

REGISTERED COMPANY NUMBER: 05608888

REGISTERED CHARITY NUMBER: 1113675

**THE MAKERS GUILD IN WALES
REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2017**



**Carr, Jenkins & Hood
Redwood Court
Tawe Business Village
Swansea
SA7 9LA**

THE MAKERS GUILD IN WALES

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

	Page
Report of the Trustees	1 to 8
Independent Examiner's Report	9
Statement of Financial Activities	11
Balance Sheet	12 to 13
Notes to the Financial Statements	14 to 23
Detailed Statement of Financial Activities	24 to 26

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2017**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

The report of the trustees also incorporates a directors' report as required by company law.

OBJECTIVES AND ACTIVITIES

Objectives

The Guild has been successfully managing to sustain and maintain its Charitable Objectives for over 33 years, namely:

"The Objects are to advance education for the public benefit in the visual Arts and Crafts in particular but not exclusively by exhibitions of high quality hand made crafts and the provision of workshop programmes".

Mission Statement

"The Makers Guild in Wales is the National Craft Organisation for Wales; a membership body that engages and inspires through the promotion of excellence in craft."

Public benefit

The trustees of the charity are committed to providing a public benefit, and have taken into account the Charity Commission's guidance in this area.

The Guild provides the public with free access to high quality exhibitions of craft by maker members of the Guild along with an educational exhibition programme of National and International Craft and Applied Art. Linked with each educational exhibition is a programme of community workshops, usually taking place at Craft in the Bay, a unique Heritage asset and a Grade II listed building, a former Victorian Maritime Warehouse in the heart of Cardiff Bay.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2017

STRATEGIC REPORT

Achievement and performance

Charitable activities

The Makers Guild in Wales was founded as a craft co-operative by a small group of craft-makers in February 1984, who were determined to create more opportunities for makers to exhibit and sell their work. Over time and as membership grew and the Guild progressed through a number of homes in Cardiff, 'The Old Library' to the 'Old Techniquet Building' to the 'The Cory's Building' on Bute Street, until successfully fund-raising £1.4 million in order to convert the 'D' shed, an old Victorian Transit Warehouse with a Grade II listed cast iron structure into our new purpose built gallery - Craft in the Bay. We opened the doors June 2002 and in 2005 The Guild concluded the purchase of the Freehold and Leasehold title from the former Welsh Development Association. In 2006 the Guild became an Incorporated Charity.

The Guild now exists to promote high quality craft work throughout Wales, by exhibiting and selling the work of its selected membership, and by creating and managing exhibitions and outreach educational programmes. The Guild is a registered charity, with a board of Trustees, some of whom are also makers, and employs a small number of permanent and part-time staff. Our activities are supported by a group of enthusiastic Friends. Both the Guild, and the gallery, now have a national and growing international reputation for excellence.

In addition to our educational programmes at our heart are our Welsh craftmaker membership which now numbers 83 (2016: 83), this gives the Guild a cumulative and united strength, allowing members to feel part of a group sharing a vision whilst members benefit from a multi layered programme of opportunities.

Our Gallery is open 7 days a week from 10.30 to 17.30 free of charge and received 87,180 visitors in 2016. In the cultural heart of Cardiff, our building was short-listed for a RIBA award and received a "highly commended" at the British Archaeology Award in 2004. In June 2012 the Guild was used as an exemplar study into co-operative consortia by the Wales Co-operative Centre. Craft in the Bay is recognised as one of the Capitals most significant Cultural and Heritage destinations.

After moving from a purely volunteer-led organisation to employing staff, the 3 full-time and 5 part-time staff now supplement the 495 volunteer days given to the Guild in 2016. In June 2013 the Guild was awarded a Go Wales Excellence Award for our work volunteer placement scheme with Cardiff Metropolitan University over the last ten years. The Guild celebrated its 30th in 2014, so we have managed to sustain and grow our independent organisation for over 30 years. The Guild has developed a Friends scheme which now numbers over 80 and provides the Guild with a knowledgeable, supportive and committed group of 'Ambassadors'.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2017

STRATEGIC REPORT

Achievement and performance

Programme highlights

We have delivered a full programme of exhibitions and education events throughout the twelve months of this period. We have shown a total of seven major exhibitions in our gallery at Craft in the Bay as well as eighteen smaller showcases within the building in our Oriel 2 space on the first floor, the Guest Maker area and the Members Showcase area.

