

Charity Registration No. 1148638

Company Registration No. 07936156 (England and Wales)

THE LETTERING & COMMEMORATIVE ARTS TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

THE LETTERING & COMMEMORATIVE ARTS TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Catherine Samy (Chair) Ron Clarke (Treasurer) Charlotte Howarth Sarah Greenall Claire Bodanis Eric Marland
Executive Director	Karoline Newman (interim)
Charity number	1148638
Company number	07936156
Principal address	Lettering Arts Centre Snape Maltings Snape Suffolk IP17 1SP
Registered office	c/o Whittles The Old Exchange 64 West Stockwell Street Colchester Essex CO1 1HE
Independent examiner	Rachel Skells BA FCA Whittle & Partners LLP The Old Exchange 64 West Stockwell Street Colchester Essex CO1 1HE
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4QJ
Solicitors	Bates, Wells & Braithwaite 2-6 Cannon Street London EC4M 6YH

THE LETTERING & COMMEMORATIVE ARTS TRUST

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THE LETTERING & COMMEMORATIVE ARTS TRUST

CHAIR'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

On 13 March 2020 the Lettering Arts Trust opened the doors of our gallery in Snape, Suffolk, for the start of our exhibition season. We kicked off with a retrospective of the work of one of the all time greats of the lettering arts, John Skelton. The exhibition had been many years in the planning and was eagerly anticipated by students of the art, established artists, academics and all those who had encountered Skelton's lifetime output of extraordinary lettering and sculpture. Just two weeks into the show we joined the rest of the Nation in closing our doors to the public. The most challenging year of our existence had begun.

The positive aspect of adversity is that it forces review. Our exhibitions programme is one of the key ways in which the Charity showcases the art and raises awareness. Our gallery and shop at Snape have in the past generated up to 30% of our annual revenues. Funders provide finance for specifics not for uncertainty, and certainly for many of our funders the arts were not their top priority as we entered the first months of pandemic. We had a responsibility to the artists, our staff and those involved in training schemes. The team began to evaluate what could be achieved despite closed doors.

They took to Zoom fast. There were still exhibitions to be planned and schedules to be shifted. Our commissioning service, so central to the interaction between individual members of the public and artists, continued at full throttle, albeit as a telephone only service. If ever there has been a moment when people sought advice about how to memorialise this was it. With quarries closed the artists became resourceful in their use of stone that had been in their studios for a rainy day, or smaller pieces which were piled as 'sometime never' offcuts.

I am proud to say that our 9th fully funded apprentice, Matt Loughlin, was able to complete his final year of the Sebastian Walker Lettering Arts Trust apprenticeship. His master Eric Marland adapted the training despite not being able to share studio space. In addition we were able to start a new journeyman on a placement with two established artists.

Once news of the July release came we extended the John Skelton exhibition into September and the team transformed the premises into a COVID safe environment, adjusting their operating practices and re-opening the doors. Artist cut rainbows appeared in the shop and online, underlining the relevance of the art in capturing major moments. The public responded with enthusiasm.

At the heart of this Charity has always been the future of the art. Our autumn exhibition 'New Beginnings' was a bullseye. It allowed young artists to showcase and sell their works, something that is often a challenge early in their career. The fizz of energy in the pieces confirmed that the art is very much alive and kicking.

However, like so many Arts organisations our finances were hit hard. The Government's Heritage Culture Recovery Fund was a lifeline. It gave us a chance to think anew about how our Charity could achieve the greatest impact in the most effective ways. One of the most exciting outcomes was a full day online seminar – the Young Carvers Symposium – giving a wide audience access to talks covering all aspects of the art. Some of the most venerated lettering artists of our day generously gave their time, as did ex-apprentices and those who could talk about the challenges of establishing a workshop and often working alone. They were joined by quarry owners, commissioners such as the National Trust and tool makers. This rich content was only possible to serve up online and it reached an audience well beyond the UK.

We will take this experience forward as we plan for the future. We are committed to flexing our activities and ensuring that we focus on impact and relevance. The lettering arts have never been more relevant in allowing society to mark time and events. We will rise to the challenge.

Catherine Samy

Chair

Dated: 22 December 2021

THE LETTERING & COMMEMORATIVE ARTS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 and "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 2019)".

Objectives and activities

The Charity's objects are to promote for the public benefit education in and appreciation of the arts and crafts associated with letter design and letter carving for memorials and other lettered works - commemorative, celebratory and architectural.

The policies adopted in furtherance of these objects are to maintain and strengthen the education, appreciation and awareness of letter carving, in particular, but including all the related lettering disciplines, from font design to typography and calligraphy.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Our beneficiaries fall into six categories

- 1) Students on our Apprenticeships, Journeyman Schemes and Lettering Workshops.
- 2) Professional letter carvers who benefit through commissions and in their roles as course Masters and tutors and as attendees at the occasional symposia we organise for lettering professionals. They also benefit from the exposure to exhibitions exploring the art and craft of letter carving that our Lettering Arts Centre now provides.
- 3) 22,700 visitors to the Lettering Arts Centre between March and December in 2019.
- 4) Visitors to The Art & Memory Collection: specially commissioned letter-carved work at six public locations across the country.
- 5) Members of the public who use our Help & Advice service, including those who commission work through our commissioning service.
- 6) Church and cemetery authorities and those commissioning memorials, benefiting from our campaigning work on the need to accept a more creative approach to what should be allowed in our churchyards and burial grounds.

