

Knitting & Crochet Guild

(a company limited by guarantee)

Report and Financial Statements For the year ended 31 March 2023

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Knitting & Crochet Guild
Charity Information
For the year ended 31 March 2023

Company Number 05457452

Charity Number 1113468

Registered Office Part 1st Floor
 Britannia Mill
 Britannia Road
 Slaithwaite
 Huddersfield
 West Yorkshire
 HD7 5HE

Trustees (and directors) serving throughout the year until the date of signing

		Office Held	Joined the Board	Left the Board
D	Chan	Chair	-	-
S	Capewell	Secretary	25/03/2022	28/01/2023
S	Foreman		-	-
C	Griffel	Vice Chair	-	-
A	Howers		-	05/01/2023
D	Jeans		-	-
A	Liguori		-	-
V	Nel		17/09/2022	12/03/2023
A	Peck	Treasurer	-	-
C	Scott		-	-
C	Stephens	Secretary	08/06/2023	19/07/2023
A	Thomas		17/09/2022	-
S	Turner		-	09/04/2022

Bankers CAF Bank
 25 Kings Hill Avenue
 Kings Hill
 West Malling
 Kent
 ME19 4JQ

Independent Examiner
 P. A. Ryan MA(Ed), FCA, DChA
 66 Fountain Road
 London SW17 0HQ

**Knitting & Crochet Guild
Trustees' Annual Report
For the year ended 31 March 2023**

The Trustees, who are also the directors of the charity for the purposes of Company Law, present their report and the financial statements for the year ended 31 March 2023.

Structure, governance and management

The charity is a company limited by guarantee and is governed by its memorandum and articles of association. The minimum number of Trustees is three; there is no maximum. Trustees are elected at the annual general meeting (AGM) or are appointed by existing Trustees if a vacancy arises between AGMs.

Details of those who served as Trustees during the year and up to the date of signing this report are set out on page 2.

The Trustees engaged a firm of solicitors to review our governing documents – our Memorandum and Articles of Association – as these required review and were presented in an obsolete format. These amendments were presented to the members for approval at the AGM on 17 September 2022. They were approved with a vote in favour of 95%.

Objectives and activities

The objects of the charity are the advancement of public knowledge and appreciation of the crafts of knitting and crochet, particularly but not exclusively through the furtherance of skill and creativity in the said crafts and the preservation of the heritage of knitting and crochet.

The charity aims to achieve its objectives by:

- Maintaining and developing the heritage Collection at Britannia Mill in Slaithwaite.
- Making the Collection available to the public and those with an interest in knitting and crochet through open days, trunk shows and the website.
- Encouraging the establishment of branches and local groups.
- Regularly publishing articles, many written by members, covering topics relevant to our crafts, including techniques and information about the Collection.
- Publicity at a range of craft shows through our members to raise awareness of the Guild's unique collection of craft related garments, artefacts, and publications and to widen skills in and knowledge of our crafts.
- Providing a website for members, the wider craft communities, and general Internet users.
- Holding an annual residential Convention with talks and workshops.

Public benefit

The Trustee directors have identified their aims, and the activities which support them, with regard to Charity Commission guidance on Public Benefit.

Achievements and performance

The Guild has fulfilled its purpose in a variety of ways during the year.

- The continued publication of the Guild's quarterly journal, *Slipknot*, with authoritative articles written by members on techniques, special projects, and news of the Collection. During the past year, the regular online email newsletter and the online publication, *Across the Needlebed* (specifically for machine knitters) continue to be published regularly.
- The Guild's website and its activities on social media continued to raise awareness of the Guild.
- The branch network, where members and others meet regularly to share and develop their skills and knowledge, has continued to develop and expand.
- Following the end of the pandemic-related restrictions, the Guild returned to a face-to-face Convention in 2022. The Guild has continued to use Zoom meetings for some branch meetings to enable many

Knitting & Crochet Guild Trustees' Annual Report For the year ended 31 March 2023

members of the Guild and public to attend where personal circumstances make in person meetings difficult.

Our new Articles of Association empowers us to incorporate online access to the AGM.

- The Collection team resumed cataloguing the items at Britannia Mill, when easing of restrictions allowed them to attend. They are currently in the process of digitising the Collection to enable easier access for those interested in studying the objects remotely.

