

# **BEECROFT ART TRUST**

Charity Registration No 310658

## **ANNUAL REPORT & ACCOUNTS**

**YEAR ENDED 31<sup>st</sup> MARCH 2023**

**BEECROFT ART TRUST**  
Charity Registration No 310658  
Year Ended 31<sup>st</sup> March 2023

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Charity Registration No 310658  
Year Ended 31<sup>st</sup> March 2023

**Trustees Annual Report**

The Trustee is pleased to present their report and accounts for the year ended 31 March 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the Trust's governing document, the Charities Act 2011 and the Statement of Recommended Practice, Charities SORP (FRS102).

**Objectives and activities**

The promotion of the study of art, music, and literature and in particular, but without prejudice to the generality of the foregoing, the provision and maintenance of the Beecroft Art Gallery, at Southend-on-Sea, in the County of Essex as a public art gallery and library.

The gallery now has over 2,000 works in its permanent collections, including works by Constable, Molenaer, Bright, Epstein, Weight, Lear and Seago.

The art trust is administered and maintained for the objects set out in its governing document by the City Council, which meets any deficit incurred each year on operating the facility.

The Trustees in making decisions about the Trust make those decisions with due regard to the objects of the Trust.

In addition, they have due regard to their legal duty to carry out the Trust's charitable purposes for the Public Benefit and the Charity Commissions' guidance thereon.

**Achievements and performance**

The Beecroft Art Trust is currently maintained to allow the purposes in its Governing document set out below to take place during the financial year 2022/23.

The Beecroft art collection continues to be on display in the Council's former library building on an ad hoc basis. Now the sale of the former gallery has completed there is an opportunity for the Trustees to consider more permanent arrangements.

During the year a GoodBox was installed at the Gallery which allows people to make a cashless donation for any amount they choose. An average of £40 a month was donated by visitors which will contribute to the running costs of the Trust.

The Trustee considers that the performance of the charity during the year was good.

**Plans for the future**

The Trustees will look at the option of securing a more permanent solution to its occupancy of the "Old Library" building on Victoria Avenue.

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**Financial review**

The cost of maintaining the Beecroft Art Trust exceeded the net income and the operating deficit of £166,432 (2022: £181,060) has been funded from the Southend City Council General Fund.

An additional donation of £125,000 has also been made by Southend City Council to fund the deficit brought forward on the unrestricted fund.

***Reserves Policy***

The trust does not need to hold reserves as any deficit which arises on the operation of the trust, should the trust have no funds to meet it, is funded by Southend on Sea City Council, which is sole trustee of the trust.

***Going concern***

Beecroft Arts Trust meets the definition of a public benefit entity under FRS102. There are no material uncertainties about the charity's ability to continue as a going concern.

**Structure, governance, and management**

***Governing documents***

The Trust's Governing document is in the form of a Scheme sealed by Order of the Commissioners on 18<sup>th</sup> February 1980.

***Trustee recruitment and training***

Southend City Council elected members are corporate Trustees. Therefore, Councillors once elected become a corporate Trustee of the Trust.

***Risk Assessment***

The city council, when carrying out risk assessments for its own activities, includes within the assessment the activities of the trust, so any major risks applicable to the trust are covered by the council arranging appropriate insurance or having in place strategies to cover other contingencies.

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**Background**

The Beecroft Art Gallery was founded by the late Walter G. Beecroft of Leigh-on-Sea, who set up a trust fund to purchase the building and collected paintings which formed the nucleus of the present collection.

Opened in 1953, the building was extended in 1960 when Sydney Thorpe Smith bequeathed his collection of local topographic works which illustrate the development of the Southend area as seen through the eyes of local artists to the gallery.

Due to serious ongoing structural problems the building in Station Road was closed in Autumn 2013.

The Beecroft Art Gallery was reopened in Autumn 2014 at the old Central Library building. The gallery occupies the basement, ground floor and 1st floor levels; the lower levels are used for temporary exhibitions and the first floor is used for a bigger display of the permanent collection and a costume gallery.

Despite significant efforts by Council officers, it was not possible to bring the former Gallery Building back into use for the purposes of the Trust after it was vacated in 2013. In December 2020 the Trustee opted to use the statutory sale provision in Section 6 of the Trusts of Land and Appointment of Trustees Act 1996 and proceed to sell (complying with S117-119 of the Charities Act 2011).

The sale of the former gallery building was completed on 8<sup>th</sup> February 2022 and the net proceeds have become investment permanent endowment.

At the meeting in December 2020 the Trustees also agreed to retain the Beecroft art collection in the former library building on an ad hoc basis.