THE LETTERING & COMMEMORATIVE ARTS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance

"When a work lifts your spirits and inspires bold and noble thoughts in you, do not look for any other standard to judge by: the work is good, the product of a master craftsman."— Jean De La Bruyere

Highlights of the year

- Covid 19 pandemic and its impact
- Innovative Forms – the lettering of John Skelton exhibition
- New Beginnings exhibition celebrating an emerging generation of lettering artists
- 12,916 Total number of visitors in the year from January to December (despite lockdowns from 20 March to 13 July and 5 November to 2 December).
- Heritage Culture Recovery Fund: Round 1 – A lifeline
- Matt Loughlin finished his 2 year apprenticeship
- Heather Griffiths commenced a journeyman scheme
- Exhibition Sales Revenue: £1638 (Representing commission to LAT)
- Retail Income: £38698 (This includes online sales and commission earned from sale of artist work)
- MBA Commission Service Income: £35,007
- New EPOS system
- Total number of exhibition works sold: 10
- Enhanced social media
- Rainbows carved whilst the quarries were closed
- Trend towards spending time in the garden and interest in garden artworks
- Did not exploit the mortality rates
- Appointed fundraiser
- 19 students attended 3 workshops

"What a joy to discover such a special gallery dedicated to this lovely craft – lettering as art, who would have thought it!"

2020 will be remembered for the Covid 19 pandemic and, amongst many other things, its detrimental impact upon cultural and artistic enterprise. Nationwide lockdowns meant the closure of all public venues including galleries and non-essential retailers. Income from commercial operations was severely curtailed, and funding opportunities diminished. But it was not all bad, and the extraordinary situation made the Lettering Arts Trust examine and evaluate its activities and change its modus operandi to respond to the different market conditions. In a quantum leap, the Lettering Arts Trust increased its social media activities and its virtual engagement with its audiences, also attracting many new followers. It enhanced its e-commerce presence and noticed a significant increase in online sales. We did not exploit the tragically high mortality rates by overtly promoting our memorial commission services, but instead focussed on people's interest in their gardens and garden artworks where they were spending so much time during the warm Spring and Summer. Meanwhile our artists created the sign of the times by carving beautiful rainbows from off-cuts of stone in their studios. When the gallery was able to reopen to the public, visitors were delighted to enjoy the exhibitions, appreciating the masterful skill and range of 'Innovative Forms – the lettering of John Skelton' and later in the year discovering that the craft of letter carving is exciting and modern in the hands of a new generation in 'New Beginnings' – auguring well for the future.

Raising Awareness - Our Exhibition Programme

We are the UK's only gallery dedicated solely to lettering art. Despite a rich heritage upheld by a long line of notable craftsmen, the lettering arts are the least known of all the visual arts. Stone letter cutting is on the Heritage Craft Association's official 'Red List' and classified as an endangered craft. Our work to engage the public to raise interest in the lettering arts is vital.

THE LETTERING & COMMEMORATIVE ARTS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Innovative Forms – the lettering of John Skelton

The exhibition season commenced in March with the launch of the 'Innovative Forms – the lettering of John Skelton' exhibition which was curated by his daughter Helen-Mary Skelton, supported by friends and an Arts Council grant. It was accompanied by an impressive publication. John's work in the mid-20th century incorporated beautiful lettering and carving, including the catafalque for Winston Churchill and the famed Ditchling Cat and directly influenced a number of letter cutters practicing the craft today. Approximately 40 admirers attended the Private View in early March which was to be the only gathering in the gallery for the entire year. It was attended by John's widow Myrtle who sadly died later in the year, but it must have brought her joy to see her late husband's work celebrated by this magnificent retrospective. Only a week after the celebratory opening, the first national lockdown closed the gallery until 13 July. Ten years in the planning and collating, the exhibition deserved to be seen and although scheduled to close in May, we extended its display through the summer to capture the increased visitor footfall at Snape. A virtual tour records the exhibition and is available to view on the website.

New Beginnings

This important exhibition, guided by Nina Bilbey, Charlotte Howarth and Eric Marland, featured the work of the latest generation of letter carvers. It was a rare opportunity for emerging lettering artists to exhibit their skill and versatility and demonstrated that the contemporary craft has many external influences which are not all bound by the conventions of formalised lettering. The exhibition featured 36 artworks created by 24 artists from a broad range of different backgrounds. Some had benefited from the Lettering Arts Trust apprenticeship and journeymen schemes, whilst others had attended City & Guilds of London School of Art, and Goldsmiths College, or developed their own practice, bringing additional external influences and disciplines to create their own signature styles. A virtual tour records the exhibition and is available to view on the website. Between the mid-September opening and 5th November lockdown nearly 5,000 visitors enjoyed the show. 10 pieces sold and there was widespread appreciation for the skill, dexterity and fresh ideas displayed.

