

# THE NEW MECHANICS LIMITED

England & Wales · Charity number 522274

## Details

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**Other names** THE NOTTINGHAM MECHANICS

**Status** Registered

**Legal form** Charitable company

**Company number** [00929885](#)

**Registered** 1968-05-28

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** 3 North Sherwood Street  
Nottingham  
NG1 4EZ

**Phone** 01159417353

**Email** [adam@nmi1837.com](mailto:adam@nmi1837.com)

**Website** [www.nmi1837.com](http://www.nmi1837.com)

## Activities

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**Objects:** TO PROMOTE THE BENEFIT OF THE INHABITANTS OF THE CITY OF NOTTINGHAM AND THE NEIGHBOURHOOD THEREOF BY THE ADVANCEMENT OF EDUCATION AND THE PROVISION, IN THE INTERESTS OF SOCIAL WELFARE AND WITH THE OBJECT OF IMPROVING CONDITIONS OF LIFE, OF FACILITIES FOR RECREATION AND OTHER LEISURE-TIME OCCUPATION.

**Activities:** To promote the benefit of the inhabitants of the City of Nottingham and the neighbourhood thereof by the advancement of education and the the provision, in the intersts of social welfare and with the object of improving conditions of life, of facilities for recreation and other leisure-time occupation.

## Classification

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- **How:** Provides Human Resources, Provides Buildings/facilities/open Space
- **What:** General Charitable Purposes, Education/training, Arts/culture/heritage/science, Recreation
- **Who:** Elderly/old People, The General Public/mankind

## Geography

- **Area of benefit:** CITY OF NOTTINGHAM AND THE NEIGHBOURHOOD
- Derbyshire
- Nottingham City
- Nottinghamshire

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£160,133	£252,450	-	-
2023-12-31	£127,398	£243,120	-	-
2022-12-31	£177,331	£289,445	-	-
2021-12-31	£202,436	£339,799	-	-
2020-12-31	£228,233	£280,006	-	-

## Trustees

Name	Role	Appointed
CHRISTINE ANN ALTON		2013-08-15
GEOFFREY FREEMAN		2022-06-10
Heather Hundley		2020-07-10
ILONA HART		2019-06-17
JACQUELINE MORRIS		2022-06-08
Kathleen Jean Price		2020-07-10
Pauline Tilley		2020-07-10
Robert Smith		2020-02-17
Robert William Smith		2020-07-10

**THE NEW MECHANICS LIMITED**

England & Wales - Charity number 522274

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# Accounts

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**THE NEW MECHANICS LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**(THE NOTTINGHAM MECHANICS)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

**COMPANY REGISTERED NUMBER**  
**00929885**  
**Registered in England**

**CHARITY REGISTERED NUMBER**  
**522274**

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

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**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885)**

**THE COUNCIL ADMINISTRATION**

**STATUS**

The New Mechanics Limited is a charitable company limited by guarantee and has no share capital. It was incorporated on 1st April 1968 and is a registered charity (No. 522274).

**PRESIDENT** Mrs J Morris

**VICE PRESIDENT** Vacant

<b>COUNCIL MEMBERS (BOARD of DIRECTORS)</b>	Mrs C A Alton	Mrs I I Hart
	Mrs V Apple (Died 12.11.2024)	Mr R W Smith
	Ms KJ Price	Mrs P Tilley
	Mr G R Freeman	Mrs H Hundley
	Mrs J Morris	Mrs J Bird

**HONORARY SECRETARY** Mrs V Apple ( Died 12th November 2024)

**HONORARY TREASURER** Vacant

**MANAGER** Mr A Carlton

**REPORTING ACCOUNTANTS** Mr A R R Price FCA  
Pells  
Chartered Accountants  
17 Newstead Grove  
NOTTINGHAM NG1 4GZ

**BANKERS** Virgin Money  
11 Smithy Row  
NOTTINGHAM  
NG1 3EJ

**SOLICITORS** Geldards LLP  
The Arc  
Enterprise Way  
NOTTINGHAM NG2 1EN

**REGISTERED OFFICE** 3 North Sherwood Street  
NOTTINGHAM NG1 4EZ

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

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**REPORT OF THE CHAIRMAN**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

It's been a busy year behind the scenes with various discussions needing attention. The biggest of these being our financial situation, which I've mentioned at the last years Annual General Meeting and our recent Extra Emergency General Meeting.

The sale going ahead with Nottingham Trent University was the best all round deal for both our parties. The correct sale price, plus an 18 months free rental agreement letting us keep business as usual while we seek a new local rented/leased building, smaller than this one for our relocation.

Investing the money from the sale would create income and enable us to draw down money to cover any shortfalls in operational costs as we feel this will still be a concern

I estimate that the new arrangement will see us through the next 18 years plus, even if charitable donations are forthcoming in the near future.

Adam and Wes have now completed a successful year with their "Leisure Learning programs". A profitable scheme which adds to our income. Thank you to you both for making it a success.

Once again thank you to the members for your support, to the Council, Staff and to Adam our general manager who manages to pull it all together for us.

What I have said will be padded out a little in Adams report. I have not at this moment of reporting had an update of the sale details. We will update you each month via the newsletter on how things are progressing.



**MR G R FREEMAN**  
**CHAIRMAN**

15<sup>th</sup> September 2025

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

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**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

**Report of the Trustees for the Year Ended 31st December 2024**

The Trustees are pleased to present their annual Directors' Report, together with the financial statements of the Charity for the year ended 31st December 2024, which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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 United Kingdom and Republic of Ireland (FRS 102) (effective 1st January 2019)

**Trustees of the Charity**

The Directors of the charitable company are its Trustees for the purposes of charity law. The Trustees who have served during the year and since the year end were as follows:-

Mrs C Alton		Mrs H Hundley
Mrs V Apple	( Died 12th November 2024)	Mrs I I Hart
Ms KJ Price		Mrs P Tilley
Mr GR Freeman		Mrs J Bird
Mr R W Smith		

**Organisational Structure and Management**

The New Mechanics Limited is a charitable company limited by guarantee and has no share capital. It was incorporated on 1st April 1968 and is a registered charity (No. 522274). Its constitution is set out in the Memorandum and Articles of Association.

The controlling body is the Council of Management (Board of Directors) of up to 20 members who are the registered Directors. Meetings of the Board of Directors are normally held monthly. Directors must have been members of the Association for at least 12 months and are elected to serve for three years; all retiring Directors are eligible for re-election. The procedures for nomination and election of Directors are set out in the Articles of Association.

The Honorary Secretary and the Honorary Treasurer are appointed by the Board of Directors for a period of two years and are eligible for reappointment, the Honorary Secretary and the Honorary Treasurer are *ex officio* Directors. Directors are Trustees of the charity and use "The Good Trustee Guide" published by NCVO Publications as their training manual.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

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**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

**Organisational Structure and Management**      **(Continued)**

The President and Vice Presidents are honorary positions, nominated by the Board of Directors and appointed by the membership at the AGM for a period of three years, and are eligible for reappointment.

The Board of Directors have delegated responsibility for day to day operations to Mr A Carlton, the Manager, including the provision of catering facilities. Catering is provided as a service to members ancillary to other activities.

**Risk Review**

The Manager has carried out risk assessments for fire and health and safety requirements and brokers are employed to advise on insurance policies. Maintenance contracts with regular inspections are used for boilers, plant and equipment including the passenger and goods lifts.

**Objectives and Activities**

The Memorandum of Association sets out in paragraph 3(b) the main objective:

"To promote the benefit of the inhabitants of the City of Nottingham and the neighbourhood thereof by the advancement of education and the provision, in the interests of social welfare and with the objects of improving the conditions of life, of facilities for recreation and other leisure time occupations."

In addition paragraph 3(l) states "To... Support... any charitable associations or institutions...in any way connected with the purposes of the Association or calculated to further its objectives."

The Nottingham Mechanics owns and occupies premises in the centre of Nottingham and seeks to meet these objectives in two ways, firstly to organise its own activities, and secondly to hire rooms at favourable rates to organisations which have similar aims.

It is a policy to keep the subscription as low as possible to enable those on low incomes to become members. (Lower rates are maintained for those aged less than 18 years). This is considered an important policy as most members are elderly and many are on low incomes.

Activities for our members, therefore, concentrate on dancing, aerobics and other similar physical activities to help members to keep fit, such as table tennis and cultural and mental pursuits such as bridge, whist and chess with regular recorded opera and classical music sessions. Weekly illustrated lectures throughout most of the year prove popular and are well attended, and are open to non-members at a visitor fee of £2.00. The provision of computers for internet access has proved popular. We also arrange day trips and short breaks for our members to places of interest in the UK.

**THE NEW MECHANICS LIMITED**  
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**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

**Objectives and Activities (Continued)**

The Nottingham Mechanics provides subsidised access to its building for a wide range of organisations with shared or complementary objectives, many of which have been associated with us for several years. These include the Dickens Fellowship, the National Trust, the Nottingham Probus Club, the Nottingham Shakespeare Society, the Nottingham Writers Club, the R.C.T.S., and the Thoroton Society

In August last year, we launched our *Leisure Learning* programme, which has proven to be a significant success—particularly as the W.E.A. no longer runs classes at our venue. This initiative has expanded our educational offering and strengthened community engagement.

In addition to community use, we also hire rooms at commercial rates to organisations for meetings and training. Regular clients include Framework, Age UK, and the NHS.

Member activities continue to be a vital part of our operation. The balance between these and external lettings has been enhanced through internal reconfiguration—specifically, reducing the size of the library to expand the members' area.

Together, our income from room hire, members' subscriptions, investment returns, and food and beverage sales form the core of our financial sustainability

**Achievements and Performance**

The results for the year (as detailed in the attached financial statements) were as follows:-

	£
Incoming Resources	160,133
Outgoing Resources	<u>(252,450)</u>
Net Outgoing Resources for the Year	(92,317)
Net gains/(losses) on investments	(231)
Balance brought forward	<u>1,433,097</u>
<b>Total Unrestricted Funds as at 31st December 2024</b>	<b><u><u>1,340,549</u></u></b>
<b>The above funds have been allocated as follows:-</b>	
Resources used for Net Acquisitions of Fixed Assets	1,205,915
Investment portfolio	161,488
Working Capital	(18,521)
Liabilities falling due after more than one year	<u>(8,333)</u>
<b>Total Funds as at 31st December 2024</b>	<b><u><u>1,340,549</u></u></b>

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

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**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

**Achievements and Performance**

Our standout achievement over the past year is undoubtedly the development of *Leisure Learning*. What began as a small idea, inspired by a visit to the Ipswich Institute, has been successfully brought to life by Adam and Wes. The programme now features a dedicated website, professionally produced marketing materials, and widespread positive feedback

The project continues to grow, with 34 courses already scheduled for the upcoming Autumn and Winter terms.

We continue to monitor all levels of activity within the Institute and strive to keep cost down in this environment of ever-increasing costs.

The number of members at 31st December 2024 was 217 (2023:195)

**Reserves Policy**

The Board have considered that unrestricted funds not invested in fixed assets should be maintained at a level of three months of resources expended (currently equating to 60,000) to enable the current activities of the charity to continue in the event of a significant drop in funding.

Our unrestricted funds total £1,340,549 of which £1,205,915 is represented by the building and other fixed assets £161,488 is set aside for the investment portfolio and designated funds of £5,909 leaving free funds in deficit by £32,763 at the end of the year as detailed in note 15.

Steps are being taken that will eliminate the deficit arising from the proposed sale of the building as mentioned in future plans below and detailed in note 18 on page 21 of these accounts.

**Investment Powers**

Under the charity's Memorandum of Association, the Board is empowered to make any investment it deems appropriate in pursuit of our charitable objectives. Following a thorough review of available options, we selected Canaccord as our investment partner to help us deliver on these aims responsibly and effectively.

**Future Plans**

Looking ahead, we intend to revisit and refine our charitable purpose to ensure it remains at the heart of everything we do. The potential sale and relocation of The Nottingham Mechanics Institute presents a valuable opportunity to reflect, reset, and realign our operating model with our mission.

We are actively exploring alternative models and learning from best practices across the sector. This strategic development will help us further our charitable objectives and strengthen our future

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**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

**Political Contributions**

No donations for political purposes have been made.

**Reporting Accountants**

Pells, Chartered Accountants, are reappointed as Reporting Accountants for the ensuing year.

**Public Benefit Statement**

The Board of Directors have complied with their duty to have due regard to the guidance on public benefit, including the 'guidance public benefit: running a Charity PB2' published by the Charity Commission in exercising their powers or duties.

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities SORP 2019 FRS (102) and in accordance with the special provisions for Small Companies under part 15 of the Companies Act 2006.

**BY ORDER OF THE COUNCIL**



**Mr G R Freeman**

15<sup>TH</sup> September 2025

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE NEW MECHANICS LIMITED

I report to the Charity Trustees on my examination of the accounts for the company for the year ended 31st December 2024, which comprise the statement of financial activities, statement of financial position and the related notes set out on pages 11 to 21

### Responsibilities and Basis of Report

As the Charity's Trustees of the company (and also its Directors for the purpose 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 company 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 Statement

I have completed my examination. I confirm that no matters have 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 2006 Act; or
- 2 the accounts do not accord with those 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 it nor 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 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 to enable a proper understanding of the accounts to be reached.



**A R R PRICE FCA**

**Member of the Institute of Chartered Accountants in England and Wales**

**For and on behalf of Pells Chartered Accountants**

17 Newstead Grove

NOTTINGHAM

NG1 4GZ

15th September 2025

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

(Limited by Guarantee - Registered in England No. 00929885)

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

	<u>Notes</u>	<u>Total Funds 2024 £</u>	<u>Total Funds 2023 £</u>
<b>UNRESTRICTED FUNDS</b>			
<b>INCOME</b>			
<b>Income and Endowments from:</b>			
Donations and grants	2	36,540	9,626
Charitable Activities	3	96,529	83,851
Other Trading Activities	4	12,167	14,611
Investment income	5	14,897	19,310
		<b>160,133</b>	<b>127,398</b>
<b>EXPENDITURE ON:</b>			
Raising Funds	6	2,552	2,882
Charitable Activities	7	249,898	240,238
		<b>252,450</b>	<b>243,120</b>
Net Outgoing Resources for the Year		(92,317)	(115,722)
<b>Net gains/(losses) on investments</b>		(231)	(2,489)
Loss on Revaluation of Investment Property		-	-
<b>NET MOVEMENT IN FUNDS</b>		(92,548)	(118,211)
Total Funds at 1st January 2024		1,433,097	1,551,308
<b>TOTAL FUNDS AT 31ST DECEMBER 2024</b>		<b>1,340,549</b>	<b>1,433,097</b>

All the above results are derived from continuing activities.

**THE NEW MECHANICS LIMITED**  
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**BALANCE SHEET AS AT 31ST DECEMBER 2024**

		<u>2024</u>		<u>2023</u>	
<u>Notes</u>	£	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible Assets	10		1,205,915		1,224,504
Investments	11		161,488		232,278
			<b>1,367,403</b>		<b>1,456,782</b>
<b>CURRENT ASSETS</b>					
Stocks		2,456		2,568	
Debtors	12	3,856		5,439	
Cash funds held at Canaccord		2,053		13,610	
Cash at Bank and in Hand		16,611		17,619	
		<b>24,976</b>		<b>39,236</b>	
<b>CREDITORS:</b> amounts falling due within one year	13	<b>43,497</b>		<b>44,588</b>	
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			<b>(18,521)</b>		<b>(5,352)</b>
			<b>1,348,882</b>		<b>1,451,430</b>
<b>CREDITORS:</b> amounts falling due after more than one year	14		<b>(8,333)</b>		<b>(18,333)</b>
<b>NET ASSETS</b>			<b>1,340,549</b>		<b>1,433,097</b>
<b>UNRESTRICTED FUNDS</b>					
Designated Funds	15		5,909		5,909
General Funds	15		1,334,640		1,427,188
<b>TOTAL CHARITY FUNDS</b>			<b>1,340,549</b>		<b>1,433,097</b>

The Directors are satisfied that the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

The Directors' Responsibilities:


The members have not required the company to obtain an audit of its accounts for the year ended in accordance with Section 476.

The Directors acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and preparation of accounts.

The financial statements have been prepared in accordance with the provisions applicable to small companies, subject to the small companies regime and in accordance with FRS (102) SORP.

These financial statements were approved by the Board on \_\_\_\_\_ and signed on its behalf.

**BY ORDER OF THE COUNCIL**

  
**Mr G R Freeman**

**Mrs C A Alton** 

The notes on pages 11-21 form part of these financial statements

15<sup>TH</sup> September 2025

15.9.25

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

**1 ACCOUNTING POLICIES**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) General Information and Basis of Preparation**

The New Mechanics Limited is a company limited by guarantee in the United Kingdom. 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 address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are:

To promote the benefit of the inhabitants of the City of Nottingham and the neighbourhood, thereof by the advancement of education and the provision in the interests of social welfare with the objects of improving the conditions of life, of facilities for recreation and other leisure time occupations. In addition to supporting charitable organisations or institution connected with the purpose of the Association or calculated to further its objectives.

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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 United Kingdom and Republic of Ireland (FRS 102) (effective 1st January 2019)

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the Charity.

The Charity constitutes a public benefit entity as defined by FRS 102.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**(b) Funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the Notes to the Financial Statements.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

**1 ACCOUNTING POLICIES (Continued)**

**(b) Funds (Continued)**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the Notes to the Financial Statements.

**(c) Income Recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the Charity being notified of an impending distribution

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes. It includes interest and rent. Interest income is recognised using the effective interest method and rent income is recognised as the Charity's right to receive payment is established.

Revenue grants are recognised when the Charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably.

**(d) Expenditure Recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

\* Costs of raising funds includes costs of managing the investment property and room hire;

**THE NEW MECHANICS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

**1 ACCOUNTING POLICIES (Continued)**

**(d) Expenditure Recognition (Continued)**

\* Members' subscriptions, cultural excursions, the restaurant and bar, and supporting Charities and other Institutions connected with the purpose of the Charity through letting of rooms at a reduced rate;

\* Other expenditure represents those items not falling into the categories above.

**(e) Support Costs Allocation**

Support costs are those that assist the work on the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of resources.

**(f) Tangible Fixed Assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:-

Freehold Land	Not depreciated
Freehold Buildings	2% straight line basis
Equipment and Fixtures and Fittings	6.6% straight line basis
Furnishings	5% straight line basis
Computer Equipment	20% straight line basis

**(g) Investments**

Investments are stated at market value as advised by the fund managers. Realised and unrealised gains are recognised in 'net gains/(losses) on investments' in the SoFA.

