

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 2018**

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

FRIDAY



A19 *A7GF4MZ7* #163
12/10/2018
COMPANIES HOUSE

THE MAKERS GUILD IN WALES

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FOR THE YEAR ENDED 30 JUNE 2018**

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2018**

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 2018. 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 34 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 2018**

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 (2017: 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 71,725 visitors in 2017/18. 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 4 part-time staff now supplement the 455 volunteer days given to the Guild in 2017. 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 anniversary 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 2018**

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:

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

Five visual artists showing work created since their artist residencies within care homes. The exhibition was initiated by guild member Claire Cawte, one of the resident artists on the project. Following their residencies, funded through Age Cymru and Arts Council of Wales via the cARTrefu project, the artists had found that the experiences in the care home had impacted on their own creative thoughts and practice. Voices from the Edge was an opportunity for them to focus on this new creative energy and enthusiasm and have time to discuss and digest their experiences.

From the start all the artists were fully committed to engaging with and educating their audiences. We ran a series of short workshops in creative stitch, felting, pottery and digital design. Feedback from our visitors was very positive. Some found the exhibition content distressing as specific works created resonance with personal experiences of dementia and ageing within their family and circle of friends. Many were supportive of seeing work that drew attention to ageing and care home environments.

Visitors could see that the work in the exhibition had emerged from very personal experiences of working in unique, sensitive and emotionally demanding environments. The quality of the artworks made remained high but this was in some ways secondary to the message being given through the artwork. The exhibition was a change from many of our other exhibitions in the gallery, with a very powerful and emotive subject matter and perhaps less focus on craftsmanship. It had strong information/education content and exposed our audiences to a new understanding of how artists can be inspired to make. It retained the Guild's commitment to supporting artists within their professional practice as they explore new creative processes and develop their aesthetic.

Educational activity linked to Voices from the Edge: Murmurations:

Artist in Residence Project led by exhibitors in Voices From The Edge:

Ceramics with Emma Prentice - 2 sessions, 16 people;

Digital design and collage with Michal Iwanowski - 4 sessions, 12 people;

Hand stitch and appliqué with Claire Cawte - 4 sessions, 16 people;

Exhibition talks to student groups.

Myths and Legends: Weave (July to August 2017)

The theme of the exhibition linked to the 2017 Year of Legend, initiated by Visit Wales. Following a 'Call for Artists' advertised nationally, 19 artists were selected from 54 applications, by artist and educators Anna Noel and Philippa Lawrence. We were open to individual interpretation of the Myths & Legends theme and advertised in Crafts Magazine, AN and on-line/social media routes.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2018

STRATEGIC REPORT

Achievement and performance

Visitors found the exhibition very enjoyable, seeing how artists had been inspired by specific myths and tales such as stories from the Mabinogion. Our summer audience included many tourists, who enjoyed seeing not only the artworks but also reading the artist statements that talked about specific Welsh tales.

Blodeuwedd - an art installation in the foyer of the gallery. Paper artist Danielle Sullivan was commissioned to make a growing installation for the foyer that linked to the summer show theme of Myths & Legends. She selected the Mabinogion tale of Blodeuwedd and created a stunning installation of flowers. We also ran workshops in 3D paper construction for the public in July and August 2017

Educational activity linked to Myths & Legends:

Artist in Residence project - Foyer Installation. Blodeuwedd project with artist Danielle Sullivan - 10 sessions;
Workshops for the public - 6 sessions, 24 people;
Young Carers print-making workshop - 2 sessions, 6 young people.

Forge Artists and Drawings (September to November 2017)

Forge was a touring exhibition curated by Delyth Done on behalf of Ruthin Craft Centre and supported by Hereford College of Art. A visually stunning exhibition showing forged ironwork by many of the world's most skilled artist metalworkers. The exhibition was touring from Ruthin and a slot became available for the Makers Guild to host it at Craft in the Bay during the autumn of 2017. It would be its second venue within its tour and the only gallery to show it within Wales. It went on to tour to the USA and Europe. This was a wonderful opportunity for the Guild to give its audiences access to seeing such a diverse and highly skilled range of metalwork.

Educational activity linked to Forge:

Gallery talks to students of Cardiff School of Art, Cardiff & Vale College, University of South Wales, Sixth form groups - 6 sessions, 140 people;
Community project - Snow Dogs event/Ty Hafan - Snow Dog trail in Cardiff Bay. Primary school groups visiting gallery throughout day - 2 sessions (10 groups), 200 young people.