Our brand

Last year, the Guild undertook a comprehensive review of our current branding, and engaged an external designer to assist in developing a visual identity that would serve us well into the future. Stakeholders representing the Collection team, local branches, Slipknot and the Board of Trustees formed a working group, collaborating with the designer.

The branding is being rolled out gradually and has proved popular with members and patrons. It is aligned with the creation of our new website.

Financial review

The Trustees are pleased to report that, in spite of the difficult financial conditions affecting the population, the Guild managed to finish the year with a small surplus on unrestricted funds of £160 (2022: £1,395).

We were able to return to an in-person Convention and AGM in September 2022. The cost of the event was covered by the fee charged to attendees and was independent of other finances.

Subscription income has decreased by 2%, (2022: 7%) reflecting that a number of members chose not to renew during very uncertain times even though we have gained new members.

Our annual subscription has not risen from £25 since 2012. We offer much more now and rising costs have forced us to raise the rate to £27 from 1 January 2024. Advance notice was given of an increase at the AGM in 2022 and will be raised again in *Slipknot* and at AGM 2023 in September.

The Guild's unrestricted expenditure rose by over 48% in the year, this is explained entirely by the costs of returning to an in-person convention this year plus the legal costs of updating our constitution.

Our greatest regular expense is the provision and upkeep of Britannia Mill together with expenditure on maintaining and recording the Collection itself. The lease at Britannia Mill expires on 31 January 2024. We are in negotiation with the landlord about extending or renewing the lease for a further term. This is likely to be at an increased rent.

Our quarterly journal, *Slipknot*, remains one of our main areas of expenditure, but these costs fell very slightly this year as some members have opted to access it online. We have reviewed our expenditure on printing and have changed printing firms to reduce costs. As the content and editing of the magazine are provided entirely by volunteers, it continues to provide excellent value for money. In our member survey this year *Slipknot* was chosen as the most appreciated benefit of membership.

The Trustees once again acknowledge that the Guild would be unable to operate without the goodwill, energy and enthusiasm of its volunteers, whose commitment enables the Guild to meet its objectives. The Trustees encourage more members to volunteer – even something as simple as spreading the word about the Guild can cumulatively make a huge difference.

Policy on reserves

At 31st March 2023, the Guild had unrestricted funds of £106,441 (2022 £106,281) of which £17,052 (2022: £19,299) related to fixed assets and is not readily available. This leaves free funds of £89,389 (2022: £86,982). The Guild has a moral obligation to ensure that monies raised by the Collection are used for the further development and maintenance of the Collection. At 31st March 2023, these funds amounted to

**Knitting & Crochet Guild
Trustees' Annual Report
For the year ended 31 March 2023**

£19,348 (2022: £19,970). Funds available for general purposes therefore amount to £70,041 (2022: £67,012).]

The Trustees have assessed that the minimum they require as free funds is £30,000 to meet the charity's commitments and ensure an orderly winding up of the Guild should this be necessary. They will continue to explore ways to increasing the level of funds received, with excess funds being used for the development of the Guild and its activities.

Future events

Our residential Convention and AGM will be held at the same venue in Derbyshire as 2022, which meets most of our requirements at a reasonable cost. The Trustees are careful to make the event as inclusive as possible financially with alternative arrangements for day delegates.

Statement of Trustees' responsibilities

The Trustees (who are also Directors of the Knitting & Crochet Guild for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity, and the income and expenditure of the charity for that period. In preparing these financial statements, the Trustees are required to:

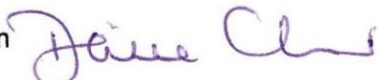
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the provisions of the Articles of Association. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the board of directors and signed on their behalf


Dianne Chan
Chair

Date


16/8/23

Alison Peck
Treasurer

Date


16/8/2023

Knitting & Crochet Guild
Statement of Financial Activities
(incorporating the income and expenditure account)
For the year ended 31 March 2023