**(h) Stocks**

Stocks are stated 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 stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

**1 ACCOUNTING POLICIES (Continued)**

**(i) Debtors and Creditors Receivable/Payable Within One Year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(i) Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each Balance Sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. When the carrying amount exceeds its recoverable amount, and impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**(k) Tax**

The Charity is an exempt Charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets with the definition of a charitable company for UK corporation tax purposes.

**(l) Going Concern**

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure and the future sale of the investment property will enable the Charity to continue as a going concern.

**2 VOLUNTARY INCOME**

	<u>2024</u>	<u>2023</u>
	£	£
Donations	36,540	9,626
	<u>36,540</u>	<u>9,626</u>
	<u><u>36,540</u></u>	<u><u>9,626</u></u>

**THE NEW MECHANICS LIMITED**  
(THE NOTTINGHAM MECHANICS - *founded 1837*)

(Limited by Guarantee - registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

**3 INCOME FROM CHARITABLE ACTIVITIES**

	<u>2024</u>	<u>2023</u>
	£	£
Members' Subscriptions	8,386	8,727
Members' Cultural Excursions	2,376	2,733
Restaurant and Bar	52,903	49,442
Lettings of Rooms	23,834	22,497
Visitor Tickets	27	98
Leisure Learning	8,695	-
Library and Sundry	308	354
	<u>96,529</u>	<u>83,851</u>

**4 OTHER TRADING ACTIVITIES**

Room Hire	<u>12,167</u>	<u>14,611</u>
-----------	---------------	---------------

**5 INVESTMENT INCOME**

Investment Interest	7,604	7,652
Car Parking Charges	7,293	11,658
	<u>14,897</u>	<u>19,310</u>

**6 RAISING FUNDS**

**Investment Management Costs:**

Investment management fees	<u>2,157</u>	<u>3,215</u>
	2,157	3,215
Provision for Doubtful Debts	-	(333)
Advertising	<u>395</u>	<u>-</u>
	<u>2,552</u>	<u>2,882</u>

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

(Limited by Guarantee - Registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

**7 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

	<u>2024</u>	<u>2023</u>
	£	£
<b>Restaurant and Bar:</b>		
Purchases	19,119	18,504
Wages	20,516	24,863
Repairs	377	944
Equipment Hire	-	724
Rates & Water	1,487	639
Electricity and Gas	4,607	5,892
Cleaning( Incl wages) and Sundries	5,174	6,318
Depreciation	981	1,102
	<u>52,261</u>	<u>58,986</u>
<b>Members' Cultural Excursions</b>	<u>2,963</u>	<u>2,992</u>
<b>Leisure Learning</b>	<u>4,113</u>	<u>-</u>
<b>General:</b>		
Management and Office Salaries and Wages	60,185	58,394
Rates, Water, Electricity, Gas, Insurance and Telephone	28,226	31,929
Printing, Stationery and Postage	1,214	689
Sundry	7,221	4,410
Depreciation	1,183	1,753
Repairs and Maintenance	278	3,405
Bank Interest	809	862
Credit Card Charges	148	1,542
	<u>99,264</u>	<u>102,984</u>
<b>Buildings:</b>		
Wages Facilities	47,905	33,712
Repairs and Maintenance	4,790	4,214
Cleaning Wages	13,158	10,490
Cleaning and Sundries	2,478	3,090
Depreciation	17,576	18,290
	<u>85,907</u>	<u>69,796</u>

**THE NEW MECHANICS LIMITED**  
(THE NOTTINGHAM MECHANICS - *founded 1837*)

(Limited by Guarantee - registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

**7 ANALYSIS OF EXPENDITURE ON CHARITABLE EVENTS (Continued)**

	<u>2024</u>	<u>2023</u>
	£	£
<b>Governance Costs:</b>		
Independent Examiners Fees	1,700	1,675
Other Accounting Services	3,690	3,755
Bank Charges	50	50
	<u>5,390</u>	<u>5,480</u>
<b>TOTAL FOR CHARITABLE ACTIVITIES</b>	<b>249,898</b>	<b>240,238</b>

**8 STAFF COSTS AND NUMBERS**

**Staff Costs were as follows:**

Salaries and Wages	139,304	124,699
Social Security Costs	4,223	3,265
Pension Costs - Deferred Contribution	1,542	1,385
	<u>145,069</u>	<u>129,349</u>

No employee received emoluments of more than £60,000.

**The average numbers of and employees during the year were:**

	<u>No.</u>	<u>No.</u>
Employees: Directors		
Office and Administration	2	2
Facility Staff	6	6
	<u>8</u>	<u>8</u>

The President, Vice Presidents and Honorary Officers are appointed by the Council.

The Trustees neither received nor waived any remuneration during the year (2023: £Nil).

The Trustees did not have any expenses reimbursed during the year (2023 £Nil).

Total key management remuneration amounted to £ 33,186 (2023: £31,721).

**THE NEW MECHANICS LIMITED**  
(THE NOTTINGHAM MECHANICS - *founded 1837*)

(Limited by Guarantee - registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

**9 NET EXPENDITURE FOR THE YEAR**

	<u>2024</u>	<u>2023</u>
	£	£
<b>This is stated after charging:</b>		
Depreciation	19,740	21,145
Independent Examiner's Fee	1,700	1,595
Other Accounting Services	<u>3,690</u>	<u>3,835</u>

**10 TANGIBLE FIXED ASSETS**

	Freehold Land and Building	Equipment, Fixtures and Fittings	Furnishings	Computer Equipment	Total Tangible Assets
	£	£	£	£	£
<b>COST</b>					
At 1.1.24	1,567,336	281,421	70,366	26,074	1,945,197
Additions	-	1,151	-	-	1,151
Disposals	-	-	-	-	-
<b>At 31.12.24</b>	<b><u>1,567,336</u></b>	<b><u>282,572</u></b>	<b><u>70,366</u></b>	<b><u>26,074</u></b>	<b><u>1,946,348</u></b>
<b>DEPRECIATION</b>					
At 1.1.24	355,920	274,185	64,875	25,713	720,693
Charge for the Year	17,576	981	904	279	19,740
On Disposals	-	-	-	-	-
<b>At 31.12.24</b>	<b><u>373,496</u></b>	<b><u>275,166</u></b>	<b><u>65,779</u></b>	<b><u>25,992</u></b>	<b><u>740,433</u></b>
<b>NET BOOK VALUE</b>					
<b>At 31.12.24</b>	<b><u>1,193,840</u></b>	<b><u>7,406</u></b>	<b><u>4,587</u></b>	<b><u>82</u></b>	<b><u>1,205,915</u></b>
<b>At 31.12.23</b>	<b><u>1,211,416</u></b>	<b><u>7,236</u></b>	<b><u>5,491</u></b>	<b><u>361</u></b>	<b><u>1,224,504</u></b>

The net book values represent fixed assets used for direct charitable purposes

**THE NEW MECHANICS LIMITED**  
(THE NOTTINGHAM MECHANICS - *founded 1837*)

(Limited by Guarantee - Registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

	<u>2024</u>	<u>2023</u>
	£	£
<b>11 INVESTMENTS</b>		
Market value at 1st January 2023	232,278	-
Acquisitions at cost	81,135	289,454
Sale proceeds from disposals	(151,957)	(54,687)
Realised Gain/(loss) in the year	-	(5,144)
Unrealised Gain/(loss) in the year	32	2,655
<b>Market value at 31st December 2024</b>	<b>161,488</b>	<b>232,278</b>
	<hr/> <hr/>	<hr/> <hr/>
Investments at market value comprised:		
Debt and fixed interest	55,572	79,894
Equities	105,916	152,384
	<hr/> <hr/>	<hr/> <hr/>
	161,488	232,278
	<hr/> <hr/>	<hr/> <hr/>
<b>Historical cost as at 31st December 2024</b>	<b>158,801</b>	<b>229,622</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>12 DEBTORS</b>		
	<u>2024</u>	<u>2023</u>
	£	£
Trade Debtors	1,090	2,654
Prepayments and Accrued Income	2,766	2,785
	<hr/> <hr/>	<hr/> <hr/>
	<b>3,856</b>	<b>5,439</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>13 CREDITORS: Amounts Falling Due Within One Year</b>		
Bank loan	10,000	10,000
Trade Creditors	3,642	3,458
Accruals and Deferred Income	19,592	18,994
Taxation and Social Security	6,918	8,572
Other Creditors	3,345	3,564
	<hr/> <hr/>	<hr/> <hr/>
	<b>43,497</b>	<b>44,588</b>
	<hr/> <hr/>	<hr/> <hr/>

Included in accruals and deferred income is deferred income relating to members' subscriptions which are paid in advance. This amounts to £4,837 (2023: £4,497).

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - founded 1837)**

(Limited by Guarantee - Registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

**14 CREDITORS: Amounts Falling Due After More Than One Year**

	<u>2024</u>	<u>2023</u>
	£	£
Bank loan	8,333	18,333

The bank loan is repayable by instalments within 5 years

**15 MOVEMENT IN FUNDS**

	<u>At</u>	<u>Incoming</u>	<u>Outgoing</u>	<u>Transfer</u>	<u>At</u>
	01.01.24	Resources	Resources	£	31.12.24
	£	£	£	£	£
<b>Unrestricted Funds:</b>					
Designated Funds:					
Special Funds Reserve	5,909	-	-	-	5,909
<hr/>					
Unrestricted Funds :					
Fixed Assets	1,224,504	-	-	(18,589)	1,205,915
Investment Reserve	232,278	-	-	(70,790)	161,488
General Funds	(29,594)	160,133	(252,681)	89,379	(32,763)
	1,427,188	160,133	(252,681)	-	1,334,640
<b>TOTAL FUNDS</b>	<b>1,433,097</b>	<b>160,133</b>	<b>(252,681)</b>	<b>-</b>	<b>1,340,549</b>

**Unrestricted Funds**

**Fixed Assets:**

This represents the net book value of fixed assets.

**Investment Reserve:**

This represents the balance of funds from the sale of the investment property at Phoenix Park, Nottingham invested with Canaccord Genuity in listed UK securities

**Special Funds Reserve:**

This Fund includes:

Sir Albert Atkey and E A Harvey Bequests	£682	682
The J N Derbyshire Foundation Fund	£5,227	£5,227

The funds previously shown under the heading of 'Special Funds' were released to the General Fund in 1966 on the following conditions:

that the identity of the funds be preserved and shown in the financial statements;

that the funds would be reinstated from future income of the general fund after meeting running expenses and allowing for depreciation;

that until reinstatement the Council will provide out of general funds for the continuance of the stated objectives of the above two named Funds.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

(Limited by Guarantee - Registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

**16 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds	Designated Funds	Total
	£	£	£
<b>Fund Balances as at 31st December 2024</b>			
<b>are represented by:</b>			
Tangible Fixed Assets	1,205,915	-	1,205,915
Investments	161,488		161,488
Net Current Liabilities	(24,430)	5,909	(18,521)
Creditors amount falling due after more than one year	(8,333)	-	(8,333)
	<b>1,334,640</b>	<b>5,909</b>	<b>1,340,549</b>
<hr style="border-top: 3px double #000;"/>			
<b>Fund Balances as at 31st December 2023</b>			
<b>are represented by:</b>			
Tangible Fixed Assets	1,224,504	-	1,224,504
Net Current Assets	232,278		232,278
Creditors amount falling due after more than one year	(11,261)	5,909	(5,352)
	(18,333)	-	(18,333)
	<b>1,427,188</b>	<b>5,909</b>	<b>1,433,097</b>
<hr style="border-top: 3px double #000;"/>			

**17 RELATED PARTIES**

There are no related party transactions that require disclosure.

**18 POST BALANCE SHEET EVENT**

**Sale of 3 North Sherwood Street to Nottingham Trent University**

Negotiations regarding the sale of 3 North Sherwood Street commenced in April 2025. Following the conclusion of preliminary discussions, the proposal and accompanying plan were presented to the Board of Trustees at its June meeting. The Board resolved that the sale was in the best interests of the charity.

In July 2025, Heads of Terms were agreed for both the leaseback and the sale of the property. These have been passed to our solicitors, Geldards LLP, who are now undertaking the legal process, including due diligence and property searches.

The process has been communicated to members, and copies of the plan have been made available.



**THE NEW MECHANICS LIMITED**

England & Wales - Charity number 522274

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# Accounts

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**THE NEW MECHANICS LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**(THE NOTTINGHAM MECHANICS)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

**COMPANY REGISTERED NUMBER**  
**00929885**  
**Registered in England**

**CHARITY REGISTERED NUMBER**  
**522274**

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

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**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885)**

**THE COUNCIL ADMINISTRATION**

**STATUS**

The New Mechanics Limited is a charitable company limited by guarantee and has no share capital. It was incorporated on 1st April 1968 and is a registered charity (No. 522274).

**PRESIDENT** Mrs J Morris

**VICE PRESIDENT** Vacant

<b>COUNCIL MEMBERS (BOARD of DIRECTORS)</b>	Mrs C A Alton	Mrs I I Hart
	Mrs V Apple	Mr R W Smith
	Ms KJ Price	Mrs P Tilley
	Mr G R Freeman	Mrs H Hundley
	Mrs J Morris	Mrs J Bird

**HONORARY SECRETARY** Mrs V Apple

**HONORARY TREASURER** Vacant

**MANAGER** Mr A Carlton

**REPORTING ACCOUNTANTS** Mr A R R Price FCA  
Pells  
Chartered Accountants  
17 Newstead Grove  
NOTTINGHAM NG1 4GZ

**BANKERS** Virgin Money  
11 Smithy Row  
NOTTINGHAM  
NG1 3EJ

**SOLICITORS** Geldards LLP  
The Arc  
Enterprise Way  
NOTTINGHAM NG2 1EN

**REGISTERED OFFICE** 3 North Sherwood Street  
NOTTINGHAM NG1 4EZ

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE CHAIRMAN**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

Good morning, if you have any comments regarding my report or other matters, could you keep them and address them at the "Any Other Business" later on.

Another year gone by from our last Annual General Meeting. Firstly, I would once again thank the Council Members for attending our meetings, whereby we discuss in detail the running of the Institute and ideas in its management. The majority of the time taken up with the financial aspects of the Institute. The accounts will show you that we are continuing to be running at a loss situation and a finite solution to the problem is still to be found.

As I said last year we intended to have another Open Forum, but until we had a concrete solution to our deficits there would have been little to tell you. Therefore, this didn't take place.

In round numbers we are currently running at a loss of £7,881 a month or £1,818 per week.

The money we received from the sale of Phoenix Park Offices was a life saver in so much that we could pay off some of our debts, have a small amount left in the bank to help with the day to day running costs and put money into an investment fund, but we still owe the Government for part of the bridging loan that helped us through Covid. This borrowing had to be done, otherwise we wouldn't be here now. It was through my predecessor Geoff Green with Rob Smith and Adam Carlton to try to identify and rectify the daunting task of sorting out the financial mess previous Councils through possibly "burying their heads int the sand", the old school thinking we've had money in the past, one day it will come good again. It hasn't. Sue Brag played her part when the Treasurer left. Trying over a long period, doing a good job which was not beneficial to her health.

Around this time Geoff Green and Rob Smith were lucky to find our new manager 'Adam' who is doing a splendid job in running the Institute on a day-to-day basis. My thanks to Rob, Adam and his team for all they do. Also not forgetting Geoff Green who was a big part of the trio. We are still operating without a Treasurer so Rob, Adam and myself are sharing the role.

Some of you may think that by paying your membership, paying to come to the Friday talks, buying food and drinks in the restaurant that these will pay the way. Don't get me wrong, they do put money into the coffers, but not enough to run the place. Income from letting the rooms is a must, but the present bookings are not enough

Adam and Wes are spending a considerable time and effort in organising day trips and setting up the Leisure Learning program which is receiving a good response. Classes which are prepaid will commence in September, followed up hopefully more subjects of interest to fill yet more teaching space

You probably think as I would "He's on about money again" but the serious side is that we need to keep drawing down on what's left of the investment money to survive, and the money will not last long. We are looking at various options regarding the only asset we have which is this building. Money has to come from somewhere for the long-term survival of our Institute. We being one of the only two left in the country. The other one also running at a loss.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE CHAIRMAN Continued**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

There are no doors to knock on, no funding available anywhere that we presently know of. We have to find money ourselves or our years of existence will be over. I'm sorry my report is gloomy but this is the reality of our situation

A thank you to all you Members, Council Management and Staff for the past years of support. Let's hope a financial solution is forthcoming.

Please take on board what has been said today, we don't want to fail the establishment which has been entrusted to us, as its longevity must continue

**MR G R FREEMAN**  
**CHAIRMAN**

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

**Report of the Trustees for the Year Ended 31st December 2023**

The Trustees are pleased to present their annual Directors' Report, together with the financial statements of the Charity for the year ended 31st December 2023, which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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 United Kingdom and Republic of Ireland (FRS 102) (effective 1st January 2019)

**Trustees of the Charity**

The Directors of the charitable company are its Trustees for the purposes of charity law. The Trustees who have served during the year and since the year end were as follows:-

Mrs C Alton	Mrs H Hundley
Mrs V Apple	Mrs I I Hart
Ms KJ Price	Mrs P Tilley
Mrs CA Chapman (resigned 22nd June 2023)	Mrs J Bird
Mr R W Smith	Mr GR Freeman

**Organisational Structure and Management**

The New Mechanics Limited is a charitable company limited by guarantee and has no share capital. It was incorporated on 1st April 1968 and is a registered charity (No. 522274). Its constitution is set out in the Memorandum and Articles of Association.

The controlling body is the Council of Management (Board of Directors) of up to 20 members who are the registered Directors. Meetings of the Board of Directors are normally held monthly. Directors must have been members of the Association for at least 12 months and are elected to serve for three years; all retiring Directors are eligible for re-election. The procedures for nomination and election of Directors are set out in the Articles of Association.

The Honorary Secretary and the Honorary Treasurer are appointed by the Board of Directors for a period of two years and are eligible for reappointment, the Honorary Secretary and the Honorary Treasurer are *ex officio* Directors. Directors are Trustees of the charity and use "The Good Trustee Guide" published by NCVO Publications as their training manual.

**THE NEW MECHANICS LIMITED**  
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**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

**Organisational Structure and Management**    **(Continued)**

The President and Vice Presidents are honorary positions, nominated by the Board of Directors and appointed by the membership at the AGM for a period of three years, and are eligible for reappointment.