'Christmas with a Twist' (November 2017 to January 2018)

A group exhibition of invited makers and Guild members covering a range of craft and applied art disciplines and themed around Christmas - Quirky, Humorous Contemporary Craft. Offering a myriad of small local makers a route to market for the busy Christmas period.

Educational Activity:

Artist talks/demonstrations - 3 sessions, 45 people;
Exhibition talks to student groups

'A Sense of Place' (January to March 2018)

Members of the North Wales Potters Association selected by curator, potter and educationalist Alex McErlain. Familiar with many of the NWP members work and making specific studio visits during his research time, Alex selected 13 artists. The title of the exhibition related not only to the geographical importance of the region to the potters who work there but also to the sense of belonging that results from being a member of a regional potters organisation.

Alex talked about this at the launch and within his catalogue essay. Three MGW members were included in the exhibition; Margaret & David Frith and Beverley Bell-Hughes. The exhibition was a great resource to school and college groups. Pottery based workshops coincided with the exhibition.

Educational Activity:

Walk & Talk event with the curator and exhibiting artists - 2 sessions, 15 people;

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2018**

STRATEGIC REPORT

Achievement and performance

School workshop, feltmaking, outreach - 4 sessions, 58 pupils;

Exhibition talks to student groups - 6 sessions, 140 people.

'Melting Point' (March to April 2018)

Artist and Melting Point curators Beate Gegenwart and Matthew Tomalin presented us with some of the very best makers in metal in the world today, with this stunning selection of contemporary metal artwork and jewellery made by national and international artists.

'Deluge' Karen Ingham (April to June 2018)

Deluge was a solo exhibition of inter-related artworks by Professor Karen Ingham that focused on how detrimental human activities are critically endangering many of our most important eco-systems. Through her expanded practice - photography, film, digital textiles and hybrid craft - Deluge encouraged the audience to see and become aware of the incredible microscopic imagery and structures of plankton, the behaviour of pollinating insects, and the movement of the oceans; highlighting the interconnections of our local and global environment.

This multi-sited, multi-partnered project launched at Craft in The Bay, the exhibition will include a substantial new body of work that relates to oceanic climate change, a focus of the project throughout 2018, which is the Visit Wales themed Year of The Sea.

Educational Activity:

Walk & Talk event with the curator and exhibiting artists - 2 sessions, 15 people.

'Maker in Focus'

This smaller exhibition space within the gallery allows makers to focus on new more experimental work. 6 exhibitors including Jon Bull - Ceramics, Jodie Hather - Metalwork, Diane Horne - Ceramics, Micki Schloessing - Ceramics, Jany Walker - hand carved plaster forms and Tracy Watkins of Coterie Designs - new 'Welsh Collection' Bags.

Oriel 2

Providing a platform for current art students and recent graduates to exhibit and sell their work. They have gained experience in display and marketing, working as a team and developing an understanding of dealing with galleries, pricing and presenting work.

We have moved forward with our MGW Association/Placement scheme and student mentoring programme. Staff and artists have mentored three INC space students from Cardiff School of Art over the past twelve months. Cardiff and surrounding areas have little other provision for seeing and exploring contemporary craft and applied art of such a high standard. The changing exhibitions have provided a regular source of enjoyment, interaction, learning and stimulation to visitors. We have evidence of this through verbal feedback, written comments, social media and increased following on-line as well as increased footfall.

Work shown often crosses boundaries between craft and fine art, unrestricted from confines of definition and expectation. A mutually beneficial relationship exists between the guild exhibition/retail area and the special exhibitions that are curated for the gallery.

Additional educational events held in the gallery

Meet the Maker talks to Friends of the Guild and general public - 6 sessions, 84 participants;

Shirley Jones, printmaker;

Verity Pulford, glass artist;

Kathryn Willis, enamel artist/jeweller;

Jodie Hook, jeweller.

MGW Craft Demonstrations held at MGW gallery:

12 sessions - open to visiting public

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2018

STRATEGIC REPORT

Achievement and performance

Clare Revera - willow work, Alison Moger - embroidery, Laura Thomas - weave, Alys Wall - leather work, Harriett Chapman - embroidery/appliqué, Kathy Williams - weave, Paul Taylor - pottery, each session up to 20 people.