**Reference and administrative details**

***Trustee***

Southend-on-Sea City Council

***Secretary/Treasurer to the Trust***

Southend-on-Sea City Council

***Address***

Civic Centre  
Victoria Avenue  
Southend-on-Sea  
Essex SS2 6EP

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***Independent Examiner***

TC Group  
The Courtyard  
Shoreham Road  
Upper Beeding  
Steyping  
West Sussex  
BN44 3TN

**Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing accounts which give a true and fair view of the state of affairs of the Charity as at the end of each financial year and the income and expenditure of the Charity for that period.

In preparing those accounts, the Trustees are required to:

- Select suitable and applicable accounting policies and then apply them consistently
- Make judgement and estimates that are reasonable and prudent
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the organisation will continue in business

The Trustees are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with charity legislation and the relevant governing instruments. They are responsible for safeguarding the Charity's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Results**

The Trust's financial results are as per the annexed accounts.

By order of the Trustees

Signed

*J Chesterton*

J Chesterton (Mar 14, 2024 17:18 GMT)

Joe Chesterton, Executive Director (Finance & Resources)

Date Mar 14, 2024

**BEECROFT ART TRUST**  
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**Independent Examiner's Report**

I report on the accounts of the Trust for the year ended 31<sup>st</sup> March 2023, which are set out on pages 6 to 11.

**Responsibilities and basis of report**

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

I report in respect of my examination of the Trust's accounts 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**

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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.

TC Group

**Mark Cummins FCCA**

For and on behalf of TC Group

Office: Steyning, West Sussex

Dated: 15 March 2024

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**Statement of Financial Activities**

		2022/23	2022/23	2022/23	2021/22
		Unrestricted	Endowment	Total	Total
		Funds	Funds	Funds	Funds
	Note	£	£	£	£
<b>Income From</b>					
Donations	3	291,870	-	291,870	56,060
Investments	4	25,747	-	25,747	1
Fixed Asset Disposal		-	-	-	925,000
<b>Total Income</b>		<b>317,617</b>	<b>-</b>	<b>317,617</b>	<b>981,061</b>
<b>Expenditure on</b>					
Charitable activities	5	192,617	-	192,617	194,338
<b>Total expenditure</b>		<b>192,617</b>	<b>-</b>	<b>192,617</b>	<b>194,338</b>
<b>Net income/expenditure and net movement in funds</b>		<b>125,000</b>	<b>-</b>	<b>125,000</b>	<b>786,723</b>
<b>Reconciliation of Funds</b>					
Total funds brought forward		(125,000)	3,256,018	3,131,018	2,344,295
Total funds carried forward		-	3,256,018	3,256,018	3,131,018

All income and gains for the year are recognised on the statement of financial activities. All the Charity's activities are classified as continuing.



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**Balance Sheet**

	Note	2022/23 Total Funds £	2021/22 Total Funds £
<b>Fixed Assets</b>			
Heritage Assets	6	1,969,295	1,969,295
Total Fixed Assets		<u>1,969,295</u>	<u>1,969,295</u>
<b>Current Assets</b>			
Cash at bank and in hand		1,287,383	1,162,353
Total Current Assets		<u>1,287,383</u>	<u>1,162,353</u>
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	7	(660)	(630)
Net current assets/(liabilities)		<u>1,286,723</u>	<u>1,161,723</u>
Total assets less current liabilities		<u><u>3,256,018</u></u>	<u><u>3,131,018</u></u>
<b>The funds of the charity</b>			
Unrestricted funds	8	-	(125,000)
Endowment funds	9	3,256,018	3,256,018
Total charity funds		<u><u>3,256,018</u></u>	<u><u>3,131,018</u></u>

Approved by the Trustee and signed on its behalf by an authorised signatory.

**Signed**

*J Chesterton*

J Chesterton (Mar 14, 2024 17:18 GMT)

Joe Chesterton, Executive Director (Finance & Resources)  
Southend on Sea City Council for the Trustee

Date Mar 14, 2024

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## **Notes to the accounts**

### **Note 1 Legal Status**

Beecroft Art Trust is an unincorporated charity registered in England and Wales (charity number 310658).

### **Note 2 Accounting Policies**

#### ***Basis of preparation***

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016) – (Charities SORP (FRS 102)), and the Charities Act 2011.

Beecroft Art Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). There are no material uncertainties about the charity's ability to continue as a going concern given the continued support of Southend City Council.

#### ***Cash Flow Statement***

In accordance with the Charities SORP (FRS 102) the charity is claiming exemption from the requirement to prepare a cash flow statement on account of it being a small charity.

#### ***Income***

Donations and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement.

Charitable activities - represent income from rent and are recognised when receivable.

Investment income is accounted for when receivable.

#### ***Expenditure***

Expenditure is accounted for on an accruals basis exclusive of the element of VAT which is recoverable by Southend City Council in accordance with VAT Notice 749 para 7.5.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

#### ***Tangible fixed assets and depreciation***

Tangible fixed assets are capitalised at cost. Land is not depreciated. Buildings are depreciated on a straight-line basis over their useful life. The art collection is held as a heritage asset and is not depreciated on the basis it is expected to increase in value.