The Board of Directors have delegated responsibility for day to day operations to Mr A Carlton, the Manager, including the provision of catering facilities. Catering is provided as a service to members ancillary to other activities.

**Risk Review**

The Manager has carried out risk assessments for fire and health and safety requirements and brokers are employed to advise on insurance policies. Maintenance contracts with regular inspections are used for boilers, plant and equipment including the passenger and goods lifts.

**Objectives and Activities**

The Memorandum of Association sets out in paragraph 3(b) the main objective:

"To promote the benefit of the inhabitants of the City of Nottingham and the neighbourhood thereof by the advancement of education and the provision, in the interests of social welfare and with the objects of improving the conditions of life, of facilities for recreation and other leisure time occupations."

In addition paragraph 3(l) states "To... Support... any charitable associations or institutions...in any way connected with the purposes of the Association or calculated to further its objectives."

The Nottingham Mechanics owns and occupies premises in the centre of Nottingham and seeks to meet these objectives in two ways, firstly to organise its own activities, and secondly to hire rooms at favourable rates to organisations which have similar aims.

It is a policy to keep the subscription as low as possible to enable those on low incomes to become members. (Lower rates are maintained for those aged less than 18 years). This is considered an important policy as most members are elderly and many are on low incomes.

Activities for our members, therefore, concentrate on dancing, aerobics and other similar physical activities to help members to keep fit, such as table tennis and cultural and mental pursuits such as bridge, whist and chess with regular recorded opera and classical music sessions. Weekly illustrated lectures throughout most of the year prove popular and are well attended, and are open to non-members at a visitor fee of £2.00. The provision of computers for internet access has proved popular. We also arrange day trips and short breaks for our members to places of interest in the UK.

**THE NEW MECHANICS LIMITED**  
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**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

**Objectives and Activities (Continued)**

A very wide range of organisations with similar objectives are encouraged to use our premises at subsidised rates. Some of which have been associated with The Nottingham Mechanics for many years. These organisations include, amongst others, The Dickens Fellowship, The National Trust, The Nottingham Probus Club, The Nottingham Shakespeare Society, The Nottingham Writers' Club, The Railway Correspondence and Travel Society, and The Thoroton Society. The Workers' Educational Association use us for a wide range of courses from poetry to music and history. The classes are advertised on the notice board downstairs.

Rooms are let at higher rates to commercial bodies for training purposes and meeting purposes. These include Framework, Age UK and the NHS. We still have many activities on going and the balance between this and room lettings has helped by reducing the library and making the members area larger. These all combining with our Members Subscriptions and the investment income represent our major source of income this and the sale of Food and Beverage.

**Achievements and Performance**

The results for the year (as detailed in the attached financial statements) were as follows:-

	£
Incoming Resources	127,398
Outgoing Resources	<u>(243,120)</u>
Net Outgoing Resources for the Year	(115,722)
Net gains/(losses) on investments	(2,489)
Balance brought forward	<u>1,551,308</u>
<b>Total Unrestricted Funds as at 31st December 2023</b>	<b><u>1,433,097</u></b>
<b>The above funds have been allocated as follows:-</b>	
Resources used for Net Acquisitions of Fixed Assets	1,224,504
Investment portfolio	232,278
Working Capital	(5,352)
Liabilities falling due after more than one year	<u>(18,333)</u>
<b>Total Funds as at 31st December 2023</b>	<b><u>1,433,097</u></b>

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

**Achievements and Performance**

We continue to find ways to bring down our losses although our Gas and Electric has doubled, we have kept the overheads under control, we have had a 11% rise in the Minimum Wage which applies to most of the staff but even with this we have managed to keep the wage costs the same as last year

We continue to use the investment money to keep going this will not last forever and we are about to start our leisure learning programme which we hope will help us bridge the gap between outgoings and incomings, this has been well received and we are hoping the increase in footfall will also increase the bar takings.

We continue to look forward and we are planning to bring back more trips for 24/25

Our membership for 2023 was 195 plus six honorary members, we have brought in a pro rata

We have a new project for 2024 we have called Leisure Learning which is a series of courses ranging from Dickens Christmas Carol to Japanese Culture we are using a model that the Ipswich Institute have been using for some time, we are initially opening it up to everyone then if this is successful having two prices one for members and one for non-members the idea is to encourage the course attendees to become members.

The number of members at 31st December 2023 was 195 (2022:198)

**Reserves Policy**

The Board have considered that unrestricted funds not invested in fixed assets should be maintained at a level of between three and six months of resources expended (currently equating to £68,000 and £100,000) to enable the current activities of the charity to continue in the event of a significant drop in funding.

Our unrestricted funds total £1,427,188 of which £1,224,504 is represented by the building £232,278 is set aside for the investment portfolio and designated funds of £5,909 leaving free funds in deficit by £29,594 at the end of the year as detailed in note 15.

**Investment Powers**

Under its Memorandum of Association, the charity has the power to make any investment which the board sees fit and conducive to its objectives, we chose Canaccord after going through a process to decide the best route to go down to achieve our charitable aims.

**Future Plans**

Our plan for the future is to revisit our charitable aim and construct our model moving forward to facilitate this.

We are looking at different models and using other similar organisations best practices to help us achieve mission, this will enable the Nottingham Mechanics Institute to further our charitable aims.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

**Political Contributions**

No donations for political purposes have been made.

**Reporting Accountants**

Pells, Chartered Accountants, are reappointed as Reporting Accountants for the ensuing year.

**Public Benefit Statement**

The Board of Directors have complied with their duty to have due regard to the guidance on public benefit, including the 'guidance public benefit: running a Charity PB2' published by the Charity Commission in exercising their powers or duties.

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities SORP 2019 FRS (102) and in accordance with the special provisions for Small Companies under part 15 of the Companies Act 2006.

**BY ORDER OF THE COUNCIL**

**Mr G R Freeman**  
**20th September 2024**

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE NEW MECHANICS LIMITED**

I report to the Charity Trustees on my examination of the accounts for the company for the year ended 31st December 2023, which comprise the statement of financial activities, statement of financial position and the related notes set out on pages 12 to 22

### **Responsibilities and Basis of Report**

As the Charity's Trustees of the company (and also its Directors for the purpose 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 company 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 Statement**

I have completed my examination. I confirm that no matters have 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 2006 Act; or
- 2 the accounts do not accord with those 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 it nor 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 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 to enable a proper understanding of the accounts to be reached.

**A R R PRICE FCA**

**Member of the Institute of Chartered Accountants in England and Wales**

**For and on behalf of Pells Chartered Accountants**

17 Newstead Grove  
NOTTINGHAM  
NG1 4GZ

20th September 2024

**THE NEW MECHANICS LIMITED**  
(THE NOTTINGHAM MECHANICS - *founded 1837*)

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**STATEMENT OF FINANCIAL ACTIVITIES**  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 2023)

	<u>Notes</u>	Total Funds <u>2023</u> £	Total Funds <u>2022</u> £
<b>UNRESTRICTED FUNDS</b>			
<b>INCOME</b>			
<b>Income and Endowments from:</b>			
Donations and grants	2	9,626	30,356
Charitable Activities	3	83,851	129,900
Other Trading Activities	4	14,611	9,588
Investment income	5	19,310	7,487
<b>TOTAL INCOME</b>		<b>127,398</b>	<b>177,331</b>
<b>EXPENDITURE ON:</b>			
Raising Funds	6	2,882	31,943
Charitable Activities	7	240,238	257,502
<b>TOTAL EXPENDITURE</b>		<b>243,120</b>	<b>289,445</b>
Net Outgoing Resources for the Year		(115,722)	(112,114)
<b>Net gains/(losses) on investments</b>		(2,489)	
Loss on Revaluation of Investment Property		-	-
<b>NET MOVEMENT IN FUNDS</b>		(118,211)	(112,114)
Total Funds at 1st January 2023		1,551,308	1,663,422
<b>TOTAL FUNDS AT 31ST DECEMBER 2023</b>		<b>1,433,097</b>	<b>1,551,308</b>

All the above results are derived from continuing activities.

**THE NEW MECHANICS LIMITED**  
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**BALANCE SHEET AS AT 31ST DECEMBER 2023**

		<u>2023</u>		<u>2022</u>	
	<u>Notes</u>	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible Assets	10		1,224,504		1,245,649
Investments	11		232,278		-
			<b>1,456,782</b>		<b>1,245,649</b>
<b>CURRENT ASSETS</b>					
Stocks		2,568		2,553	
Debtors	12	5,439		5,784	
Cash funds held at Canaccord		13,610		-	
Cash at Bank and in Hand		17,619		364,661	
		<b>39,236</b>		<b>372,998</b>	
<b>CREDITORS:</b> amounts falling due within one year	13			<b>39,006</b>	
			<b>(5,352)</b>		<b>333,992</b>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			<b>1,451,430</b>		<b>1,579,641</b>
<b>CREDITORS:</b> amounts falling due after more than one year	14		<b>(18,333)</b>		<b>(28,333)</b>
<b>NET ASSETS</b>			<b>1,433,097</b>		<b>1,551,308</b>
<b>UNRESTRICTED FUNDS</b>					
Designated Funds	15		5,909		5,909
General Funds	15		1,427,188		1,545,399
<b>TOTAL CHARITY FUNDS</b>			<b>1,433,097</b>		<b>1,551,308</b>

The Directors are satisfied that the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

The Directors' Responsibilities:

The members have not required the company to obtain an audit of its accounts for the year ended in accordance with Section 476.

The Directors acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and preparation of accounts.

The financial statements have been prepared in accordance with the provisions applicable to small companies, subject to the small companies regime and in accordance with FRS (102) SORP.

These financial statements were approved by the Board on 20th September 2024 and signed on its behalf.

**BY ORDER OF THE COUNCIL**

**Mr G R Freeman**

**Mrs C A Alton**

The notes on pages 12-22 form part of these financial statements

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

**1 ACCOUNTING POLICIES**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) General Information and Basis of Preparation**

The New Mechanics Limited is a company limited by guarantee in the United Kingdom. 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 address of the registered office is given in the Charity information on page 3 of these financial statements. The nature of the Charity's operations and principal activities are:

To promote the benefit of the inhabitants of the City of Nottingham and the neighbourhood, thereof by the advancement of education and the provision in the interests of social welfare with the objects of improving the conditions of life, of facilities for recreation and other leisure time occupations. In addition to supporting charitable organisations or institution connected with the purpose of the Association or calculated to further its objectives.

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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 United Kingdom and Republic of Ireland (FRS 102) (effective 1st January 2019)

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the Charity.

The Charity constitutes a public benefit entity as defined by FRS 102.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**(b) Funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the Notes to the Financial Statements.

**THE NEW MECHANICS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

**1 ACCOUNTING POLICIES (Continued)**

**(b) Funds (Continued)**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the Notes to the Financial Statements.

**(c) Income Recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the Charity being notified of an impending distribution

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes. It includes interest and rent. Interest income is recognised using the effective interest method and rent income is recognised as the Charity's right to receive payment is established.

Revenue grants are recognised when the Charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably.

**(d) Expenditure Recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

\* Costs of raising funds includes costs of managing the investment property and room hire;

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

**1 ACCOUNTING POLICIES (Continued)**

**(d) Expenditure Recognition (Continued)**

\* Members' subscriptions, cultural excursions, the restaurant and bar, and supporting Charities and other Institutions connected with the purpose of the Charity through letting of rooms at a reduced rate;

\* Other expenditure represents those items not falling into the categories above.

**(e) Support Costs Allocation**

Support costs are those that assist the work on the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of resources.

**(f) Tangible Fixed Assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:-

Freehold Land	Not depreciated
Freehold Buildings	2% straight line basis
Equipment and Fixtures and Fittings	6.6% straight line basis
Furnishings	5% straight line basis
Computer Equipment	20% straight line basis

**(g) Investments**

Investments are stated at market value as advised by the fund managers. Realised and unrealised gains are recognised in 'net gains/(losses) on investments' in the SoFA.

**(h) Stocks**

Stocks are stated 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 stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

**1 ACCOUNTING POLICIES (Continued)**

**(i) Debtors and Creditors Receivable/Payable Within One Year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(i) Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each Balance Sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. When the carrying amount exceeds its recoverable amount, and impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**(k) Tax**

The Charity is an exempt Charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets with the definition of a charitable company for UK corporation tax purposes.

**(l) Going Concern**

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure and the future sale of the investment property will enable the Charity to continue as a going concern.

**2 VOLUNTARY INCOME**

	<b><u>2023</u></b>	<b><u>2022</u></b>
	£	£
Donations	9,626	6,692
Legacies	-	19,664
Government Grant Income		
Nottingham City Council Covid 19 Support Grants	-	4,000
	<b><u>9,626</u></b>	<b><u>30,356</u></b>

**THE NEW MECHANICS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

**3 INCOME FROM CHARITABLE ACTIVITIES**

	<u>2023</u>	<u>2022</u>
	£	£
Members' Subscriptions	8,727	10,254
Members' Cultural Excursions	2,733	42,037
Restaurant and Bar	49,442	46,106
Lettings of Rooms	22,497	30,928
Visitor Tickets	98	401
Library and Sundry	354	174
	<b>83,851</b>	<b>129,900</b>

**4 OTHER TRADING ACTIVITIES**

Room Hire	<b>14,611</b>	<b>9,588</b>
-----------	---------------	--------------

**5 INVESTMENT INCOME**

Investment Interest	7,652	-
Car Parking Charges	11,658	7,487
	<b>19,310</b>	<b>7,487</b>

**6 RAISING FUNDS**

**Investment Management Costs:**

Indemnity fee	-	705
Legal Fees on sale	-	4,068
Agents commission on sale	-	6,670
Landlords Costs	-	10,167
Investment management fees	3,215	-
	3,215	21,610
Provision for Doubtful Debts	(333)	333
Management of Lettings of Rooms	-	10,000
	<b>2,882</b>	<b>31,943</b>

**Investment Management Costs:**

The above costs for 2022 of £31,943 are in respect of the Investment Property at Phoenix Business Park, Cinderhill, Nottingham sold during 2022.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

**7 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

	<u>2023</u>	<u>2022</u>
	£	£
<b>Restaurant and Bar:</b>		
Purchases	18,504	16,775
Wages	24,863	19,716
Repairs	944	2,781
Equipment Hire	724	493
Rates & Water	639	1,552
Electricity and Gas	5,892	1,938
Cleaning( Incl wages) and Sundries	6,318	3,352
Depreciation	1,102	1,175
	<u>58,986</u>	<u>47,782</u>
<b>Members' Cultural Excursions</b>	<u>2,992</u>	<u>40,533</u>
<b>General:</b>		
Management and Office Salaries and Wages	58,394	50,492
Rates, Water, Electricity, Gas, Insurance and Telephone	31,929	15,594
Printing, Stationery and Postage	689	753
Sundry	4,410	4,132
Depreciation	1,753	2,773
Repairs and Maintenance	3,405	2,485
Bank Interest	862	1,274
Credit Card Charges	1,542	1,355
	<u>102,984</u>	<u>78,858</u>
<b>Buildings:</b>		
Wages Facilities	33,712	46,352
Repairs and Maintenance	4,214	7,030
Cleaning Wages	10,490	10,795
Cleaning and Sundries	3,090	2,541
Depreciation	18,290	18,290
	<u>69,796</u>	<u>85,008</u>
<b>Library and Sundry:</b>		
Books and Periodicals	-	-
Depreciation	-	102
	<u>-</u>	<u>102</u>

**THE NEW MECHANICS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

**7 ANALYSIS OF EXPENDITURE ON CHARITABLE EVENTS (Continued)**

	<u>2023</u>	<u>2022</u>
	£	£
<b>Governance Costs:</b>		
Independent Examiners Fees	1,675	1,595
Other Accounting Services	3,755	3,445
Bank Charges	50	166
Filing Fees	-	13
	<u>5,480</u>	<u>5,219</u>
<b>TOTAL FOR CHARITABLE ACTIVITIES</b>	<u><b>240,238</b></u>	<u><b>257,502</b></u>

**8 STAFF COSTS AND NUMBERS**

**Staff Costs were as follows:**

Salaries and Wages	124,699	134,751
Social Security Costs	3,265	3,796
Pension Costs - Deferred Contribution	1,385	1,508
	<u>129,349</u>	<u>140,055</u>

No employee received emoluments of more than £60,000.

**The average numbers of and employees during the year were:**

	<u>No.</u>	<u>No.</u>
Employees: Directors		
Office and Administration	2	2
Facility Staff	6	6
	<u>8</u>	<u>8</u>

The President, Vice Presidents and Honorary Officers are appointed by the Council.

The Trustees neither received nor waived any remuneration during the year (2022: £Nil).

The Trustees did not have any expenses reimbursed during the year (2022 £Nil).

Total key management remuneration amounted to £ 31,721 (2022: £26,501).

**THE NEW MECHANICS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

**9 NET EXPENDITURE FOR THE YEAR**

	<u>2023</u>	<u>2022</u>
	£	£
<b>This is stated after charging:</b>		
Depreciation	21,145	22,340
Independent Examiner's Fee	1,595	1,595
Other Accounting Services	<u>3,835</u>	<u>3,445</u>

**10 TANGIBLE FIXED ASSETS**

	Freehold Land and Building	Equipment, Fixtures and Fittings	Furnishings	Computer Equipment	Total Tangible Assets
	£	£	£	£	£
<b>COST</b>					
At 1.1.23	1,567,336	281,421	70,366	26,074	1,945,197
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
<b>At 31.12.23</b>	<b><u>1,567,336</u></b>	<b><u>281,421</u></b>	<b><u>70,366</u></b>	<b><u>26,074</u></b>	<b><u>1,945,197</u></b>
<b>DEPRECIATION</b>					
At 1.1.23	338,344	273,281	62,485	25,438	699,548
Charge for the Year	17,576	904	2,390	275	21,145
On Disposals	-	-	-	-	-
<b>At 31.12.23</b>	<b><u>355,920</u></b>	<b><u>274,185</u></b>	<b><u>64,875</u></b>	<b><u>25,713</u></b>	<b><u>720,693</u></b>
<b>NET BOOK VALUE</b>					
<b>At 31.12.23</b>	<b><u>1,211,416</u></b>	<b><u>7,236</u></b>	<b><u>5,491</u></b>	<b><u>361</u></b>	<b><u>1,224,504</u></b>
<b>At 31.12.22</b>	<b><u>1,228,992</u></b>	<b><u>8,140</u></b>	<b><u>7,881</u></b>	<b><u>636</u></b>	<b><u>1,245,649</u></b>

The net book values represent fixed assets used for direct charitable purposes

**THE NEW MECHANICS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

	<u>2023</u>	<u>2022</u>
	£	£
<b>11 INVESTMENTS</b>		
Acquisitions at cost	289,454	-
Sale proceeds from disposals	(54,687)	-
Realised Gain/(loss) in the year	(5,144)	-
Unrealised Gain/(loss) in the year	<u>2,655</u>	<u>-</u>
<b>Market value at 31st December 2023</b>	<b><u>232,278</u></b>	<b><u>-</u></b>
Investments at market value comprised:		
Debt and fixed interest	79,894	-
Equities	<u>152,384</u>	<u>-</u>
	<u>232,278</u>	<u>-</u>
<b>Historical cost as at 31st December 2023</b>	<b><u>229,622</u></b>	<b><u>-</u></b>
<b>12 DEBTORS</b>		
	<u>2023</u>	<u>2022</u>
	£	£
Trade Debtors	2,654	3,361
Other Debtors	-	-
Prepayments and Accrued Income	<u>2,785</u>	<u>2,423</u>
	<b><u>5,439</u></b>	<b><u>5,784</u></b>
<b>13 CREDITORS: Amounts Falling Due Within One Year</b>		
Bank loan	10,000	10,000
Trade Creditors	3,458	4,295
Accruals and Deferred Income	18,994	14,416
Taxation and Social Security	8,572	6,763
Other Creditors	<u>3,564</u>	<u>3,532</u>
	<b><u>44,588</u></b>	<b><u>39,006</u></b>

Included in accruals and deferred income is deferred income relating to members' subscriptions which are paid in advance. This amounts to £4,497 (2022: £4,643).

