



THE ARTS
SOCIETY

ANNUAL
REPORT
2024

The National Association Of
Decorative & Fine Arts Societies

Operating as

The Arts Society



Annual Report and Consolidated Statements

For the year ended
31 December 2024

Registered Charity No. 1089743
Office Of Scottish Charities No. SC039240

A Company Limited By Guarantee and Registered In England & Wales
No. 04307984

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Arts for All - Arts for Life

**The belief that the arts have the potential to enrich people's lives
is at the heart of everything we do.**

COMPANY INFORMATION

Patron HRH The Duchess of Gloucester

President Hilary Kay

Vice Presidents Caroline Coleman
Michael Shirley

Trustees Chair: Jeremy Thomas
Vice-Chair: Jo Ward
Treasurer Gina Krupski
Tony Callender
Lesley Jones
Jack Leonard
Geri Parlby
Michael Shirley

Advisers

Principal Bankers Royal Bank of Scotland plc
Belgravia Branch
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Belgravia
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Solicitors Simkins LLP
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London WC1H 9LT

Auditors Moore Kingston Smith LLP
Chartered Accountants & Registered Auditors
6th Floor
9 Appold Street
London EC2A 2AP

Investment Managers Rathbone Group PLC
8 Finsbury Circus
London EC2M 7AZ

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CHAIR'S REPORT

2024 was a year which proved both the passion of our members for the work of the Charity and the generosity they display in providing their time and their expertise.

Governance issues were keenly debated in the first half of the year, with a very impressive 80% turn-out for the key vote on proposed changes to the Charity's constitution. The members confirmed, by a large majority, their support for the retention of society voting rights and therefore maintaining the existing structure as a membership organisation.

A largely new Board took office after the August AGM, at a time when the previous Chief Executive and Chief Operating Officer had left the Charity. We were encouraged and impressed by the many offers of help we had from members – offers that we availed ourselves of, particularly in the areas of finance, recruitment, communications and governance - and also by the support we had from a number of former trustees, from our own volunteer network, and from our member societies. Thank you all.

In September we explained to members a number of general principles that would guide us as we developed a new strategy. Looking back at what we said then I believe we have remained true to all those principles. In particular, we have found our commitment to open and transparent communication increasingly recognised and welcomed in the two rounds of area meetings we have attended.

In January 2025 we were able to announce our new strategy to take the Charity forward, building on our proven society model and with a major emphasis on marketing to reach out to new audiences and to increase our membership. More details of the Strategy are set out in the Trustees' Report.

We are delighted also to have appointed both Ian Arnold as our Chief Executive Officer and Hilary Kay as our new President. Ian has many qualities but it is his marketing expertise that will be key to our success. Hilary has taken on her role with enthusiasm, and we are confident she will give strong impetus to our push to make The Arts Society better known.

I would like to thank my fellow trustees, who have worked hard to develop and explain our plans and who continue to support the executive in their own areas of expertise, our volunteers on the Area and National Support teams, the Heads of Volunteering, and the paid and voluntary staff on the head office team who maintained their usual exemplary service to members throughout the year and who have embraced the new strategy with enthusiasm.

Jeremy Thomas
Chair
April 2025

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TRUSTEES' REPORT

INTRODUCTION

We, the Trustees, are pleased to present the Trustees' Report and the consolidated financial statements of the Charity for the year ended 31 December 2024.

In 2024 the Trustees affirmed their commitment to the local society model as being the means through which we can best meet our charitable objects. Our network of some 350 member societies in the UK, Mainland Europe and New Zealand is a unique asset. It does of course enable society members to engage in and learn more about the arts. But more than this, the members themselves bring the arts to a much wider audience through a range of volunteering activities, and through engaging with local schools, community and other arts groups that both we and our member societies can support through grant giving.

The health and economic benefits of engagement with culture and heritage through attendance and participation are being increasingly recognised. This is exemplified in the report on Culture and Heritage Capital commissioned, and published in November 2024, by the Department of Culture, Media and Sport. So, our Society model of arts lectures, volunteering projects (Arts Volunteering, Heritage Volunteering and Trails of Discovery) and the promotion of the arts in the local community - all in a welcoming and sociable environment, including events and trips - is more relevant than ever.

Whilst we firmly believe in the benefits of face to face engagement, this does need to be supported by the sensible use of modern technology and media. We are using and developing our digital channels in a number of ways including:

- All our centralised training is now provided online, which is a much more convenient and cost effective method of delivery for participants from around the UK, Europe and New Zealand;
- We are using digital techniques to analyse our membership and the demographics of the population as a whole in order to identify underserved locations that have potential for recruitment of members and the creation of new societies;
- We will be using social media in particular as part of carefully targeted marketing campaigns to reach new members;
- We will be recruiting potential new members, who do not have a convenient society to join, into a virtual society providing a programme of lectures. Once there are enough people signed up in a particular location we will move to establishing a new independent society "on the ground";
- We will be supporting member societies to deliver online lectures to those members who cannot for health or other reasons attend a physical lecture;

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- We held our second online Directory Day in March 2025. This did enable more members to attend and more lecturers to present, all at lower cost than the in-person day. We do, however, recognise that many members prefer the physical event and we envisage a mixture of methods of delivery in the future. This is of course supported by our online Directory of Lecturers.
- We continue to work on improving the other resources we offer on our website to assist societies in managing their activities.
- We provide our members with regular digital delivery of the arts through our Monthly Highlights and Instant Expert emails.

STRATEGY AND PLANS FOR THE FUTURE

At the start of 2025, after a thorough review of the Charity's activities, we announced a new strategy.

Strategic Aim

Reversing the fall in membership numbers triggered by the pandemic is critical to the continuation of all our activities and we are therefore focussing on a single strategic aim: to increase membership numbers. Not only does this, of itself, help fulfil our vision of Arts for All, it will also generate the funds we need to support our volunteering and grants programmes, ensure we can maintain our high quality services to societies, increase the pool of volunteers who are so essential to our work, and provide more opportunities for our expert lecturers.

That single aim does not mean a narrow focus to our activities. We know that increasing membership requires us to provide - and to help societies to provide - what both existing and new members want. Nor will it be solely an inward focus. We will be engaging with the vast untapped potential audience, and we will speak out on issues affecting the arts where we have something to say and where that is an effective use of our resources.

Hitherto the Society has grown and renewed itself mainly by word of mouth. With a more professional approach we can regain and surpass our previous numbers, providing more opportunities to engage with the arts for all our stakeholders.

Joined-Up Marketing

Our intention is to raise the profile of the Society by increasing awareness of our unique access to the stimulating world of art, our charitable activities and key membership benefits. We will be targeting our core demographic -those in the 50- to 65-year-old age group. This is the group most likely to respond positively, join our societies and provide the best return on our marketing investment.

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To do this the creative team from The Arts Society Studio is working with societies to capture engaging video content from events and volunteering activities. This will be used in press releases, magazine articles, on the website and viewed via social media platforms. The Studio will also proactively produce and seek out new content for use in our digital marketing campaign as well as investing in our lecturers' expertise for topic selection and content production. Since we can measure which topics and which media generate the most positive response, we can direct future funds appropriately and ensure that our marketing becomes increasingly cost-effective over time.

Through all this content we can guide a prospective member towards our website and motivate them to apply to a local society. We are undertaking a significant upgrade to the website to complement this process.

In addition, we will:

- provide central assistance in marketing to local societies and provide them with better tools for their own marketing efforts, and seek to improve the sharing of ideas that work at a local level.
- seek strategic partnerships with other arts and membership organisations where we can benefit each other.
- seek to engage with organisations that run pre-retirement programs to publicise what we can offer to their employees.
- consider our own sponsorship of other media which can reach target audiences in a cost-effective way.
- review the content and distribution of the magazine to ensure this is a cost-effective marketing tool as well as a benefit valued by members.

Digital and other support to societies

We will adopt a policy for continuous improvement of our support to societies, particularly in the digital area and will:

- re-assess the website user needs and structure to satisfy the requirements of societies, potential members, Areas, volunteers, staff and the lecturer community.
- redevelop our website into an integrated portal for promoting membership, accessing administrative processes, providing training, arts education, marketing and promotional opportunities.
- review societies' own website needs, and consider whether we can cost-effectively improve the head office provision, or recommend third party suppliers.
- value the volunteer support teams and ensure all societies can access support when they need it.
- place a new emphasis on identifying underserved locations and facilitate the formation of new societies.
- maintain and improve the quality of services provided by the head office team and our volunteers including the provision of relevant training to enable societies to make the most of the digital opportunities.

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Fostering a co-operative approach

Whilst each of our member societies is independent, we all benefit from working together to increase overall membership, improve the membership experience, and provide joint activities which individual societies cannot support on their own.

We will:

- provide an appropriate mix of 'in person' and digital communications and activities with societies, members and lecturers, seeking openness and the two way exchange of views.
- maintain the right balance between centralisation and local society determination and between London based and regional activities.
- encourage innovation in meeting arrangements, increased local cooperation with sharing of resources, and the organisation of joint and Area wide activities.
- be responsive, at both central and Area levels, to the expressed support needs of societies.
- provide structures, resources and facilities which provide value for money and promote innovation and shared learning.
- support and promote the many different volunteering activities, and ensure our grant giving both meets our charitable objects and helps to promote The Arts Society.
- maintain and enhance our directory of lecturers; valuing their contribution and engaging them in ways which contribute further to achieving our objects and strategic aims.

