

**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</b>	Mrs C A Alton	Mrs I I Hart
<b>(BOARD of DIRECTORS)</b>	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**  
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**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.

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**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**

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**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.

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**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.

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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>



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**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.

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**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**  
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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	<u>19,310</u>	<u>7,487</u>
<b>TOTAL INCOME</b>		<u><b>127,398</b></u>	<u><b>177,331</b></u>
<b>EXPENDITURE ON:</b>			
Raising Funds	6	2,882	31,943
Charitable Activities	7	<u>240,238</u>	<u>257,502</u>
<b>TOTAL EXPENDITURE</b>		<u><b>243,120</b></u>	<u><b>289,445</b></u>
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		<u>-</u>	<u>-</u>
<b>NET MOVEMENT IN FUNDS</b>		(118,211)	(112,114)
Total Funds at 1st January 2023		<u>1,551,308</u>	<u>1,663,422</u>
<b>TOTAL FUNDS AT 31ST DECEMBER 2023</b>		<u><b>1,433,097</b></u>	<u><b>1,551,308</b></u>

All the above results are derived from continuing activities.

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**BALANCE SHEET AS AT 31ST DECEMBER 2023**

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets	10	1,224,504	1,245,649
Investments	11	<u>232,278</u>	<u>-</u>
		<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		<u>17,619</u>	<u>364,661</u>
		<b><u>39,236</u></b>	<b><u>372,998</u></b>
<b>CREDITORS:</b> amounts falling due within one year	13	<b><u>44,588</u></b>	<b><u>39,006</u></b>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<b><u>(5,352)</u></b>	<b><u>333,992</u></b>
		<b>1,451,430</b>	<b>1,579,641</b>
<b>CREDITORS:</b> amounts falling due after more than one year	14	<b><u>(18,333)</u></b>	<b><u>(28,333)</u></b>
<b>NET ASSETS</b>		<b><u>1,433,097</u></b>	<b><u>1,551,308</u></b>
<b>UNRESTRICTED FUNDS</b>			
Designated Funds	15	5,909	5,909
General Funds	15	<u>1,427,188</u>	<u>1,545,399</u>
<b>TOTAL CHARITY FUNDS</b>		<b><u>1,433,097</u></b>	<b><u>1,551,308</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 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

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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.

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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>
	<b>£</b>	<b>£</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**  
**(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**

**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
	<u>83,851</u>	<u>129,900</u>

**4 OTHER TRADING ACTIVITIES**

Room Hire	<u>14,611</u>	<u>9,588</u>
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**5 INVESTMENT INCOME**

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

**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
	<u>2,882</u>	<u>31,943</u>

**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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**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>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**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><b>129,349</b></u>	<u><b>140,055</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	2	2
Office and Administration	6	6
Facility Staff	<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).

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**NOTES TO THE FINANCIAL STATEMENTS  
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**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>	<u><b>1,567,336</b></u>	<u><b>281,421</b></u>	<u><b>70,366</b></u>	<u><b>26,074</b></u>	<u><b>1,945,197</b></u>
<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>	<u><b>355,920</b></u>	<u><b>274,185</b></u>	<u><b>64,875</b></u>	<u><b>25,713</b></u>	<u><b>720,693</b></u>
<b>NET BOOK VALUE</b>					
<b>At 31.12.23</b>	<u><b>1,211,416</b></u>	<u><b>7,236</b></u>	<u><b>5,491</b></u>	<u><b>361</b></u>	<u><b>1,224,504</b></u>
<b>At 31.12.22</b>	<u><b>1,228,992</b></u>	<u><b>8,140</b></u>	<u><b>7,881</b></u>	<u><b>636</b></u>	<u><b>1,245,649</b></u>

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

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	<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	2,655	-
<b>Market value at 31st December 2023</b>	<b>232,278</b>	-
	<hr/>	<hr/>
Investments at market value comprised:		
Debt and fixed interest	79,894	-
Equities	152,384	-
	232,278	-
	<hr/>	<hr/>
<b>Historical cost as at 31st December 2023</b>	<b>229,622</b>	-
	<hr/>	<hr/>
<b>12 DEBTORS</b>		
	<u>2023</u>	<u>2022</u>
	£	£
Trade Debtors	2,654	3,361
Other Debtors	-	-
Prepayments and Accrued Income	2,785	2,423
	<b>5,439</b>	<b>5,784</b>
	<hr/>	<hr/>
<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	3,564	3,532
	<b>44,588</b>	<b>39,006</b>
	<hr/>	<hr/>

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).

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**14 CREDITORS: Amounts Falling Due After More Than One Year**

	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</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  
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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**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>
<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>

**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:

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