Christmas Showcase

Curated by Lynne Alexander, Director of Education and Exhibitions, this annual selling collection celebrates letters in all their fascinating forms, from limited-edition typography and calligraphy prints, to hand-engraved glassware and hand-carved stone. It opened as soon as the second lockdown lifted and sales from the gallery were positive in the run up to Christmas. Potential purchasers were still hesitant about visiting physical shops and many had done their Christmas shopping online during the autumn lockdown but there was clearly an appetite for original works of art and a desire to support artists.

We took the decision to postpone until 2021 the planned summer exhibition, with its working title 'Edge of Extinction'. Its topic is based upon the 2019 UK State of Nature Report and it will seem even more pertinent in the light of increasing awareness for the fragility of the environment witnessed by everyone who appreciated an unprecedented warm Spring and early Summer.

Passing On The Skills – Lettering Arts Trust Training

Lettering Arts Trust training enables the inexperienced and the practised to experiment and explore under the expert guidance of leading artists. We are one of the major providers of training in letter carving and letter drawing in the UK. We enable the UK's long tradition of hand-designed lettering to continue by offering a broad range of training opportunities at different entry levels, either in the inspiring space of the Lettering Arts Centre gallery or at artists' studios across the UK.

THE LETTERING & COMMEMORATIVE ARTS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Sebastian Walker Lettering Arts Trust Apprenticeship Scheme 2018 – 2020

Master carver: Eric Marland Apprentice: Matt Loughlin

The charity's ninth apprentice Matt Loughlin completed his two-year training with Master carver Eric Marland in April 2020. The lockdown which commenced in March meant that Matt finished his apprenticeship in a socially distanced manner, and a planned celebratory (fundraising) event had to be cancelled. Matt completed his third apprentice alphabet and went on to gain further jobbing experience at other lettering artists' studios including Gary Breeze and Ian Cotton. Long-term patron, Mirabel Cecil, gifted this apprenticeship in honour of her late brother, the publisher Sebastian Walker and we are indebted to her for her generosity. As a heartfelt thank you to his benefactor, Matt carved a garden artwork 'Rus in Urba' which was presented to Mirabel at the gallery later in the year.

"I have to thank Eric Marland. He has given me the skills and experience I needed to go out and change my life, and I will always be grateful for his mentorship and friendship. I also thank the Lettering Arts Trust, who have not only made this apprenticeship possible, but have also been a great source of support and knowledge throughout this experience. Mirabel Cecil, who funded this apprenticeship in memory of her brother Sebastian Walker has been a constant source of support and encouragement. I thank her from the bottom of my heart and hope to make her, Eric and the Lettering Arts Trust proud of my work in the future."

"It is sort of mind-boggling if I sit down and think about all of the different skills and techniques I have learned over these two years. Typically, an apprentice would do a single alphabet that might include uppercase, lowercase and italic letterforms. Eric thought it might be interesting for me to do three separate alphabets, each in a different style and type of stone. Aside from being taught the actual craft of letter design and letter cutting, there was also the practical, business side of things to learn."

"So what's next for me? I hope to open my own workshop in the near future and work full-time as a letter-cutter. My passion lies in making bespoke memorials – this kind of work is very important and rewarding. But I hope to still find time to make and display letter-cutting pieces in gallery settings."

"I know, given all that I learned and experienced over the past two years working with Eric, that I have received the very best training available and now have the proper tools to go out on my own and put quality, meaningful work out in the world." Matt Loughlin

The Journeyman Programme

Our Journeyman scheme was launched in 2014 and is designed to provide bespoke training to students with a degree of letter carving experience. In 2020, despite a number of applications, the Covid pandemic made it nigh impossible to organise Journeymen placements. However, utilising online communication technology, Heather Griffiths commenced her training and enhanced her lettering design and carving skills with Charlotte Howarth and Louise Tiplady, generously funded by a donor who wishes to remain anonymous.

The aim of a Journeyman placement is to provide the space and environment for them to focus on specific areas of their craft. It helps those letter carvers equipped with a basic training but not quite ready to become fully self-employed. We provide fully-funded tuition with a master letter carver in their studio for a period of around two months. The scheme provides rounded training - theoretical education tailored to their individual needs, complemented by a wide range of client commissions. Funding a Journeyman programme requires between £2,000 and £3,500 and the charity is realistic in its ambition to increase this aspect of its charitable activity.

"Despite being unable to meet in person due to another lockdown we managed to have effective tuition on zoom going back to basics with the Roman alphabet and the fundamentals of calligraphy. By the end of the year I had gained a more exacting understanding on top of my prior learning and was starting to explore other materials in addition to stone." Heather Griffiths.

THE LETTERING & COMMEMORATIVE ARTS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Workshops

The Covid 19 pandemic had a detrimental impact upon our workshop programme. 12 were scheduled of which 9 had to be cancelled (including the popular residential calligraphy and letter carving course taught by Eric Marland and Tom Perkins).