Prudent governance and financial planning

We will:

- use the Special Development Fund (created largely from the surplus realised on sale of our former office premises) prudently to finance our marketing activities and other improvements, such as to the website, and seeding new societies, all of which will provide a lasting return on the investment. An increased membership base will enable us to maintain marketing activities in the longer term, as the Fund runs down, without increasing the *per capita* cost to the societies.
- ensure the Patricia Fay Memorial Fund is used exclusively for grant giving.
- continually review our use of 'in-house' and external providers to ensure effectiveness, quality and value for money.
- improve financial controls and avoid unnecessary costs.
- seek appropriate commercial sponsorship of certain of our activities.
- update our articles and trustee recruitment methods to ensure we have the right board composition and skills, whilst always respecting societies' voting rights.

REVIEW OF THE YEAR

During the first eight months of the year much management attention was given to proposed constitutional changes that would have removed the majority of voting rights

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from member societies and vested these in the trustees. Although the proposals were decisively rejected by members at an Extraordinary General Meeting in June 2024, this distraction did mean that less progress was made than would have been hoped in the proposed “digital transformation” such as improving The Arts Society website and assisting societies with their own digital offerings.

Following the formation of a new Board after the AGM in August 2024, the trustees focused on maintaining existing services and operations, whilst reviewing the activities of the Charity and developing the new strategy outlined elsewhere in this report.

2024 was nevertheless a year of continued and consistent delivery of our core operational activities to support societies in delivering their services to members and the wider community and fulfilling our charitable objects.

Membership/Societies/Training/Areas

There are currently 351 Societies in the UK, Mainland Europe & New Zealand, compared to 354 in 2023. Encouragingly, after some years of decline, overall membership numbers have now become stable (at the time of writing 63,669, a small increase on the figure of 63,344 a year ago). This leaves us well placed to start to rebuild our membership numbers with our new marketing initiatives. Societies are working hard to attract new members and retain existing ones, and recruitment and retention workshops are well attended. National and Area Support Teams continue to create opportunities for Societies to network and share information, insights and best practice updates and also offer practical support to societies facing challenges, particularly with team recruitment.

We would like to thank all the team members in the local societies, our own volunteers on the National and Area Support Teams, and those involved in Training for their hard work and dedication. Their contribution to the arts and culture in their communities and beyond cannot be overstated.

Education

2024 was a year of bedding in projects that were introduced in 2023, namely the new Terms and Conditions of Accreditation and the new Directory of Lecturers, as well as the usual activities of the Department such as the recruitment and monitoring of lecturers and staging Directory Day.

All accredited lecturers have now signed the new Terms and Conditions of Accreditation for lecturers which were introduced in 2023 (signing up to the new Terms is a requirement to retain accreditation from The Arts Society).

The new Directory of Lecturers is being used well by both Society committee members and lecturers, with few problems being reported. There are additional features and filters that could be incorporated into the Directory in future.

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We finished the year with 371 accredited lecturers, with 20 lecturers having been recruited during the year.

The review statistics for lectures and study days given in 2024 were in line with previous years' high standards. 2,441 lecture reviews were received for lectures given in 2024 and the results were as follows:

Outstanding	810	33.2%
Excellent	1,203	49.2%
Very Good	325	13.3%
Good	83	3.4%
Passable	13	0.5%
Poor	7	0.3%

The number of study day reviews received was 187:

Outstanding	112	60.0%
Excellent	61	33.0%
Very Good	10	5.3%
Good	3	1.6%

Directory Day was held in person at Central Hall Westminster on Saturday 16 March 2024. This was the first time that the event was held at the weekend; positive comments were received about this. 235 lecturers booked to attend the event, with 22 newly accredited lecturers and 120 established lecturers giving presentations throughout the day. Presentations were filmed by The Arts Society's Studios Team and were subsequently added to the Directory of Lecturers.

Communications

The award-winning Arts Society Magazine and our online communications continue to be a key part of our membership engagement activity. In 2024 we featured interviews with author and broadcaster Lemn Sissay, printmaker and President of the Royal Academy Rebecca Salter, and artist Mark Hearld.

We also added two new regular features to the magazine, which champion societies and Areas: *Our Special Places* where a society shares its recommendations for artistic places to visit nearby, and *Our Local Treasure* which highlights a place or object featured in a *50 Treasures* guide to one of our Areas.

Members receive two regular email newsletters each month: *Instant Expert* is written by a different Accredited Lecturer each time, and *Monthly Highlights* brings members five special arts happenings for the month ahead. The newsletters go out to over 72,000 subscribers and have very good engagement figures.

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All our communications are created to be enjoyed by members and to add more to their membership than the lectures alone. They also act as useful tools for engaging new members.

Cultur.art

As reported in the 2023 Trustees' report, in February 2024 The Arts Society launched cultur.art, a digital only product aimed at bringing the arts to a younger audience. The Arts Society was to provide initial funding for this (out of the proceeds from the sale of its former premises in London), but with the intention that it would in due course become self financing through a combination of subscriptions, donations and grant funding. The fundraising strategy aimed at securing £600,000 of funding in the first year.

The new Board reviewed the progress of the project after taking office in August 2024 and concluded that we could not justify further investment in the product. It had proved to be too different from our established business model, lacked competitive advantage in a market where there are longer established players with more followers, and was unlikely to attract the necessary level of external funding to support its future survival. By 31 December 2024 it had attracted total funding of about £30,000, largely from a single donation.

We have therefore discontinued cultur.art and redirected our creative resources to continue to produce both digital and "traditional" content that supports The Arts Society brand.

GRANT GIVING

We believe in Arts for All and continue to use our grants to make a positive contribution to people's lives through the arts. In 2024, the need to support local arts organisations, museums, and heritage initiatives remained critical. As public funding continues to decline and economic pressures rise, the role of The Arts Society as a grant-giving body has become even more important - particularly in sustaining skills development and creative opportunities in communities across the UK.

There has been a modest increase in the number of Member Societies applying for grants. Notably, some Societies applied in successive rounds, prompting the Grants Committee to introduce a new criterion: Societies are now asked to wait one year between applications to the spring or autumn grant rounds. This change ensures fairer distribution of funds and encourages wider participation.

The range of successful projects was wide and inspiring, encompassing music, arts therapy, support for young carers, provision of art materials in care homes and food banks, Magic Lantern sessions, and public art initiatives. These projects continue to reflect the importance of creative engagement in supporting well-being, education, and social inclusion at a local level.

Funding for grants is drawn from income generated by the Patricia Fay Memorial Fund, Gift Aid and individual donations including legacies. We are pleased to report that 119 Gift Aid claims were processed in 2024, generating a net income of £62,560.

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Societies are strongly encouraged to continue participating in the National Gift Aid scheme, as it plays a vital role in sustaining our ability to fund grassroots arts activity.

The £250 Community Grants remain a valuable tool for enabling Societies to support arts causes in their local areas. These grants may be used for any purpose, provided it is arts or heritage based, and continue to align with our strategy of supporting localism. From small workshops to local exhibitions, these micro-grants help forge stronger connections between Societies and their communities while amplifying the impact of creativity at the local level.

In total The Arts Society made grants of over £140,000 during the year and this was supplemented by grants provided by individual societies from their reserves or their own fundraising activities.

Looking ahead, The Arts Society will continue to champion access to the arts, foster community-based creativity, and promote the vital role of heritage and education across all regions. Our grant-giving strategy remains rooted in the belief that small actions can create lasting change, especially when we work together to make art and culture accessible for all.

VOLUNTEERING

Volunteering continues to be a hugely important aspect of the work of societies. Against the background of defunding the arts from the public purse, the time given by Arts Society members to a wide range of arts and heritage projects helps the sector to deliver for audiences well beyond our membership.

2024 was once again a busy year for our Volunteers, and we would like to congratulate everyone involved in Arts Volunteering, Heritage Volunteering and Trails of Discovery for the difference they've made, as well as thank our three Heads of Volunteering who encourage, champion and support the societies' activities.

Volunteering is also a great social activity for our volunteers and enables them to make a real difference to their communities. Details of just a few of the many projects undertaken are given in a separate dedicated section of this Annual Report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal structure and Charitable Objects

The National Association of Decorative & Fine Arts Societies, operating as "The Arts Society", is an association of societies in the UK and internationally and is controlled by those societies. This control is exercised through the election of trustees and voting on resolutions in general meetings.

The legal constitution of The Arts Society is a company limited by guarantee (company number 4307984) governed by its Articles of Association and it is also a charity registered with the Charity Commission (registration no. 1089743) and with the Office of the Scottish Charity Regulator (registration no. SC039240).

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As a charity, the trustees must ensure the Society acts in pursuit of its Charitable Objects, for the public benefit.

The Charitable Objects are:

- the promotion and advancement of the education of the public in the cultivation, appreciation and study of the decorative and fine arts;
- the conservation and preservation of the artistic heritage of the United Kingdom and other countries for the benefit of the public; and
- the advancement of the arts, culture and heritage, in particular, but without limitation, the decorative and fine arts.

We are also pleased to count as an affiliate, ArtsNational, which has a similar remit to us in Australia. We maintain a regular dialogue with Arts National to share ideas, and they provide additional opportunities for our lecturers.

Public Benefit

From the review of activities, the Trustees are confident that they have demonstrated how they have complied with the duty under Charities Act 2011 to have due regard to guidance published by the Charity Commission on the operation of the Charity for the Public Benefit. The guidance is fully borne in mind by the Trustees when shaping the Charity's strategy.