All of our exhibitions including the smaller showcases of Guest Maker, Members Showcase and Oriel 2 student showcases, have been supported with educational information. All our exhibitions are free of charge, we also regularly have many school and college groups visiting the gallery, both to see the exhibitions and visit the craft gallery and learn about Craft and the individual makers.

Our annual programme of educational exhibitions, feature 6-7 major exhibitions, plus 18 smaller exhibitions each year, usually all currently hosted and curated in house.

Exhibitions

Our Major exhibition programme features 6-7 exhibitions each year, highlights this year include:

Beate Gegenwart (May to July 2016)

Beate, originally from Germany, has lived and worked in Wales for 37 years during which time she has dedicated her time to supporting the Applied Arts in Wales through her teaching and curatorial work. She continues to push her professional practice forward and explore materials and processes that excite and challenge. Working predominantly in metal and vitreous enamel Beate also has a great interest in cross-disciplinary ways of working. Beate exhibited a major new set of inter-related artworks that make links to cloth, the body movement, the small wearable items and to architectural space. Pieces will be predominantly made in metal and vitreous enamel and encompass processes including laser cutting, 3D printing and electroforming. Educational activity included artist talks, specialist workshops, discussion groups and activity for schools focussing on design and construction in card.

Summer Show 2016: Weave (July to September 2016)

Twenty four artists were selected to show work in our Summer Show - each showing an element of weave in their designs. We will have an exciting range of work in different media and showing very individual approaches to design and making. Weave was been selected following an open 'Call for Artists' earlier this year. The Makers Guild in Wales were very grateful to the selection panel: Dail Behennah & Dr. Keireine Canavan.

Artists and Drawings (September to November 2016)

An exciting exhibition that looks at the relationship of drawing to an artists work. Curated by Alex McErlain who first explored this theme in 2007 with an exhibition called 'Firing Thoughts' shown at Manchester School of Art - a ceramics focussed show, Drawing Inspirations looks at the broader field of practice and examines the myriad approaches that constitute the meaning of drawing to the artist and how their work is conceived and developed. Artists exhibiting include; Christie Brown, Clare Florey-Hitchcox, Julia Griffiths-Jones, Kate Haywood, Richard Heeley, Alice Kettle, Megan Ochedusko, Amanda Simmons and Elizabeth Turrell. Exhibition catalogues available with essays by Alex McErlain and Dr Natasha Mayo.

'Hygge' Christmas Show 2016 (November 2016 to January 2017)

A group exhibition of invited makers and Guild members covering a range of craft and applied art disciplines and themed on the Danish concept of 'Hygge' - translating as celebrating the everyday things in our lives and making them more special and beautiful.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2017

STRATEGIC REPORT

Achievement and performance

'Telling Tales' by Anna Noel (January to March 2017)

The delightful ceramic animals and figures by Anna Noel can be seen in our gallery this month - a touring exhibition initiated by the Mission Gallery and curated by Ceri Jones. Working from her idyllic rural studio in the Gower, Anna gains inspiration from the animals she has grown up with and her passion for fables, rhymes and memories of childhood make-believe. As Ceri writes in her catalogue essay: 'Anna has long been fascinated by animals, indigenous and exotic, and by peoples' relationships with animals. Growing up in the countryside, with a dog at her side and free roaming cats, she has keenly observed animals in their habitats. Agricultural animals, woodland creatures, seashore life, Anna has allowed herself insight into animal habits and characteristics. She has also found quiet companionship in animals, trust and reassurance. It is owing to her observations that she knows to take nothing for granted.' Anna gave an informal hour long introduction to the exhibition as part of this event.