		2023			2022
	Note	Unrestricted £	Restricted £	Total Funds £	Total Unrestricted £
Income from:					
Donations	2	33,194	1,437	34,631	36,237
Charitable activities	2	19,612	-	19,612	376
Other trading activities	2	-	-	-	460
Interest received	2	431	-	431	121
Total income		<u>53,237</u>	<u>1,437</u>	<u>54,674</u>	<u>37,194</u>
Expenditure on:					
Raising funds	3	68	-	68	150
Charitable activities	3	<u>53,009</u>	<u>430</u>	<u>53,439</u>	<u>35,649</u>
Total expenditure		<u>53,077</u>	<u>430</u>	<u>53,507</u>	<u>35,799</u>
Net income and expenditure for the year and net movement in funds					
		160	1,007	1,167	1,395
Reconciliation of funds					
Total funds brought forward		<u>106,281</u>	<u>-</u>	<u>106,281</u>	<u>104,886</u>
Total funds carried forward	13 & 14	<u>106,441</u>	<u>1,007</u>	<u>107,448</u>	<u>106,281</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derives from continuing activities.

Knitting & Crochet Guild
Balance Sheet
As at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	7	333	1,133
Tangible assets	8	3,670	4,582
Heritage assets	9	<u>13,584</u>	<u>13,584</u>
Total fixed assets		17,587	19,299
Current assets			
Debtors & Prepayments	10	11,780	10,445
Cash at bank and in hand		<u>78,530</u>	<u>82,924</u>
Total current assets		90,310	93,369
Liabilities			
Creditors: amounts falling due within one year	11	<u>449</u>	<u>6,387</u>
Net current assets		<u>89,861</u>	<u>86,982</u>
Total assets less current liabilities		<u>107,448</u>	<u>106,281</u>
The funds of the charity:			
Unrestricted funds	13	106,441	106,281
Restricted funds	14	<u>1,007</u>	<u>-</u>
		<u>107,448</u>	<u>106,281</u>

The Trustees confirm that the charitable company is entitled to the exemption from audit granted by section 477 of the Companies Act 2006 and that:

- (a) the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476, and
- (b) the Trustees acknowledge their responsibilities for complying with the requirements of this Act with respect to accounting records and the preparation of accounts.

The financial statements have been prepared on the basis stated in note 1a.

Signed on behalf of the board of directors on

16 August 2023

Dianne Chan
Chair

Dianne Chan
16/8/23

Alison Peck
Treasurer

Alison Peck
16/8/2023

Knitting & Crochet Guild
Notes to the accounts
For the year ended 31 March 2023

1 Accounting policies

a. Basis of preparation

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Companies Act 2006, the Charities Act 2011, and the 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 (FRS 102) applicable in the UK and Republic of Ireland.

The charity is a company limited by guarantee and is a public benefit entity as defined by FRS 102.

b. Going concern

The Trustees have considered the requirements to comment on the going concern status of the charity and confirm that resources are sufficient to continue operations for the foreseeable future.

c. Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees, in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for a particular purpose.

Restricted funds are amounts which must only be applied to the purpose for which they were given.

d. Income

Income is recognised in the statement of financial activities (SOFA) when the Guild has entitlement to the funds, it is probable that the income will be received and the amount of the income and the costs incurred for the transaction can be measured reliably.

Subscription income is recognised in the financial year to which it relates.

Legacy income is recognised when the Guild becomes entitled to a legacy, when its receipt is probable and the amount receivable is measurable either through probate estimates or receipt.

Income received in advance of an event or the provision of goods or services is deferred until the criteria for income recognition are met.

e. Expenditure

Expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation. Expenditure includes VAT which is not recoverable.

Costs of raising funds are those costs incurred in attracting income other than that which relates to the Guild's objectives.

Costs of charitable activities are costs that arise from the pursuance of the charitable objectives, including the maintenance of the Collection. The Guild has adopted the natural classification of costs rather than an activity basis by virtue of its small size.

f. Leased assets

Rentals applicable to operating leases are expensed over the life of the lease on a straight line basis. (See Note 6 below)

g. Intangible assets

Intangible assets are recognised in the financial statements if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and the cost or value of the asset can be measured reliably.

The Trustees are satisfied that, in respect of the website and the database, which are included in the financial statements at their acquisition cost, anticipated future economic benefits justify capitalisation. Intangible assets are amortised over their estimated productive life, from the time they are brought into use. In the case of both the website and the database the life is believed to be 3 years.

h. Heritage assets

The charity's heritage assets consist of its collection of craft related goods and equipment, its documents collection and library. When it incorporated, the charity already had large collections and a library. Since then these have been added to by items purchased by the charity and also by donations of goods and equipment.