A total of 19 students attended 3 workshops. 8 students enjoyed Louise Tiplady's popular Linocut workshop; 6 students attended Chrissie Nicholls map-making workshop; 5 students participated in Charlotte Howarth's journaling tuition. All the workshops, including the new map-making and journaling sessions were over-subscribed.

Media coverage, communications, events and outreach

We want to see the art of lettering showcased more widely and appreciated by more people. To achieve this, we worked hard to extend our reach and raise the profile of the artform. We enhanced our social media activity and saw a significant increase in engagement with new followers. We created lettering craft focussed initiatives such as the carved rainbows in the spring, and an association with Apple Inc for the online London Craft Week in the autumn. Our work to develop closer relationships with local and national press continued to generate features in consumer publications, as well as in specialist design media.

Media coverage

The Lettering Arts Trust appeared on BBC Radio Suffolk on 4 occasions, with interviews concerning the 'January sale', the John Skelton exhibition, the Rainbow initiative and the New Beginnings exhibition. The Rainbows also featured in the East Anglian Daily Times and were widely promoted by Suffolk Museums. Helen Mary Skelton was interviewed by United Christian Broadcasting and the John Skelton exhibition was highlighted in Stone magazine and reviewed in 'Forum' but the lockdown curtailed other reviewers visits and when the gallery reopened it was no longer considered new news. An article about Ian Hamilton Finlay's garden at Little Sparta appeared in The English Garden, including a reference to our charity regarding commissions. A double page spread in The Mason's Journal helped to maintain the charity's profile amongst this influential audience of liverymen benefactors. 'New Beginnings' appeared in Crafts Bulletin, the East Anglian Daily Times and Natural Stone Bulletin, all celebrating the next generation of lettering artists.

Communications

We are indebted to Sara Moreton, the generous volunteer, who gave the charity her time and expertise in developing social media.

According to Google analytics in 2020 the website witnessed 83,185 sessions of which 64,882 were new users, compared with 42,291 sessions in 2019 and the bounce-rate decreased by an average of 6.5% indicating that more people were finding rich content and staying on the site.

Other platforms also showed significant increased engagement, in turn leading to visits to the website:

From Pinterest – 861 visits to website
From Facebook – 768 visits to website
From Instagram* – 201 visits to website
From Twitter – 50 visits to website

*(Instagram represents our 'shop window' for all of our media and is also a link with other important organisations, professional artists and serious hobbyists who are passionate about lettering providing a low-maintenance vehicle for building and maintaining the charity's profile.)

THE LETTERING & COMMEMORATIVE ARTS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Maximising the yearbook

We published a yearbook of the charity's activities to present a record of the contemporary lettering art scene. This has been successfully used to introduce the charity to potential funders, the media and arts organisations with whom we would like to collaborate.

Events and outreach – taking the craft to the public

Rainbows

During the first lockdown rainbows began to appear in windows to signify the public's support and appreciation for front-line services. The iconic symbol will long be associated with the Covid 19 pandemic. The quarries closed and the supply of stone for artists stopped, so we invited them to use off-cuts in their studios to design and carve rainbows. 18 highly individual and beautiful rainbows were created, capturing not only significant social and media coverage, but purchasing interest too.

London Craft Week

The Lettering Arts Trust joined forces with Apple Inc to host 3 presentations around the topic of lettering design and expression. The event was promoted to London Craft Week's 10,000 supporters and was listed on London Craft Week's website. Due to the Spring lockdown the sessions, originally planned to take place in Apple's London stores in May, were postponed to October and hosted as online events. The 'Today at Apple' sessions featured talks and interactive activities with Cherrell Avery, Jim Sutherland and Robbie Schneider and were preceded by a presentation about the Lettering Arts Trust bringing the charity to the attention of a new, younger and tech-savvy audience. Averaging some 65 people at each session, Apple advised that this was the most successful and well-attended event that it had ever held in the UK.

Special interest groups' visits

Friends of Kettle's Yard chose the Lettering Arts Centre for its summer outing and we hosted some 25 people to see the John Skelton exhibition and hear about our charitable purpose. In August members of the Artworkers Guild chose Snape Maltings as its destination and throughout the day their members dropped in to see the exhibition and learn more about the charity. Closer to home 'Girls About Snape' held an evening meeting in the gallery to learn about the charity's activities and educational impacts.

Sadly events such as artists' talks and the Coffee & Culture mornings planned for the gallery had to be cancelled.

Art & Memory Collection

Our national collection is a resource for the public, designed to inspire visitors and inform them about the possibilities of the contemporary art. The artworks are on display at five sites across the UK - Arncliffe Cemetery, Bristol; Blair Castle in Perthshire; Canterbury Cathedral Memorial Garden; The University of Birmingham's Botanic Garden, Winterbourne, Birmingham; and Snape Priory, Suffolk (the latter by appointment only). We continue to search for a venue in Wales, holding conversations with interested parties. The collection consists of 63 specially commissioned lettered works in stone, wood and cast iron by many of the UK's foremost lettering artists. It is the UK's only collection of contemporary lettered memorial art and is designed to show the public the eloquence and range of contemporary letter carving. Discussions continue with the Norfolk Churches Trust to explore a loan of artworks for their project for a community hub in Corpusty.