'Superbowls' Interpretations of an ageless design (March to May 2017)

'Bowls are objects of everyday use and must be one of the first items humans made by pinching and squeezing clay with their fingers to form a usable container. After many thousands of years the bowl is being used and reinvented every day and can be one of the simplest and most basic forms a ceramicist can make to be used. But what makes the bowl so enduring as an art object? It has all the formal values an artist needs to work with: linear profile, form, volumetric presence, surface, texture and colour. The perfect vehicle for a ceramicist to express and explore ideas.' Exhibition curator, Geoffrey Swindell. Geoffrey invited fourteen UK artists working in clay to create work for Superbowls. The only guidelines being that the objects should be essentially shallow, hollow containers and connect stylistically to individual interests and current work as artists and designers. Some of the artists were already known for their bowl forms but others were new to this format. Visitors to the exhibition were exposed to a very diverse and creative approach to the brief.

Voices from the Edge 'Murmurations' (May to July 2017)

This unique exhibition encompassed the works of five visual artists who had spent two years working with residents of care homes across Wales as part of Age Cymru's cARTrefu programme. Each artist created a nurturing environment where residents felt relaxed and encouraged to share fond memories and forgotten stories. Through responding to this unique interaction, the artists were able to connect with the older people, some of whom live with dementia. As a direct result of this connection the artists were inspired to develop their practice and create work which expressed the sensitivity and fragility of these shared experiences, capturing and amplifying the past glories of the people they met. The spectrum of works in the exhibition was very broad, yet there is a common thread - to showcase the experiences of the older people - creating a wider audience and challenging society's assumption of older age.

Members Showcase :

Our exhibition programme dedicated to putting the spotlight on a new body of work by our Guild members.

- Emily Skinner - Applique - 3D wall panels.
- Jennifer Hall - Pottery.
- Harriet Chapmen - Fragments from the Past - Textiles.

Guest Maker:

An exhibition area in the gallery for invited artists external to the Makers Guild in Wales, to exhibit a new body of work.

- Diane Horne - Ceramics
- Jon Bull - Ceramics
- Shahar Saki - Architectural Jewellery
- Vanessa Cutler - Glass
- Shelley Doolan - Glass
- Margo Schmidt - Ceramics

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2017

STRATEGIC REPORT

Achievement and performance

Friends of The Makers Guild in Wales events

Our 'Friends' invite Guild Maker-members to talk about their work, career or processes through our 'Meet the Maker' educational programme. There were seven free events organised throughout the year, all held at Craft in the Bay, although organised by the Friends they are open for all to attend. Over this year talks were given by Guild members Stuart Neale (weaver), Deborah Edwards (silversmith and jeweller), Harriett Chapman (textile artist), Molly Curley (potter), Christian Ryan (stained glass artist), Alan Perry (artist blacksmith) and Shirley Jones (maker of books). Attendance for these events was over 140. The Friends also made links with and visited Chapter Arts and Insole Court.

Financial review

Principal funding sources

Commissions from the sale of Maker Members' work displayed in the main gallery space, rental income from the café, income from educational activities and the letting of meeting rooms produce the bulk of the Charity's income.

Some 33% of the Gallery floor area is designated for a curated educational exhibition programme, together with Educational facilities offered to people of all ages in two workshop areas on the ground floor. Financial assistance for this programme was received from The Arts Council of Wales via an application for Project funding. The revenues and associated costs are those designated as 'Restricted funds' in the financial statements.

Investment policy and objectives

Under the Memorandum and Articles of Association, the Charity has power to invest in any way the Trustees wish. The Trustees regularly review the investment funds to ensure that they are the most appropriate for the Charity.

Review of finances

The Guild set robust financial targets to cover its costs in 2016/17 after generating a deficit in 2015/16. Having budgeted accordingly to meet that target, the events around the previous café tenant exercising the break clause in the lease and leaving on 20 December 2016 led to a period of three months with no income whilst the new tenant's lease was completed in March. Unfortunately this chain of events has driven an unexpected deficit again this year.

On a positive note the Guild has completed a programme of Energy Efficiency in this year resulting in a 15KW PV solar array on the roof in September 2016 and new LED lighting installed January 2017, along with an upgrade to its heating and cooling system. This programme is already resulting in a lowering of costs and a small income from Feed in Tariff, which will lower costs over the coming year and control costs in the long term. The PV Solar element was funded entirely by the Garfield Weston Foundation and the British Airways Carbon Fund, we are grateful to both of them for the assistance in this programme. The LED lighting along with the heating and cooling upgrade was funded by the Arts Council of Wales Capital Lottery Programme, again we are very grateful to them for their invaluable assistance.