Trustee Board

The role of the Trustees is to ensure the Charity pursues its charitable objects, to set the strategic direction consistent with those objects, to set financial budgets to ensure a prudent use of resources, to monitor the performance against the strategy and the budget, and to assist the Chief Executive and the team in their particular areas of expertise as required. They determine policy and have ultimate responsibility for the activities of the charity. They may exercise all the powers of the Charity but in practice delegate responsibility for the majority of operational decisions to the Chief Executive.

The maximum number of Trustees is fifteen of whom a majority must be elected by the voting members, whilst up to seven may be co-opted. Trustees retire after completing a three-year term and are eligible to serve a further three-year term, but may not serve for more than six consecutive years in total.

A notice of election is sent out annually accompanied by details of vacancies, the role, time commitment, and any particular skills or attributes that are needed, to encourage appropriately skilled and experienced members to apply.

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The Trustees who served during the year are as follows:

Jeremy Thomas (elected 23 August 2024)
Jo Ward
Gina Krupski (elected 23 August 2024)
Tony Callender (appointed 26 August 2024)
Lesley Jones (appointed 26 August 2024)
Jack Leonard (elected 23 August 2024)
Geri Parlby (appointed 26 August 2024)
Michael Shirley (elected 23 August 2024)
Caroline Coleman (retired 23 August 2024)
Jennifer Harding – Edgar (retired 23 August 2024)
Sally Kent (elected 23 August 2024, resigned 5 November 2024)
Tony Strahan (resigned 23 August 2024)
David Taylor (retired 23 August 2024)
Carolyn Trevor-Jones (resigned 23 August 2024)
Chris Ward (resigned 23 August 2024)
Alison Watson (retired 23 August 2024)
Liz Woods (resigned 23 August 2024)

Governance structure

The trustees appoint one of their number as Chair and one as Vice-Chair. There are usually between five and seven Board meetings each year. Board Member attendance for 2024 was 97% (2023 – 89%).

The Trustee Board has set up a number of committees to which it has delegated authority for certain functions. The Finance, Audit and Risk Committee meets three times a year and is chaired by the Treasurer who is appointed by the Board.

The Nominations and Remuneration Committee meets at least once a year to review employment and remuneration policy and to recommend salary levels, taking into consideration employment market rates, performance and length of service. In addition, the Committee will consider the recruitment of co-opted Trustees and also the desired skills to be sought through the election process.

The Grants Committee meets at least twice a year to develop policy and to administer grants paid from the Patricia Fay Memorial Fund and the Zena Walker Bequest Fund.

Working groups, consisting of Trustees, staff and members with appropriate skills and knowledge are formed to examine specific issues as and when required.

The Chief Executive is appointed by the Trustees and is responsible for the efficient management of the organisation and the delivery of agreed strategies. The Chief Executive until his resignation effective 23 August 2024 was Florian Schweizer, and Ian Arnold was appointed as Acting Chief Executive on 14 November 2024, before being confirmed as permanent Chief Executive on 13 March 2025.

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Area Support Teams are legally part of The Arts Society and are teams of volunteer representatives and advisors. The Chairs of the Area Support Teams report to the Chief Executive. There are nineteen UK Area Support Teams, and one International team responsible for Europe and liaison with the New Zealand Societies and the Australian Group Associate Member (ArtsNational). These Area Support Teams are an important part of the structure for supporting societies, delivering our objectives, and enabling two way communication from the Trustees and the Societies.

The National Support Team works closely with the Area Chairs to provide direct support and help to vulnerable Societies.

Trustee Training and assessment

New Trustees will receive an induction and mentoring programme to ensure they understand their legal obligations under charity and company law, the content of the Articles of Association, consultation and decision-making processes, the strategic plan, financial performance and current issues.

Trustees are encouraged to attend external training where it will improve the effectiveness of their contribution. Internal training and mentoring, including joint training with senior staff members, is also arranged as required.

Trustees undertake an annual review of the various skills represented on the Board which is helpful as a development tool and is also used as a basis for indicating the skill requirement for potential Trustees, and as a basis for recruiting co-opted Trustees with specific skills and experience.

The Board appraises its own performance and effectiveness at least once every two years. Trustees are asked to complete questionnaires on all aspects of the Board's work and the results are assessed and discussed by the Board. Individual Trustees complete a self-assessment on their own performance which is discussed during an annual meeting with the Chair, and the Chair is also formally appraised by the Trustee Board.

Remuneration Policy

The Arts Society is hugely grateful for the commitment and enthusiasm of the small number of paid staff. It takes the view that it is essential to attract and retain staff with the appropriate skills and capabilities and reward them fairly for delivering the important work on behalf of our members and to benefit the Society. It is therefore important to pay staff appropriately, whilst also having prudent regard to the use of charitable resources. In order to do this, the Nominations and Remuneration Committee reviews salaries and benefits (including those of key management personnel) on a regular basis using performance evaluations and considers salaries in relation to the wider sector.

Risk Management

In accordance with the risk management policy set by the Trustee Board, a risk

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register is held. This lists the principal risks, both internal and external, to which the organisation is exposed and gives estimates both of the likelihood of the risk becoming a reality, the degree of impact that its occurrence would have on the organisation, likely causes, existing controls and new actions being taken to mitigate the risk. On-going review and appraisal of risk takes place through the Finance Audit and Risk Committee which reports back to ensure that mitigating action is initiated by the Trustee Board where a requirement is identified.

The organisational risk register which is reviewed by the Finance Audit and Risk Committee and is maintained as a live document for the Trustee Board, records that the most significant risks relate to the potential for a significant loss of membership affiliation fees (from Members), damage to the reputation of the organisation, and the sudden loss of key staff.

The Trustees have monitored the level of membership very closely and the key strategic aim is to increase membership with a number of detailed plans being put into action in 2025.

The Trustees realise that anything which adversely affects the reputation of the charity represents a risk which could impact on membership fees, commercial income streams and potential sponsorship income. As such they monitor this very closely, using external support if necessary.

It is also recognised that with such a small staff team the loss of key staff is a risk. The Nominations and Remuneration Committee does take this into consideration when making its recommendations around pay, conditions and benefits.

Corporate Social Responsibility

As a membership organisation The Arts Society approaches its responsibility in two ways; firstly, by examining the practices of its central operations and seeking to ensure they are environmentally responsible. Secondly by encouraging and supporting member Societies to take practical and sustainable actions where possible to help the environment.

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also Directors for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom generally accepted accounting practice.

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- state whether a Statement of Recommended Practice (SORP) applies and has

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been followed, subject to any material departures which are explained in the financial statements;

- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Charities SORP (FRS102).

They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

Moore Kingston Smith LLP have indicated their willingness to continue in office and, in accordance with the provision of the Companies Act. A resolution will be put to the AGM proposing that they be re-appointed auditors for the ensuing year.

FINANCIAL REVIEW

Results

The overall position across all funds was net expenditure of £287,483 (2023: £1,726,979 net income). Net income in 2023 was after including the gain on the sale of the Guilford Street office of £2,143,953.

Net expenditure before unrealized investment gains was £515,787 (2023: £480,597). Additional expenditure on settlement payments of £150,524 and unbudgeted legal fees of £113,561 increased the net expenditure.

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Investment powers and working capital policy

Under the Articles of Association, the organisation has the power to invest in any way the Trustees choose. It is the policy of the Trustees to hold working capital on deposit with banks and building Societies until such time as it is required to meet current expenditure. Long-term investments are managed by Rathbone Brothers Plc following an investment approach which is set out in the "statement of investment policy". The policy looks to achieve an annual return of CPI+ 3%. In addition to this holding, some funds are invested with CCLA in their Charities income fund, thereby providing a useful benchmark.

Reserves Policy

The total fund balances at 31 December 2024 were £3,478,002 (2023: £3,765,485) of which £2,784,770 (2023: £3,081,960) relates to designated funds. There are currently no restricted funds held. The balance of £693,202 represents the unrestricted general funds of the group of which £587,601 are free reserves.

The group target for 2024 on general reserve funds was to maintain a level of reserves equivalent to 6 months' general fund expenditure. It is also the policy to maintain minimum cash reserves equivalent to 2 months' operating expenditure. This is required to guard against any major unexpected event, which could result in a reduction in income or a degree of expenditure which could not be met from the normal cash flow. Based on the budgeted general fund expenditure for 2024 the current level of reserves represented 6 months' (2023 - 6 months) of undesignated expenditure. Cash reserves at 31 December 2024 were in excess of the target mainly due to the receipt of membership fees in advance.

The reserves policy was reviewed by the Finance, Audit and Risk Committee in 2024 and will be reviewed again in 2025.

Designated Funds

The Trustee Board sets aside funds for designated purposes which fall into three main categories as shown below.

i) Grants: grant giving is designated separately from the General Fund. Two such funds existed in 2024 the Patricia Fay Memorial Fund and the Zena Walker Bequest Fund.

- The Patricia Fay Memorial Fund receives income from Gift Aid, legacies, donations and investment income and made £107,728 in grants and awards in 2024. A transfer of £107,196 was made in 2023 from the Patricia Fay Memorial Fund to the Strategic Development Fund and this transfer was reversed in 2024 as a result of a decision taken by the Trustees in October 2024. The total funds carried forward at 31st December 2024 were £297,535 (2023: £100,884).
- There were no Charitable Activities undertaken by the Zena Walker Bequest Fund during 2024.

ii) The Strategic Development Fund was set up in 2019 in order to fund the strategic

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priorities set by the Trustees. The proceeds of the sale of the Guilford Street Offices were transferred into this fund in 2023.

During 2024 funds were expended on the development of the separate business line of cultur.art and costs arising from the related proposals to change the charity's constitution including legal costs and termination payments for senior executives. In 2025 the fund is being used to meet the costs of marketing initiatives to support the new strategic priority of increasing membership.

iii) The Areas Fund includes income and expenditure related to the Areas that provide the linkage between the Head Office team and the local societies.