THE LETTERING & COMMEMORATIVE ARTS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Northumberland House Arch

The Heritage of London Trust is London's independent heritage charity which rescues historic buildings and monuments. It approached the Lettering Arts Trust for assistance with the restoration of some dedicational plaques for Northumberland House Arch, now located at Bromley-by-Bow although originally constructed in 1750 and positioned on the Strand. In addition to the original plaques Phil Surey also created new ones to mark the Arch's 2020 restoration, which was unveiled by HRH The Duke of Gloucester in July.

Commercial activity, development and funding

Due to the Covid 19 pandemic and associated lockdowns the earned revenues from retail activity, events and commissions - our crucial income – was considerably diminished. We rely on the generosity of funding organisations and private donors in order to achieve our goals.

Heritage Culture Recovery Fund – Round 1.

The government's support for the UK's creative and arts industries and institutions in the form of the Heritage Culture Recovery Fund threw the Lettering Arts Trust a crucial lifeline. Our application secured £42,000 which helped to underpin the charities activity through the late autumn and into 2021.

A generous grant from the Amberstone Trust helped with the appointment a part-time fundraiser and extended the role of the retail manager.

Volunteers

We are indebted to volunteers who give their time and assistance, enabling the Lettering Arts Trust to open its shop 7 days a week and support its social media presence. Again, Covid 19 had a detrimental impact with lockdowns obliging the shop and gallery to close. Unfortunately many of our volunteers were in the 'vulnerable' 60+ category, and some were hesitant to return. We are optimistic that numbers will increase when society returns to normal.

Commercial activity

Retail

Via our subsidiary LCAT Trading Limited we continued to offer a mixture of purchased stock and original work by artists. Branded merchandise in the form of catalogues and postcards relating to exhibitions and items jointly developed with our artists for sale by the trust helped to build awareness and increase profits. We earned commission fees on the sale of 10 exhibition pieces.

In January we held a 'Flash Sale' in which, with the artists' permissions, we sold a number of artworks that we had held for some time. It generated considerable interest in the gallery and via e-commerce.

Early in the year we installed an integrated Electronic Point of Sale (EPOS) system. The new till and backup software has radically improved our reports and data analysis for sales and stock control providing insight into purchasing patterns and helping with efficient product ordering.

The lockdowns of March to July and November presented an opportunity for e-commerce and considerable efforts focussed on website and social media content to engage and entice online custom.

Commissioning service

'Thank you for your help. It is an invaluable service. I speak on behalf of my siblings when I say that, second only to commemorating our mother in a meaningful way, we are glad to take the opportunity to support traditional artisanship.' A client.

THE LETTERING & COMMEMORATIVE ARTS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Commissioning service

Part of our mission is to encourage the public to commission commemorative and celebratory works by artists. As new works are created, we raise the profile of the art, helping to sustain the craft and support artist livelihoods. We provide advice to clients from across the UK and put them in touch with the artist most appropriate to their commission, from the artists affiliated to the charity. We maintain a register of 76 of the UK's finest lettering artists, inviting new applications on an annual basis.

Development and funding

Supporters

The Lettering Arts Trust is an independent charity. We do not receive any government or local authority funding and therefore depend entirely on the generosity of our Friends, patrons and supporters to continue our programme of education, exhibitions and events. Without them, our work would not be possible. We are grateful to the Heritage Culture Recovery Fund and the Amberstone Trust which has enabled us to engage the services of a sponsorship consultant and a fundraiser.

We continue to be supported by a wide range of funders, to whom we are extremely grateful. We are profoundly grateful to the Behrens Foundation for its ongoing generosity and to the individuals and organisations that support us and wish to remain anonymous. We were extremely grateful to receive donations of soft drinks from Cawston Press and elegant embossed labels for the Lettering Arts Trust's carrier bags from the Baddeley Brothers printers. We received £7280 in donations from individuals.

Thank you to all our supporters:

- Amberstone Trust
- Bartleet Family Fund
- The Behrens Foundation
- Mirabel Cecil
- The Doric Trust
- The Worshipful Company of Masons
- And the Heritage Culture Recovery Fund

Friends

This was the fifth year of the Friends of the Lettering Arts Trust membership scheme. Subscriptions to our Friends scheme generated revenue of £2,935 in the year from new and renewing members. Existing Friends renewed their membership at a rate of 64%. Thank you to our Supporting Friends and Friends for Life: Harriet Frazer, Anthony Kedros, Mr and Mrs Twiss, Rosemary Close-Brooks, Chris Smart, Cynthia Millar, Lady Tennant, Frederick Mulder, Dr and Mrs Pollard, Graeme Cottam, Mr and Mrs Grieve, Patricia Lovett, Richard Oldfield, Robert Smyth, Sarah Greenall, Tim Elliott.