The Guild managed to secure £5,000 from the Ashley Family Foundation for the year to help fund our educational programme. Conversely, fundraising for core costs and sales income associated with the shop was not sufficient to cover the unexpected drop in income from the café and this can be seen reflected in the financial report for the year. In light of this the Guild is currently reviewing its three year budget to ensure its future sustainability.

The Guild would also like to thank its Supporters, Friends, Membership and Trustees for the invaluable support given during this period.

Reserves policy

The Trustees ensure that the disposition of restricted funds is in accordance with donor requirements. A strategic reserve is a key aim for the next four years.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2017**

STRATEGIC REPORT

Financial review

Factors affecting the Charity

The Guild is aware that a number of both external and internal factors may influence the Guild over the next few years, Trustees therefore instigated a full review of all Guild activities. This review took place through 2015-2016, enabling Trustees to review possible threats, plan future developments and review all structures and policies. This work is continuing through 2017-18.

Future plans

The Guild recently undertook a fully funded Energy Efficiency project, this resulted in the installation of a 15Kw Solar PV array on the roof, new LED lighting in the Gallery and an update on the heating and cooling systems. These three strands will all help to lower the Guilds costs, provide an income (through the Feed in Tariff) and ensure the Guild can lower its carbon output significantly. A full year will be required before conclusive evidence can be obtained, but results so far are exceeding expectations.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Charity is a company limited by guarantee and was registered with the Charity Commission on 6 April 2006, although The Makers Guild in Wales was first established by a group of makers in 1984. The Governing Documents are held at Craft in the Bay. In October 2006, the Guild agreed to the establishment of the current Charity. There are two categories of membership; Maker-Member and Supporter-Member. In order to become a Maker-Member, craftmakers who live and work in Wales are entitled to apply and submit their work to the Guilds rigorous artistic selection procedure.

Recruitment and appointment of new trustees

Trustees, who are either Maker or Supporter-Members of the Guild, are appointed at the Annual General Meeting. A maximum of 25% are Maker-Members and the remainder are recruited externally as Supporter Members according to the differing skills which are seen to be appropriate.

Trustees are now recruited via a formal interview and then selected according to ability and suitability for the role. A formal induction process is to be introduced in due course.

Organisational structure

During the last year the Trustees instigated a review and restructure of its committees. The governing body is the Board of Trustees who are non-executive, unpaid and meet at least six times a year. The Board have now formally established five standing committees who report directly to the Board; a Finance Committee, an Education and Exhibitions Committee; a Membership Committee, a Marketing Committee and a Buildings Committee.

Each committee is made up of at least two Trustees and a staff member, with further personnel recruited as and when required. The Board have also reviewed and updated staffing and internal communication structures. The Board delegate the general day to day running of the Charity to Mr S Burgess, the General Manager.

Induction and training of new trustees

There is no formal induction or training process for trustees as the skills and knowledge of trustees varies. However, vacant positions are advertised and a short list are interviewed for each post. Trustees are chosen for the specific skills that they bring to the Board. A formal-induction process is to be introduced in due course.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Risk assessment and the management of risk is a continuous process with all areas being addressed as required and the Trustees are satisfied that appropriate action has been taken to mitigate any impact of these risks.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

Staffing

The Guild employs 3 full-time staff (2016 - 3) and 4 part-time staff (2016 - 5). Volunteering has since the Guilds inception in 1984, been seen as vital to ensuring that the Guild can operate effectively. Volunteering is seen as a valuable resource allowing the Guild to call on the skills, time and energy of a large dedicated and determined volunteer base when required.