Full details of the designated funds and the movements on them in the year are shown in notes 2 and 13 in the financial statements.

Remuneration Policy

The Arts Society is hugely grateful for the commitment and enthusiasm of the small number of paid staff. It takes the view that it is essential to attract and retain staff with the appropriate skills and capabilities and reward them fairly for delivering the important work on behalf of our members and to benefit the Society. It is therefore important to pay staff appropriately, whilst also having prudent regard to the use of charitable resources. In order to do this, the Remuneration and Nominations Committee reviews salaries and benefits (including those of key management personnel) on a regular basis using performance evaluations and considers salaries in relation to the wider sector.

FOCUS ON VOLUNTEERING

Less well known than our societies' much valued staple of monthly illustrated lectures, our volunteering activities are a vital part of delivering our charitable objects beyond our core membership. Volunteers themselves appreciate the social aspects of the work and report a real sense of achievement from making a difference to their local communities. We want to make volunteering opportunities available to all.

We have three principal strands of volunteering: Arts Volunteering (including Young Arts and Community Arts), Heritage Volunteering and Trails of Discovery. The work on the ground is carried out by members of local societies, whilst The Arts Society in many cases provides grants to support the work, as well as training and other resources, whilst our three Heads of Volunteering promote, champion and co-ordinate the work.

ARTS VOLUNTEERING

We organise, fund and develop an amazing range of arts volunteering projects thanks to our numerous volunteers in a great many of our societies. The enthusiasm of our volunteers introduces people from a wide range of backgrounds to the joys that engaging with the arts can bring into their lives.

Working with schools, museums, local charities and community groups, our volunteers support projects across a broad spectrum of the arts to groups of all ages. They are passionate about the benefits of creativity and arts education as we enrich lives through the arts.

A sample of the projects, both big and small, are described below, showing the variety of work we support. Funding for these arts projects come from various sources – individual society's own reserves, The Arts Society's annual £250 Community Grant available to each society to help fund smaller projects in their local area, or from applications to The Arts Society's Patricia Fay Memorial Fund for a grant to develop larger and more detailed projects.

- **A Level Art Competition 2024/2025.** Each year The Arts Society organises an art competition for year 12 and 13 A level and higher students to recognise the amazing talent in our schools. Once again, we had a number of excellent entries sent in by societies across the country. They covered a wide range of media from drawing, painting, collage, photography and graphics through to textiles and ceramics. Over 4,000 members from different societies voted for their favourite piece of work. Congratulations to the winner, Megan Wright, a pupil at Peter Symonds College. Her winning work is titled *The End of the Day*. Our runner-up is Rebecca Egan from Farlington School, for her artwork *Mixed Feelings*.
- **Art Bytes.** 46 of our Arts Societies partnered with Art Bytes to sponsor and support 70 schools to champion pupils' creativity across the UK in this our first national partnership year. Art Bytes is a national art and EdTech programme for year 5 & Year 9 students in all educational settings, combining an inter-school art competition with a

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bespoke virtual gallery and in-person Celebration Events in cultural venues across England. Together we are nurturing talent, raising ambition, developing cultural capital, supporting mental health and developing vital skills for future employment.

- **Art @ The Station.** **Leatherhead** and **Dorking** societies have both updated their station displays. **Horsley/Lovelace** continue with ongoing displays by local artists at the station. Our **East Surrey Area** has renewed the display at Lingfield and sponsored a large mural by Reigate College of Art at Redhill Station (the first Rail 200 display in the UK!). This mural will be displayed at Tonbridge Station and has been chosen by the Southern Rail Area to feature in a large Rail 200 display at Lewes. **Kington Langley** installed their Art @ The Station display and with TransWilts are developing a photography project for Rail 200 called *Down the Line.*
- **Stirling & Forth Valley** provides sponsorship for “*An Introduction to Set Design and Construction*” workshops. These are being organised by Creative Stirling and are dynamic and interactive projects designed to inspire and empower young people experiencing disadvantage, including those disengaged from formal education. Participants gain hands-on experience in set and prop design while building practical skills, confidence, and professional connections. The project will culminate in the display of their work at the Creative Stirling Venue. By fostering creativity, skill development, and personal growth, this initiative provides participants with a pathway to further opportunities in education and the creative industries.
- **Glaven Valley** sponsored a programme of visits with Paston College where creative professionals talk to the College’s Performing Arts students to open their eyes to the employment paths available in that sector.
- **Cheam** has worked with a local gallery paying for seven art students to understand the practicalities of being a professional artist.
- Our **Wessex Area** funded DANCE SIX-0 Company which has been working with dance artist and choreographer, Laila Dialio, on a new work inspired by Jean Giono's novella, ‘*The Man Who Planted Trees*’. This inter-generational project provides young people with positive role models of creative older people; teaches them about environmental action and brings creativity and performance work into the classroom. After a workshop with Earls School the children came up with many ideas for the dance pieces that were worked on and performed together. The Company will take the performance and workshops to primary schools across Wiltshire.
- **Taunton** hold raffles at each lecture to fund 100 art bags given to the children of families currently using Taunton Foodbank’s critical services.
- **Ipswich** supported Moorland Primary School, to fund their lunchtime Art Club. This became the catalyst for a special project in which the whole School was involved. Inspired by the Charter Hangings in St. Peter’s Church and called *OUR TOWN, Ipswich Past, Present, Future*. The children created three wonderful collages.

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- **Woodbridge** helped a young school student with music and drama tuition in preparation for her role of Cherubino in Mozart's *"The Marriage of Figaro"*, presented by Opera for Woodbridge in October.
- **Poole** provided a clay workshop for a group from Dorset Blind Association, "putting their personalities into hand-made mugs" and enjoying the tactile material.
- **Blockley** supports the local youth arts charity, Campden Edge, which promotes and develops the creative talents of children and young adults. The fund provides financial assistance for those not able to afford these opportunities under normal circumstances.
- **Bristol** supported Expressions, a charity working with service users who have learning disabilities or mental health issues to create a large sculpture for Bristol Botanic Garden.
- **Evesham & Pershore** promoted The Evesham Tapestry, a remarkable local effort orchestrated by Rotary in the Vale. Sixteen embroideresses and school, scout and art groups all contributed scenes from Evesham's history.
- **Malmesbury** supported Malmesbury Secondary School + WOMAD Festival which opened with a performance by students from Malmesbury School music, dance and art departments based on South America. Year 7 artists produced stunning t-shirts for the dancers and musicians to wear on stage at the opening performance. The art department animated the designs which were projected onto the huge backdrop screen at the performance.
- **West Wales** were able to offer financial support to two very talented young Pembrokeshire brass players who had gained places in the National Youth Brass Band of Wales. Competition for places in this prodigious orchestra is fierce and the standard is incredibly high.
- **Dorking** has a monthly arts project for young people at the museum and also donates to a music/movement project working with disadvantaged young people.
- **Ayrshire** support Koestler Arts who work to help rehabilitate prisoners and young offenders through involvement with the arts.
- **Fife** funds the PAMIS Inclusive Art Club held at The Glenrothes Art Club. The workshops are for young people with profound and multiple learning difficulties and their carers, and are much appreciated by all those who attend.
- **Speyside** helped support the Fochabers Community Theatre for their pantomime performance giving young people in the company an experience of working together in a team and creating good memories in a creative learning experience.

HERITAGE VOLUNTEERING

Heritage Volunteering (HV) is continuing to find new and sometimes surprising additions to the long list of past and present projects. Introduced in the Society's early days, it was soon established as a valued working part of the Society, with the aim of helping to preserve our heritage, cleaning and repairing books, archives and textiles, using volunteers from Societies across the whole country.

Many projects are in museums, large private libraries, Institutions in cities, churches and houses open to the public. Our volunteers for these are trained by experts selected by TAS and, with continual regular training for the length of the project, the work is of a high standard.

Recently, more varied projects have been added, which do not necessarily need expert training.

Covid seems to have acted as an added incentive, helping us to expand Remote 'work at home projects': perfect for use at that time. Additionally, we are now seeing proposals for new projects that are pushing at and expanding the old boundaries of what could be considered an HV project.

HV is often carried out as a joint project between a number of societies and there are opportunities for members to get involved even if their own society is not sponsoring a project. HV often engages with its volunteers for long periods of time, particularly for library projects, which continue even as the volunteers change.

Here is a sample of current projects:

- Some of **Greater London Area's** volunteers are starting work in the library at Lords MCC. This is the largest library dedicated to cricket in the country, closely followed, according to them, by the Notts Trent Bridge library, where the existing HV library project is about to finish.
- **Sevenoaks'** volunteers have completed a project in partnership with Otford Historical Society at the Archbishop's Palace Conservation Trust, conserving and rehousing an archive. They also cleaned and repaired some old maps and documents.
- Volunteers from **Derby** have their first HV project at Radbourne Hall, conserving and cleaning books in the library.
- A new project at the Civil War Museum in **Newark** is about to start, with members from several nearby Arts Societies supplying the volunteers. We hope this will encourage some of these Societies who may not do any volunteering, to start their own projects in the future.
- The Arts Society **Cantab**, has had volunteers working in the college rare books library in Cambridge. This one of many projects that they find in Cambridge.
- Members from **West Surrey** are continuing their work at the Prince Consort Military Library in Aldershot. Four volunteers clean and repair the books.

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- A new project in **Sevenoaks** is recruiting volunteers for a rather different and interesting-looking project in a small factory nearby. This firm makes strings for musical instruments, and has an extensive archive going back some considerable time.