THE LETTERING & COMMEMORATIVE ARTS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

2020 was challenging for the LCAT because of the COVID-19 pandemic restrictions including national lockdowns and closure of public venues including galleries and non-essential retailers. As a consequence, income from trading activities was down 25% against 2019, including a 50% fall in retail income. The difficult fundraising environment resulted in a 35% fall in grants during the year.

However, we were successful in securing Heritage Culture Recovery Fund round one funding of £42,000 which helped to underpin the Lettering Arts Trust activities through the second and third COVID-19 lockdown periods. In LCAT Trading Limited we also saw a 60% upturn in e-commerce sales and a transition to online delivery of activities.

We took the decision not to furlough staff during the first national COVID-19 to focus on making our offices, gallery and shop COVID-19 safe and facilitate online activities.

In 2021 the Trust secured Heritage Culture Recovery Fund round two funding of £21,000 towards Trust activities and a Co-operative Bank Bounce Back Loan of £24,869 to support our trading arm. We also placed two staff on flexible furlough during the first quarter of 2021.

In 2020 LCAT received income of £115,390 (2019: £203,127) which comprised grants, earned income and net contributions from LCAT Trading Ltd, our trading subsidiary.

The net contribution to the Trust after costs from our trading subsidiary, LCAT Trading (not consolidated into LCAT), was £35,000 as a service charge in the year and a profit of £16,066 donated after the financial year end. The delay in donating the LCAT Trading profit of £16,066 was the main reason for the Trust's unrestricted fund deficit of £19,128 at the year end.

Expenditure for 2020 was £148,553 (2019: £201,833) which included Lettering Arts Education and Lettering Arts Centre charitable expenses. This resulted in a net expenditure of £33,163 (2019: £1,294 net surplus) for the year.

At the end of the year the Trust had a deficit of £19,128 (2019: £36,130 surplus) in unrestricted funds. There were also designated funds of £10,765 (2019: £10,765) towards the Lettering Arts Centre premises and a Lettering Arts Commission funds. LCAT had £54,529 (2019: £32,434) in restricted funds.

It is the policy of the Trust that unrestricted funds, not designated for a specific use, should be maintained at a level equivalent to at least three months' operating expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves was not maintained during the year.

Unrestricted funds were in deficit at the year end because the profit from our trading subsidiary company was donated after the year end, and the impact of COVID-19 restrictions and lockdowns. Trustees aim to rebuild unrestricted funds to the equivalent of three months operating expenditure over the next 3 years.

The Trustees has assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. The risks are however assessed regularly and if necessary new systems are put in place.

THE LETTERING & COMMEMORATIVE ARTS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Plans for the Future

'Unprecedented' seems to be the adjective of 2020 as nobody could have foreseen the impact of the Covid 19 pandemic upon the world. For smaller arts organisations and charitable enterprises such as the Lettering Arts Trust, the byword has been 'survival'. So, looking to the future we will continue to support those artists whose expertise in the heritage craft of letter cutting must not be lost, via commissions and exhibitions and educational activities.

Funding for Apprenticeships and Journeymen schemes is extremely important and we hope to host an event that celebrates the success of our training programmes and encourages donors to support our efforts. The masters of the craft must be recognised for their hard-won expertise which they are passing on to younger carvers. It is this next generation of lettering artists expressing fresh ideas who will carry the banner forwards to attract patrons.

The Lettering Arts Trust intends to increase awareness for its core commissioning services via enhanced social media activities and more conventional PR in print and broadcast media. At the same time, we intend to show that lettering design and letter carving is relevant and exciting by extending the marketing reach to include garden and landscape artwork and also attract the interest of the architecture and design professions. There is a place for hand-crafted lettering of the finest quality that outweighs the shortcut economics of the machined letter.

Although the Lettering Arts Trust is physically located in Suffolk, it is certainly not parochial in its outlook or ambitions. We are developing exhibitions that will tour to other venues. We are organising educational events – using online technology – that will attract participants from across the world. And digital technology will enable us to host talks and lectures online so that many more people can find out about the history, the heritage, the range and the impact of the lettering arts.

Cultural collaborations will bring the Lettering Arts to the attention of other communities and groups so that ideas can cross-fertilise, and we hope that strategic alliances develop to strengthen reputation and appreciation. Meanwhile, we will build closer relationships with faith organisations to stimulate commissions of memorials for the artists.

Whilst we have plenty of ideas, we need to focus on work that is relevant and likely to attract funding, especially as the arts funding climate becomes increasingly challenging. The aim is to increase the pool of private supporters who will be interested in supporting our mission with donations and who will enjoy being part of our special lettering community – attending events and meeting the artists. Meanwhile we want to appoint a professional fundraiser who will open doors and build relationships with corporate supporters.

Our national collection of lettering - Art & Memory – is a valuable resource and we will develop closer relationships with these venues in order to deliver greater awareness of the art form. We will seek to leverage more from this incredible collection, working with the venues to build awareness of the charity, which will result in more commissions for the artists. In addition, we want to find a home in Wales for the collection that is currently not easily accessible at Monnow Valley.