The staffing of the gallery area is supplemented by a volunteer each day. The Guild operates a programme of volunteer opportunities in association with VCS Cardiff Volunteer Centre. The Guild operated with the help of 495 days given by volunteers in 2016, which include maker-members, school pupils, students, volunteers and Friends of the Guild. The Guild is grateful for the support it has received in this area from Careers Wales, Go Wales, Voluntary Community Service (Cardiff), Wales Council for Voluntary Action and especially to the Friends of the Makers Guild for the help that they provide.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
05608888

Registered Charity number
1113675

Registered office
Craft in the Bay
The Flourish
Lloyd George Avenue
Cardiff
CF10 4QH

Trustees

L J Barrett	- resigned 18/7/2016
W Cowley	- resigned 7/3/2017
D Hill	
M Weirman	- resigned 10/7/2017

B Adams
S Nicholls
G Purcell-Jones
R Pitt
P McCarthy
A C Moger
J Kirkham
V Jones
D S Lewis

Chair
Treasurer
Vice-chair

- appointed 7/3/2017

Company Secretary
S Burgess

Independent examiner
Paul Carr FCA
Independent Examiner
Carr, Jenkins & Hood
Redwood Court
Tawe Business Village
Swansea
SA7 9LA

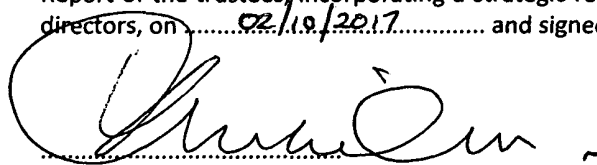
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2017

INCORPORATION AND COMMENCEMENT OF ACTIVITIES

The Charity was incorporated on 1 November 2005 and commenced trading on 1 October 2006, when it merged its two previous organisations into one single corporate charity. The Charity under its previous identity has traded since 1984.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 02/10/2017 and signed on the board's behalf by:

A handwritten signature in black ink, appearing to read 'S Nicholls', is written over a dotted line.

S Nicholls - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE MAKERS GUILD IN WALES (REGISTERED NUMBER: 05608888)**

I report on the accounts for the year ended 30 June 2017 set out on pages eleven to twenty three.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Paul Carr FCA
Independent Examiner
Carr, Jenkins & Hood
Redwood Court
Tawe Business Village
Swansea
SA7 9LA

Date: 03.10.2017

THE MAKERS GUILD IN WALES

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2017

	Notes	Unrestricted fund £	Restricted funds £	2017 Total funds £	2016 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	9,853	31,717	41,570	9,853
Charitable activities	6				
Gallery		12,664	-	12,664	12,653
Exhibition		16,379	15,000	31,379	38,774
Workshop		15,616	15,000	30,616	33,173
Other trading activities	4	56,132	443	56,575	57,416
Investment income	5	25,110	-	25,110	26,060
Other income		936	-	936	-
Total		136,690	62,160	198,850	177,929
EXPENDITURE ON					
Raising funds	7	31,410	-	31,410	30,543
Charitable activities	8				
Gallery		88,241	-	88,241	98,016
Exhibition		-	47,744	47,744	35,651
Workshop		-	36,282	36,282	24,134
Total		119,651	84,026	203,677	188,344
NET INCOME/(EXPENDITURE)		17,039	(21,866)	(4,827)	(10,415)
Transfers between funds	20	(21,866)	21,866	-	-
Net movement in funds		(4,827)	-	(4,827)	(10,415)
RECONCILIATION OF FUNDS					
Total funds brought forward		26,123	3,166	29,289	39,704
TOTAL FUNDS CARRIED FORWARD		21,296	3,166	24,462	29,289

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

**BALANCE SHEET
AT 30 JUNE 2017**

	Notes	Unrestricted fund £	Restricted funds £	2017 Total funds £	2016 Total funds £
FIXED ASSETS					
Tangible assets	15	1,113,993	-	1,113,993	1,107,294
CURRENT ASSETS					
Stocks	16	21,031	-	21,031	19,368
Debtors	17	31,922	3,166	35,088	25,004
Cash at bank and in hand		12,235	-	12,235	14,598
		65,188	3,166	68,354	58,970
CREDITORS					
Amounts falling due within one year	18	(81,226)	-	(81,226)	(65,507)
NET CURRENT ASSETS/(LIABILITIES)		(16,038)	3,166	(12,872)	(6,537)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,097,955	3,166	1,101,121	1,100,757
ACCRUALS AND DEFERRED INCOME	19	(1,076,659)	-	(1,076,659)	(1,071,468)
NET ASSETS		21,296	3,166	24,462	29,289
FUNDS	20				
Unrestricted funds				21,296	26,123
Restricted funds				3,166	3,166
TOTAL FUNDS				24,462	29,289

The notes form part of these financial statements

BALANCE SHEET - CONTINUED
AT 30 JUNE 2017

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2017.