TRAILS OF DISCOVERY

Trails of Discovery are still expanding with new and different types of trails. Creating a trail is a social activity that can be enjoyed by members working together and discovering the culture, history, architecture and art in their area and then sharing this with the community with a trail.

In the past year we have:

- registered six new Children's Trails and completed another five.
- Registered one new Memory Trail and completed another two.
- Registered six new Neighbourhood Trails and completed another one.

The published trails are easily made available by using a QR code on a poster which can be displayed in the local area making the trails very accessible. Using the QR code means that the trails can be downloaded and read on a mobile device, avoiding the cost of printing. Not only does the poster advertise the trail but also the local society and The Arts Society.

We started with trails for children in churches. Primary schools use our trails as part of their curriculum helping to focus the children's attention on religion, history, architecture, and art. The trails are also made available in the churches.

Trails have now been created in historic buildings, and for villages, towns, railway branch lines, and featuring art and local historical personalities.

We also have Memory Trails for people living with Dementia. This trail has been purposely designed to help evoke memories and prompt conversation with family or carer.

All of our trails can be adapted for children or adults who have learning difficulties. These can be useful for the organisations when visiting a venue.

Our latest development is a trail around the Glaven Valley; this is not the usual walking trail but a trail covering a larger area pointing out places of interest. It covers villages and small towns and places of scientific interest, ancient forts, castles, important marsh areas and many other features.

Another new initiative has been making one of our Neighbourhood Trails into an audio trail for people who would prefer to listen to the description.

There is support across the country from The Arts Society for anyone who is interested in creating a trail or has any new ideas for a trail.

THE MARSH AWARDS for Volunteering

The Marsh Trust was established in 1981 by Brian Marsh OBE, and the Trust supports organisations and individuals who make a difference in the community around the country through volunteering. We have been in partnership with the Trust since 2013. It is because of the Marsh Trust's generosity that we have been able to honour the hard work and commitment of some of those who have contributed to the success of their volunteering projects and their Societies. All our winners were nominated by their colleagues at their Society or Area.

The recipients of the 2024 Marsh Awards were as follows:

Group Winners

The Arts Society West Essex Trails of Discovery Team

Led by Diana Meteyard with great support from her husband Hugh, the team have completed five local church trails and two trails in the gardens of nearby mansion, Copped Hall. For the Essex Area, Diana and Hugh completed two trails in Chelmsford Cathedral, one for pre-school children and the other for people living with dementia. They have also assisted other Societies with their Trails. Their first Trail after the pandemic was launched by the Bishop of Chelmsford in St Mary's Church Theydon Bois and was attended by children from local schools and Brownies. Their Trails will be used by hundreds of people visiting the gardens at Copped Hall. The Trails Team is a vibrant example of how The Arts Society can reach out to the wider community.

The Arts Society Bristol Heritage Volunteers Team

Led by Debbie Sandow, the group has been working in Bristol Cathedral since 2018. They have been restoring textiles and have produced work of a very high quality and to modern fire standards, enhancing the beauty of the cathedral for all who visit and saving the cathedral a large amount of money to spend on more people-focused activities for the wider community in Bristol. The group are continuing to work on the cathedral textiles and there seems to be a steady stream of new restoration projects for them. As The Very Reverend Dr Mandy Ford, Dean of Bristol, said "I take great delight in their work, and appreciate the skill and artistry of these wonderful volunteers".

The Arts Society West Cornwall Committee

Since its foundation thirteen years ago, the committee has contributed time, passion and commitment to the running and development of the Society and to volunteering in their local area. This year alone, they have arranged and run ten lectures, held 11 committee meetings, judged and gifted cash prizes to emerging artists at their local college, submitted art for the A Level Art Competition, have run visits to museums, hosted private art film screenings, organised trips to ancient sites, churches and historic houses, held themed parties and other events. In addition to this they have

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raised funds for Young Arts projects targeting the less privileged in their area. They have reached out to community groups working with U3A groups, local art schools and galleries and were sponsors of the inaugural John Le Carré Memorial Lecture. As Samme Charlesworth, outgoing Society chair says, "If not for the gifted hours, skills and friendship, this Society would be all the poorer".

Individual Winners

International Award Winner, **Tony Cabban**

Tony was the founder Chair when The Arts Society Marina Alta, on the Costa Brava near Javea in Spain, opened in 2017. He stepped down after serving his term of office, but he returned to the role in 2023. The pandemic, Brexit and the economic downturn had taken their toll on the Society which had lost two thirds of its membership. Tony returned and together with his committee rescued The Arts Society Marina Alta from closure. Through a variety of innovative ideas including use of social media, reaching out to other community organisations locally, gaining sponsorship, young arts projects and the introduction of flexible membership for expats affected by Brexit, Tony has turned the Society around, adding value and pleasure for Members while making a difference to the cultural landscape of the Marina Alta area.

Individual Award Winner for Arts Volunteering **Julia Villiers**

Julia has been a committee member of The Arts Society Poole since 2015. As Arts Volunteering Representative for the Society she identifies a need, seeks out suitable projects and follows through on their implementation and outcome including securing Community Grants or other funding from the Patricia Fay Memorial Fund. She has several successful projects under her belt including Easter holiday print-making workshops at the Bourne Valley Hub, an area known for its social deprivation. Working with the Dorset Blind Association she organised a tactile workshop where visually impaired people made decorative mugs. A keen networker, Julia has also facilitated joint projects with neighbouring Societies. In addition to her Arts Volunteering role, Julia also organises tours and visits for her Society.

Individual Award Winner for Arts Volunteering **Karen Couchman**

Karen has been the Arts Volunteering Representative on her committee of The Arts Society Monmouthshire for 10 years. During this time she has initiated many programmes, primarily focussed on schools. She has organised ceramics, art and textile workshops for local primary schools, enlisting the help of artists and teachers, whilst also working with children herself, as she is a qualified artist. In addition to this, in 2018 she organised a quilt project to commemorate the end of World War One, last year she organised a project for children to make large flags to commemorate the Coronation which will go on display later this year and currently she is engaged on two projects with local children involving photography and film. At a time when art is being sidelined in schools, Karen's creativity and enthusiasm is very much appreciated by all those that have benefited from her projects.

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Individual Committee Member Award Winner, **Anne Deuchar**

Anne was Chair of the Area Support Team for Wessex from 2021 until earlier in 2024 and she made a huge difference to the Societies in the Area. Her technical skills and expertise empowered local Societies particularly during the Covid period when she helped them get to grips with new technology and Zoom in particular. She developed the use of Ticket Tailor in the Area making the process of joining study days and meetings so much easier. In those days where membership was falling, she responded to requests for help from Societies offering advice, ideas and encouragement. She made Society committees feel that they could and did make a difference. Her Team in the Area also appreciated her kindness, wisdom and faith in their abilities.

Individual Committee Member Award Winner, **Jean Schooling**

Jean stood down from her role as Area Co-ordinator for Education for the Greater London Area in 2024 as she approached a significant birthday! For over 10 years Jean supervised a team of Study Course Organisers that produces 25 to 30 special interest days and courses per year. These events attract regular attendees from all over the country, not all of whom are Arts Society Members. Jean maintains a monthly MailChimp newsletter which goes out to over 1200 people ensuring the events receive a good attendance. The special interest days provide enjoyment and education for those that attend and, in addition to this, they provide funds for the Greater London Area's impressive grant giving programme which benefits the wider community. Jean's contribution to arts education and to The Arts Society is much appreciated by all concerned.

This report has been prepared in accordance with the provisions applicable to entities subject to the small companies' regime.

Approved by the Board of Trustees on 22 May 2025 and signed on its behalf by:



Jeremy Thomas
Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE NATIONAL
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Opinion

We have audited the financial statements of The National Association of Decorative and Fine Arts Societies (operating as "The Arts Society") (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise [the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charitable company's ability to continue as

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a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in [the strategic report or] the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or

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- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and Section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and

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appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent

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to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

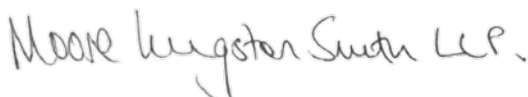
- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE NATIONAL
ASSOCIATION OF DECORATIVE AND FINE ARTS SOCIETIES
YEAR ENDED 31 DECEMBER 2024

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.