**THE NEW MECHANICS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

**14 CREDITORS: Amounts Falling Due After More Than One Year**

	<u>2023</u>	<u>2022</u>
	£	£
Bank loan	<u>18,333</u>	<u>28,333</u>

The bank loan is repayable by instalments within 5 years

**15 MOVEMENT IN FUNDS**

	At 01.01.23	Incoming Resources	Outgoing Resources	Transfer	At 31.12.23
	£	£	£	£	£
<b>Unrestricted Funds:</b>					
Designated Funds:					
Special Funds Reserve	5,909	-	-	-	5,909
Unrestricted Funds :					
Fixed Assets	1,245,649	-	(21,145)	-	1,224,504
Investment Reserve	300,000	-	-	(67,722)	232,278
General Funds	(250)	127,398	(224,464)	67,722	(29,594)
	<u>1,545,399</u>	<u>127,398</u>	<u>(245,609)</u>	<u>-</u>	<u>1,427,188</u>
<b>TOTAL FUNDS</b>	<b><u>1,551,308</u></b>	<b><u>127,398</u></b>	<b><u>(245,609)</u></b>	<b><u>-</u></b>	<b><u>1,433,097</u></b>

**Unrestricted Funds**

**Fixed Assets:**

This represents the net book value of fixed assets.

**Investment Reserve:**

This represents the balance of funds from the sale of the investment property at Phoenix Park, Nottingham invested with Canaccord Genuity in listed UK securities

**Special Funds Reserve:**

This Fund includes:

Sir Albert Atkey and E A Harvey Bequests	£682	
The J N Derbyshire Foundation Fund	<u>£5,227</u>	<u>£5,909</u>

The funds previously shown under the heading of 'Special Funds' were released to the General Fund in 1966 on the following conditions:

that the identity of the funds be preserved and shown in the financial statements;

that the funds would be reinstated from future income of the general fund after meeting running expenses and allowing for depreciation;

that until reinstatement the Council will provide out of general funds for the continuance of the stated objectives of the above two named Funds.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - founded 1837)**

(Limited by Guarantee - Registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2023**

**16 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds	Designated Funds	Total
	£	£	£
<b>Fund Balances as at 31st December 2023</b>			
<b>are represented by:</b>			
Tangible Fixed Assets	1,224,504	-	1,224,504
Investments	232,278		232,278
Net Current Liabilities	(11,261)	5,909	(5,352)
Creditors amount falling due after more than one year	(18,333)	-	(18,333)
	<b>1,427,188</b>	<b>5,909</b>	<b>1,433,097</b>
<hr style="border-top: 3px double #000;"/>			
<b>Fund Balances as at 31st December 2022</b>			
<b>are represented by:</b>			
Tangible Fixed Assets	1,245,649	-	1,245,649
Net Current Assets	328,083	5,909	(333,992)
Creditors amount falling due after more than one year	(28,333)	-	(28,333)
	<b>1,545,399</b>	<b>5,909</b>	<b>1,551,308</b>
	<b>1,545,399</b>	<b>5,909</b>	<b>1,551,308</b>

**17 RELATED PARTIES**

There are no related party transactions that require disclosure.

**18 COMMITMENTS**

As at 31st December 2023 the company had commitments under non-cancellable operating leases:

	<b>2023</b>	<b>2022</b>
	£	£
Plant and machinery		
Payable within one year	-	723
Payable from one to five years	-	-
	<b>-</b>	<b>723</b>
	<b>-</b>	<b>723</b>

**THE NEW MECHANICS LIMITED**

England & Wales - Charity number 522274

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# Accounts

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**THE NEW MECHANICS LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**(THE NOTTINGHAM MECHANICS)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**COMPANY REGISTERED NUMBER**  
**00929885**  
**Registered in England**

**CHARITY REGISTERED NUMBER**  
**522274**

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

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**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885)**

**THE COUNCIL ADMINISTRATION**

**STATUS**

The New Mechanics Limited is a charitable company limited by guarantee and has no share capital. It was incorporated on 1st April 1968 and is a registered charity (No. 522274).

**PRESIDENT** Mrs J Morris

**VICE PRESIDENT** Vacant

<b>COUNCIL MEMBERS (BOARD of DIRECTORS)</b>	Mrs C A Alton	Mrs I I Hart
	Mrs V Apple	Mr R W Smith
	Ms KJ Price	Mrs P Tilley
	Mr G R Freeman	Mrs H Hundley
	Mrs J Morris	Mrs J Bird

**HONORARY SECRETARY** Mrs V Apple

**HONORARY TREASURER** Vacant

**MANAGER** Mr A Carlton

**REPORTING ACCOUNTANTS** Mr A R R Price FCA  
Pells  
Chartered Accountants  
17 Newstead Grove  
NOTTINGHAM NG1 4GZ

**BANKERS** Virgin Money  
11 Smithy Row  
NOTTINGHAM  
NG1 3EJ

**SOLICITORS** Geldards LLP  
The Arc  
Enterprise Way  
NOTTINGHAM NG2 1EN

**REGISTERED OFFICE** 3 North Sherwood Street  
NOTTINGHAM NG1 4EZ

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE CHAIRMAN**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

I've been in the Chair for a year and a bit and hope I have served the position well. I thank the Council members who sit around the table with me and together we hopefully organise the running of our Institute to the best it can be, given the financial and unstable climate that we are in. Covid and world events have not helped at all, not only with our organisation but also in the running and budgeting of our private lives.

The Mechanics was kept afloat during the Covid period with repayable borrowing which has to be paid back on a monthly basis.

On the financial side, the subs for the coming year will remain at £50 per person are due by July 31<sup>st</sup>. You can renew your subs with Ruth prior to this date so that Ruth can pace herself with the administration of the membership cards, thus avoiding a mad rush on the due date.

A thank you to you the members for your commitment and helping out financially where you can. Money is a struggle and we on the Council try to organise our income best we can. We are not a profit-making organisation, but we need to generate finance in order to sustain the Mechanics. We have a fairly long history of always being on the wrong side of the financial line. We chip away at reducing our shortfall and we are getting nearer our goal of at least breaking even, but not quite there yet. Our slow financial recovery is mainly due to the very high costs of power and all other expenditures rocketing. We are driven by our status as a charity and charity comes at a cost. We must as a charity give in to our mantra of education at competitive or even lower costs than the normal elsewhere. We are also a charity but we ourselves need income to sustain our aim. Income is difficult.

The sale of Phoenix Park has been a big relief to us both financially and the off loading of the albatross which has been hanging round our necks for a considerable time. The money from the sale has saved us from a dire situation. Without this money (No joking) we were very close to putting a plan together for closing the doors on 186 years of existence.

It is my duty to tell the membership what happens behind the scenes. The Council is the force behind decisions, but we are not a secret society and will inform you of events both good and bad.

Adam and I will stage open forums occasionally as a means of communication and an informed discussion event. This will hopefully clear the air and stop Chinese whispers from developing.

In the past it has not been the policy to invite the Manage to our AGM's, but it is essential as he is the one who is employed and responsible for the day to day running of the business. The building and what goes on within it is his roll and his reporting of the same to the Council. He has had many times in his quests been frustrated enough to pull his hair out, as you can see, none left. Joking apart, he knows what's what and who's who and is an asset to us. Thank you, Adam.

Finally, once again a thank you to the retiring Council members for their hard work over the years, the staff, our Manager, helpers and members alike, and a welcome to the newly elected Council who will hopefully further the continuation of previous good work.

**Mr G R Freeman - Chairman**

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**Report of the Trustees for the Year Ended 31st December 2022**

The Trustees are pleased to present their annual Directors' Report, together with the financial statements of the Charity for the year ended 31st December 2022, which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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 United Kingdom and Republic of Ireland (FRS 102) (effective 1st January 2019)

**Trustees of the Charity**

The Directors of the charitable company are its Trustees for the purposes of charity law. The Trustees who have served during the year and since the year end were as follows:-

Mrs C Alton	Mrs H Hundley
Mrs V Apple	Mrs I I Hart
Ms KJ Price	Mrs P Tilley
Mrs CA Chapman (resigned 22nd June 2023)	Mrs J Bird
Mr R W Smith	Mr GR Freeman (appointed 10th June 2022)

**Organisational Structure and Management**

The New Mechanics Limited is a charitable company limited by guarantee and has no share capital. It was incorporated on 1st April 1968 and is a registered charity (No. 522274). Its constitution is set out in the Memorandum and Articles of Association.

The controlling body is the Council of Management (Board of Directors) of up to 20 members who are the registered Directors. Meetings of the Board of Directors are normally held monthly. Directors must have been members of the Association for at least 12 months and are elected to serve for three years; all retiring Directors are eligible for re-election. The procedures for nomination and election of Directors are set out in the Articles of Association.

The Honorary Secretary and the Honorary Treasurer are appointed by the Board of Directors for a period of two years and are eligible for reappointment, the Honorary Secretary and the Honorary Treasurer are *ex officio* Directors. Directors are Trustees of the charity and use "The Good Trustee Guide" published by NCVO Publications as their training manual.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**Organisational Structure and Management**    (Continued)

The President and Vice Presidents are honorary positions, nominated by the Board of Directors and appointed by the membership at the AGM for a period of three years, and are eligible for reappointment.

The Board of Directors have delegated responsibility for day to day operations to Mr A Carlton, the Manager, including the provision of catering facilities. Catering is provided as a service to members ancillary to other activities.

**Risk Review**

The Manager has carried out risk assessments for fire and health and safety requirements and brokers are employed to advise on insurance policies. Maintenance contracts with regular inspections are used for boilers, plant and equipment including the passenger and goods lifts.

**Objectives and Activities**

The Memorandum of Association sets out in paragraph 3(b) the main objective:

"To promote the benefit of the inhabitants of the City of Nottingham and the neighbourhood thereof by the advancement of education and the provision, in the interests of social welfare and with the objects of improving the conditions of life, of facilities for recreation and other leisure time occupations."

In addition paragraph 3(l) states "To... Support... any charitable associations or institutions...in any way connected with the purposes of the Association or calculated to further its objectives."

The Nottingham Mechanics owns and occupies premises in the centre of Nottingham and seeks to meet these objectives in two ways, firstly to organise its own activities, and secondly to hire rooms at favourable rates to organisations which have similar aims.

It is a policy to keep the subscription as low as possible to enable those on low incomes to become members. (Lower rates are maintained for those aged less than 18 years). This is considered an important policy as most members are elderly and many are on low incomes.

Activities for our members, therefore, concentrate on dancing, aerobics and other similar physical activities to help members to keep fit, such as table tennis and cultural and mental pursuits such as bridge, whist and chess with regular recorded opera and classical music sessions. Weekly illustrated lectures throughout most of the year prove popular and are well attended, and are open to non-members at a visitor fee of £2.00. The provision of computers for internet access has proved popular. We also arrange day trips and short breaks for our members to places of interest in the UK.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**Objectives and Activities (Continued)**

A very wide range of organisations with similar objectives are encouraged to use our premises at subsidised rates. Some of which have been associated with The Nottingham Mechanics for many years. These organisations include, amongst others, The Dickens Fellowship, The National Trust, The Nottingham Probus Club, The Nottingham Shakespeare Society, The Nottingham Writers' Club, The Railway Correspondence and Travel Society, and The Thoroton Society. The Workers' Educational Association use us for a wide range of courses from poetry to music and history. The classes are advertised on the notice board downstairs.

Rooms are let at higher rates to commercial bodies for training purposes and meeting purposes. These include Framework, Age UK and the NHS. We still have many activities on going and the balance between this and room lettings has helped by reducing the library and making the members area larger. These all combining with our Members Subscriptions and the investment income represent our major source of income this and the sale of Food and Beverage.

**Achievements and Performance**

The results for the year (as detailed in the attached financial statements) were as follows:-

	£
Incoming Resources	177,331
Outgoing Resources	<u>(289,445)</u>
Net Outgoing Resources for the Year	(112,114)
Balance brought forward	<u>1,663,422</u>
<b>Total Unrestricted Funds as at 31st December 2022</b>	<b><u><u>1,551,308</u></u></b>
<b>The above funds have been allocated as follows:-</b>	
Resources used for Net Acquisitions of Fixed Assets	1,245,649
Working Capital	333,992
Liabilities falling due after more than one year	<u>(28,333)</u>
<b>Total Funds as at 31st December 2022</b>	<b><u><u>1,551,308</u></u></b>

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**Achievements and Performance**

Post pandemic we have struggled with occupancy of rooms this has a knock-on effect with the sale of food and beverage.

The sale of Phoenix Park was a massive help it allowed us to not only pay of the debts incurred through the pandemic related to the property but also to allow us to invest the residual monies that will allow us to continue in the medium/long term.

Our wage bill in 2022 has been brought down by £26,787.

We have improved the Wi-Fi reception within the building, which is essential for our room hire, the way people choose who to use has changed massively in the past 3 years with room layout and network coverage being essential in their thinking.

This money was invested with Canaccord as a medium risk investment and the investment income will be shown in next year's accounts

The number of members at 31st December 2022 was 198 (2021:233)

**Reserves Policy**

The Board have considered that unrestricted funds not invested in fixed assets should be maintained at a level of between three and six months of resources expended (currently equating to £68,000 and £100,000) to enable the current activities of the charity to continue in the event of a significant drop in funding.

Our unrestricted funds total £1,551,308 of which £1,245,649 is represented by the building £300,000 is set aside for the investment portfolio and designated funds of £5,909 leaving free funds in deficit by £250 at the end of the year as detailed in note 16.

**Investment Powers**

Under its Memorandum of Association, the charity has the power to make any investment which the board sees fit and conducive to its objectives, we chose Canaccord after going through a process to decide the best route to go down to achieve our charitable aims. We invested £300,000 on the 20th January 2023 with the portfolio having a medium risk.

**Future Plans**

Our plan for the future is to revisit our charitable aim and construct our model moving forward to facilitate this.

We are looking at different models and using other similar organisations best practises to help us achieve mission, this will enable the Nottingham Mechanics Institute to further our charitable aims.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**Political Contributions**

No donations for political purposes have been made.

**Reporting Accountants**

Pells, Chartered Accountants, are reappointed as Reporting Accountants for the ensuing year.

**Public Benefit Statement**

The Board of Directors have complied with their duty to have due regard to the guidance on public benefit, including the 'guidance public benefit: running a Charity PB2' published by the Charity Commission in exercising their powers or duties.

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities SORP 2019 FRS (102) and in accordance with the special provisions for Small Companies under part 15 of the Companies Act 2006.

**BY ORDER OF THE COUNCIL**



**Mr G R Freeman**

28th July 2023

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE NEW MECHANICS LIMITED

I report to the Charity Trustees on my examination of the accounts for the company for the year ended 31st December 2022.

### **Responsibilities and Basis of Report**

As the Charity's Trustees of the company (and also its Directors for the purpose 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 company 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 Statement**

I have completed my examination. I confirm that no matters have 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 2006 Act; or
- 2 the accounts do not accord with those 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 it nor 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 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 to enable a proper understanding of the accounts to be reached.



**A R R PRICE FCA**

**Member of the Institute of Chartered Accountants in England and Wales**

**For and on behalf of Pells Chartered Accountants**

17 Newstead Grove  
NOTTINGHAM  
NG1 4GZ

28th July 2023

**THE NEW MECHANICS LIMITED**  
(THE NOTTINGHAM MECHANICS - *founded 1837*)

(Limited by Guarantee - Registered in England No. 00929885)

**STATEMENT OF FINANCIAL ACTIVITIES**  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 2022

	<u>Notes</u>	Total Funds <u>2022</u> £	Total Funds <u>2021</u> £
<b>UNRESTRICTED FUNDS</b>			
<b>INCOME</b>			
Income and Endowments from:			
Donations and grants	2	30,356	121,968
Charitable Activities	3	129,900	74,348
Other Trading Activities	4	9,588	4,510
Investment income	5	7,487	1,610
		<hr/>	<hr/>
<b>TOTAL INCOME</b>		<b>177,331</b>	<b>202,436</b>
		<hr/> <hr/>	<hr/> <hr/>
<b>EXPENDITURE ON:</b>			
Raising Funds	6	31,943	34,779
Charitable Activities	7	257,502	255,020
		<hr/>	<hr/>
<b>TOTAL EXPENDITURE</b>		<b>289,445</b>	<b>289,799</b>
		<hr/> <hr/>	<hr/> <hr/>
Net Outgoing Resources for the Year		(112,114)	(87,363)
<b>NET LOSSES ON INVESTMENTS</b>			
Loss on Revaluation of Investment Property		-	(50,000)
		<hr/>	<hr/>
<b>NET MOVEMENT IN FUNDS</b>		<b>(112,114)</b>	<b>(137,363)</b>
		<hr/>	<hr/>
Total Funds at 1st January 2022		1,663,422	1,800,785
		<hr/>	<hr/>
<b>TOTAL FUNDS AT 31ST DECEMBER 2022</b>		<b>1,551,308</b>	<b>1,663,422</b>
		<hr/> <hr/>	<hr/> <hr/>

All the above results are derived from continuing activities.