The members have not required the charitable company to obtain an audit of its financial statements for the year ended 30 June 2017 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 02/10/2017 and were signed on its behalf by:


.....
G Purcell-Jones -Trustee

1. STATUTORY INFORMATION

The Makers Guild In Wales is a private company, limited by guarantee without share capital, registered in England and Wales. The registered office address can be found in the report of the trustees.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Makers Guild In Wales meets the definition of a public benefit entity under FRS 102.

The Guild reviews the charity's forecasts, budget projections and working capital requirements at regular trustee and Finance Committee meetings throughout the year. The trustees therefore have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

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

Donations and voluntary income are accounted for when receivable.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

2. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Costs are allocated between direct charitable and support expenditure according to the nature of the cost. Where items involve more than one category they are apportioned between the categories on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	Freehold land is not depreciated
Freehold property	123 years straight line
Plant and machinery	5 years straight line
Fixtures, fittings and equipment	5 to 10 years straight line

Stocks

Stocks consists of cards, magazines, books and videos and are valued at the lower of cost and net realisable value.

Taxation

The charity is exempt from Corporation Tax on its charitable activities.

Fund accounting

Unrestricted funds may be used in accordance with the charitable objectives, at the discretion of the trustees.

Restricted funds may only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. ACCOUNTING POLICIES - continued**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and a short term deposit account that are subject to an insignificant risk to changes in value.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

3. DONATIONS AND LEGACIES

	2017 £	2016 £
Grants	31,717	-
Deferred income released	9,853	9,853
	<u>41,570</u>	<u>9,853</u>

Grants received and released in the year, included in the above, are as follows:

	2017 £	2016 £
Energy efficiency project funded by:	24,836	-
- Pure Leapfrog BA Carbon Fund		
- Arts Council of Wales		
Solar Panels funded by:	1,881	-
- Garfield Weston Foundation		
- Pure Leapfrog BA Carbon Fund		
Ashley Family Foundation	5,000	-
	<u>31,717</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2017

4. OTHER TRADING ACTIVITIES

	2017	2016
	£	£
Fundraising events	1,077	1,028
Gallery income	55,498	56,388
	<u>56,575</u>	<u>57,416</u>

5. INVESTMENT INCOME

	2017	2016
	£	£
Rents received	17,215	21,017
Room rental income	7,892	5,035
Deposit account interest	3	8
	<u>25,110</u>	<u>26,060</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2017	2016
		£	£
Members fees	Gallery	12,004	12,067
Other income	Gallery	660	586
Exhibition	Exhibition	16,379	25,440
Grants	Exhibition	15,000	13,334
Workshop	Workshop	15,616	19,840
Grants	Workshop	15,000	13,333
		<u>74,659</u>	<u>84,600</u>

Grants received, included in the above, are as follows:

	2017	2016
	£	£
Arts Council of Wales	<u>30,000</u>	<u>26,667</u>

7. RAISING FUNDS

Other trading activities

	2017	2016
	£	£
Purchases	25,834	27,133
Advertising	5,576	3,410
	<u>31,410</u>	<u>30,543</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2017**8. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Support costs (See note 9)	Totals
	£	£	£
Exhibition	47,744	-	47,744
Workshop	36,282	-	36,282
Gallery	-	88,241	88,241
	<u>84,026</u>	<u>88,241</u>	<u>172,267</u>

9. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Gallery	<u>57,560</u>	<u>30,681</u>	<u>88,241</u>

Support costs, included in the above, are as follows:

Management

	2017 Gallery £	2016 Total activities £
Wages	40,470	44,447
Pensions	1,473	1,484
Rates and water	2,527	3,356
Insurance	2,647	2,861
Light and heat	2,641	4,390
Telephone	352	449
Postage and stationery	188	698
Sundry expenses	1,013	1,027
Bank charges	286	382
Credit card charges	699	766
Repairs and maintenance	1,678	2,405
Depreciation of tangible and heritage assets	3,586	4,027
	<u>57,560</u>	<u>66,292</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2017