Date: 23 June 2025

Jonathan Aikens (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2024

		GENERAL	DESIGNATED	RESTRICTED	TOTAL	TOTAL Restated (note 1a) 2023
	Notes	2024	2024	2024	2024	
		£	£	£	£	£
INCOME AND ENDOWMENTS						
Charitable activities						
Subscriptions and fees from members		1,041,186	10,778	-	1,051,964	1,108,558
Educational course fees and events	2	11,434	110,694	-	122,128	102,837
Investment Income						
Investment Income	2	80,945	12,114	-	93,059	123,152
Donations and Legacies						
Donations and Legacies	2	5,880	130,277	30,000	166,157	3,707
Gift Aid	2	-	62,560	-	62,560	68,314
Grant income		-	-	-	-	-
Other trading activities						
Advertising income and other fees	3	386,467	-	-	386,467	306,311
Other income						
Other income	2	10,695	11,638	-	22,333	8,765
Total Income		1,536,607	338,061	30,000	1,904,668	1,721,644
EXPENDITURE						
Raising funds						
Gift Aid - Societies' administration fees	2	-	18,006	-	18,006	18,210
Investment managers' fees		22,948	-	-	22,948	25,804
Advertising and other commission	3	121,647	-	-	121,647	95,730
Total cost of raising funds		144,595	18,006	-	162,601	139,744
Charitable activities						
Education	2	365,951	89,820	-	455,771	371,526
Education - Cultur.art		-	565,697	30,000	595,697	187,561
Grants & Awards	2,4	-	140,375	-	140,375	224,190
Volunteering	2,4	239,982	-	-	239,982	269,232
Membership Services	2,4	809,372	16,657	-	826,029	1,009,988
Total Charitable expenditure		1,415,305	812,549	30,000	2,257,854	2,062,497
Total expenditure		1,559,900	830,555	30,000	2,420,455	2,202,241
Net (expenditure) before investment gains/(losses)		(23,293)	(492,494)	-	(515,787)	(480,597)
Net gain / (loss) on investment assets	8	33,000	195,304	-	228,304	63,623
Net gain / (loss) on sale of fixed assets	2a	-	-	-	-	2,143,953
Net income / (expenditure)		9,707	(297,190)	-	(287,483)	1,726,979
Net movement in funds		9,707	(297,190)	-	(287,483)	1,726,979
Total funds brought forward		683,525	3,081,960	-	3,765,485	2,038,506
Total funds carried forward	2,13	693,232	2,784,770	-	3,478,002	3,765,485

There are no recognised gains or losses other than those shown above.
All activities derive from continuing operations.
The accompanying notes form part of the financial statements.

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

BALANCE SHEETS

AS AT 31 DECEMBER 2024

		Group		Charity	
	Notes	2024	2023	2024	2023
		£	£	£	£
Fixed assets					
Tangible assets	5	19,490	18,315	19,490	18,315
Intangible assets	6	86,141	130,007	86,141	130,007
Investments	8	3,494,629	3,863,725	3,529,629	3,898,725
		3,600,260	4,012,047	3,635,260	4,047,047
Current assets					
Stock & work in progress		3,338	7,821	-	-
Debtors	7	262,534	140,652	94,180	36,130
Cash at bank and in hand		363,058	345,724	299,429	176,238
		628,930	494,197	393,609	212,368
Liabilities					
Creditors: Amounts falling due within one year	9	(751,188)	(740,759)	(813,202)	(668,620)
Net current assets / (liabilities)		(122,258)	(246,562)	(419,593)	(456,252)
Net assets		3,478,002	3,765,485	3,215,667	3,590,795
The Funds of the Charity					
Unrestricted funds		430,897	508,836	430,897	508,835
Non-charitable trading subsidiaries	3	262,335	174,689	-	-
TOTAL GENERAL FUNDS		693,232	683,525	430,897	508,835
Designated funds	2	2,784,770	3,081,960	2,784,770	3,081,960
Total funds	13	3,478,002	3,765,485	3,215,667	3,590,795

These accounts have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and in accordance with the Charities SORP (FRS 102).

The accompanying notes form part of these financial statements.

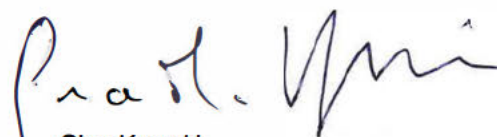
As permitted by section 408 Companies Act 2006, the company has not presented its own income statement and related notes. The Charity's deficit for the year was £442,502 (2023: surplus £1,655,080)

Company registration number: 04307984

Approved by the Board on 22nd May 2025 and signed on its behalf by:



Jeremy Thomas
Chair



Gina Krupski
Treasurer

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

CONSOLIDATED STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	£	£
Cash flow from operating activities		
Net cash utilised by operating activities	(650,894)	(687,096)
Cash flows from investing activities		
Investment income and interest received	93,059	123,152
Proceeds from disposal of fixed asset investments	1,334,027	596,015
Payments to acquire fixed asset investments	(736,627)	(2,843,809)
Proceeds from disposal of tangible fixed assets	-	2,880,000
Payments to acquire tangible and intangible fixed assets	(22,231)	(108,043)
	<hr/>	<hr/>
Net increase / (decrease) in cash and cash equivalents	17,334	(39,781)
Cash and cash equivalents at beginning of year	345,724	385,505
	<hr/>	<hr/>
Cash and cash equivalents at end of year	<u>363,058</u>	<u>345,724</u>

Reconciliation of net (expenditure) to net cash flow from operating activities

	2024	2023
	£	£
Net (expenditure) / income including endowments	(287,483)	1,726,979
Adjustments for:		
Depreciation and amortisation charges	64,922	69,066
Net (gains) / losses on investments	(228,304)	(63,623)
Investment income	(93,059)	(123,152)
(Profit) / loss on sale of fixed assets	-	(2,143,953)
Decrease / (increase) in stock	4,483	2,049
(Increase) in debtors	(121,882)	(52,604)
Increase /(decrease) in creditors	10,429	(101,858)
	<hr/>	<hr/>
Net cash utilised by operating activities	<u>(650,894)</u>	<u>(687,096)</u>

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

COMPANY INFORMATION

The National Association of Decorative & Fine Arts Societies (operating as 'The Arts Society'), a registered charity, is a company limited by guarantee and is incorporated in England and Wales. The registered office is 90 High Holborn, Office 4.55, LABS, London WC1V 6LJ

1 ACCOUNTING POLICIES

The accounting policies remain unchanged from the previous year.

(a) BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charity is a public benefit entity for the purposes of FRS 102 and therefore prepared the financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The Charities SORP (FRS 102)) effective from 1 January 2019, the Companies Act 2006, the Charities Act 2011, the Charity Trustee and Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006.

Consolidated financial statements have been prepared in respect of the Group, which comprises The Arts Society and its wholly owned subsidiaries, NADFAS Enterprises Limited and NADFAS Tours Limited. The results of the subsidiaries are consolidated on a line by line basis.

RESTATEMENT

During the year the method of consolidation has been amended to ensure the costs of publishing the Arts Society magazine are included within charitable activities and not a cost of raising funds. As a result the 2023 SOFA has been restated with £260,814 transferred from raising funds to charitable activities. Total expenditure remains unchanged at £2,202,241. The allocation of support costs has been amended based on the increased cost of charitable activities.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(b) GOING CONCERN

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Trustees have considered the charitable group's forecasts, projections and reserves and have taken account of pressures on donation and investment income. The Trustees accept that there is a degree of uncertainty around some activities, however, they have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. The charitable group therefore continues to adopt the going concern basis in preparing its financial statements.

(c) INCOME

Subscriptions are included in the statement of financial activities in the period to which they relate and any subscriptions received in advance are carried forward as deferred income. Amounts received in advance for educational courses and events are carried forward as deferred income.

Legacies are recognised following probate and once there is sufficient evidence that receipt is probable and the amount of the legacy receivable can be measured reliably. Where entitlement to a legacy exists but there is uncertainty as to its receipt or the amount receivable, details are disclosed as a contingent asset until the criteria for income recognition are met.

Investment and other income is included in the period to which it relates.

All income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably.

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

(d) EXPENDITURE

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charity. Unconditional grant offers are accrued once the recipient has been notified of the grant award and its payment is probable. Grant awards that are subject to the recipient fulfilling performance or other conditions are accrued when the recipient has been notified of the grant and either the performance condition is met or any remaining unfulfilled condition attaching to the grant is outside of the control of the Charity. Those payable from the Zena Walker Bequest Fund are approved by the grants committee for the period of the related scholarship (usually three years) and are recognised equally over that period.

Charitable Activities

Costs of charitable activities include education courses and training, grants payable, volunteering and membership services and other costs directly attributable and apportionment of overhead, support and governance costs.

Overhead and support costs have been allocated first between charitable activity and governance. Overhead and support costs relating to charitable activities have been apportioned based on estimated usage. The allocation of overhead and support costs is analysed in note 4. Included within overhead and support are staff costs, administrative and general office costs and depreciation.

Governance Costs

Governance costs comprise all costs involving the public accountability and running of the charity and its compliance with regulation and good practice. These costs include costs related to the Annual General Meeting, statutory audit, legal fees and Trustee meeting expenses together with an apportionment of staff costs relating to the Chief Executive and Company Secretary.

Employee benefits

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee through, for example, redundancy, or to provide termination benefits.

(e) FIXED ASSETS

Fixed assets are stated at cost less depreciation/amortisation; individual items costing less than £1,000 are not treated as fixed assets unless part of a "grouped asset". Depreciation/amortisation is calculated to write off the cost of fixed assets over their expected useful lives as follows:

Furniture, fixtures and equipment - over three to five years

Intangibles (including website and CRM)- over five years

(f) FIXED ASSET INVESTMENTS

Investments are initially measured at their cost and subsequently measured at their fair value at each reporting date. Fair value is based on their quoted price (inclusive of accrued income) at the balance sheet date without deduction of the estimated future selling costs.

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

(f) FIXED ASSET INVESTMENTS (continued)

Changes in fair value and gains and losses arising on the disposal of investments are credited or charged to the income or expenditure section of the Statement of Financial Activities as 'gains or losses on investments' and are allocated to the appropriate fund holding or disposing of the relevant investment.

Unquoted investments in subsidiary undertakings are stated at cost less provision for any diminution in value.

(g) STOCKS & WORK IN PROGRESS

These are stated at the lower of cost and net realisable value. Cost includes all direct costs incurred in bringing stocks to their present location and condition.

(h) INSURANCE

An insurance premium is collected in respect of each UK member Society and passed to the group's insurers on an agency basis and not included in the charity's own financial statements.

(i) CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

(j) FINANCIAL ASSETS/LIABILITIES MEASURED AT AMORTISED COST

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

(k) FUND ACCOUNTING

All funds are unrestricted. Unrestricted funds are divided into general and designated funds.