Knitting & Crochet Guild
Notes to the accounts
For the year ended 31 March 2023

1 Accounting policies (continued)

h. Heritage assets (continued)

The assets introduced into the charity in 2005 and donated since then have not been included in the financial statements because the Trustees consider that there is no practical way to value the collections and library, due to their specialist nature and there is no reasonable method to establish what donations were worth on the open market. They also consider that, given the nature of the assets, there is little likelihood that the value of the items purchased has been reduced and so no depreciation charge has been made.

The amount shown in the accounts represents the purchases which have been made since the charity was incorporated in 2005.

i. Tangible fixed assets

Individual fixed assets costing more than £250 are capitalised at cost and are depreciated over the estimated useful economic life of the asset, from the time it is brought into use, as follows:

- equipment - 3 years
- leasehold property - over the term of the lease

j. Branches

The charity has a number of branches where members meet to discuss and learn craft-related skills. The branches arrange their own venues and programmes for which they collect contributions. The Trustees exercise no control over the branches and the branches are not required to submit accounts to the charity, therefore, their transactions are not included in these accounts except where there is a direct payment into or out of charity funds.

2 Analysis of income from:

	2023	2022
	£	£
Donations		
Membership subscriptions	28,153	28,714
Gift aid	3,350	3,401
Donations	1,658	3,722
Donations relating to the collection	1,470	400
	<u>34,631</u>	<u>36,237</u>
Charitable activities:		
Convention	18,377	-
Collection		
Sales	451	331
Trunk shows and open days	410	
Shows and workshops	374	45
	<u>19,612</u>	<u>376</u>
Other trading activities		
200 Club	-	460
Other income		
Bank interest received	<u>431</u>	<u>121</u>

Knitting & Crochet Guild
Notes to the accounts
For the year ended 31 March 2023

3 Analysis of expenditure on:

	2023	2022
	£	£
Raising funds		
200 Club prizes	<u>68</u>	<u>150</u>
Charitable Activities		
Slipknot Production	9,605	9,923
Insurance	812	827
Premises (Britannia Mill) costs:		
- Rent, rates and service charges	6,637	7,600
- Buildings insurance	453	433
- Electricity	600	614
- Internet connection	544	544
- Repairs and maintenance	424	337
- Depreciation	2,309	2,309
Collection costs:		
- Collection materials	1,234	2,236
- Collection expenses	340	194
- Depreciation	660	664
Convention/ (Un-Convention) expenditure	15,851	112
Membership		
- Membership expenses	1,702	1,906
- Database depreciation	800	800
- Database running costs	3,672	3,447
Marketing (including rebrand completion)	2,480	1,045
Website costs		
- software and fees	1,285	1,114
- website depreciation	-	179
Governance costs:		
- Governance expenses	1,485	1,217
- Legal costs	2,400	-
- Trustee indemnity insurance	<u>146</u>	<u>148</u>
	<u>53,439</u>	<u>35,649</u>
Being:		
Restricted funds	430	-
Unrestricted funds		
Designated funds	1,804	3,094
General funds	<u>51,205</u>	<u>32,555</u>
	<u>53,439</u>	<u>35,649</u>

4 Staff costs

The Guild did not employ any staff in the year ended 31st March 2023 (2022: none)

Knitting & Crochet Guild
Notes to the accounts
For the year ended 31 March 2023

5 Trustees and key management personnel

The Trustees are the Guild's key management personnel.

No Trustee received any remuneration or benefits during the year and Trustees who take part in the Guild's activities do so on identical terms to other members of the Guild.

Trustees are reimbursed for out of pocket expenses incurred when acting on behalf of the Guild. In the year ended 2023, 8 trustees were reimbursed total expenditure of £2,328 (2022: 3 trustees received total expenses of £344).