MGW Friends Studio visit: Christian Ryan glass artist, Lowri Davies ceramics studio (Fireworks) - 2 sessions, 20 Friends/Volunteers of the Guild.

Weekend workshops for adults throughout the year. Total of 60 sessions, 434 participants. Delivered by members of the Makers Guild in Wales and guest artists. Open to the general public.

Other achievements

Arts & Education Network

Our participation in the Arts & Education Network project enabled guild members to run workshops for teachers of art and design. These were delivered in partnership with Llantarnam Grange Arts Centre. We also supported schools that had worked with our guild members as part of the scheme by providing workshop space and exhibiting the children's work in our Oriel 2 and foyer spaces. Parents, teachers and pupils from Coychurch Primary School for example were very proud to see the designs from their Celts project with Claire Cawte, on public exhibition which was influenced by a school visit to our 'Forge' exhibition earlier in the year.

'Young Carers Art and craft workshops project'

For Young Carers, funded through the Welsh Church Act Fund in partnership with the YMCA Cardiff, The Makers Guild in Wales provided Young Carers living within Cardiff and surrounding Vale a programme of after school and school holiday craft workshops held within the workshop spaces at Craft in the Bay.

The craft project formed part of the YMCA's 'Time 4 Me' project aimed at providing Young Carers with opportunities to have a break from their responsibilities at home in helping to care for a sibling/parent and to have fun with other young people learning something new and interesting. The workshops were delivered by professional makers experienced in teaching their specialist craft disciplines. A range of craft areas were covered including printmaking, hand and machine stitch, pottery, enamelling and wire sculpture. Feedback from the young people, YMCA support staff and workshop tutors has all been very positive. The YMCA have requested further opportunities to participate in craft activities.

"All participants learned new skills and had fun, many took part in workshops being creative in ways they have never been able to before, we received no negative feedback and everyone is keen to attend more workshops. As a staff member on the young carers project I saw only positive outcomes and very happy young people and we are very keen to continue working with the Makers Guild in Wales."

Julie Griffiths, Young Carers Project Worker, Cardiff YMCA.

Educational Activity:

We delivered 15 sessions of activity for young people aged between 7 years and 16 years. The young people were split into groups for each session. A total of 96 young people participated over the duration of the project.

Quotes from the young people when asked what they enjoyed:

"I liked getting messy and doing something new and learned new things" "being with my friend, making pottery, not being lonely" "making my shark" "I liked painting and modelling because I was talking and having fun with my friends", "Everything, I loved getting crafty".

Buckingham Palace

On the 14th May 2018, The Guild attended Buckingham Palace at the invitation of The Garfield Weston Foundation to celebrate their 60th Anniversary. This event was hosted by HRH Prince of Wales, and the Guild was represented by the Chair S Nicholls and Trustee B Adams. The Guild would like to thank The Foundation for the invitation and for their continued support over many years.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2018

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. Meet the Maker talks to Friends of the Guild and general public during this year were 6 sessions with 84 participants.

Shirley Jones, printmaker;

Verity Pulford, glass artist;

Kathryn Willis, enamel artist/jeweller;

Jodie Hook, jeweller.

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.

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.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2018**

STRATEGIC REPORT

Financial review

Review of finances

The Guild set a robust financial target in order to generate a surplus in 2017/18 following two challenging years where deficits were generated. The guild continues to operate in challenging and uncertain market conditions with 2017/18 being no exception.

The Champions League Final took place in Cardiff during the summer of 2017 and it was hoped that this major event would see a significant increase in footfall and sales, unfortunately this didn't materialise and in fact during the period of the event setup, hosting and take down, there was a significant disruption to footfall and to sales.

Sadly the Guild's latest annual application for Arts Council of Wales Gallery support project funding was declined in December 2017, this meant that the Guild was without ACW project funding for the first time since opening the doors to Craft in the Bay in 2002. This drop in income was unexpected resulting in a significant reduction in income over the year and required some measured but significant budget adjustments. The Guild managed to continue its Educational Exhibition programme during this period, and the Guild would like to thank all those exhibitors and curators who took significant steps to ensure our programme remained on track for the period.

Despite the impact of the events above, the guild managed to deliver a surplus of £3,271 during 2017/18. This again illustrates the robust financial management in place and provides a platform on which to build on.

