

**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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**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**                      Vacant

**VICE PRESIDENTS**              Mrs H K Pannell

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

**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**  
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**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**  
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**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.

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**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.

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**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**  
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**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.

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**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.



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**  
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**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	<u>63,971</u>	<u>59,521</u>
<b>TOTAL INCOME</b>		<u><b>228,233</b></u>	<u><b>298,734</b></u>
<b>EXPENDITURE ON:</b>			
Raising Funds	6	27,715	14,082
Charitable Activities	7	<u>252,291</u>	<u>328,191</u>
<b>TOTAL EXPENDITURE</b>		<u><b>280,006</b></u>	<u><b>342,273</b></u>
Net Outgoing Resources for the Year		(51,773)	(43,539)
<b>NET LOSSES ON INVESTMENTS</b>			
Loss on Revaluation of Investment Property		<u>(75,000)</u>	<u>-</u>
<b>NET MOVEMENT IN FUNDS</b>		(126,773)	(43,539)
Total Funds at 1st January 2020		<u>1,927,558</u>	<u>1,971,097</u>
<b>TOTAL FUNDS AT 31ST DECEMBER 2020</b>		<u><b>1,800,785</b></u>	<u><b>1,927,558</b></u>

All the above results are derived from continuing activities.



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**BALANCE SHEET AS AT 31ST DECEMBER 2020**

	<u>Notes</u>	<u>£</u>	<u>2020</u>	<u>£</u>	<u>2019</u>	<u>£</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>65,788</b>		<b>37,266</b>		
<b>CREDITORS: amounts falling due within one year</b>	13	<b>56,735</b>		<b>44,780</b>		
<b>NET CURRENT ASSETS</b>			<b>9,053</b>		<b>(7,514)</b>	
			<b>1,849,118</b>		<b>1,927,558</b>	
<b>CREDITORS: amounts falling due after more than one year</b>	14		<b>(48,333)</b>		<b>-</b>	
<b>NET ASSETS</b>			<b>1,800,785</b>		<b>1,927,558</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>1,800,785</b>		<b>1,927,558</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 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



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**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 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 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.

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**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;

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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. 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.

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

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

**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><b>153,832</b></u>	<u><b>141,641</b></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><b>13</b></u>	<u><b>11</b></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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**11 INVESTMENTS**

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

<b>Investment property</b>	<b>Total £</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>	<b><u>550,000</u></b>
<b>Market Value as at 31st December 2019</b>	<b><u>625,000</u></b>

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**

	<b><u>2020</u> £</b>	<b><u>2019</u> £</b>
Trade Debtors	5,833	10,788
Other Debtors	127	5,227
Prepayments and Accrued Income	<u>2,593</u>	<u>4,495</u>
	<b><u>8,553</u></b>	<b><u>20,510</u></b>

**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>
	<b><u>56,735</u></b>	<b><u>44,780</u></b>

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**

	At 01.01.20	Incoming Resources	Outgoing Resources	Revaluation	Transfer	At 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

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**

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)
	<u>(1,792,876)</u>	<u>7,909</u>	<u>1,800,785</u>

**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:

	<u>2020</u>	<u>2019</u>
	£	£
Plant and machinery		
Payable within one year	1,085	-
Payable from one to five years	1,809	-
	<u>2,894</u>	<u>-</u>