**THE NEW MECHANICS LIMITED**  
(THE NOTTINGHAM MECHANICS - *founded 1837*)

(Limited by Guarantee - Registered in England No. 00929885)

**BALANCE SHEET AS AT 31ST DECEMBER 2022**

			<u>2022</u>		<u>2021</u>	
	<u>Notes</u>	£	£	£	£	£
<b>FIXED ASSETS</b>						
Tangible Assets	10		1,245,649			1,267,989
Investment Property	11		<u>-</u>			<u>-</u>
			<b>1,245,649</b>			<b>1,267,989</b>
<b>CURRENT ASSETS</b>						
Stocks		2,553		1,430		
Debtors	12	5,784		7,827		
Investment Property Held for Sale	11	-		500,000		
Cash at Bank and in Hand		<u>364,661</u>		<u>26,169</u>		
		<b><u>372,998</u></b>		<b><u>535,426</u></b>		
<b>CREDITORS: amounts falling due within one year</b>	13	<b><u>39,006</u></b>		<b><u>101,660</u></b>		
<b>NET CURRENT ASSETS</b>			<b><u>333,992</u></b>			<b><u>433,766</u></b>
			<b>1,579,641</b>			<b>1,701,755</b>
<b>CREDITORS: amounts falling due after more than one year</b>	14		<b><u>(28,333)</u></b>			<b><u>(38,333)</u></b>
<b>NET ASSETS</b>			<b><u>1,551,308</u></b>			<b><u>1,663,422</u></b>
<b>UNRESTRICTED FUNDS</b>						
Designated Funds	15		5,909			7,909
General Funds	15		<u>1,545,399</u>			<u>1,655,513</u>
<b>TOTAL CHARITY FUNDS</b>			<b><u>1,551,308</u></b>			<b><u>1,663,422</u></b>

The Directors are satisfied that the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

The Directors' Responsibilities:

The members have not required the company to obtain an audit of its accounts for the year ended in accordance with Section 476.

The Directors acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and preparation of accounts.

The financial statements have been prepared in accordance with the provisions applicable to small companies, subject to the small companies regime and in accordance with FRS (102) SORP.

These financial statements were approved by the Board on 28th July 2023 and signed on its behalf.

**BY ORDER OF THE COUNCIL**

Mr G R Freeman



Mrs C A Alton



The notes on pages 10-20 form part of these financial statements

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

(Limited by Guarantee - Registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**1 ACCOUNTING POLICIES**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) General Information and Basis of Preparation**

The New Mechanics Limited is a company limited by guarantee in the United Kingdom. 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 address of the registered office is given in the Charity information on page 3 of these financial statements. The nature of the Charity's operations and principal activities are:

To promote the benefit of the inhabitants of the City of Nottingham and the neighbourhood, thereof by the advancement of education and the provision in the interests of social welfare with the objects of improving the conditions of life, of facilities for recreation and other leisure time occupations. In addition to supporting charitable organisations or institution connected with the purpose of the Association or calculated to further its objectives.

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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 United Kingdom and Republic of Ireland (FRS 102) (effective 1st January 2019)

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the Charity.

The Charity constitutes a public benefit entity as defined by FRS 102.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**(b) Funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the Notes to the Financial Statements.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - founded 1837)**

**(Limited by Guarantee - Registered in England No. 00929885)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**1 ACCOUNTING POLICIES (Continued)**

**(b) Funds (Continued)**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the Notes to the Financial Statements.

**(c) Income Recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the Charity being notified of an impending distribution

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes. It includes interest and rent. Interest income is recognised using the effective interest method and rent income is recognised as the Charity's right to receive payment is established.

Revenue grants are recognised when the Charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably.

**(d) Expenditure Recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

\* Costs of raising funds includes costs of managing the investment property and room hire;

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

(Limited by Guarantee - Registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**1 ACCOUNTING POLICIES (Continued)**

**(d) Expenditure Recognition (Continued)**

\* Members' subscriptions, cultural excursions, the restaurant and bar, and supporting Charities and other Institutions connected with the purpose of the Charity through letting of rooms at a reduced rate;

\* Other expenditure represents those items not falling into the categories above.

**(e) Support Costs Allocation**

Support costs are those that assist the work on the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. The are incurred directly in support of expenditure on the objects of the Charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of resources.

**(f) Tangible Fixed Assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:-

Freehold Land	Not depreciated
Freehold Buildings	2% straight line basis
Equipment and Fixtures and Fittings	6.6% straight line basis
Furnishings	5% straight line basis
Computer Equipment	20% straight line basis

**(g) Investment Properties**

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains/(losses) on investments' in the SoFA.

**(h) Stocks**

Stocks are stated 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 stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - founded 1837)**

(Limited by Guarantee - Registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**1 ACCOUNTING POLICIES (Continued)**

**(i) Debtors and Creditors Receivable/Payable Within One Year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(j) Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each Balance Sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. When the carrying amount exceeds its recoverable amount, and impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**(k) Tax**

The Charity is an exempt Charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets with the definition of a charitable company for UK corporation tax purposes.

**(l) Going Concern**

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure and the future sale of the investment property will enable the Charity to continue as a going concern.

**2 VOLUNTARY INCOME**

	<u>2022</u>	<u>2021</u>
	£	£
Donations	6,692	4,525
Legacies	19,664	-
Government Grant Income		
Job Retention Scheme Grants	-	80,943
Nottingham City Council Covid-19 Support Grants	4,000	36,500
	<u>30,356</u>	<u>121,968</u>

**THE NEW MECHANICS LIMITED**  
(THE NOTTINGHAM MECHANICS - *founded 1837*)

(Limited by Guarantee - registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**3 INCOME FROM CHARITABLE ACTIVITIES**

	<u>2022</u>	<u>2021</u>
	£	£
Members' Subscriptions	10,254	7,756
Members' Cultural Excursions	42,037	17,935
Restaurant and Bar	46,106	28,184
Lettings of Rooms	30,928	20,339
Visitor Tickets	401	42
Library and Sundry	174	92
	<u>129,900</u>	<u>74,348</u>

**4 OTHER TRADING ACTIVITIES**

Room Hire	<u>9,588</u>	<u>4,510</u>
-----------	--------------	--------------

**5 INVESTMENT INCOME**

Rent Receivable Phoenix Park	-	-
Lease Break Clause Penalty	-	-
Lease Compensation	-	-
Car Parking Charges	7,487	1,610
Service Charges and Allowances Phoenix Park	-	-
	<u>7,487</u>	<u>1,610</u>

**6 RAISING FUNDS**

**Investment Management Costs:**

Letting Commission and Fees	-	121
Indemnity fee	705	-
Legal Fees on sale	4,068	-
Agents commission on sale	6,670	-
Landlords Costs	10,167	32,658
	21,610	32,779
Provision for Doubtful Debts	333	-
Fund Raising and Publicity	-	-
Management of Lettings of Rooms	10,000	2,000
	<u>31,943</u>	<u>34,779</u>

**Investment Management Costs:**

The above costs of £21,610 (2021: £32,279) are in respect of the Investment Property at Phoenix Business Park, Cinderhill, Nottingham.

**THE NEW MECHANICS LIMITED**  
(THE NOTTINGHAM MECHANICS - *founded 1837*)

(Limited by Guarantee - Registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**7 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

	<u>2022</u>	<u>2021</u>
	£	£
<b>Restaurant and Bar:</b>		
Purchases	16,775	9,617
Wages	19,716	41,251
Repairs	2,781	1,102
Equipment Hire	493	1,747
Rates & Water	1,552	1,105
Electricity and Gas	1,938	1,734
Cleaning( Incl wages) and Sundries	3,352	3,910
Depreciation	1,175	1,175
	<u>47,782</u>	<u>61,641</u>
<b>Members' Cultural Excursions</b>	<u>40,533</u>	<u>16,430</u>
<b>General:</b>		
Management and Office Salaries and Wages	50,492	65,580
Rates, Water, Electricity, Gas, Insurance and Telephone	15,594	11,336
Printing, Stationery and Postage	753	886
Sundry	4,132	4,786
Depreciation	2,773	2,687
Repairs and Maintenance	2,485	301
Bank Interest	1,274	116
Credit Card Charges	1,355	1,170
	<u>78,858</u>	<u>86,862</u>
<b>Buildings:</b>		
Wages Facilities	46,352	40,458
Repairs and Maintenance	7,030	5,442
Cleaning Wages	10,795	17,552
Cleaning and Sundries	2,541	1,995
Depreciation	18,290	18,289
	<u>85,008</u>	<u>83,736</u>
<b>Library and Sundry:</b>		
Books and Periodicals	-	-
Depreciation	102	338
	<u>102</u>	<u>338</u>

**THE NEW MECHANICS LIMITED**  
(THE NOTTINGHAM MECHANICS - *founded 1837*)

(Limited by Guarantee - registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**7 ANALYSIS OF EXPENDITURE ON CHARITABLE EVENTS (Continued)**

	<u>2022</u>	<u>2021</u>
	£	£
<b>Governance Costs:</b>		
Independent Examiners Fees	1,595	1,450
Other Accounting Services	3,445	4,440
Bank Charges	166	110
Filing Fees	13	13
	<u>5,219</u>	<u>6,013</u>
<b>TOTAL FOR CHARITABLE ACTIVITIES</b>	<u><u>257,502</u></u>	<u><u>255,020</u></u>

**8 STAFF COSTS AND NUMBERS**

**Staff Costs were as follows:**

Salaries and Wages	134,751	160,049
Social Security Costs	3,796	5,108
Pension Costs - Deferred Contribution	1,508	1,685
	<u>140,055</u>	<u>166,842</u>

No employee received emoluments of more than £60,000.

**The average numbers of and employees during the year were:**

	<u>No.</u>	<u>No.</u>
Employees:		
Directors		
Office and Administration	2	3
Facility Staff	6	9
	<u>8</u>	<u>12</u>

The President, Vice Presidents and Honorary Officers are appointed by the Council.

The Trustees neither received nor waived any remuneration during the year (2021: £Nil).

The Trustees did not have any expenses reimbursed during the year (2021 £Nil).

Total key management remuneration amounted to £ 26,501 (2021: £23,492).

**THE NEW MECHANICS LIMITED**  
(THE NOTTINGHAM MECHANICS - *founded 1837*)

(Limited by Guarantee - registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**9 NET EXPENDITURE FOR THE YEAR**

	<u>2022</u>	<u>2021</u>
	£	£
<b>This is stated after charging:</b>		
Depreciation	22,340	22,489
Independent Examiner's Fee	1,595	1,450
Other Accounting Services	<u>3,445</u>	<u>4,440</u>

**10 TANGIBLE FIXED ASSETS**

	Freehold Land and Building	Equipment, Fixtures and Fittings	Furnishings	Computer Equipment	Total Tangible Assets
	£	£	£	£	£
<b>COST</b>					
At 1.1.22	1,567,337	281,421	70,366	26,074	1,945,198
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
<b>At 31.12.22</b>	<u><b>1,567,337</b></u>	<u><b>281,421</b></u>	<u><b>70,366</b></u>	<u><b>26,074</b></u>	<u><b>1,945,198</b></u>
<b>DEPRECIATION</b>					
At 1.1.22	320,768	272,370	58,907	25,164	677,209
Charge for the Year	17,576	911	3,578	275	22,340
On Disposals	-	-	-	-	-
<b>At 31.12.22</b>	<u><b>338,344</b></u>	<u><b>273,281</b></u>	<u><b>62,485</b></u>	<u><b>25,439</b></u>	<u><b>699,549</b></u>
<b>NET BOOK VALUE</b>					
<b>At 31.12.22</b>	<u><b>1,228,993</b></u>	<u><b>8,140</b></u>	<u><b>7,881</b></u>	<u><b>635</b></u>	<u><b>1,245,649</b></u>
<b>At 31.12.21</b>	<u><b>1,246,569</b></u>	<u><b>9,051</b></u>	<u><b>11,459</b></u>	<u><b>910</b></u>	<u><b>1,267,989</b></u>

The net book values represent fixed assets used for direct charitable purposes

**THE NEW MECHANICS LIMITED**  
(THE NOTTINGHAM MECHANICS - *founded 1837*)

(Limited by Guarantee - Registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**11 INVESTMENTS**

**Investment Assets in the U.K:**

Investment property	<b>Total</b>
	<b>£</b>
<b>At Valuation:</b>	
As at 1st January 2022	550,000
Revaluation	(50,000)
Transfer to Current assets	(500,000)
<b>Market Value as at 31st December 2022</b>	<b>-</b>
<b>Market Value as at 31st December 2021</b>	<b>500,000</b>

The Investment property was sold on 13th May 2022 at an agreed sale price of £500,000.

**12 DEBTORS**

	<u><b>2022</b></u>	<u><b>2021</b></u>
	<b>£</b>	<b>£</b>
Trade Debtors	3,361	2,147
Other Debtors	-	1,523
Prepayments and Accrued Income	2,423	4,157
	<b>5,784</b>	<b>7,827</b>

**13 CREDITORS: Amounts Falling Due Within One Year**

Bank loan	10,000	10,000
Trade Creditors	4,295	5,538
Accruals and Deferred Income	14,416	65,348
Taxation and Social Security	6,763	6,090
Other Creditors	3,532	14,684
	<b>39,006</b>	<b>101,660</b>

Included in accruals and deferred income is deferred income relating to members' subscriptions which are paid in advance. This amounts to £4,643 (2020: £5,367).

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - founded 1837)**

(Limited by Guarantee - Registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**14 CREDITORS: Amounts Falling Due After More Than One Year**

	<u>2022</u>	<u>2021</u>
	£	£
Bank loan	<b>28,333</b>	<b>38,333</b>

The bank loan is repayable by instalments within 5 years

**15 MOVEMENT IN FUNDS**

	<u>At</u>	<u>Incoming</u>	<u>Outgoing</u>	<u>Transfer</u>	<u>At</u>
	01.01.22	Resources	Resources	£	31.12.22
	£	£	£	£	£
<b>Unrestricted Funds:</b>					
Designated Funds:					
Special Funds Reserve	5,909	-	-	-	5,909
Fire Escape Fund	2,000	-	-	(2,000)	-
	7,909	-	-	(2,000)	5,909
Unrestricted Funds :					
Fixed Assets	1,267,989	-	(22,340)	-	1,245,649
Investment Reserve	500,000	-	-	(200,000)	300,000
General Funds	(112,476)	177,331	(267,105)	202,000	(250)
	1,655,513	177,331	(289,445)	-	1,545,399
<b>TOTAL FUNDS</b>	<b>1,663,422</b>	<b>177,331</b>	<b>(289,445)</b>	<b>-</b>	<b>1,551,308</b>

**Unrestricted Funds**

**Fixed Assets:**

This represents the net book value of fixed assets.

**Investment Reserve:**

This represents the balance of funds from the sale of the investment property at Phoenix Park, Nottingham awaiting investment.

**Special Funds Reserve:**

This Fund includes:

Sir Albert Atkey and E A Harvey Bequests  
The J N Derbyshire Foundation Fund

	£682	
	£5,227	£5,909

The funds previously shown under the heading of 'Special Funds' were released to the General Fund in 1966 on the following conditions:

that the identity of the funds be preserved and shown in the financial statements;

that the funds would be reinstated from future income of the general fund after meeting running expenses and allowing for depreciation;

that until reinstatement the Council will provide out of general funds for the continuance of the stated objectives of the above two named Funds.

**Fire Escape Fund**

A fund for use towards the building of a fire escape which will not go ahead. The fund has been released back into unrestricted funds.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

(Limited by Guarantee - Registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**16 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds	Designated Funds	Total
	£	£	£
<b>Fund Balances as at 31st December 2022</b>			
<b>are represented by:</b>			
Tangible Fixed Assets	1,245,649	-	1,245,649
Net Current Assets	328,083	5,909	(333,992)
Creditors amount falling due after more than one year	(28,333)	-	(28,333)
	<b>1,545,399</b>	<b>5,909</b>	<b>1,551,308</b>
<hr style="border-top: 3px double #000;"/>			
<b>Fund Balances as at 31st December 2021</b>			
<b>are represented by:</b>			
Tangible Fixed Assets	1,267,989	-	1,267,989
Net Current Assets	425,857	7,909	(433,766)
Creditors amount falling due after more than one year	(38,333)	-	(38,333)
	<b>1,655,513</b>	<b>7,909</b>	<b>1,663,422</b>
<hr style="border-top: 3px double #000;"/>			

**17 RELATED PARTIES**

There are no related party transactions that require disclosure.

**18 COMMITMENTS**

As at 31st December 2022 the company had commitments under non-cancellable operating leases:

	<b>2022</b>	<b>2021</b>
	£	£
Plant and machinery		
Payable within one year	723	1,085
Payable from one to five years	-	723
	<b>723</b>	<b>1,808</b>
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**THE NEW MECHANICS LIMITED**

England & Wales - Charity number 522274

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# Accounts

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**THE NEW MECHANICS LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**(THE NOTTINGHAM MECHANICS)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**COMPANY REGISTERED NUMBER**  
**00929885**  
**Registered in England**

**CHARITY REGISTERED NUMBER**  
**522274**

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

(Limited by Guarantee - Registered in England No. 00929885)

**THE COUNCIL ADMINISTRATION**

**STATUS**

The New Mechanics Limited is a charitable company limited by guarantee and has no share capital. It was incorporated on 1st April 1968 and is a registered charity (No. 522274).

