

Charity registration number: 1168685

Ilfracombe Art & Craft Society

Annual Report and Financial Statements
for the Year Ended 31 December 2023



Ilfracombe Art & Craft Society

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Ilfracombe Art & Craft Society

Reference and Administrative Details

Trustees:	Mrs S Kelly (resigned 8 March 2023)
	Mrs E Borg (appointed 25 February 2023)
	Mrs V Evans
	Mrs L A Beard
	Mr C Curtis
	Mrs J Rawlings

Charity Registration Number	1168685
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Principal Office	9/10 The Promenade Wider Road Ilfracombe Devon EX34 8DQ
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Accountants	Westcotts 47 Boutport Street Barnstaple Devon EX31 1SQ
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Ilfracombe Art & Craft Society

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2023.

Objectives and activities

Objects and aims

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.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 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

The charity negotiated a new 10-year lease with its landlord in 2017. The charity intends carrying out refurbishment 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.

During the year, various groups and individuals from the area were invited to exhibit in our community area to promote and encourage art and craft to all.

The annual Christmas art competition resulted in hundreds of entries and all displayed in the gallery. Small art related prizes were awarded to various age groups.

Donations of art materials and cash were given to ten local good causes and charities.

We also agreed to replace various worn items in the gallery during 2024.

Financial review

The charity had net incoming resources for the year of £1,364 (2022 £3,096)

Ilfracombe Art & Craft Society

Trustees' Report (continued)

Policy on reserves

As at the year end the charity holds £73,598 in reserves (2022: £72,234). The charity intends using much of these reserves carrying out refurbishment of the premises (it leases) during future years.

Plans for future periods

Aims and key objectives for future periods

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

Structure, governance and management

Nature of governing document

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' Report (continued)

Statement of Trustees' Responsibilities

The trustees 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.

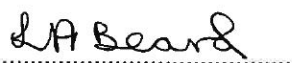
The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The annual report was approved by the trustees of the charity on 9/4/2024 and signed on its behalf by:



Mrs L A Beard
Trustee

**Chartered Accountants' Report to the Trustees on the Preparation of the
Unaudited Statutory Accounts of
Ilfracombe Art & Craft Society
for the Year Ended 31 December 2023**


In order to assist you to fulfil your duties under the Charities Act 2011, we have prepared for your approval the accounts of Ilfracombe Art & Craft Society for the year ended 31 December 2023 as set out on pages from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW) we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of Ilfracombe Art & Craft Society, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Ilfracombe Art & Craft Society and state those matters that we have agreed to state to the board of directors of Ilfracombe Art & Craft Society, as a body, in this report, in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Ilfracombe Art & Craft Society and its board of directors as a body for our work or for this report.

It is your duty to ensure that Ilfracombe Art & Craft Society has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and of Ilfracombe Art & Craft Society. You consider that Ilfracombe Art & Craft Society is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Ilfracombe Art & Craft Society. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.



Westcotts
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

Date: 9th April 2024

Ilfracombe Art & Craft Society

Statement of Financial Activities for the Year Ended 31 December 2023

	Note	Unrestricted funds £	Total 2023 £	Total 2022 £
Income and Endowments from:				
Donations and legacies		1,218	1,218	1,313
Charitable activities		23,215	23,215	25,725
Investment income	4	560	560	16
Total income		<u>24,993</u>	<u>24,993</u>	<u>27,054</u>
Expenditure on:				
Charitable activities		<u>(23,629)</u>	<u>(23,629)</u>	<u>(23,958)</u>
Total expenditure		<u>(23,629)</u>	<u>(23,629)</u>	<u>(23,958)</u>
Net income		<u>1,364</u>	<u>1,364</u>	<u>3,096</u>
Net movement in funds		1,364	1,364	3,096
Reconciliation of funds				
Total funds brought forward		<u>72,234</u>	<u>72,234</u>	<u>69,138</u>
Total funds carried forward	16	<u>73,598</u>	<u>73,598</u>	<u>72,234</u>

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

The funds breakdown for 2022 is shown in note 16.

The notes on pages 8 to 16 form an integral part of these financial statements.

Ilfracombe Art & Craft Society

(Registration number: 1168685)

Balance Sheet as at 31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	10	706	831
Current assets			
Stocks	11	890	850
Debtors	12	767	661
Cash at bank and in hand	13	<u>76,321</u>	<u>76,206</u>
		77,978	77,717
Creditors: Amounts falling due within one year	14	<u>(5,086)</u>	<u>(6,314)</u>
Net current assets		<u>72,892</u>	<u>71,403</u>
Net assets		<u>73,598</u>	<u>72,234</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>73,598</u>	<u>72,234</u>
Total funds	16	<u>73,598</u>	<u>72,234</u>

The financial statements on pages 6 to 16 were approved by the trustees, and authorised for issue on ~~9.1.17~~ and signed on their behalf by:



Mrs L A Beard
Trustee

Ilfracombe Art & Craft Society

Notes to the Financial Statements for the Year Ended 31 December 2023

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Ilfracombe Art & Craft Society meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

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 and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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.