The Guild's recently completed Energy Efficiency Project is also paying dividends through reducing costs and generating a small but significant income. The Guilds latest Café tenant opened in June 2017, generating a significant increase in income over the previous tenant.

The Guild applied for a Heritage Lottery Fund, programme called Resilient Heritage early in 2018, this application proved to be successful, this 12 month project will include a consultant led root and branch organisational review, securing the long term prospects of the organisation with the following aims: To review aspects of the buildings facilities and how best to redevelop these in a changing financial environment; To improve long term organisational resilience and sustainability; Laying the foundation of a new improved centre for Craft and the applied arts.

The Guild managed to secure substantial grants from both The Foyle Foundation along with The Garfield Weston Foundation for core costs during this period. This was supplemented by a grant from the Oakdale Trust. The Guild would like particularly to thank these funders who recognise and support the Guilds plans and have been and continue to be supportive through this period of transition.

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.

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 continued through 2017-18 and will be reviewed in light of the HLF Resilient Heritage project.

Future plans

A successful application for the Heritage Lottery Funds resilient Heritage programme means that a consultant led review of the organisation will take place over the next year, the aims of the project are to ensure the ongoing sustainability of our organisation and building.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2018**

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.

Staffing

The Guild employs 3 full-time staff (2017 - 3) and 4 part-time staff (2017 - 4). 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

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
1113675

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

Trustees

D Hill	- resigned 13/8/2018
M Weirman	- resigned 10/7/2017
B Adams	
S Nicholls	Chair
G Purcell-Jones	Treasurer
R Pitt	Vice-chair
P McCarthy	
A C Moger	
J Kirkham	
V Jones	- resigned 13/8/2018
D S Lewis	
B Gegenwart	- appointed 10/7/2017
C M Davies	- appointed 13/8/2018
D E James	

Company Secretary
S Burgess

Independent examiner

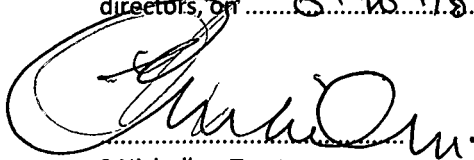
Paul Carr FCA
Independent Examiner
Carr, Jenkins & Hood
Redwood Court
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SA7 9LA

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 8.10.18, and signed on the board's behalf by:


S Nicholls - Trustee

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

Independent examiner's report to the trustees of The Makers Guild In Wales ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 June 2018.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report 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: 08.10.2018

THE MAKERS GUILD IN WALES

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2018

		Unrestricted fund £	Restricted funds £	2018 Total funds £	2017 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	9,853	26,531	36,384	41,570
Charitable activities	6				
Gallery		12,978	-	12,978	12,664
Exhibition		12,858	10,000	22,858	31,379
Workshop		8,371	10,000	18,371	30,616
Other trading activities	4	55,890	-	55,890	56,575
Investment income	5	24,181	-	24,181	25,110
Other income		2,056	-	2,056	936
Total		126,187	46,531	172,718	198,850
EXPENDITURE ON					
Raising funds	7	25,847	-	25,847	31,410
Charitable activities	8				
Gallery		89,389	-	89,389	88,241
Exhibition		-	32,812	32,812	47,744
Workshop		-	21,399	21,399	36,282
Total		115,236	54,211	169,447	203,677
NET INCOME/(EXPENDITURE)		10,951	(7,680)	3,271	(4,827)
Transfers between funds	20	(4,514)	4,514	-	-
Net movement in funds		6,437	(3,166)	3,271	(4,827)
RECONCILIATION OF FUNDS					
Total funds brought forward		21,296	3,166	24,462	29,289
TOTAL FUNDS CARRIED FORWARD		27,733	-	27,733	24,462