**PRESIDENT** Mrs J Morris

**VICE PRESIDENT** Mrs H K Pannell

<b>COUNCIL MEMBERS</b> <b>(BOARD of DIRECTORS)</b>	Mrs C A Alton	Mrs I I Poyser
	Mrs V Apple	Mr R W Smith
	Ms KJ Price	Mrs P Tilley
	Mr R T W Hind	Mrs H Hundley
	Mrs CA Chapman	Mrs J Bird

**HONORARY SECRETARY** Mrs V Apple

**HONORARY TREASURER** Vacant

**MANAGER** Mr A Carlton

**REPORTING ACCOUNTANTS** Mr A R R Price FCA  
Pells  
Chartered Accountants  
17 Newstead Grove  
NOTTINGHAM NG1 4GZ

**BANKERS** Virgin Money  
11 Smithy Row  
NOTTINGHAM  
NG1 3EJ

**PROPERTY AGENTS** Fisher Hargreaves Proctor  
10 Oxford Street  
NOTTINGHAM NG1 5BG

**SOLICITORS** Geldards LLP  
The Arc  
Enterprise Way  
NOTTINGHAM NG2 1EN

**REGISTERED OFFICE** 3 North Sherwood Street  
NOTTINGHAM NG1 4EZ

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**Report of the Trustees for the Year Ended 31st December 2021**

The Trustees are pleased to present their annual Directors' Report, together with the financial statements of the Charity for the year ended 31st December 2021, which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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 United Kingdom and Republic of Ireland (FRS 102) (effective 1st January 2019)

**Trustees of the Charity**

The Directors of the charitable company are its Trustees for the purposes of charity law. The Trustees who have served during the year and since the year end were as follows:-

Mr G Green	(resigned 3rd February 2022)	Mrs H Hundley
Dr D Prudham	(retired 1st August 2021)	Mrs CA Chapman
Mrs C Alton		Mr R Smith
Mrs V Apple		Mrs I I Poyser
Mr R T W Hind		Mrs P Tilley
Ms KJ Price		Mrs J Bird (appointed 24th September 2021)

**Organisational Structure and Management**

The New Mechanics Limited is a charitable company limited by guarantee and has no share capital. It was incorporated on 1st April 1968 and is a registered charity (No. 522274). Its constitution is set out in the Memorandum and Articles of Association.

The controlling body is the Council of Management (Board of Directors) of up to 20 members who are the registered Directors. Meetings of the Board of Directors are normally held monthly. Directors must have been members of the Association for at least 12 months and are elected to serve for three years; all retiring Directors are eligible for re-election. The procedures for nomination and election of Directors are set out in the Articles of Association.

The Honorary Secretary and the Honorary Treasurer are appointed by the Board of Directors for a period of two years and are eligible for reappointment, the Honorary Secretary and the Honorary Treasurer are *ex officio* Directors. Directors are Trustees of the charity and use "The Good Trustee Guide" published by NCVO Publications as their training manual.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**Organisational Structure and Management**      **(Continued)**

The President and Vice Presidents are honorary positions, nominated by the Board of Directors and appointed by the membership at the AGM for a period of three years, and are eligible for reappointment.

The Board of Directors have delegated responsibility for day to day operations to Mr A Carlton, the Manager, including the provision of catering facilities. Catering is provided as a service to members ancillary to other activities.

**Risk Review**

The Manager has carried out risk assessments for fire and health and safety requirements and brokers are employed to advise on insurance policies. Maintenance contracts with regular inspections are used for boilers, plant and equipment including the passenger and goods lifts.

**Objectives and Activities**

The Memorandum of Association sets out in paragraph 3(b) the main objective:

"To promote the benefit of the inhabitants of the City of Nottingham and the neighbourhood thereof by the advancement of education and the provision, in the interests of social welfare and with the objects of improving the conditions of life, of facilities for recreation and other leisure time occupations."

In addition paragraph 3(l) states "To... Support... any charitable associations or institutions...in any way connected with the purposes of the Association or calculated to further its objectives."

The Nottingham Mechanics owns and occupies premises in the centre of Nottingham and seeks to meet these objectives in two ways, firstly to organise its own activities, and secondly to hire rooms at favourable rates to organisations which have similar aims.

It is a policy to keep the subscription as low as possible to enable those on low incomes to become members. (Lower rates are maintained for those aged less than 18 years). This is considered an important policy as most members are elderly and many are on low incomes.

Activities for our members, therefore, concentrate on dancing, aerobics and other similar physical activities to help members to keep fit, such as table tennis and cultural and mental pursuits such as bridge, whist and chess with regular recorded opera and classical music sessions. Weekly illustrated lectures throughout most of the year prove popular and are well attended, and are open to non-members at a visitor fee of £2.00. The provision of computers for internet access has proved popular. We also arrange day trips and short breaks for our members to places of interest in the UK.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

(Limited by Guarantee - Registered in England No. 00929885 )

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**Objectives and Activities (Continued)**

A very wide range of organisations with similar objectives are encouraged to use our premises at subsidised rates. Some of which have been associated with The Nottingham Mechanics for many years. These organisations include, amongst others, The Dickens Fellowship, The National Trust, The Nottingham Poetry Society, The Nottingham Probus Club, The Nottingham Shakespeare Society, The Nottingham Writers' Club, The Railway Correspondence and Travel Society, and The Thoroton Society. A wide range of Workers' Educational Association courses, including language courses, are held at the Mechanics (more courses organised by the Nottingham branch of the W.E.A. are held on our premises than at any other venue).

Rooms are let at higher rates to commercial bodies for training purposes and meetings. With limited space available, a balance has to be struck between our own members' activities, the activities of other organisations with similar objectives who use our facilities, and the need to raise funds from the letting of rooms, which together with membership subscriptions and the investment of capital, represent our major sources of income. The letting of rooms to other organisations has also proved to be a valuable way in which people attending their activities discover what we have to offer.

**Finaancial Review**

The results for the year (as detailed in the attached financial statements) were as follows:-

	£
Incoming Resources	202,436
Outgoing Resources	<u>(289,799)</u>
Net Outgoing Resources for the Year	(87,363)
Investment property revaluation	(50,000)
Balance brought forward	<u>1,800,785</u>
<b>Total Unrestricted Funds as at 31st December 2021</b>	<b><u>1,663,422</u></b>
<b>The above funds have been allocated as follows:-</b>	
Resources used for Net Acquisitions of Fixed Assets	1,267,989
Working Capital	433,766
Liabilities falling due after more than one year	<u>(38,333)</u>
<b>Total Funds as at 31st December 2021</b>	<b><u>1,663,422</u></b>

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**Financial Review (Continued)**

Our main sources of income during the year were the Job Retention Scheme Grants of £80,943 together with Covid Support grants from Nottingham City Council of £36,500 with our other sources of income detailed on page 14. Membership numbers have increased from a low base of 153 to 233 .

Our main costs during the year were payroll costs of £166,842 and the non domestic rates at Phoenix Park of £32,779.

The accrual for the non domestic rates at Phoenix Park as at 31st December 2021 amounted to £44,366. The total liability for non domestic rates at Phoenix Park will be in the region of £48,000.

An analysis of expenditure can be found on pages 15 and 16

As shown on page 8 outgoings exceeded our income by £87,363 and with the write down of the investment property of £50,000, resulted in a net ongoing in funds of £137,363 Our net assets have reduced from £1,800,785 to £1,663,422 as detailed on balance sheet on page 9.

**Achievements and Performance**

This has been a very difficult year in view of the pandemic and the associated costs relating to the unoccupied building at Phoenix Park.

The number of members at 31st December 2021 was 233 (2020:153)

**Reserves Policy**

The Board have considered that unrestricted funds not invested in fixed assets should be maintained at a level of between three and six months of resources expended (currently equating to £68,000 and £100,000) to enable the current activities of the charity to continue in the event of a significant drop in funding.

Our unrestricted general fund is in deficit by £106,866 at the end of the year does not match this target. As mentioned the investment property was sold on 13th May 2022 which will eliminate the deficit on general funds and provide an adequate reserve.

**Investment Powers**

Under its Memorandum of Association, the charity has the power to make any investment which the Board sees fit and conducive to its objectives.

**THE NEW MECHANICS LIMITED**  
(THE NOTTINGHAM MECHANICS - *founded 1837*)

(Limited by Guarantee - Registered in England No. 00929885 )

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**Future Plans**

The investment property at Phoenix Park was sold on 13th May 2022.

With these funds, it is planned to refurbish our existing building at North Sherwood Street and provide cash flow for the continued operation of the Mechanics.

The Council is continuing to look at various options to ease the ongoing cash flow problem.

**Political Contributions**

No donations for political purposes have been made.

**Reporting Accountants**

Pells, Chartered Accountants, are reappointed as Reporting Accountants for the ensuing year.

**Public Benefit Statement**

The Board of Directors have complied with their duty to have due regard to the guidance on public benefit, including the 'guidance public benefit: running a Charity PB2' published by the Charity Commission in exercising their powers or duties.

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities SORP 2019 FRS (102) and in accordance with the special provisions for Small Companies under part 15 of the Companies Act 2006.

**BY ORDER OF THE COUNCIL**



**MRS V APPLE**  
**16th May 2022**

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE NEW MECHANICS LIMITED**

I report to the Charity Trustees on my examination of the accounts for the company for the year ended 31st December 2021.

### **Responsibilities and Basis of Report**

As the Charity's Trustees of the company (and also its Directors for the purpose 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 company 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 Statement**

I have completed my examination. I confirm that no matters have 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 2006 Act; or
- 2 the accounts do not accord with those 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 it nor 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 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 to enable a proper understanding of the accounts to be reached.



**A R R PRICE FCA**

**Member of the Institute of Chartered Accountants in England and Wales**

**For and on behalf of Pells Chartered Accountants**

17 Newstead Grove  
NOTTINGHAM

**16th May 2022**

**THE NEW MECHANICS LIMITED**  
(THE NOTTINGHAM MECHANICS - *founded 1837*)

(Limited by Guarantee - Registered in England No. 00929885)

**STATEMENT OF FINANCIAL ACTIVITIES**  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 2021)

	<u>Notes</u>	Total Funds 2021 £	Total Funds 2020 £
<b>UNRESTRICTED FUNDS</b>			
<b>INCOME</b>			
<b>Income and Endowments from:</b>			
Donations and grants	2	121,968	89,823
Charitable Activities	3	74,348	46,583
Other Trading Activities	4	4,510	27,856
Investment income	5	1,610	63,971
		<b>202,436</b>	<b>228,233</b>
<b>EXPENDITURE ON:</b>			
Raising Funds	6	34,779	27,715
Charitable Activities	7	255,020	252,291
		<b>289,799</b>	<b>280,006</b>
Net Outgoing Resources for the Year		(87,363)	(51,773)
<b>NET LOSSES ON INVESTMENTS</b>			
Loss on Revaluation of Investment Property		(50,000)	(75,000)
<b>NET MOVEMENT IN FUNDS</b>		(137,363)	(126,773)
Total Funds at 1st January 2021		1,800,785	1,927,558
<b>TOTAL FUNDS AT 31ST DECEMBER 2021</b>		<b>1,663,422</b>	<b>1,800,785</b>

All the above results are derived from continuing activities.

**THE NEW MECHANICS LIMITED**  
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**BALANCE SHEET AS AT 31ST DECEMBER 2021**

	<u>Notes</u>	<u>2021</u>		<u>2020</u>	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible Assets	10		1,267,989		1,290,065
Investment Property	11		<u>-</u>		<u>550,000</u>
			<b>1,267,989</b>		<b>1,840,065</b>
<b>CURRENT ASSETS</b>					
Stocks		1,430		1,210	
Debtors	12	7,827		8,553	
Investment Property Held for Sale	11	500,000		-	
Cash at Bank and in Hand		<u>26,169</u>		<u>56,025</u>	
		<b><u>535,426</u></b>		<b><u>65,788</u></b>	
<b>CREDITORS: amounts falling due within one year</b>	13			<b><u>56,735</u></b>	
		<b><u>101,660</u></b>			
<b>NET CURRENT ASSETS</b>			<b><u>433,766</u></b>		<b><u>9,053</u></b>
			<b><u>1,701,755</u></b>		<b><u>1,849,118</u></b>
<b>CREDITORS: amounts falling due after more than one year</b>	14		<b><u>(38,333)</u></b>		<b><u>(48,333)</u></b>
<b>NET ASSETS</b>			<b><u>1,663,422</u></b>		<b><u>1,800,785</u></b>
<b>UNRESTRICTED FUNDS</b>					
Designated Funds	15		7,909		7,909
General Funds	15		<u>1,655,513</u>		<u>1,792,876</u>
<b>TOTAL CHARITY FUNDS</b>			<b><u>1,663,422</u></b>		<b><u>1,800,785</u></b>

The Directors are satisfied that the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

The Directors' Responsibilities:

The members have not required the company to obtain an audit of its accounts for the year ended in accordance with Section 476.

The Directors acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and preparation of accounts.

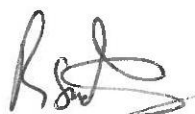
The financial statements have been prepared in accordance with the provisions applicable to small companies, subject to the small companies regime and in accordance with FRS (102) SORP.

These financial statements were approved by the Board on 16th May 2022 and signed on its behalf.

**BY ORDER OF THE COUNCIL**



**Mrs V Apple**



**Mr R W Smith**

The notes on pages 10-20 form part of these financial statements

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**1 ACCOUNTING POLICIES**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) General Information and Basis of Preparation**

The New Mechanics Limited is a company limited by guarantee in the United Kingdom. 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 address of the registered office is given in the Charity information on page 3 of these financial statements. The nature of the Charity's operations and principal activities are:

To promote the benefit of the inhabitants of the City of Nottingham and the neighbourhood, thereof by the advancement of education and the provision in the interests of social welfare with the objects of improving the conditions of life, of facilities for recreation and other leisure time occupations. In addition to supporting charitable organisations or institution connected with the purpose of the Association or calculated to further its objectives.

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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 United Kingdom and Republic of Ireland (FRS 102) (effective 1st January 2019)

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the Charity.

The Charity constitutes a public benefit entity as defined by FRS 102.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**(b) Funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the Notes to the Financial Statements.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**1 ACCOUNTING POLICIES (Continued)**

**(b) Funds (Continued)**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the Notes to the Financial Statements.

**(c) Income Recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the Charity being notified of an impending distribution

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes. It includes interest and rent. Interest income is recognised using the effective interest method and rent income is recognised as the Charity's right to receive payment is established.

Revenue grants are recognised when the Charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably.

**(d) Expenditure Recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

\* Costs of raising funds includes costs of managing the investment property and room hire;

**THE NEW MECHANICS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**1 ACCOUNTING POLICIES (Continued)**

**(d) Expenditure Recognition (Continued)**

\* Members' subscriptions, cultural excursions, the restaurant and bar, and supporting Charities and other Institutions connected with the purpose of the Charity through letting of rooms at a reduced rate;

\* Other expenditure represents those items not falling into the categories above.

**(e) Support Costs Allocation**

Support costs are those that assist the work on the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of resources.

**(f) Tangible Fixed Assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:-

Freehold Land	Not depreciated
Freehold Buildings	2% straight line basis
Equipment and Fixtures and Fittings	6.6% straight line basis
Furnishings	5% straight line basis
Computer Equipment	20% straight line basis

**(g) Investment Properties**

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains/(losses) on investments' in the SoFA.

**(h) Stocks**

Stocks are stated 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 stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

**THE NEW MECHANICS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**1 ACCOUNTING POLICIES (Continued)**

**(i) Debtors and Creditors Receivable/Payable Within One Year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(j) Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each Balance Sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. When the carrying amount exceeds its recoverable amount, and impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**(k) Tax**

The Charity is an exempt Charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets with the definition of a charitable company for UK corporation tax purposes.

**(l) Going Concern**

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure and the future sale of the investment property will enable the Charity to continue as a going concern.

**2 VOLUNTARY INCOME**

	<u>2021</u>	<u>2020</u>
	£	£
Donations	4,525	14,337
Legacies	-	-
Government Grant Income		
Job Retention Scheme Grants	80,943	44,757
Nottingham City Council Covid 19 Support Grants	36,500	30,729
	<u>121,968</u>	<u>89,823</u>
	<u>          </u>	<u>          </u>

**THE NEW MECHANICS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**3 INCOME FROM CHARITABLE ACTIVITIES**

	<u>2021</u>	<u>2020</u>
	£	£
Members' Subscriptions	7,756	9,361
Members' Cultural Excursions	17,935	13,634
Restaurant and Bar	28,184	21,676
Lettings of Rooms	20,339	1,662
Visitor Tickets	42	92
Library and Sundry	92	158
	<u>74,348</u>	<u>46,583</u>

**4 OTHER TRADING ACTIVITIES**

Room Hire	<u>4,510</u>	<u>27,856</u>
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**5 INVESTMENT INCOME**

Rent Receivable Phoenix Park	-	18,687
Lease Break Clause Penalty	-	18,686
Lease Compensation	-	20,000
Car Parking Charges	1,610	1,276
Service Charges and Allowances Phoenix Park	-	5,322
	<u>1,610</u>	<u>63,971</u>

**6 RAISING FUNDS**

**Investment Management Costs:**

Letting Commission and Fees	121	1,207
Service Costs Recharged to Tenants	-	196
Legal Fees	-	3,875
Landlords Costs	32,658	19,154
	32,779	24,432
Provision for Doubtful Debts	-	564
Fund Raising and Publicity	-	719
Management of Lettings of Rooms	2,000	2,000
	<u>34,779</u>	<u>27,715</u>

**Investment Management Costs:**

The above costs of £32,779 (2020: £24,432) are in respect of the Investment Property at Phoenix Business Park, Cinderhill, Nottingham.

**THE NEW MECHANICS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**7 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

	<u>2021</u>	<u>2020</u>
	£	£
<b>Restaurant and Bar:</b>		
Purchases	9,617	15,242
Wages	41,251	42,266
Repairs	1,102	377
Equipment Hire	1,747	512
Rates & Water	1,105	1,527
Electricity and Gas	1,734	2,016
Cleaning and Sundries	3,910	3,679
Depreciation	1,175	1,175
	<b>61,641</b>	<b>66,794</b>
	<b>16,430</b>	<b>13,742</b>
<b>Members' Cultural Excursions</b>		
<b>General:</b>		
Management and Office Salaries and Wages	65,580	48,795
Staff Training and Employment Fee	-	2,300
Rates, Water, Electricity, Gas, Insurance and Telephone	11,336	16,368
Printing, Stationery and Postage	886	621
Sundry	4,786	2,000
Depreciation	2,687	2,274
Repairs and Maintenance	301	2,762
Bank Interest	116	-
Credit Card Charges	1,170	816
	<b>86,862</b>	<b>75,936</b>
	<b>83,736</b>	<b>87,639</b>
<b>Buildings:</b>		
Wages Facilities	40,458	56,645
Repairs and Maintenance	5,442	10,305
Cleaning Wages	17,552	-
Cleaning and Sundries	1,995	1,955
Depreciation	18,289	18,734
	<b>83,736</b>	<b>87,639</b>
	<b>83,736</b>	<b>87,639</b>
<b>Library and Sundry:</b>		
Wages	-	935
Books and Periodicals	-	423
Depreciation	338	338
	<b>338</b>	<b>338</b>
	<b>338</b>	<b>1,696</b>

**THE NEW MECHANICS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**7 ANALYSIS OF EXPENDITURE ON CHARITABLE EVENTS (Continued)**

	<u>2021</u>	<u>2020</u>
	£	£
<b>Governance Costs:</b>		
Independent Examiners Fees	1,450	1,350
Other Accounting Services	4,440	5,025
Bank Charges	110	96
Filing Fees	13	13
	<u>6,013</u>	<u>6,484</u>
<b>TOTAL FOR CHARITABLE ACTIVITIES</b>	<u><b>255,020</b></u>	<u><b>252,291</b></u>

**8 STAFF COSTS AND NUMBERS**

**Staff Costs were as follows:**

Salaries and Wages	160,049	148,079
Social Security Costs	5,108	4,077
Pension Costs - Deferred Contribution	1,685	1,676
	<u>166,842</u>	<u>153,832</u>

No employee received emoluments of more than £60,000.