There is no doubt that tough times lie ahead as we face the realities of the post-pandemic business and social and fund-raising environment, but we intend to take actions that will deliver financial stability for the Lettering Arts Trust's charitable purposes – and we thank all those individuals and organisations who value the lettering arts as much as we do.

THE LETTERING & COMMEMORATIVE ARTS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management

The Lettering and Commemorative Arts Trust (LCAT) is a company limited by guarantee and was incorporated on 3 February 2012 as amended by a special resolution registered at Companies House on 16 August 2012. LCAT was the successor to The Memorial Arts Charity (reg number 1071427), founded by Harriet Frazer MBE in 1998. All of the Memorial Arts Charity's assets were transferred to LCAT.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Catherine Samy (Chair)

Ron Clarke (Treasurer)

Charlotte Howarth

Sarah Greenall

Claire Bodanis

Eric Marland

New Trustees are appointed by the Board of Trustees with reference to the skills, experience and diversity of the Board at the time. A combination of internal and external networks are used in recruiting new trustees, who may serve for one or more three year term. All new Trustees participate in a full induction.

None of the Trustees has any beneficial interest in the company. Trustees are directors for the purpose of company law and are members of the company and guarantee to contribute £1 in the event of a winding up.

The Trustees met formally on four occasions during 2020. Day to day management is delegated to the Executive Director, who operates within guidelines laid down by the Trustees.

Patrons: Gyles Brandreth, Mirabel Cecil, Dr Esther de Waal, Jonathan Dimbleby, Maggi Hambling, Virginia Ironside, Joanna Lumley, Baroness Neuberger, Dr Andrew Norman, Libby Purves.

Our Staff

Karoline Newman: (Interim) Executive Director

Lynne Alexander: Director of Education and Exhibitions

Mary Carter-Campbell: Head of Commissioning

Lucy McDowell: Retail Manager

Marina Colclough: Finance and Administration Officer

Our Friends Committee

Anthea Shaw, Suzy Powling, Rosie van Allan, Lucy McDowell

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The Trustees' report was approved by the Board of Trustees.

Catherine Samy (Chair)

Trustee

Dated: 22 December 2021

THE LETTERING & COMMEMORATIVE ARTS TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE LETTERING & COMMEMORATIVE ARTS TRUST

I report to the Trustees on my examination of the financial statements of The Lettering & Commemorative Arts Trust (the Charity) for the year ended 31 December 2020.

Responsibilities and basis of report

As the Trustees of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Charity 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 the Charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement - Going Concern

I have completed my examination. I have identified a matter of concern in my report because I have concerns that because of the effect of COVID 19 on the charity that the going concern basis may not be appropriate. In the Trustees' report and the Accounting policies note 1.2 the Trustees have set out their consideration of the going concern basis for the charity to which your attention is drawn.

I confirm that no other matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 confirm that there are 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 financial statements to be reached.

Rachel Skells BA FCA

Whittle & Partners LLP
The Old Exchange
64 West Stockwell Street
Colchester
Essex
CO1 1HE

Dated: 22 December 2021

THE LETTERING & COMMEMORATIVE ARTS TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Notes							
Income and endowments from:							
Donations and legacies	3	24,207	55,800	80,007	78,025	52,250	130,275
Charitable activities	4	336	-	336	411	10,879	11,290
Investments	5	47	-	47	112	-	112
Other income	6	35,000	-	35,000	61,450	-	61,450
Total income		59,590	55,800	115,390	139,998	63,129	203,127
Expenditure on:							
Raising funds	7	2,278	898	3,176	6,015	4,155	10,170
Charitable activities	8	112,570	32,807	145,377	138,558	53,105	191,663
Total resources expended		114,848	33,705	148,553	144,573	57,260	201,833
Net (expenditure)/income for the year/							
Net movement in funds		(55,258)	22,095	(33,163)	(4,575)	5,869	1,294
Fund balances at 1 January 2020		46,895	32,434	79,329	51,470	26,565	78,035
Fund balances at 31 December 2020		(8,363)	54,529	46,166	46,895	32,434	79,329

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE LETTERING & COMMEMORATIVE ARTS TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	13		2,672		3,191
Investments	14		100		100
			<u>2,772</u>		<u>3,291</u>
Current assets					
Debtors	16	12,992		12,283	
Cash at bank and in hand		48,324		92,580	
		<u>61,316</u>		<u>104,863</u>	
Creditors: amounts falling due within one year	17	(17,922)		(28,825)	
Net current assets			43,394		76,038
Total assets less current liabilities			<u>46,166</u>		<u>79,329</u>
Income funds					
Restricted funds	19		54,529		32,434
Unrestricted funds					
Designated funds	21	10,765		10,765	
General unrestricted funds		(19,128)		36,130	
			<u>(8,363)</u>		<u>46,895</u>
			<u>46,166</u>		<u>79,329</u>