9. SUPPORT COSTS - continued

Governance costs

	2017 Gallery £	2016 Total activities £
Wages	15,249	16,096
Pensions	709	717
Independent examiners remuneration	4,000	4,200
Rates and water	1,267	1,720
Insurance	1,327	1,467
Light and heat	1,324	2,251
Telephone	177	230
Postage and stationery	93	358
Legal and professional fees	2,601	-
Sundry expenses	508	527
Travelling expenses	293	272
Repairs and maintenance	841	1,233
Depreciation of tangible fixed assets	1,798	2,064
Bank charges	144	196
Credit card charges	350	393
	<u>30,681</u>	<u>31,724</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2017 £	2016 £
Independent examiners remuneration	4,000	4,200
Depreciation - owned assets	<u>12,107</u>	<u>10,226</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2017 nor for the year ended 30 June 2016.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2017 nor for the year ended 30 June 2016.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2017**12. STAFF COSTS**

	2017 £	2016 £
Wages and salaries	89,853	95,801
Other pension costs	3,828	3,820
	<u>93,681</u>	<u>99,621</u>

The average monthly number of employees during the year was as follows:

	2017	2016
Management	1	1
Gallery, exhibition and workshop	5	6
Administration	1	1
	<u>7</u>	<u>8</u>

No employees received emoluments in excess of £60,000.

The key management personnel of the charity, comprise the trustees, general manager, artistic curator and finance and membership manager. The total employee benefits of the key management personnel were £74,155 (2016: £74,155).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	9,853	-	9,853
Charitable activities			
Gallery	12,653	-	12,653
Exhibition	25,440	13,334	38,774
Workshop	13,840	19,333	33,173
Other trading activities	57,416	-	57,416
Investment income	26,060	-	26,060
Total	145,262	32,667	177,929
EXPENDITURE ON			
Raising funds	30,543	-	30,543
Charitable activities			
Gallery	98,016	-	98,016
Exhibition	-	35,651	35,651
Workshop	-	24,134	24,134
Total	128,559	59,785	188,344

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2017**13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted fund £	Restricted funds £	Total funds £
NET INCOME/(EXPENDITURE)	16,703	(27,118)	(10,415)
Transfers between funds	(23,734)	23,734	-
Net movement in funds	(7,031)	(3,384)	(10,415)
RECONCILIATION OF FUNDS			
Total funds brought forward	33,154	6,550	39,704
TOTAL FUNDS CARRIED FORWARD	26,123	3,166	29,289

14. INDEPENDENT EXAMINERS REMUNERATION

	2017 £	2016 £
Examination and preparation of the financial statements	4,000	4,200
	4,000	4,200

15. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 July 2016	1,240,381	483	78,154	1,319,018
Additions	-	18,806	-	18,806
At 30 June 2017	1,240,381	19,289	78,154	1,337,824
DEPRECIATION				
At 1 July 2016	133,371	483	77,870	211,724
Charge for year	10,084	1,881	142	12,107
At 30 June 2017	143,455	2,364	78,012	223,831
NET BOOK VALUE				
At 30 June 2017	1,096,926	16,925	142	1,113,993
At 30 June 2016	1,107,010	-	284	1,107,294

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2017

16. STOCKS

	2017	2016
	£	£
Goods for resale	<u>21,031</u>	<u>19,368</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade debtors	19,157	8,662
Other debtors	3,166	3,239
Prepayments	12,765	13,103
	<u>35,088</u>	<u>25,004</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	29,223	20,717
Social security and other taxes	980	-
VAT	6,225	3,099
Other creditors	20,000	25,307
Deferred income	9,554	-
Accrued expenses	5,391	6,531
Deferred government grants	9,853	9,853
	<u>81,226</u>	<u>65,507</u>

19. ACCRUALS AND DEFERRED INCOME

	2017	2016
	£	£
Deferred income	15,044	-
Deferred government grants	1,061,615	1,071,468
	<u>1,076,659</u>	<u>1,071,468</u>

Deferred government grants are grants awarded for the purpose of purchasing the charity's premises. The grant is treated as deferred income, and amortised over the life of the corresponding assets.

Deferred income are grants received in respect of the energy efficiency project. Grants in respect of the solar panels have been treated as deferred and will be released over the useful life of the panels of 10 years.