Ilfracombe Art & Craft Society

Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

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 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:

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

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.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Ilfracombe Art & Craft Society

Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Derivative financial instruments

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Ilfracombe Art & Craft Society

Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

2 Income from donations and legacies

	Unrestricted funds General £	Total 2023 £
Donations and legacies;		
Donations from individuals	1,218	1,218
	<u>1,218</u>	<u>1,218</u>
	Unrestricted funds General £	Total 2022 £
Donations and legacies;		
Donations from individuals	1,313	1,313
	<u>1,313</u>	<u>1,313</u>

3 Income from charitable activities

	Unrestricted funds General £	Total 2023 £
Commission from sales	23,215	23,215
	<u>23,215</u>	<u>23,215</u>
	Unrestricted funds General £	Total 2022 £
Commission from sales	25,725	25,725
	<u>25,725</u>	<u>25,725</u>

4 Investment income

	Unrestricted funds General £	Total 2023 £
Interest receivable and similar income;		
Interest receivable on bank deposits	560	560
	<u>560</u>	<u>560</u>

Ilfracombe Art & Craft Society

Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

	Unrestricted funds General £	Total 2022 £
Interest receivable and similar income; Interest receivable on bank deposits	16	16
	<u>16.</u>	<u>16</u>

5 Expenditure on charitable activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Art gallery expenses etc.	2,609	2,609	1,790
Allocated support costs	<u>21,020</u>	<u>21,020</u>	<u>22,168</u>
	<u>23,629</u>	<u>23,629</u>	<u>23,958</u>

Ilfracombe Art & Craft Society

Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

6 Analysis of support costs

Support costs allocated to charitable activities

	Charitable activities £	Total 2023 £	Total 2022 £
Depreciation	125	125	148
Premises costs	12,750	12,750	12,750
Rates	264	264	211
Light, heat and power	1,931	1,931	2,972
Insurance	799	799	766
Repairs and maintenance	1,894	1,894	742
Communications and IT	583	583	635
Printing, postage and stationery	320	320	527
Trade subscriptions	185	185	37
Sundry expenses	91	91	61
Advertising	-	-	150
Accountancy fees	756	756	1,434
Solicitors fees	200	200	-
Credit card charges	1,122	1,122	1,735
	<u>21,020</u>	<u>21,020</u>	<u>22,168</u>

7 Trustees remuneration and expenses

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

8 Staff costs

There were no paid staff during 2023 or 2022. During the year the charity had 40 volunteers working for it (including the Trustees) (2022: 36).

Ilfracombe Art & Craft Society

Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

9 Taxation

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

10 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 January 2023	<u>1,385</u>	<u>1,385</u>
At 31 December 2023	<u>1,385</u>	<u>1,385</u>
Depreciation		
At 1 January 2023	554	554
Charge for the year	<u>125</u>	<u>125</u>
At 31 December 2023	<u>679</u>	<u>679</u>
Net book value		
At 31 December 2023	<u>706</u>	<u>706</u>
At 31 December 2022	<u>831</u>	<u>831</u>

11 Stock

	2023 £	2022 £
Stocks	<u>890</u>	<u>850</u>

12 Debtors

	2023 £	2022 £
Prepayments	<u>767</u>	<u>661</u>

13 Cash and cash equivalents

	2023 £	2022 £
Cash at bank	<u>76,321</u>	<u>76,206</u>

Ilfracombe Art & Craft Society

Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	4,024	4,405
Accruals	1,062	1,909
	<u>5,086</u>	<u>6,314</u>

15 Commitments

The charity negotiated a new 10 year lease with its landlord in 2017. Rent payable at £12,750pa therefore the future leasing commitments are: £51,000 (for the next 4 years in total).

16 Funds

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Balance at 31 December 2023 £
Unrestricted funds				
General				
General Funds	<u>72,234</u>	<u>24,993</u>	<u>(23,629)</u>	<u>73,598</u>

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Balance at 31 December 2022 £
Unrestricted funds				
General				
General Funds	<u>69,138</u>	<u>27,054</u>	<u>(23,808)</u>	<u>72,384</u>

17 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 December 2023 £
Tangible fixed assets	706	706
Current assets	77,978	77,978
Current liabilities	<u>(5,086)</u>	<u>(5,086)</u>
Total net assets	<u>73,598</u>	<u>73,598</u>

Ilfracombe Art & Craft Society

Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

	Unrestricted funds General £	Total funds at 31 December 2022 £
Tangible fixed assets	831	831
Current assets	77,717	77,717
Current liabilities	(6,314)	(6,314)
Total net assets	<u>72,234</u>	<u>72,234</u>

18 Related party transactions

During the year, the following trustees paid commission to the charity for the sale of their art work and craft: Alan Kift £Nil (2022 £174.88), Chris Curtis £770.00 (2022 £437.50), Sally Kelly £Nil (2022 ££2,595.31), Arlene Rawlings £197.27 (2022 £426.61), Linda Beard £449.82 (2022 £903.08), Vivienne Evans £646.60 (2022 £779.48) and Elizabeth Borg £410.16 (2022 £Nil). All transactions were on normal commercial terms