The notes form part of these financial statements

**BALANCE SHEET
AT 30 JUNE 2018**

	Notes	Unrestricted fund £	Restricted funds £	2018 Total funds £	2017 Total funds £
FIXED ASSETS					
Tangible assets	15	1,105,501	-	1,105,501	1,113,993
CURRENT ASSETS					
Stocks	16	20,431	-	20,431	21,031
Debtors	17	25,589	-	25,589	35,088
Cash at bank and in hand		15,863	-	15,863	12,235
		<u>61,883</u>	<u>-</u>	<u>61,883</u>	<u>68,354</u>
CREDITORS					
Amounts falling due within one year	18	(78,121)	-	(78,121)	(81,226)
NET CURRENT ASSETS/(LIABILITIES)		<u>(16,238)</u>	<u>-</u>	<u>(16,238)</u>	<u>(12,872)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,089,263	-	1,089,263	1,101,121
ACCRUALS AND DEFERRED INCOME	19	(1,061,530)	-	(1,061,530)	(1,076,659)
NET ASSETS		<u>27,733</u>	<u>-</u>	<u>27,733</u>	<u>24,462</u>
FUNDS	20				
Unrestricted funds				27,733	21,296
Restricted funds				-	3,166
TOTAL FUNDS				<u>27,733</u>	<u>24,462</u>

The notes form part of these financial statements

BALANCE SHEET - CONTINUED
AT 30 JUNE 2018

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2018.


The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2018 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 charitable small companies.

The financial statements were approved by the Board of Trustees on 8/10/18 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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2018

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

	2018	2017
	£	£
Grants	26,531	31,717
Deferred income released	9,853	9,853
	<u>36,384</u>	<u>41,570</u>

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

	2018	2017
	£	£
Energy efficiency project	170	24,836
Solar Panels	1,881	1,881
Ashley Family Foundation	-	5,000
Welsh Church Act	4,480	-
Oakdale Trust	1,000	-
Foyle Foundation	15,000	-
Garfield Weston Foundation	4,000	-
	<u>26,531</u>	<u>31,717</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2018

4. OTHER TRADING ACTIVITIES

	2018	2017
	£	£
Fundraising events	843	1,077
Gallery income	55,047	55,498
	<u>55,890</u>	<u>56,575</u>

5. INVESTMENT INCOME

	2018	2017
	£	£
Rents received	19,583	17,215
Room rental income	4,595	7,892
Deposit account interest	3	3
	<u>24,181</u>	<u>25,110</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2018	2017
		£	£
Members fees	Gallery	12,428	12,004
Other income	Gallery	550	660
Exhibition	Exhibition	12,858	16,379
Grants	Exhibition	10,000	15,000
Workshop	Workshop	8,371	15,616
Grants	Workshop	10,000	15,000
		<u>54,207</u>	<u>74,659</u>

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

	2018	2017
	£	£
Arts Council of Wales	<u>20,000</u>	<u>30,000</u>

7. RAISING FUNDS

Other trading activities

	2018	2017
	£	£
Purchases	17,937	25,834
Advertising	7,910	5,576
	<u>25,847</u>	<u>31,410</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2018

8. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 9)	Totals
	£	£	£
Exhibition	32,812	-	32,812
Workshop	21,399	-	21,399
Gallery	-	89,389	89,389
	<u>54,211</u>	<u>89,389</u>	<u>143,600</u>

9. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Gallery	<u>60,214</u>	<u>29,175</u>	<u>89,389</u>

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

Management

	2018 Gallery	2017 Total activities
	£	£
Wages	41,878	40,470
Pensions	1,531	1,473
Rates and water	2,063	2,527
Insurance	2,987	2,647
Light and heat	2,496	2,641
Telephone	377	352
Postage and stationery	435	188
Sundry expenses	860	1,013
Bank charges	360	286
Credit card charges	858	699
Repairs and maintenance	1,799	1,678
Depreciation of tangible and heritage assets	4,570	3,586
	<u>60,214</u>	<u>57,560</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2018

9. SUPPORT COSTS - continued

Governance costs

	2018 Gallery £	2017 Total activities £
Wages	16,000	15,249
Pensions	729	709
Independent examiners remuneration	4,000	4,000
Rates and water	990	1,267
Insurance	1,433	1,327
Light and heat	1,198	1,324
Telephone	181	177
Postage and stationery	209	93
Legal and professional fees	-	2,601
Sundry expenses	412	508
Travelling expenses	384	293
Repairs and maintenance	863	841
Depreciation of tangible fixed assets	2,193	1,798
Bank charges	172	144
Credit card charges	411	350
	<u>29,175</u>	<u>30,681</u>

10. NET INCOME/(EXPENDITURE)

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

	2018 £	2017 £
Independent examiners remuneration	4,000	4,000
Depreciation - owned assets	<u>13,010</u>	<u>12,107</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2018 nor for the year ended 30 June 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2018 nor for the year ended 30 June 2017.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2018