**The average numbers of and employees during the year were:**

	<u>No.</u>	<u>No.</u>
Employees:		
Directors		
Office and Administration	3	3
Facility Staff	9	10
	<u>12</u>	<u>13</u>

The President, Vice Presidents and Honorary Officers are appointed by the Council.

The Trustees neither received nor waived any remuneration during the year (2020: £Nil).

The Trustees did not have any expenses reimbursed during the year (2020 £Nil).

Total key management remuneration amounted to £23,492 (2020: £10,243).

**THE NEW MECHANICS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

**9 NET EXPENDITURE FOR THE YEAR**

	<u>2021</u>	<u>2020</u>
	£	£
<b>This is stated after charging:</b>		
Depreciation	22,489	22,521
Independent Examiner's Fee	1,450	1,350
Other Accounting Services	<u>4,440</u>	<u>5,025</u>

**10 TANGIBLE FIXED ASSETS**

	Freehold Land and Building	Equipment, Fixtures and Fittings	Furnishings	Computer Equipment	Total Tangible Assets
	£	£	£	£	£
<b>COST</b>					
At 1.1.21	1,567,337	281,421	70,366	25,661	1,944,785
Additions	-	-	-	413	413
Disposals	-	-	-	-	-
<b>At 31.12.21</b>	<b><u>1,567,337</u></b>	<b><u>281,421</u></b>	<b><u>70,366</u></b>	<b><u>26,074</u></b>	<b><u>1,945,198</u></b>
<b>DEPRECIATION</b>					
At 1.1.21	303,192	271,310	55,329	24,889	654,720
Charge for the Year	17,576	1,060	3,578	275	22,489
On Disposals	-	-	-	-	-
<b>At 31.12.21</b>	<b><u>320,768</u></b>	<b><u>272,370</u></b>	<b><u>58,907</u></b>	<b><u>25,164</u></b>	<b><u>677,209</u></b>
<b>NET BOOK VALUE</b>					
<b>At 31.12.21</b>	<b><u>1,246,569</u></b>	<b><u>9,051</u></b>	<b><u>11,459</u></b>	<b><u>910</u></b>	<b><u>1,267,989</u></b>
<b>At 31.12.20</b>	<b><u>1,264,145</u></b>	<b><u>10,111</u></b>	<b><u>15,037</u></b>	<b><u>772</u></b>	<b><u>1,290,065</u></b>

The net book values represent fixed assets used for direct charitable purposes

**THE NEW MECHANICS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**11 INVESTMENTS**

**Investment Assets in the U.K:**

<b>Investment property</b>	<u><b>Total</b></u> <b>£</b>
<b>At Valuation:</b>	
As at 1st January 2021	550,000
Revaluation	(50,000)
Transfer to Current assets	<u>(500,000)</u>
<b>Market Value as at 31st December 2021</b>	<u><u>-</u></u>
<b>Market Value as at 31st December 2020</b>	<u><u>550,000</u></u>

The Investment property was sold on 13th May 2022 at an agreed sale price of £500,000 and is now shown under current assets.

**12 DEBTORS**

	<u><b>2021</b></u> <b>£</b>	<u><b>2020</b></u> <b>£</b>
Trade Debtors	2,147	5,833
Other Debtors	1,523	127
Prepayments and Accrued Income	<u>4,157</u>	<u>2,593</u>
	<u><u><b>7,827</b></u></u>	<u><u><b>8,553</b></u></u>

**13 CREDITORS: Amounts Falling Due Within One Year**

Bank loan	10,000	1,667
Trade Creditors	5,538	8,035
Accruals and Deferred Income	65,348	31,750
Taxation and Social Security	6,090	1,972
Other Creditors	<u>14,684</u>	<u>13,311</u>
	<u><u><b>101,660</b></u></u>	<u><u><b>56,735</b></u></u>

Included in accruals and deferred income is deferred income relating to members' subscriptions which are paid in advance. This amounts to £5,367 (2020: £3,577).

**THE NEW MECHANICS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**14 CREDITORS: Amounts Falling Due After More Than One Year**

	<u>2021</u>	<u>2020</u>
	£	£
Bank loan	<b>38,333</b>	<b>48,333</b>

The bank loan is repayable by instalments within 5 years

**15 MOVEMENT IN FUNDS**

	<u>At</u>	<u>Incoming</u>	<u>Outgoing</u>	<u>Revaluation</u>	<u>Transfer</u>	<u>At</u>
	01.01.21	Resources	Resources	£	£	31.12.21
	£	£	£	£	£	£
<b>Unrestricted Funds:</b>						
<b>Designated Funds:</b>						
Special Funds Reserve	5,909	-	-	-	-	5,909
Fire Escape Fund	2,000	-	-	-	-	2,000
	7,909	-	-	-	-	7,909
<b>Unrestricted Funds :</b>						
Fixed Assets	1,290,065	-	-	-	(22,076)	1,267,989
Investment Reserve	550,000	-	-	(50,000)	-	500,000
General Funds	(47,189)	202,436	(289,799)	-	22,076	(112,476)
	1,792,876	202,436	(289,799)	(50,000)	-	1,655,513
<b>TOTAL FUNDS</b>	<b>1,800,785</b>	<b>202,436</b>	<b>(289,799)</b>	<b>(50,000)</b>	<b>-</b>	<b>1,663,422</b>

**Unrestricted Funds**

**Fixed Assets:**

This represents the net book value of fixed assets.

**Investment Reserve:**

This represents the investment property at Phoenix Park, Nottingham.

**Special Funds Reserve:**

This Fund includes:

Sir Albert Atkey and E A Harvey Bequests

£682

The J N Derbyshire Foundation Fund

£5,227

£5,909

The funds previously shown under the heading of 'Special Funds' were released to the General Fund in 1966 on the following conditions:

that the identity of the funds be preserved and shown in the financial statements;

that the funds would be reinstated from future income of the general fund after meeting running expenses and allowing for depreciation;

that until reinstatement the Council will provide out of general funds for the continuance of the stated objectives of the above two named Funds.

**Fire Escape Fund**

Funds for use towards the building of a fire escape

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - founded 1837)**

(Limited by Guarantee - Registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**16 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds	Designated Funds	Total
	£	£	£
<b>Fund Balances as at 31st December 2021 are represented by:</b>			
Tangible Fixed Assets	1,267,989	-	1,267,989
Net Current Assets	425,857	7,909	(433,766)
Creditors amount falling due after more than one year	(38,333)	-	(38,333)
	<b>1,655,513</b>	<b>7,909</b>	<b>1,663,422</b>
<hr/>			
<b>Fund Balances as at 31st December 2020 are represented by:</b>			
Tangible Fixed Assets	1,290,065	-	1,290,065
Investment property	550,000		550,000
Net Current Assets	1,144	7,909	9,053
Creditors amount falling due after more than one year	(48,333)	-	(48,333)
	<b>1,792,876</b>	<b>7,909</b>	<b>1,800,785</b>
	<b>1,792,876</b>	<b>7,909</b>	<b>1,800,785</b>

**17 RELATED PARTIES**

There are no related party transactions that require disclosure.

**18 COMMITMENTS**

As at 31st December 2021 the company had commitments under non-cancellable operating leases:

	<b>2021</b>	<b>2020</b>
	£	£
Plant and machinery		
Payable within one year	1,085	1,085
Payable from one to five years	723	1,809
	<b>1,808</b>	<b>2,894</b>
	<b>1,808</b>	<b>2,894</b>

**19 POST BALANCE SHEET EVENT**

The investment property was sold on 13th May 2022 before expenses at £500,000

**THE NEW MECHANICS LIMITED**

England & Wales - Charity number 522274

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# Accounts

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**THE NEW MECHANICS LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**(THE NOTTINGHAM MECHANICS)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2020**

**COMPANY REGISTERED NUMBER**  
**00929885**  
**Registered in England**

**CHARITY REGISTERED NUMBER**  
**522274**

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2020**

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Balance Sheet	10
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**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

(Limited by Guarantee - Registered in England No. 00929885)

**THE COUNCIL ADMINISTRATION**

**STATUS**

The New Mechanics Limited is a charitable company limited by guarantee and has no share capital. It was incorporated on 1st April 1968 and is a registered charity (No. 522274).

<b>PRESIDENT</b>	Vacant	
<b>VICE PRESIDENTS</b>	Mrs H K Pannell	
<b>COUNCIL MEMBERS (BOARD of DIRECTORS)</b>	Mr G Green (Chairman) Dr D Prudham Mrs C A Alton Mrs V Apple Ms KJ Price Mr R T W Hind	Mrs CA Chapman Mrs I I Poyser Mr R Smith Mrs P Tilley Mrs H Hundley
<b>HONORARY SECRETARY</b>	Mrs V Apple	
<b>HONORARY TREASURER</b>	Vacant	
<b>MANAGER</b>	Mr A Carlton	
<b>REPORTING ACCOUNTANTS</b>	Mr A R R Price FCA Pells Chartered Accountants 17 Newstead Grove NOTTINGHAM NG1 4GZ	
<b>BANKERS</b>	Virgin Money 11 Smithy Row NOTTINGHAM NG1 3EJ	
<b>PROPERTY AGENTS</b>	Fisher Hargreaves Proctor 10 Oxford Street NOTTINGHAM NG1 5BG	
<b>SOLICITORS</b>	Geldards LLP The Arc Enterprise Way NOTTINGHAM NG2 1EN	
<b>REGISTERED OFFICE</b>	3 North Sherwood Street NOTTINGHAM NG1 4EZ	

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE CHAIRMAN**  
**FOR THE YEAR ENDED 31ST DECEMBER 2020**

This is my report for a very strange year. Little did our members realise when we returned from Sinah Warren on the 6th of March what a year was ahead

On March 23rd we had to close our doors for a period, we did not know how long.

My grateful thanks to the staff who on the following day, helped me clear the kitchen and make the building safe and met me from time to time to make sure everything remained safe and secure.

I must also acknowledge Nottingham City Council for grants that helped to keep us afloat.

Adam Carlton (our new Manager) joined us in August and in very difficult times has made many changes including the pictures of old Nottingham in the restaurant.

It is with regret that we have lost some members including from the Council Pat Matthews and John Calvert. Our condolences go to all the families of those members we have lost.

I would like to thank all staff and members for their friendship and support over the year.

**BY ORDER OF THE COUNCIL**



24.9.2021

**MR G GREEN - CHAIRMAN**

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

(Limited by Guarantee - Registered in England No. 00929885 )

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2020**

**Report of the Trustees for the Year Ended 31st December 2020**

The Trustees are pleased to present their annual Directors' Report, together with the financial statements of the Charity for the year ended 31st December 2020, which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

**Trustees of the Charity**

The Directors of the charitable company are its Trustees for the purposes of charity law. The Trustees who have served during the year and since the year end were as follows:-

Mr G Green	Mrs H Hundley
Dr D Prudham	Mrs CA Chapman
Mrs C Alton	Mr R Smith
Mrs V Apple	Mrs I I Poyser
Mr R T W Hind	Mrs P Tilley
Ms KJ Price	

The following Directors, Mrs P Matthews and Mr John Calvert passed away during the year.

**Organisational Structure and Management**

The New Mechanics Limited is a charitable company limited by guarantee and has no share capital. It was incorporated on 1st April 1968 and is a registered charity (No. 522274). Its constitution is set out in the Memorandum and Articles of Association.

The controlling body is the Council of Management (Board of Directors) of up to 20 members who are the registered Directors. Meetings of the Board of Directors are normally held monthly. Directors must have been members of the Association for at least 12 months and are elected to serve for three years; all retiring Directors are eligible for re-election. The procedures for nomination and election of Directors are set out in the Articles of Association.

The Honorary Secretary and the Honorary Treasurer are appointed by the Board of Directors for a period of two years and are eligible for reappointment, the Honorary Secretary and the Honorary Treasurer are *ex officio* Directors. Directors are Trustees of the charity and use "The Good Trustee Guide" published by NCVO Publications as their training manual.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2020**

**Organisational Structure and Management**      **(Continued)**

The President and Vice Presidents are honorary positions, nominated by the Board of Directors and appointed by the membership at the AGM for a period of three years, and are eligible for reappointment.

The Board of Directors have delegated responsibility for day to day operations to the Manager, including the provision of catering facilities. Catering is provided as a service to members ancillary to other activities.

**Risk Review**

The Manager has carried out risk assessments for fire and health and safety requirements and brokers are employed to advise on insurance policies. Maintenance contracts with regular inspections are used for boilers, plant and equipment including the passenger and goods lifts.

**Objectives and Activities**

The Memorandum of Association sets out in paragraph 3(b) the main objective:

"To promote the benefit of the inhabitants of the City of Nottingham and the neighbourhood thereof by the advancement of education and the provision, in the interests of social welfare and with the objects of improving the conditions of life, of facilities for recreation and other leisure time occupations."

In addition paragraph 3(l) states "To... Support... any charitable associations or institutions...in any way connected with the purposes of the Association or calculated to further its objectives."

The Nottingham Mechanics owns and occupies premises in the centre of Nottingham and seeks to meet these objectives in two ways, firstly to organise its own activities, and secondly to hire rooms at favourable rates to organisations which have similar aims.

It is a policy to keep the subscription as low as possible to enable those on low incomes to become members. (Lower rates are maintained for those aged less than 18 years). This is considered an important policy as most members are elderly and many are on low incomes.

Activities for our members, therefore, concentrate on dancing, aerobics and other similar physical activities to help members to keep fit, such as table tennis and cultural and mental pursuits such as bridge, whist and chess with regular recorded opera and classical music sessions. Weekly illustrated lectures throughout most of the year prove popular and are well attended, and are open to non-members at a visitor fee of £2.00. The provision of computers for internet access has proved popular. We also arrange day trips and short breaks for our members to places of interest in the UK.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

(Limited by Guarantee - Registered in England No. 00929885 )

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2020**

**Objectives and Activities (Continued)**

A very wide range of organisations with similar objectives are encouraged to use our premises at subsidised rates. Some of which have been associated with The Nottingham Mechanics for many years. These organisations include, amongst others, The Dickens Fellowship, The Embroiderers' Guild, The Federation for the Blind, The Macular Society, The National Trust, The Nottingham Poetry Society, The Nottingham Probus Club, The Nottingham Shakespeare Society, The Nottingham Writers' Club, The Railway Correspondence and Travel Society, The R.S.P.B. and The Thoroton Society. A wide range of Workers' Educational Association courses, including language courses, are held at the Mechanics (more courses organised by the Nottingham branch of the W.E.A. are held on our premises than at any other venue).

Rooms are let at higher rates to commercial bodies for training purposes and meetings. With limited space available, a balance has to be struck between our own members' activities, the activities of other organisations with similar objectives who use our facilities, and the need to raise funds from the letting of rooms, which together with membership subscriptions and the investment of capital, represent our major sources of income. The letting of rooms to other organisations has also proved to be a valuable way in which people attending their activities discover what we have to offer.

**Financial Review**

The results for the year (as detailed in the attached financial statements) were as follows:-

	£
Incoming Resources	228,233
Outgoing Resources	<u>280,006</u>
Net Outgoing Resources for the Year	(51,773)
Investment property revaluation	(75,000)
Balance brought forward	<u>1,927,558</u>
<b>Total Unrestricted Funds as at 31st December 2020</b>	<b><u><u>1,800,785</u></u></b>

**The above funds have been allocated as follows:-**

Resources used for Net Acquisitions of Fixed Assets	1,290,065
Investment Property	550,000
Working Capital	9,053
Liabilities falling due after more than one year	<u>(48,333)</u>
<b>Total Funds as at 31st December 2020</b>	<b><u><u>1,800,785</u></u></b>

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2020**

**Financial Review (Continued)**

Our main sources of income during the year were the Job Retention Scheme Grants of £44,757 together with Covid Support grants from Nottingham City Council of £30,729. The tenants at Phoenix Park left in April 2020 resulting in only four months rental income of £18,687. We did receive compensation of £20,000 and the lease break clause payment of £18,686. We are now liable for the rates on the investment property and an accrual has been made in these accounts for the liability £17,410. Because of the pandemic we have only been able to operate for six months of the year, resulting in a significant reduction in membership, catering income and room hire.

Our investment property at Phoenix Park is up for sale, with some initial interest only, but remains unsold. The yearly rates liability on the property is approximately £26,000 per annum

Due to the pandemic and the effect on our cash flow we obtained a bounce back loan of £50,000 which is payable over 5 years. We start to repay this debt in November 2021. The effect of the loan has increased our net current assets from a negative £7,514 to a positive £9,053.

**Achievements and Performance**

This has been a very difficult year in view of the pandemic and the loss of our tenant at Phoenix Park and the associated costs relating to the unoccupied building.

The number of members at 31st December 2020 was 153 (2019:416)

**Reserves Policy**

The Board have considered that unrestricted funds not invested in fixed assets or the investment property should be maintained at a level of between three and six months of resources expended (currently equating to £68,000 to £135,000) to enable the current activities of the charity to continue in the event of a significant drop in funding.

Our unrestricted general fund is in deficit by £47,189 at the end of the year does not match this target. As mentioned below the investment property is being marketed for sale which will eliminate the deficit on general funds.

**Investment Powers**

Under its Memorandum of Association, the charity has the power to make any investment which the Board sees fit and conducive to its objectives.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885 )**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2020**

**Future Plans**

The potential sale of our investment property will provide us with cash funds to carry on fulfilling our charitable objectives for the foreseeable future.

With these funds, it is planned to refurbish our existing building at North Sherwood Street.

The Council is continuing to look at various options to ease the ongoing cash flow problem.

**Political Contributions**

No donations for political purposes have been made.

**Reporting Accountants**

Pells, Chartered Accountants, are reappointed as Reporting Accountants for the ensuing year.