Grants received in respect of the repair work yet to be completed has been deferred and will be released when the expenditure has been incurred.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2017

20. MOVEMENT IN FUNDS

	At 1.7.16 £	Net movement in funds £	Transfers between funds £	At 30.6.17 £
Unrestricted funds				
General fund	26,123	17,039	(21,866)	21,296
Restricted funds				
Exhibition	1,583	(14,385)	14,385	1,583
Workshop	1,583	(7,481)	7,481	1,583
	<u>3,166</u>	<u>(21,866)</u>	<u>21,866</u>	<u>3,166</u>
TOTAL FUNDS	<u>29,289</u>	<u>(4,827)</u>	<u>-</u>	<u>24,462</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	136,690	(119,651)	17,039
Restricted funds			
Exhibition	33,359	(47,744)	(14,385)
Workshop	28,801	(36,282)	(7,481)
	<u>62,160</u>	<u>(84,026)</u>	<u>(21,866)</u>
TOTAL FUNDS	<u>198,850</u>	<u>(203,677)</u>	<u>(4,827)</u>

Restricted funds are grants received for specific charitable objectives.

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 June 2017.

22. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the board of trustees.

THE MAKERS GUILD IN WALES

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2017

	2017 £	2016 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	31,717	-
Deferred income released	9,853	9,853
	<u>41,570</u>	<u>9,853</u>
Other trading activities		
Fundraising events	1,077	1,028
Gallery income	55,498	56,388
	<u>56,575</u>	<u>57,416</u>
Investment income		
Rents received	17,215	21,017
Room rental income	7,892	5,035
Deposit account interest	3	8
	<u>25,110</u>	<u>26,060</u>
Charitable activities		
Exhibition	16,379	25,440
Workshop	15,616	19,840
Members fees	12,004	12,067
Grants	30,000	26,667
Other income	660	586
	<u>74,659</u>	<u>84,600</u>
Other income		
Electricity feed in tariff	936	-
Total incoming resources	198,850	177,929
EXPENDITURE		
Other trading activities		
Purchases	25,834	27,133
Advertising	5,576	3,410
	<u>31,410</u>	<u>30,543</u>

This page does not form part of the statutory financial statements

THE MAKERS GUILD IN WALES

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2017

	2017 £	2016 £
Charitable activities		
Wages	34,134	35,258
Pensions	1,646	1,619
Rates and water	3,411	3,446
Insurance	3,574	2,938
Light and heat	3,565	4,507
Telephone	477	460
Postage and stationery	254	718
Sundry expenses	1,368	3,055
Repairs and maintenance	27,545	2,469
Depreciation of tangible fixed assets	6,723	4,135
Bank charges	386	393
Credit card charges	943	787
	84,026	59,785
Support costs		
Management		
Wages	40,470	44,447
Pensions	1,473	1,484
Rates and water	2,527	3,356
Insurance	2,647	2,861
Light and heat	2,641	4,390
Telephone	352	449
Postage and stationery	188	698
Sundry expenses	1,013	1,027
Bank charges	286	382
Credit card charges	699	766
Repairs and maintenance	1,678	2,405
Depreciation of tangible and heritage assets	3,586	4,027
	57,560	66,292
Governance costs		
Wages	15,249	16,096
Pensions	709	717
Independent examiners remuneration	4,000	4,200
Rates and water	1,267	1,720
Insurance	1,327	1,467
Light and heat	1,324	2,251
Telephone	177	230
Postage and stationery	93	358
Legal and professional fees	2,601	-
Sundry expenses	508	527
Travelling expenses	293	272
Repairs and maintenance	841	1,233
Depreciation of tangible fixed assets	1,798	2,064
Bank charges	144	196
Carried forward	30,331	31,331

This page does not form part of the statutory financial statements

THE MAKERS GUILD IN WALES

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2017

	2017 £	2016 £
Governance costs		
Brought forward	30,331	31,331
Credit card charges	350	393
	<u>30,681</u>	<u>31,724</u>
Total resources expended	203,677	188,344
Net expenditure	<u>(4,827)</u>	<u>(10,415)</u>

This page does not form part of the statutory financial statements