12. STAFF COSTS

	2018 £	2017 £
Wages and salaries	92,510	89,853
Other pension costs	3,907	3,828
	<u>96,417</u>	<u>93,681</u>

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

	2018	2017
Management	1	1
Gallery, exhibition and workshop	5	5
Administration	1	1
	<u>7</u>	<u>7</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 £74,203 (2017: £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	31,717	41,570
Charitable activities			
Gallery	12,664	-	12,664
Exhibition	16,379	15,000	31,379
Workshop	15,616	15,000	30,616
Other trading activities	56,132	443	56,575
Investment income	25,110	-	25,110
Other income	936	-	936
Total	136,690	62,160	198,850
EXPENDITURE ON			
Raising funds	31,410	-	31,410
Charitable activities			
Gallery	88,241	-	88,241
Exhibition	-	47,744	47,744
Workshop	-	36,282	36,282
Total	119,651	84,026	203,677

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2018**13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted fund £	Restricted funds £	Total funds £
NET INCOME/(EXPENDITURE)	17,039	(21,866)	(4,827)
Transfers between funds	(21,866)	21,866	-
Net movement in funds	(4,827)	-	(4,827)
RECONCILIATION OF FUNDS			
Total funds brought forward	26,123	3,166	29,289
TOTAL FUNDS CARRIED FORWARD	21,296	3,166	24,462

14. INDEPENDENT EXAMINERS REMUNERATION

	2018 £	2017 £
Examination and preparation of the financial statements	4,000	4,000
	4,000	4,000

15. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 July 2017	1,240,381	19,289	78,154	1,337,824
Additions	-	4,518	-	4,518
At 30 June 2018	1,240,381	23,807	78,154	1,342,342
DEPRECIATION				
At 1 July 2017	143,455	2,364	78,012	223,831
Charge for year	10,084	2,784	142	13,010
At 30 June 2018	153,539	5,148	78,154	236,841
NET BOOK VALUE				
At 30 June 2018	1,086,842	18,659	-	1,105,501
At 30 June 2017	1,096,926	16,925	142	1,113,993

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2018

16. STOCKS

	2018	2017
	£	£
Goods for resale	<u>20,431</u>	<u>21,031</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade debtors	13,551	19,157
Other debtors	-	3,166
Prepayments	<u>12,038</u>	<u>12,765</u>
	<u>25,589</u>	<u>35,088</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade creditors	15,443	29,223
Social security and other taxes	1,051	980
VAT	5,220	6,225
Other creditors	19,353	20,000
Deferred income	21,474	9,554
Accrued expenses	5,727	5,391
Deferred government grants	<u>9,853</u>	<u>9,853</u>
	<u>78,121</u>	<u>81,226</u>

19. ACCRUALS AND DEFERRED INCOME

	2018	2017
	£	£
Deferred income	16,435	15,044
Deferred government grants	<u>1,045,095</u>	<u>1,061,615</u>
	<u>1,061,530</u>	<u>1,076,659</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 consists of income and other grants received. Grants and other income for specific assets such as the solar panels and the kiln will be released over the useful life of the corresponding asset.

Grants in respect of the charity's costs will be released when the expenditure has been incurred.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2018

20. MOVEMENT IN FUNDS

	At 1.7.17 £	Net movement in funds £	Transfers between funds £	At 30.6.18 £
Unrestricted funds				
General fund	21,296	10,951	(4,514)	27,733
Restricted funds				
Exhibition	1,583	(11,036)	9,453	-
Workshop	1,583	3,356	(4,939)	-
	<u>3,166</u>	<u>(7,680)</u>	<u>4,514</u>	<u>-</u>
TOTAL FUNDS	<u>24,462</u>	<u>3,271</u>	<u>-</u>	<u>27,733</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	126,187	(115,236)	10,951
Restricted funds			
Exhibition	21,776	(32,812)	(11,036)
Workshop	24,755	(21,399)	3,356
	<u>46,531</u>	<u>(54,211)</u>	<u>(7,680)</u>
TOTAL FUNDS	<u>172,718</u>	<u>(169,447)</u>	<u>3,271</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2018

20. MOVEMENT IN FUNDS - continued

Comparatives for 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>

Comparative 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 2018.

22. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the board of trustees.