6 Operating lease

The total operating lease payments under the non-cancellable lease for Britannia Mill are:

	2023	2022
	£	£
Not later than one year	5,427	6,512
Later than one year and not later than 5 years	-	5,427
	<u>5,427</u>	<u>11,939</u>
The amounts chargeable to the Statement of Financial Activities will be		
Within one year	5164	6,197
Between two & five years	-	5,164
	<u>5,164</u>	<u>11,361</u>

7 Intangible assets

	Website & Database
	£
Cost at 31 March 2022 and 31 March 2023	<u>19,575</u>
Depreciation at 31 March 2022	18,442
Charge for the year	<u>800</u>
At 31 March 2023	<u>19,242</u>
Net Book Value	
At 31 March 2023	<u>333</u>
At 31 March 2022	<u>1,133</u>

8 Tangible assets

	Leasehold property	Equipment	Total
	£	£	£
Cost at 31 March 2022	11,544	2,511	14,055
Additions	-	2,056	2,056
At 31 March 2023	<u>11,544</u>	<u>4,567</u>	<u>16,111</u>
Depreciation at 31 March 2022	7,312	2,161	9,473
Charge for the year	<u>2,309</u>	<u>659</u>	<u>2,968</u>
At 31 March 2023	<u>9,621</u>	<u>2,820</u>	<u>12,441</u>
Net Book Value			
At 31 March 2023	<u>1,923</u>	<u>1,747</u>	<u>3,670</u>
At 31 March 2022	<u>4,232</u>	<u>350</u>	<u>4,582</u>

Knitting & Crochet Guild
Notes to the accounts
For the year ended 31 March 2023

9 Heritage assets

	Library £	Collection £	Total £
Cost at 31 March 2022 and at 31 March 2023	7,941	5,643	13,584

10 Debtors and prepayments

	2023 £	2022 £
Prepayments	10,601	8,488
Accrued Income	979	972
Other debtors	200	985
	<u>11,780</u>	<u>10,445</u>

11 Creditors and accruals

	2023 £	2022 £
Accruals	62	75
Deferred income (note 12):		
Convention fees received in advance	50	5,635
Subscriptions paid in advance	75	100
Other creditors	262	577
	<u>449</u>	<u>6,387</u>

12 Deferred Income

	2023 £	2022 £
Deferred income brought forward	5,735	1,469
Released in the year	(5,685)	(1,394)
Deferred in the year	125	5,660
	<u>175</u>	<u>5,735</u>

13 Unrestricted Funds

Current year	At 31.3.2022 £	Income £	Expenditure £	At 31.3.2023 £
Designated funds				
(a) Charities Advisory Trust	385	-	-	385
(b) Collection	19,585	1,181	1,803	18,963
Total designated funds	19,970	1,181	1,803	19,348
General funds	86,311	52,056	51,274	87,093
	<u>106,281</u>	<u>53,237</u>	<u>53,077</u>	<u>106,441</u>

(continued)

Knitting & Crochet Guild
Notes to the accounts
For the year ended 31 March 2023

13 Unrestricted Funds (continued)

<i>Prior year</i>	At 31.3.2021	Income	Expenditure	At 31.3.2022
	£	£	£	£
Designated funds				
(a) Charities Advisory Trust	385	-	-	385
(b) Collection	22,279	400	3,094	19,585
Total designated funds	22,664	400	3,094	19,970
General funds	82,222	36,794	32,705	86,311
Total unrestricted funds	104,886	37,194	35,799	106,281

(a) Charities Advisory Trust:

In 2008 the Charities Advisory Trust generously gave the charity £5,000 to spend as it wished. The directors decided to spend the grant on items that could not otherwise have been afforded and keep it in a separate fund so that the donor's generosity could be fully appreciated.

(b) Collection:

The fund represents the amounts set aside by the Trustees for the maintenance and development of the Collection.

14 Restricted Funds

The restricted fund related to the purchase of photographic equipment for use solely by the collection.

15 Allocation of net assets between funds

	Restricted Funds	Designated Funds	General Funds	Total Funds
	£	£	£	£
2023				
Fixed Assets	535	1,211	15,841	17,587
Cash at bank and in hand	472	18,137	59,921	78,530
Other net assets	-	-	11,331	11,331
2023 Total	1,007	19,348	87,093	107,448
2022				
Fixed Assets	-	350	18,949	19,299
Cash at bank and in hand	-	19,620	62,954	82,574
Other net assets	-	-	4,058	4,058
2022 Total	-	19,970	85,961	105,931

16 Related party transaction

Except as disclosed above (in respect of Trustees) there were no transactions with related parties or connected persons in the year.

Independent Examiner's report
To the Trustees of the Knitting & Crochet Guild ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023 set out on pages 6-13.

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.



P. A. Ryan MA(Ed), FCA, DChA
66 Fountain Road
London SW17 0HQ

22 August. 2023