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***Cash at bank and in hand***

Cash at bank and in hand includes cash and short term highly liquid investments. No separate bank account is maintained by the Trust, therefore all income and expenditure pass through the City Council's account, and its cash balances are held within the City Council's general bank account.

***Creditors and provisions***

Creditors and provisions are recognised where the charity has present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

***Critical accounting estimates and judgements***

In the application of the charity's accounting policies, the trustees 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 estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The trustees do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

**Note 3 Income from Donations**

Donations of £438 (2022 £0) were received from the public to contribute to operating costs. Donations of £291,432 (2022 £56,060) were from Southend City Council as the funding required to make up the operational deficit for the year of £166,432 (2022 £181,060) and the deficit brought forward on the unrestricted fund of £125,000 (2022 £0). The donation to fund the operational deficit is equitably apportioned across all operational trust expenditure. Included in the donation of £166,432 are the following donated services:

	2023	2022
	£	£
Employees – seconded staff	50,272	54,588
Administration	382	340
	<u>50,654</u>	<u>54,928</u>

**Note 4 Income from Investments**

Interest earned on cash balances held within Southend-on-Sea City Council and invested in accordance with the City Council's Treasury Management Policy.

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**Note 5 Cost of Charitable Activities**

	2023	2022
	£	£
Employees	58,029	58,591
Exhibition Expenses	-	15,215
Building/Ground Maintenance	9,936	19,218
Business Rates	15,565	19,149
Utilities	91,095	53,593
Insurance	16,350	14,300
Supplies & Services	541	13,277
Governance costs	660	630
Administration	441	365
	<u>192,617</u>	<u>194,338</u>

The support costs incurred are the administration services provided by Southend City Council and governance costs. Total support costs for the year were £1,311 (2022: £995).

Governance costs comprise solely of fees paid to independent examiners. During the year £660 (2022: £630) was paid to the independent examiner in respect of examination services.

Employee costs relate to employees of the Council.

No staff are remunerated over £60,000 in the year.

The charity is managed by Southend City Council and doesn't have any key management personnel.

**Note 6 Fixed Assets**

	Art Collection (Heritage Assets) £
<b>Asset cost, valuation, or revalued amount</b>	
Balance brought forward @ 01/04/22	1,969,295
<b>Balance carried forward @ 31/03/23</b>	<u>1,969,295</u>
<b>Accumulated depreciation and impairment reviews</b>	
Balance brought forward @ 01/04/22	-
<b>Balance carried forward @ 31/03/23</b>	<u>-</u>
<b>Net Book Value</b>	
Brought forward @ 01/04/22	1,969,295
<b>Carried forward @ 31/03/23</b>	<u>1,969,295</u>

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**Note 7 Creditors**

Amounts falling due within one year.

	2023	2022
	£	£
Other Creditors	<u>660</u>	<u>630</u>

**Note 8 Unrestricted fund**

The unrestricted fund deficit brought forward of (£125,000) has been met by an additional donation of £125,000 from Southend-on-Sea City Council.

**Note 9 Endowment fund**

The endowment comprises of the collection of art held by the Trust and the net funds received from the sale of the Station Road building.

**Note 10 Trustee remuneration**

No trustee was paid in respect of their services as a trustee in 2022 or 2023 and no expenditure was reimbursed.

**Note 11 Related Party Transactions**

During the year the trustee (Southend City Council) donated £291,432 (2022: £56,060) to the Trust in respect of the funding required to cover the operational deficit for the year (£166,432) and the deficit of brought forward on the unrestricted fund (£125,000). Southend City Council collected a further £25,747 (2022: £1) on behalf of the Trust in respect of income generated from facilities hire and interest earned on cash balances. The Trust paid the Council £191,956 in respect of operating costs for the year (2022: £193,708).

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**Note 12 Comparative Funds**

		<b>2021/22</b>	<b>2021/22</b>	<b>2021/22</b>	<b>2020/21</b>
		<b>Unrestricted</b>	<b>Endowment</b>	<b>Total</b>	<b>Total</b>
		<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income From</b>					
Donations	3	56,060	-	56,060	84,374
Investments	4	1	-	1	3
Fixed Asset Disposal		-	925,000	925,000	-
<b>Total Income</b>		<b>56,061</b>	<b>925,000</b>	<b>981,061</b>	<b>84,377</b>
<b>Expenditure on</b>					
Charitable activities	5	181,061	13,277	194,338	84,377
<b>Total expenditure</b>		<b>181,061</b>	<b>13,277</b>	<b>194,338</b>	<b>84,377</b>
<b>Net income/expenditure and net movement in funds</b>		<b>(125,000)</b>	<b>911,723</b>	<b>786,723</b>	<b>-</b>