

HARDING HOUSE GALLERY LIMITED

ANNUAL REPORT

2002

Company Registration Number 2917506



**Sheffield Community Enterprise Development Unit
131 Upperthorpe Road
Upperthorpe
Sheffield
S6 3EB**

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(The work illustrated in this Report is just a small sample of that which is available through the Gallery).

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Officers and Professional Advisers

The Board of Directors

H Neale
I Rylatt
A Povey
(Resigned December 2001)
C Pendlebury
(Resigned September 2001)
Dawn Hoyer
(joined September 2001)
Gail Lee
(joined September 2001)

Company Secretary

Bridget Skanski (Member)

Registered Office

81, Village Street,
Oasby,
Nr. Grantham
Lincs.
NG32 3NB

Accountants

Sheffield Community Enterprise
Development Unit
131 Upperthorpe Road
Upperthorpe
Sheffield
S6 3EB

Bankers

NatWest Bank Plc
Smiths Bank Branch
225 High Street
Lincoln
LN2 1AZ

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Directors' Report

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 28 February 2002.

Principal Activities

The principal activity of the company during the year was the leasing and management of Harding House Gallery, Lincoln on the behalf of the members of the company.

Directors

The directors who served the company during the year were as follows:

H Neale
I Rylatt
A Povey
(Resigned December 2001)
C Pendlebury
(Resigned September 2001)
Dawn Hoyer
(Joined September 2001)
Gail Lee
(Joined September 2001)

Small Company Provisions

This Report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed on behalf of the directors



H Neale
Director
18 November 2002

Registered Office
81, Village Street
Oasby
Nr. Grantham
NG32 3NB

Review of the Year

What the Gallery is for?

Harding House Gallery is a guarantee limited company, which is run as a co-operative by its members.

The Gallery's main aims are to:

- Supply high quality hand crafted art and craft; and
- Offer a commodity to the public that involves the Gallery's members and makers, the community and national makers and artists.

It is therefore essential that the Gallery continues to offer a broad spectrum of exhibitions in its calendar to suit and develop this audience.

Overview of the Year

The main challenges facing the Gallery during the year were the needs to renew its membership and continue to develop new administrative systems in order to offer a comprehensive service to members and exhibitors alike.

Membership – the year saw some changes of members with Harding House Gallery Ltd. Christine Pendlebury was still in post as Secretary at the beginning of the financial year and completed her time in this role by successfully negotiating a reduced annual rent increase with Lincoln City Council. She resigned as a Director at the end of May.

Christine left the Gallery at the end of September when she was thanked for her hard work and support of Harding House Gallery.

Despite difficult family circumstances which had prevented her from working her days at the Gallery she had provided, from home, a high level of clerical support which will be missed.

After the excitement of Christmas there was some sadness for the co-operative as two members left, Jackie Lockhard and Ann Povey. Ann had decided to pursue her studies further by embarking on an M.A. and felt she could no longer spend the time to support the co-operative.

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A number of new members joined the Gallery during the course of the year. Allison, paintings and cards, joined in March followed in May by Bridget Skanski, a mixed media artist who agreed to take on the role of Secretary.

They were followed in August by Viv Sharland and Judy Adams, both ceramicists but producing very different work. Unfortunately Judy found manning the Gallery difficult and left in September. Following Ann's resignation Viv decided to take on Ann's roles as Chairman and Exhibitions Organiser.

Winter 2002 saw a 5 day closure while the Gallery was redecorated with much hard work by the smaller membership. Helen Neale was under considerable pressure as her course at West Nottinghamshire College drew to its end, and with more time needed to work at her final collection, Dawn Hoyer took on the banking duties. And Bridget Skanski took over the transcribing of sales and preparing monthly invoices for members and SOR makers.

At the end of the last financial year the Gallery had its yearly vote as to which Sale or Return (SOR) artists were felt to be still suitable for the Gallery and those who were not. This ensures positive changes of work enabling the Gallery to constantly offer new and exciting work to the public. Although a number of artists were voted out, others were voted in after submitting their work for all the members to consider.

Some new SOR artists were accepted after having exhibitions in our upstairs gallery. The work was of such a good standard and of a type that we all felt it would be suitable to sell in our shop.

There are currently have 48 SOR artists.

The Gallery must continue to address the issue of recruiting new members as well as ensuring existing members remain happy and committed.

Sales – Our taking for the year were once again affected by weather and other events, Christmas shopping seemed delayed but once December came things took off and several members had their best year ever.

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Administration – This year has seen some radical changes in how the finances of the co-operative are organised

In the past year, following advice from the Co-operative Development Agency and Business Link, a new coding system has been put in place. Work coming into the gallery was recorded and given a code.

The system has simplified bookkeeping and, together with use of the end-of-month slips from the till, has made for more accurate invoicing. The codes have also enabled us to track shop-lifting, which sadly remains a problem

We had hoped to install a computer programme linking the till transactions with invoicing but abandoned this idea as, due to the number of people using the till, it would have proved too complex to operate.

There was a further change in December when we installed a safe, enabling daily takings to be placed in the safe and a float kept for daily use.

