u>

#### 19. Analysis of charitable funds

##### Unrestricted funds

	At 1 January 2022	Income	Expenditure	At 31 December 2022
	£	£	£	£
General funds	<u>69,138</u>	<u>27,054</u>	<u>(23,958)</u>	<u>72,234</u>

  

	At 1 January 2021	Income	Expenditure	At 31 December 2021
	£	£	£	£
General funds	<u>56,843</u>	<u>34,502</u>	<u>(22,207)</u>	<u>69,138</u>

#### 20. Analysis of net assets between funds

	Unrestricted Funds	Total Funds
	£	£
Tangible fixed assets	831	831
Current assets	77,717	77,717
Creditors less than 1 year	(6,314)	(6,314)
<b>Net assets</b>	<u>72,234</u>	<u>72,234</u>

  

	Unrestricted Funds	Total Funds
	£	£
Tangible fixed assets	979	979
Current assets	73,819	73,819
Creditors less than 1 year	(5,660)	(5,660)
<b>Net assets</b>	<u>69,138</u>	<u>69,138</u>

#### 21. Other financial commitments

The charity negotiated a new 10 year lease with its landlord in 2017. Rent payable at £12,750pa (with a rent review due in 2022) therefore the future leasing commitments are: £63,750 (for the next 5 years in total) assuming there is no change in the rent payable after the rent review in 2022.



# **Ilfracombe Art & Craft Society**

## **Notes to the Financial Statements** *(continued)*

### **Year ended 31 December 2022**

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#### **22. Related parties**

During the year, the following trustees paid commission to the charity for the sale of their art work and craft: Alan Kift £Nil (2021 £116.45), Chris Curtis £437.50 (2021 £328.00), Sally Kelly £2,595.31 (2021 £2,492.07), Arlene Rawlings £426.61 (2021 £422.70), Linda Beard £903.08 (2021 £633.40) and Vivienne Evans £779.48. All transactions are on normal commercial terms.