**Public Benefit Statement**

The Board of Directors have complied with their duty to have due regard to the guidance on public benefit, including the 'guidance public benefit: running a Charity PB2' published by the Charity Commission in exercising their powers or duties.

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities FRS (102) and in accordance with the special provisions for Small Companies under part 15 of the Companies Act 2006.

**BY ORDER OF THE COUNCIL**

*V. Apple*

**MRS V APPLE**

*24.09.2021*

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE NEW MECHANICS LIMITED

I report to the Charity Trustees on my examination of the accounts for the company for the year ended 31st December 2020.

### Responsibilities and Basis of Report

As the Charity's Trustees of the company (and also its Directors for the purpose 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 company 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 Statement

I have completed my examination. I confirm that no matters have 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 2006 Act; or
- 2 the accounts do not accord with those 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 it nor 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 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 to enable a proper understanding of the accounts to be reached.



24<sup>th</sup> September 2021

A R R PRICE FCA

Member of the Institute of Chartered Accountants in England and Wales

For and on behalf of Pells Chartered Accountants

17 Newstead Grove  
NOTTINGHAM

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

(Limited by Guarantee - Registered in England No. 00929885)

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2020**

	<u>Notes</u>	Total Funds <u>2020</u> £	Total Funds <u>2019</u> £
<b>UNRESTRICTED FUNDS</b>			
<b>INCOME</b>			
<b>Income and Endowments from:</b>			
Donations and grants	2	89,823	12,250
Charitable Activities	3	46,583	175,834
Other Trading Activities	4	27,856	51,129
Investments	5	63,971	59,521
<b>TOTAL INCOME</b>		<b>228,233</b>	<b>298,734</b>
<b>EXPENDITURE ON:</b>			
Raising Funds	6	27,715	14,082
Charitable Activities	7	252,291	328,191
<b>TOTAL EXPENDITURE</b>		<b>280,006</b>	<b>342,273</b>
Net Outgoing Resources for the Year		(51,773)	(43,539)
<b>NET LOSSES ON INVESTMENTS</b>			
Loss on Revaluation of Investment Property		(75,000)	-
<b>NET MOVEMENT IN FUNDS</b>		(126,773)	(43,539)
Total Funds at 1st January 2020		1,927,558	1,971,097
<b>TOTAL FUNDS AT 31ST DECEMBER 2020</b>		<b>1,800,785</b>	<b>1,927,558</b>

All the above results are derived from continuing activities.

**THE NEW MECHANICS LIMITED**  
(THE NOTTINGHAM MECHANICS - *founded 1837*)

(Limited by Guarantee - Registered in England No. 00929885)

**BALANCE SHEET AS AT 31ST DECEMBER 2020**

	<u>Notes</u>	<u>2020</u>		<u>2019</u>	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible Assets	10		1,290,065		1,310,072
Investment Property	11		<u>550,000</u>		<u>625,000</u>
			<b>1,840,065</b>		<b>1,935,072</b>
<b>CURRENT ASSETS</b>					
Stocks		1,210		6,192	
Debtors	12	8,553		20,510	
Cash at Bank and in Hand		<u>56,025</u>		<u>10,564</u>	
		<b><u>65,788</u></b>		<b><u>37,266</u></b>	
<b>CREDITORS: amounts falling due within one year</b>	13			<b><u>44,780</u></b>	
			<b>9,053</b>		<b>(7,514)</b>
<b>NET CURRENT ASSETS</b>			<b><u>1,849,118</u></b>		<b><u>1,927,558</u></b>
<b>CREDITORS: amounts falling due after more than one year</b>	14		<b><u>(48,333)</u></b>		<b><u>-</u></b>
<b>NET ASSETS</b>			<b><u>1,800,785</u></b>		<b><u>1,927,558</u></b>
<b>UNRESTRICTED FUNDS</b>					
Designated Funds	15		7,909		1,942,981
General Funds	15		<u>1,792,876</u>		<u>(15,423)</u>
<b>TOTAL CHARITY FUNDS</b>			<b><u>1,800,785</u></b>		<b><u>1,927,558</u></b>

The Directors are satisfied that the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

The Directors' Responsibilities:

The members have not required the company to obtain an audit of its accounts for the year ended in accordance with Section 476.

The Directors acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and preparation of accounts.

The financial statements have been prepared in accordance with the provisions applicable to small companies, subject to the small companies regime and in accordance with FRS (102) SORP.

These financial statements were approved by the Board on *24<sup>th</sup> September* 2021 and signed on its behalf.

**BY ORDER OF THE COUNCIL**

**MR G GREEN**



The notes on pages 9-21 form part of these financial statements

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

**(Limited by Guarantee - Registered in England No. 00929885)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2020**

**1 ACCOUNTING POLICIES**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) General Information and Basis of Preparation**

The New Mechanics Limited is a company limited by guarantee in the United Kingdom. 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 address of the registered office is give in the Charity information on page 3 of these financial statements. The nature of the Charity's operations and principal activities are:

To promote the benefit of the inhabitants of the City of Nottingham and the neighbourhood, thereof by the advancement of education and the provision in the interests of social welfare with the objects of improving the conditions of life, of facilities for recreation and other leisure time occupations. In addition to supporting charitable organisations or institution connected with the purpose of the Association or calculated to further its objectives.

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 United Kingdom and Republic of Ireland (FRS 102) (effective 1st January 2015)-(Charities SORP(FRS102)), the Financial Reporting Standard applicable in the UK and Ireland (FRS102) , the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the Charity.

The Charity constitutes a public benefit entity as defined by FRS 102.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**(b) Funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the Notes to the Financial Statements.

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

(Limited by Guarantee - Registered in England No. 00929885)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2020**

**1 ACCOUNTING POLICIES (Continued)**

**(b) Funds (Continued)**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the Notes to the Financial Statements.

**(c) Income Recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the Charity being notified of an impending distribution

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes. It includes interest and rent. Interest income is recognised using the effective interest method and rent income is recognised as the Charity's right to receive payment is established.

Revenue grants are recognised when the Charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably.

**(d) Expenditure Recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

\* Costs of raising funds includes costs of managing the investment property and room hire;

**THE NEW MECHANICS LIMITED**  
**(THE NOTTINGHAM MECHANICS - *founded 1837*)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2020**

**1 ACCOUNTING POLICIES (Continued)**

**(d) Expenditure Recognition (Continued)**

\* Members' subscriptions, cultural excursions, the restaurant and bar, and supporting Charities and other Institutions connected with the purpose of the Charity through letting of rooms at a reduced rate;

\* Other expenditure represents those items not falling into the categories above.

**(e) Support Costs Allocation**

Support costs are those that assist the work on the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of resources.

**(f) Tangible Fixed Assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:-

Freehold Land	Not depreciated
Freehold Buildings	2% straight line basis
Equipment and Fixtures and Fittings	6.6% straight line basis
Furnishings	5% straight line basis
Computer Equipment	20% straight line basis

**(g) Investment Properties**

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains/(losses) on investments' in the SoFA.

**(h) Stocks**

Stocks are stated 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 stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

**THE NEW MECHANICS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1 ACCOUNTING POLICIES (Continued)**

**(i) Debtors and Creditors Receivable/Payable Within One Year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(j) Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each Balance Sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. When the carrying amount exceeds its recoverable amount, and impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**(k) Tax**

The Charity is an exempt Charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets with the definition of a charitable company for UK corporation tax purposes.

**(l) Going Concern**

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure and the future sale of the investment property will enable the Charity to continue as a going concern.

**2 VOLUNTARY INCOME**

	<u>2020</u>	<u>2019</u>
	£	£
Donations	14,337	11,883
Legacies	-	367
Government Grant Income		
Job Retention Scheme Grants	44,757	-
Nottingham City Council Covid 19 Support Grants	30,729	-
	<u>89,823</u>	<u>12,250</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**3 INCOME FROM CHARITABLE ACTIVITIES**

	<u>2020</u>	<u>2019</u>
	£	£
Members' Subscriptions	9,361	14,053
Members' Cultural Excursions	13,634	61,512
Restaurant and Bar	21,676	86,870
Lettings of Rooms	1,662	11,853
Visitor Tickets	92	443
Library and Sundry	158	1,103
	<u>46,583</u>	<u>175,834</u>

**4 OTHER TRADING ACTIVITIES**

Room Hire	<u>27,856</u>	<u>51,129</u>
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**5 INVESTMENT INCOME**

Bank Interest	-	61
Rent Receivable Phoenix Park	18,687	55,145
Lease Break Clause Penalty	18,686	-
Lease Compensation	20,000	-
Car Parking Charges	1,276	4,315
Service Charges and Allowances Phoenix Park	5,322	-
	<u>63,971</u>	<u>59,521</u>

**6 RAISING FUNDS**

**Investment Management Costs:**

Letting Commission and Fees	1,207	1,615
Service Costs Recharged to Tenants	196	1,437
Legal Fees	3,875	-
Landlords Costs	19,154	1,294
	24,432	4,346
Provision for Doubtful Debts	564	336
Fund Raising and Publicity	719	-
Management of Lettings of Rooms	2,000	9,400
	<u>27,715</u>	<u>14,082</u>

**Investment Management Costs:**

The above costs of £24,432 (2019: £4,346) are in respect of the Investment Property at Phoenix Business Park, Cinderhill, Nottingham.

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**7 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

	<u>2020</u>	<u>2019</u>
	£	£
<b>Restaurant and Bar:</b>		
Purchases	15,242	43,718
Wages	42,266	48,827
Repairs	377	1,454
Equipment Hire	512	-
Rates & Water	1,527	2,510
Electricity and Gas	2,016	3,039
Cleaning and Sundries	3,679	2,730
Depreciation	1,175	1,072
	<u>66,794</u>	<u>103,350</u>
<b>Members' Cultural Excursions</b>	<u>13,742</u>	<u>59,988</u>
<b>General:</b>		
Management and Office Salaries and Wages	48,795	38,388
Staff Training and Employment Fee	2,300	2,296
Rates, Water, Electricity, Gas, Insurance and Telephone	16,368	22,211
Printing, Stationery and Postage	621	772
Sundry	2,000	1,595
Depreciation	2,274	2,188
Repairs and Maintenance	2,762	3,925
Credit Card Charges	816	1,189
	<u>75,936</u>	<u>72,564</u>
<b>Buildings:</b>		
Wages	56,645	39,710
Repairs and Maintenance	10,305	8,362
Cleaning and Sundries	1,955	10,920
Depreciation	18,734	19,696
	<u>87,639</u>	<u>78,688</u>
<b>Library and Sundry:</b>		
Wages	935	5,316
Books and Periodicals	423	1,959
Depreciation	338	338
	<u>1,696</u>	<u>7,613</u>

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**7 ANALYSIS OF EXPENDITURE ON CHARITABLE EVENTS (Continued)**

	<u>2020</u>	<u>2019</u>
	£	£
<b>Governance Costs:</b>		
Independent Examiners Fees	1,350	1,330
Other Accounting Services	5,025	4,470
Bank Charges	96	175
Filing Fees	13	13
	<u>6,484</u>	<u>5,988</u>
<b>TOTAL FOR CHARITABLE ACTIVITIES</b>	<u><b>252,291</b></u>	<u><b>328,191</b></u>

**8 STAFF COSTS AND NUMBERS**

**Staff Costs were as follows:**

Salaries and Wages	148,079	135,876
Social Security Costs	4,077	4,037
Pension Costs - Deferred Contribution	1,676	1,728
	<u>153,832</u>	<u>141,641</u>

No employee received emoluments of more than £60,000.

**The average numbers of and employees during the year were:**

	<u>No.</u>	<u>No.</u>
Employees:		
Directors		
Office and Administration	3	3
Facility Staff	10	8
	<u>13</u>	<u>11</u>

The President, Vice Presidents and Honorary Officers are appointed by the Council.

The Trustees neither received nor waived any remuneration during the year (2019: £Nil).

The Trustees did not have any expenses reimbursed during the year (2019 £Nil).

Total key management remuneration amounted to £10,243 (2019: £19,543).

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**9 NET EXPENDITURE FOR THE YEAR**

	<u>2020</u>	<u>2019</u>
	£	£
<b>This is stated after charging:</b>		
Depreciation	22,521	23,294
Independent Examiner's Fee	1,350	1,300
Other Accounting Services	<u>5,025</u>	<u>4,500</u>

**10 TANGIBLE FIXED ASSETS**

	Freehold Land and Building	Equipment, Fixtures and Fittings	Furnishings	Computer Equipment	Total Tangible Assets
	£	£	£	£	£
<b>COST</b>					
At 1.1.20	1,567,337	279,870	70,366	24,697	1,942,270
Additions	-	1,551	-	964	2,515
Disposals	-	-	-	-	-
<b>At 31.12.20</b>	<u><b>1,567,337</b></u>	<u><b>281,421</b></u>	<u><b>70,366</b></u>	<u><b>25,661</b></u>	<u><b>1,944,785</b></u>
<b>DEPRECIATION</b>					
At 1.1.20	268,039	270,135	51,751	24,697	614,622
Charge for the Year	17,576	1,175	3,578	192	22,521
On Disposals	-	-	-	-	-
<b>At 31.12.20</b>	<u><b>285,615</b></u>	<u><b>271,310</b></u>	<u><b>55,329</b></u>	<u><b>24,889</b></u>	<u><b>637,143</b></u>
<b>NET BOOK VALUE</b>					
<b>At 31.12.20</b>	<u><b>1,281,722</b></u>	<u><b>10,111</b></u>	<u><b>15,037</b></u>	<u><b>772</b></u>	<u><b>1,307,642</b></u>
<b>At 31.12.19</b>	<u><b>1,299,298</b></u>	<u><b>8,700</b></u>	<u><b>22,193</b></u>	<u><b>1,068</b></u>	<u><b>1,331,259</b></u>

The net book values represent fixed assets used for direct charitable purposes

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**11 INVESTMENTS**

**Investment Assets in the U.K:**

<b>Investment property</b>	<u><b>Total</b></u> <b>£</b>
<b>At Valuation:</b>	
As at 1st January 2020	625,000
Revaluation	(75,000)
	<hr/>
<b>Market Value as at 31st December 2020</b>	<u><b>550,000</b></u>
<b>Market Value as at 31st December 2019</b>	<u><b>625,000</b></u>

The Investment property is freehold and no independent valuation has been carried out during the year. A Director of the company has reviewed the valuation by comparing with similar properties and considering the current climate, is of the opinion that the valuation as at 31st December 2020 of £550,000 is a fair value.

**12 DEBTORS**

	<u><b>2020</b></u> <b>£</b>	<u><b>2019</b></u> <b>£</b>
Trade Debtors	5,833	10,788
Other Debtors	127	5,227
Prepayments and Accrued Income	<u>2,593</u>	<u>4,495</u>
	<u><b>8,553</b></u>	<u><b>20,510</b></u>

**13 CREDITORS: Amounts Falling Due Within One Year**

Bank loan	1,667	-
Trade Creditors	8,035	3,767
Accruals and Deferred Income	31,750	25,001
Taxation and Social Security	1,972	1,498
Other Creditors	<u>13,311</u>	<u>14,514</u>
	<u><b>56,735</b></u>	<u><b>44,780</b></u>

Included in accruals and deferred income is deferred income relating to members' subscriptions which are paid in advance. This amounts to £3,577 (2019: £7,353).

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**14 CREDITORS: Amounts Falling Due Within One Year**

	<u>2020</u>	<u>2019</u>
	£	£
Bank loan	<u>48,333</u>	<u>-</u>

**15 MOVEMENT IN FUNDS**

	<u>At</u>	<u>Incoming</u>	<u>Outgoing</u>	<u>Revaluation</u>	<u>Transfer</u>	<u>At</u>
	01.01.20	Resources	Resources	Revaluation	Transfer	31.12.20
	£	£	£	£	£	£
<b>Unrestricted Funds:</b>						
Designated Funds:						
Fixed Assets	1,310,072	-	-	-	(1,310,072)	-
Investment Reserve	625,000	-	-	-	(625,000)	-
Special Funds Reserve	5,909	-	-	-	-	5,909
Fire Escape Fund	2,000	-	-	-	-	2,000
	<u>1,942,981</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,935,072)</u>	<u>7,909</u>
Unrestricted Funds :						
Fixed Assets	-	-	-	-	1,290,065	1,290,065
Investment Reserve	-	-	-	(75,000)	625,000	550,000
General Funds	(15,423)	228,233	(280,006)	-	20,007	(47,189)
	<u>(15,423)</u>	<u>228,233</u>	<u>(280,006)</u>	<u>(75,000)</u>	<u>1,935,072</u>	<u>1,792,876</u>
<b>TOTAL FUNDS</b>	<u><b>1,927,558</b></u>	<u><b>228,233</b></u>	<u><b>(280,006)</b></u>	<u><b>(75,000)</b></u>	<u><b>-</b></u>	<u><b>1,800,785</b></u>

**Unrestricted Funds**

**Fixed Assets:**

This represents the net book value of fixed assets.

**Investment Reserve:**

This represents the investment property at Phoenix Park, Nottingham.

**Special Funds Reserve:**

This Fund includes:

Sir Albert Atkey and E A Harvey Bequests

£682

The J N Derbyshire Foundation Fund

£5,227

£5,909

The funds previously shown under the heading of 'Special Funds' were released to the General Fund in 1966 on the following conditions:

that the identity of the funds be preserved and shown in the financial statements;

that the funds would be reinstated from future income of the general fund after meeting running expenses and allowing for depreciation;

that until reinstatement the Council will provide out of general funds for the continuance of the stated objectives of the above two named Funds.

**Fire Escape Fund**

Funds for use towards the building of a fire escape

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**15 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds	Designated Funds	Total
	£	£	£
<b>Fund Balances as at 31st December 2020 are represented by:</b>			
Tangible Fixed Assets	1,290,065	-	1,290,065
Investment Property	550,000	-	550,000
Net Current Assets	1,144	7,909	9,053
Creditors amount falling due after more than one year	(48,333)	-	(48,333)
	<b>(1,792,876)</b>	<b>7,909</b>	<b>1,800,785</b>
	<b>(1,792,876)</b>	<b>7,909</b>	<b>1,800,785</b>

**16 RELATED PARTIES**

There are no related party transactions that require disclosure.

**17 COMMITMENTS**

As at 31st December 2020 the company had commitments under non-cancellable operating leases:

	<b>2020</b>	<b>2019</b>
	£	£
Plant and machinery		
Payable within one year	1,085	-
Payable from one to five years	1,809	-
	<b>2,894</b>	-
	<b>2,894</b>	-