General funds are available for use at the discretion of Trustees in furtherance of the general charitable objectives.

Designated funds are amounts that have been set aside at the discretion of Trustees for specific purposes and are listed in note 2A.

Restricted funds represent funds which are to be used in accordance with specific restrictions imposed by donors or when funds are raised by the charity for particular purposes.

(l) PENSIONS

Contributions are made either to a group personal pension plan or to individual staff members' personal pension plans and are recognised on an accruals basis.

(m) CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

The Trustees in applying the accounting policies gave specific consideration to amortisation / depreciation, and whether any impairment was required relating to the investment in the subsidiaries. In the opinion of the Trustees, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

2a GROUP DESIGNATED FUNDS

Designated funds comprise the Patricia Fay Memorial Fund, the Zena Walker bequest fund, the property fund (2023 only), the strategic development fund and the area funds. A summary of movements on these funds is shown below:

	Patricia Fay Memorial	Zena Walker Bequest	Strategic Development	Areas	Total
	2024	2024	2024	2024	2024
	£	£	£	£	£
Income					
Donations and legacies					
Subscriptions and fees from members	-	-	-	10,778	10,778
Gift Aid	62,560	-	-	-	62,560
Donations legacies and similar income	129,691	-	586	-	130,277
Educational course fees and events	-	-	-	110,694	110,694
Other income					
Other income	-	-	-	11,638	11,638
Investment income					
Bank interest	1,382	-	-	37	1,419
Investment Income	9,812	883	-	-	10,695
Total incoming resources	203,445	883	586	133,147	338,061
Expenditure					
Costs of generated funds					
Gift Aid - Societies' administration fees	18,006	-	-	-	18,006
Charitable activities					
Education courses and events	-	-	-	89,820	89,820
Education - cultur.art	-	-	565,697	-	565,697
Grants & Awards	107,728	-	-	32,647	140,375
Membership services general	-	-	-	16,657	16,657
Total expenditure	125,734	-	565,697	139,124	830,555
Net income / (expenditure) before transfers	77,711	883	(565,111)	(5,977)	(492,494)
Transfers					
Gross transfers between funds					
Strategic Development Fund	107,196	-	(107,196)	-	0
Net incoming resources before other recognised gains and losses	184,907	883	(672,307)	(5,977)	(492,494)
Other recognised gains					
Net gains / (losses) on investment assets	11,744	5,665	177,895	-	195,304
Net gains / (losses) on the sale of fixed assets	-	-	-	-	0
Net movement in funds	196,651	6,548	(494,412)	(5,977)	(297,190)
Funds brought forward	100,885	148,769	2,692,450	139,856	3,081,960
Funds carried forward	297,536	155,317	2,198,038	133,879	2,784,770

Designated funds are amounts that have been set aside at the discretion of Trustees and comprise:

i) Patricia Fay Memorial Fund

This fund is administered by the Trustees. The main purposes of the fund are to provide grants. The fund gains its income from investment returns, gift aid, donations and legacies.

ii) The Zena Walker bequest fund

This fund derives from a bequest of £120,790 from Mrs Zena Walker and income generated is to be used for an annual scholarship which is administered by the Trustees. The capital of the fund is intended to remain and generate sufficient income to fund this annual scholarship.

iii) Strategic Development Fund

The Strategic Development fund was initially established in 2019 as the Development Fund to support the strategic development of the organisation. It was historically funded from the reallocation of donations and legacies received in earlier periods, and subsequently the redesignation of the Property Fund upon its closure. Includes settlement costs of £150,524 and legal and professional fees of £113,561, all of which resulted from the pursuit of the cultur.art strategic initiative.

iv) Area Funds

This designation represents The Arts Society funds for which administration responsibility is delegated by the Trustees to Area Committees.

Comparative figures for each fund can be found in Note 2b.

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

2b GROUP DESIGNATED FUNDS

	Patricia Fay Memorial	Zena Walker Bequest	Property	Strategic Development	Areas	Total
	2023	2023	2023	2023	2023	2023
	£	£	£	£	£	£
Income						
Donations and legacies						
Subscriptions and fees from members	-	-	-	-	5,988	5,988
Gift Aid	68,314	-	-	-	-	68,314
Donations legacies and similar income	643	-	-	-	-	643
Educational course fees and events	-	-	-	-	89,486	89,486
Other income						
Other income	-	-	-	-	5,422	5,422
Investment income						
Bank interest	3,989	-	-	-	66	4,055
Investment Income	8,743	1,726	-	-	-	10,469
Total incoming resources	81,689	1,726	-	-	100,962	184,377
Expenditure						
Costs of generated funds						
Gift Aid - Societies' administration fees	18,210	-	-	-	-	18,210
Charitable activities						
Education courses and events	-	-	-	-	89,695	89,695
Education - cultur.art	-	-	-	187,561	-	187,561
Grants	194,463	29,727	-	-	20,078	244,268
Disposal costs	-	-	-	-	-	-
Membership services general	14,016	-	61,860	-	27,837	103,713
Total expenditure	226,689	29,727	61,860	187,561	137,610	643,447
Net income / (expenditure) before transfers	(145,000)	(28,001)	(61,860)	(187,561)	(36,648)	(459,070)
Transfers						
Gross transfers between funds						
Strategic Development Fund	(107,196)	-	(2,772,815)	2,880,011	-	-
Net incoming resources before other recognised gains and losses	(252,196)	(28,001)	(2,834,675)	2,692,450	(36,648)	(459,070)
Other recognised gains						
Gain in the value of investments:						
Realised	-	-	-	-	-	-
Realised	-	-	-	-	-	-
Net gains / (losses) on investment assets	23,704	(1,478)	-	-	-	22,226
Net gains / (losses) on the sale of fixed assets	-	-	2,143,953	-	-	2,143,953
Net movement in funds	(228,492)	(29,479)	(690,722)	2,692,450	(36,648)	1,707,109
Funds brought forward	329,377	178,248	690,722	-	176,504	1,374,851
Funds carried forward	100,885	148,769	-	2,692,450	139,856	3,081,960

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

3 NET INCOME FROM TRADING SUBSIDIARIES

The Arts Society owns the entire issued share capital of two trading companies which are registered at the same address as The Arts Society. NADFAS Enterprises Limited ('NEL') publishes the magazine, online content and retails a small number of products. NADFAS Tours Limited ('Tours') generates income from commission paid by commercial partners. These two companies were established primarily to enhance the educational and promotional activities of The Arts Society and to generate funds essential to the long term growth of the organisation, and accordingly both companies usually donate their taxable profits to The Arts Society under Gift Aid.

The income and expenditure of the trading subsidiaries is included within the Consolidated Statement of Financial Activities. Their financial statements are summarised below.

	NADFAS Enterprises Ltd		NADFAS Tours Ltd		Total	
	2024	2023	2024	2023	2024	2023
	£	£	£	£	£	£
Turnover	458,976	435,424	180,023	130,869	638,999	566,293
Cost of sales	(369,782)	(341,957)	0	-	(369,782)	(341,957)
Gross profit	89,194	93,467	180,023	130,869	269,217	224,336
Administration Expenses	(22,571)	(55,564)	(17,672)	(27,194)	(40,243)	(82,758)
Other income	1,083	833	-	-	1,083	833
Profit / (Loss) before taxation	67,706	38,736	162,351	103,675	230,057	142,411
Taxation	-	-	-	-	-	-
Profit / (Loss) after taxation	67,706	38,736	162,351	103,675	230,057	142,411
Retained profit brought forward	71,013	66,865	103,676	35,926	174,689	102,791
Gift aid distribution	(38,736)	(34,588)	(103,675)	(35,925)	(142,411)	(70,513)
Profit retained carried forward	99,983	71,013	162,352	103,676	262,335	174,689
Capital and Reserves						
Share capital	5,000	5,000	30,000	30,000	35,000	35,000
Profit and Loss Account	99,983	71,013	162,352	103,676	262,335	174,689
Shareholders' Funds	104,983	76,013	192,352	133,676	297,335	209,689

Turnover of NEL in 2024 includes £253,615 (2023 - £260,614) charged to The Arts Society for the production and distribution of the magazine.

Administration costs include apportioned charges paid by The Arts Society on behalf of NEL of £18,853 (2023 - £45,327) and of Tours of £15,910 (2023 - £22,844).

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

4 EXPENDITURE

a) DIRECT STAFF COSTS AND EMPLOYEES

	Group General	Group General
	2024	2023
	£	£
Salaries	927,996	563,551
Pension contributions	55,788	52,182
Social Security costs	100,337	60,346
	<u>1,084,121</u>	<u>676,079</u>

The number of employees whose emoluments (salaries and benefits in kind) fell within the following bands:

	2024 Number	2023 Number
£60,000 - £69,999	1	1
£70,000 - £79,999	1	-
£80,000 - £89,999	-	1
£100,000 - £109,999	-	-
£110,000 - £119,999	-	1
£120,000 - £129,999	1	-
£170,000 - £179,999	1	-

Staff costs in the year include £150,534 of settlement payments made in the period.

The number of employees who earned more than £60,000 for whom pension contributions have been paid in the year is 4 (2023: 2). These pension contributions totalled £23,068 (2023: £20,183)

b) STAFF NUMBERS

The average number of staff employed was 15 (2023: 10) and the average number of full-time equivalent employees (including casual and part time staff) during the period was as follows:

	2024 Number	2023 Number
Education	2	2
Education - Cultur.art	5	-
Volunteering	1	1
Membership Services	<u>7</u>	<u>7</u>
	<u>15</u>	<u>10</u>

c) TRUSTEES AND KEY MANAGEMENT PERSONNEL

A total of £19,743 (2023: £24,814) was reimbursed to 15 (2023: 9) Trustees in the year for travel and other incidental expenses.