All these alterations have lessened the demands on members and simplified the bookkeeping considerably.

We moved our accounts to e-Zone in Sheffield where our new accountant, Bill Barker, was more understanding of our particular problems than the previous accountants had been.

With his encouragement we changed from the process where the individual member had to divide money into packages for other members and Harding House payment. From August 2001 members handed all takings in and were paid their full monthly totals by cheque or Autopay.

Early in the New Year we were able to take advantage of the quiet business period to give both the gallery and exhibition space a much needed redecoration.

This was very much a group effort and thanks must be given to all who made this a fairly painless operation.

Forward-Trends

Harding House Gallery intends to continue with the new coding system for all SOR work. This will have a positive impact on the Gallery by ensuring more timely and accurate invoicing.

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Overall – the Gallery continues to improve its administrative systems. It is hoped that these improvements will realise benefits both in term of new membership and increased activity.

Exhibitions 2001

We have continued to have a full, varied and successful program of exhibitions. We were very pleased to once again support the Children's Art Group and hope to continue this association in the future.

The Gallery hosted a varied programme of exhibitions throughout the year:

April 14-28	Claire Meade	Prints
	Gainsborough House Group	Prints
May 26 – June 4	Rubicon	Degree Show Contemporary Decorative Crafts
June	Paula Armstrong	Ceramics
	Shaun Clark	Ceramics
August	Biennial Painting Exhibition	Painting and prints
Sept 7 – 20	Janice Kok	Painting
	Heinke Jenkins	Prints
October	Pat Warrington	Textiles with sound
Nov 11 - 24	Lucy Jackson	Children's Art Group
Dec. 1 - 31	Christmas Exhibition	Mixed Exhibition

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Accountants' Report

The Accountants present their report to the directors on the unaudited financial statements of Harding House Gallery Limited.

The financial statements for the year ended 28 February 2002 are set out on pages 9 to 13.

You are responsible for their preparation and you consider that the company is exempt from an audit.

In accordance with your instructions (and in order to assist you to fulfil your statutory responsibilities) we have prepared these unaudited financial statements from the accounting records and information and explanations supplied to us.

We have not carried out an audit.

Sheffield County
Enterprise
or. H. H. H.

Sheffield Community Enterprise Development Unit
131 Upperthorpe Road
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Profit and Loss Account
For the Year to 28 February 2002

	Note	2002 £	2001 £
Turnover	1	19 145	17 061
Administrative Expenses		(17 623)	(16 622)
Operating Profit/(Loss)	2	1 522	439
Revenue Reserves at 1 March 2001		598	159
Revenue Reserves at 28 February 2002		2 120	598

The notes on pages 12 and 13 form part of these Financial Statements.

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Balance Sheet
At 28 February 2002

	Note	2002		2001	
		£	£	£	£
Fixed Assets					
Tangible assets	3		713		1 406
Current Assets					
Debtors	4	393		918	
Cash at bank and in Hand		4 137		5 165	
		4 530		6 083	
Creditors: Amounts falling Due within one year	5	(3 123)		(6 891)	
Net Current Assets/(Liabilities)			1 407		(891)
Total Assets Less Current Liabilities			2 120		598
Reserves					
Profit and Loss Account			2 120		598

The notes on pages 12 and 13 form part of these Financial Statements.

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Balance Sheet
At 28 February 2002
(Continued)

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A (1) and that no member or members have requested an audit pursuant to section 249 B(2) of the Act.

The directors acknowledge their responsibilities for:

1. Ensuring that the company keeps proper accounting records which comply with section 221 of the Act; and
2. Preparing accounts that give a true and fair view of the state of the company's affairs as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities.

These financial statements were approved by the directors on 11 November 2002 and are signed on its behalf by:

H Neale
Director
(18/11/02)



The notes on pages 12 and 13 form part of these Financial Statements.

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Notes to the Financial Statements
For the Year to 28 February 2002

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

Turnover

The turnover shown in the Profit and Loss Account represents amounts invoiced during the year.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and Fittings - 25%

2. Operating Profit/(Loss)

The Operating Profit/(Loss) is stated after charging:

Depreciation £ 708 (2001: £ 704)

3. Tangible Fixed Assets

	Fixtures & Fittings £
Cost	
At 1 March 2001	3 737
Additions	15
At 28 February 2002	3 752

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Notes to the Financial Statements
For the Year to 28 February 2002
(Continued)

Tangible Fixed Assets
(Continued)

Depreciation

At 1 March 2001	2 331
Charge for the year	708
At 31 March 2002	3 039

Net Book Value

At 28 February 2002	713
At 29 February 2001	1 406

4. Debtors

Trade Debtors	£ 393 (2001: £ 918)
---------------	---------------------

5. Creditors: Amounts falling due within one year

	2002 £	2001 £
Trade Creditors	-	-
Other Creditors	2 145	5 128
Accruals and Deferred Income	978	1 763

6. Related Party Transactions

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

7. Company Limited by Guarantee

The liability of members (and any ex-member who has resigned in the last 12 months) is limited to £ 1.