None of the Trustees who served during the period received any remuneration for their services (2023- £Nil)

Key management personnel include the Trustees, Chief Executive, and Chief Operating Officer. Total remuneration was £360,573 (2023: £263,546)

d) PENSIONS

Contributions (on a defined contribution basis) are made either to a group personal pension plan or to individual staff members' personal pension plans at a rate in line with current auto enrolment legislation. The total pension costs paid during the year (and comparatives) are disclosed in note 4a.

e) AUDITORS' FEES

	Group 2024 £	Group 2023 £
Audit	22,200	26,503
Taxation services	<u>3,378</u>	<u>2,680</u>

f) DEPRECIATION / AMORTISATION

Depreciation / amortisation on owned assets	<u>64,922</u>	<u>69,066</u>
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g) ANALYSIS OF GRANTS AWARDED IN THE YEAR

	Number 2024	Number 2023	Group 2024 £	Group 2023 £
Designated Funds	232	279	107,728	224,190
Designated Funds			<u>32,647</u>	<u>20,078</u>
			<u>140,375</u>	<u>244,268</u>

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

4 EXPENDITURE

h) ALLOCATION OF SUPPORT COSTS AND OVERHEADS

The allocation of support costs and overheads and how these were allocated between Governance and Charitable Activities within the General Fund is shown in the table below:

2024	Education	Volunteering	Membership Services	Governance	Total
	£	£	£	£	£
Costs directly allocated to activities					
Staff Costs	140,882	133,342	200,024	55,778	530,026
Staff and Volunteering expenses	1,775	7,283	13,858	23,326	46,242
Publicity and events costs	77,094	-	464	7,926	85,484
Legal and Professional fees (inc Audit fees)	-	-	-	45,441	45,441
Magazine Production Cost	-	-	253,615	-	253,615
Support costs directly allocated	181	3,601	18,463	19,885	42,130
Total Direct Costs	219,932	144,226	486,424	152,356	1,002,938
Support costs apportioned to activities by usage					
Staff Costs	45,935	30,123	101,595	-	177,653
Staff and Volunteer expenses	509	333	1,124	-	1,966
Professional fees	4,236	2,777	9,367	-	16,380
Information Technology	17,020	11,162	37,644	-	65,826
General Office	3,410	2,237	7,543	-	13,190
Premises	13,207	8,661	29,210	-	51,078
Stationery, Printing, Postage and Telephone	6,953	4,560	15,378	-	26,891
Depreciation	15,355	10,069	33,959	-	59,383
Governance costs allocated to activities	39,394	25,834	87,128	(152,356)	-
Total Support Costs	146,019	95,756	322,948	(152,356)	412,367
Total General Fund Expenditure	365,951	239,982	809,372	-	1,415,305

2023 Restated (note 1a)	Education	Volunteering	Membership Services	Governance	Total
	£	£	£	£	£
Costs directly allocated to activities					
Staff Costs	108,701	123,915	238,128	58,138	528,882
Staff and Volunteering expenses	1,548	7,762	16,865	46,165	72,340
Publicity and events costs	46,494	175	1,129	13,378	61,176
Legal and Professional fees (inc Audit fees)	-	-	-	88,188	88,188
Magazine Production Cost	-	-	260,814	-	260,814
Support costs directly allocated	-	13,180	15,287	17,321	45,788
Total Direct Costs	156,743	145,032	532,223	223,190	1,057,188
Support costs apportioned to activities by usage					
Staff Costs	30,508	28,228	103,589	-	162,325
Staff and Volunteer expenses	545	503	1,847	-	2,895
Information Technology	9,949	9,205	33,780	-	52,934
General Office	2,650	2,447	8,528	-	13,625
Premises	10,335	9,564	35,096	-	54,995
Stationery, Printing, Postage and Telephone	4,895	4,529	16,621	-	26,045
Depreciation	12,640	11,695	42,918	-	67,253
Governance costs allocated to activities	53,566	58,029	111,595	(223,190)	-
Total Support Costs	125,088	124,200	353,974	(223,190)	380,072
Total General Fund Expenditure	281,831	269,232	886,197	-	1,437,260

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

5 TANGIBLE FIXED ASSETS

	Group & Charity Furniture, Fixtures & Equipment
	£
Cost	
As at 1 January	49,620
Additions in the period	18,744
As at 31 December	<u>68,364</u>
Depreciation	
As at 1 January	31,305
Charge for period	17,569
As at 31 December	<u>48,874</u>
Net Book Value	
31 December 2024	<u>19,490</u>
31 December 2023	<u>18,315</u>

6 INTANGIBLE FIXED ASSETS

	Website
	£
Cost	
As at 1 January	312,412
Additions in the period	3,487
As at 31 December	<u>315,899</u>
Amortisation	
As at 1 January	182,405
Charge for period	47,353
As at 31 December	<u>229,758</u>
Net Book Value	
31 December 2024	<u>86,141</u>
31 December 2023	<u>130,007</u>

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

7 DEBTORS

Amounts falling due in one year:

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	125,382	105,593	3,945	1,072
Other debtors	85	3,021	85	3,021
Prepayments & accrued income	137,067	32,037	90,150	32,037
	<u>262,534</u>	<u>140,651</u>	<u>94,180</u>	<u>36,130</u>

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

8 INVESTMENTS

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Unrestricted Funds				
<u>Unlisted investment - at cost</u>				
Subsidiary companies:				
- NADFAS Enterprises Ltd	-	-	5,000	5,000
- NADFAS Tours Ltd	-	-	30,000	30,000
<u>Listed Investments - at market value</u>				
Rathbone Group Plc managed portfolio	3,229,029	3,529,705	3,229,029	3,529,705
<u>Equity Units/Shares:</u>				
CCLA COIF income units	265,600	334,020	265,600	334,020
	<u>3,494,629</u>	<u>3,863,725</u>	<u>3,529,629</u>	<u>3,898,725</u>

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Reconciliation of movement in investments:				
As at 1 January	3,863,725	1,552,308	3,898,725	1,587,308
Additions	736,627	2,843,809	736,627	2,843,809
Disposal proceeds	(1,334,027)	(596,015)	(1,334,027)	(596,015)
Net (losses) / gains on investments	228,304	63,623	228,304	63,623
Market value at 31 December	<u>3,494,629</u>	<u>3,863,725</u>	<u>3,529,629</u>	<u>3,898,725</u>
Historical cost	<u>3,126,418</u>	<u>3,721,859</u>	<u>3,161,418</u>	<u>3,756,859</u>

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

9 CREDITORS: amounts falling due within one year

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
General Funds:				
Trade creditors	120,905	43,937	125,299	43,937
Amount due to subsidiary	-	-	145,015	6,193
Other taxes and social security costs	55,371	40,711	27,822	25,775
Accruals	48,050	53,179	40,265	42,193
Deferred income	161,942	129,012	109,881	76,602
Designated Funds:				
Loans - Patricia Fay Memorial Fund	364,920	473,920	364,920	473,920
	<u>751,188</u>	<u>740,759</u>	<u>813,202</u>	<u>668,620</u>

Charity deferred income for the General Fund at 31 December 2024 includes membership affiliation fees and insurance charges of £109,881 (2023 - £76,602) received in advance. Group deferred income in addition includes lecturers subscriptions of £52,061 (2023 - £52,410).

Loans to the Patricia Fay Memorial Fund from Societies are interest free, repayable on demand and full recourse to The Arts Society.

10 DEFERRED INCOME

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
As at 1 January	129,012	215,712	76,602	166,113
Amounts deferred during the period	161,942	129,012	109,881	76,602
Amounts released during the period	(129,012)	(215,712)	(76,602)	(166,113)
Balances carried forward as at 31 December	<u>161,942</u>	<u>129,012</u>	<u>109,881</u>	<u>76,602</u>

11 RELATED PARTY TRANSACTIONS

NEL charged The Arts Society £253,615 (2023: £2254,612) for the production of the magazine. Staff costs totalling £18,853 (2023: £43,327) were recharged to NEL, and £15,910 (2023: £22,844) to Tours.

Trustee expenditure reimbursement was £19,743 (2023: £24,814).

12 ULTIMATE CONTROLLING PARTY

The charitable company is under the control of its voting members. No one member has sufficient voting rights to control the charitable company.

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

13 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	General	Designated	Total
	2024 £	2024 £	2024 £
Tangible fixed assets	19,490	-	19,490
Intangible fixed assets	86,141	-	86,141
Investments	871,313	2,623,316	3,494,629
Current assets	182,692	446,238	628,930
Creditors: amounts falling due within one year	(386,268)	(364,920)	(751,188)
TOTAL NET ASSETS	773,368	2,704,634	3,478,002

Designated fund investments include £364,920 (2023: £473,920) of monies loaned to the Patricia Fay Memorial Fund by local societies (See note 9).

	General	Designated	Total
	2023 £	2023 £	2023 £
Tangible fixed assets	18,315	-	18,315
Intangible fixed assets	130,007	-	130,007
Investments	489,797	3,373,928	3,863,725
Current assets	312,245	181,952	494,197
Creditors: amounts falling due within one year	(266,839)	(473,920)	(740,759)
TOTAL NET ASSETS	683,525	3,081,960	3,765,485

14 CAPITAL COMMITMENTS

There were no capital commitments at 31 December 2024.