THE LETTERING & COMMEMORATIVE ARTS TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 22 December 2021

Catherine Samy (Chair)

Trustee

Company Registration No. 07936156

THE LETTERING & COMMEMORATIVE ARTS TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Lettering & Commemorative Arts Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o Whittles, The Old Exchange, 64 West Stockwell Street, Colchester, Essex, CO1 1HE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006 and "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 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The Trustees have a reasonable expectation that the Charity will continue in operational existence for the foreseeable future, however, the Trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern due to the effect of the COVID 19 pandemic and the effect it has had on the charity sector. The trustees have assessed the issues and are taking appropriate action in the hope that this can sustain the charity going forwards.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

THE LETTERING & COMMEMORATIVE ARTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Expenditure

Resources expended include attributable VAT, which cannot be recovered.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	33% straight line
Fixtures, fittings & equipment	15% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the Charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

Financial assets comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Investments, including those in subsidiary undertakings are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure.

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes, deferred income and provisions.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

THE LETTERING & COMMEMORATIVE ARTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Group accounts

The charity has taken advantage of the exemption in Financial Reporting Standard No 2 not to produce consolidated accounts as the total gross income of the group is below the threshold for a statutory charity audit.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The key accounting estimate that is used is the useful economic life of the fixed assets acquired by the charity and therefore the depreciation charge that is applied in each financial year.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE LETTERING & COMMEMORATIVE ARTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£
Donations and gifts	19,707	1,000	20,707	38,025
Grants receivable for core activities	4,500	54,800	59,300	92,250
	24,207	55,800	80,007	130,275
For the year ended 31 December 2019	78,025	52,250		130,275
Grants receivable for core activities				
The Doric Charitable Trust	1,000	-	1,000	1,500
The Masons' Livery Company	500	-	500	500
The Behrens Foundation	-	-	-	35,000
PF Charitable Trust	-	-	-	7,000
Scarfe Charitable Trust	-	-	-	500
HB Allen	-	-	-	25,000
Garfield Weston Foundation	-	-	-	15,000
The Prince of Wales's Charitable Foundation	-	-	-	2,000
Rural business grant	2,000	-	2,000	-
Amberstone	-	10,000	10,000	-
Julian Francis	-	2,000	2,000	-
Thalia Brotherton	-	3,000	3,000	-
Heritage culture recovery fund	-	37,800	37,800	-
Alfred Williams	-	-	-	1,000
Others	1,000	2,000	3,000	4,750
	4,500	54,800	59,300	92,250

THE LETTERING & COMMEMORATIVE ARTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Charitable activities

	Insurance commission £	Training workshops £	Total 2020 £	Total 2019 £
Sales within charitable activities	336	-	336	11,290
	=====	=====	=====	=====
Analysis by fund				
Unrestricted funds	336	-	336	
	=====	=====	=====	
For the year ended 31 December 2019				
Unrestricted funds	411	-		411
Restricted funds	-	10,879		10,879
	=====	=====		=====
	411	10,879		11,290
	=====	=====		=====

5 Investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Interest receivable	47	112
	=====	=====

6 Other income

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
LCAT Trading service charge	35,000	61,450
	=====	=====

THE LETTERING & COMMEMORATIVE ARTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Raising funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Fundraising and publicity						
Staging fundraising events	-	898	898	2,164	4,155	6,319
Advertising	776	-	776	1,475	-	1,475
Other fundraising costs	1,502	-	1,502	2,376	-	2,376
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fundraising and publicity	2,278	898	3,176	6,015	4,155	10,170
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>2,278</u>	<u>898</u>	<u>3,176</u>	<u>6,015</u>	<u>4,155</u>	<u>10,170</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

THE LETTERING & COMMEMORATIVE ARTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Charitable activities

	Lettering Arts Education	Lettering Arts Centre	Total 2020	Total 2019
	2020	2020		
	£	£	£	£
Staff costs	7,000	68,521	75,521	93,509
Workshop costs	-	-	-	6,585
Event costs	-	13,513	13,513	18,998
Apprenticeships	5,429	-	5,429	16,331
Journeyman scheme costs	1,500	210	1,710	6,012
Postage and stationery	-	1,724	1,724	1,017
Telephone and fax	-	2,601	2,601	2,341
Travel expense	-	425	425	1,803
Subscriptions	-	701	701	934
	<u>13,929</u>	<u>87,695</u>	<u>101,624</u>	<u>147,530</u>
Share of support costs (see note 9)	1,000	10,081	11,081	27,183
Share of governance costs (see note 9)	2,000	30,672	32,672	16,950
	<u>16,929</u>	<u>128,448</u>	<u>145,377</u>	<u>191,663</u>
Analysis by fund				
Unrestricted funds	-	112,570	112,570	138,558
Restricted funds	16,929	15,878	32,807	53,105
	<u>16,929</u>	<u>128,448</u>	<u>145,377</u>	<u>191,663</u>
For the year ended 31 December 2019				
Unrestricted funds	-	138,558		138,558
Restricted funds	32,594	20,511		53,105
	<u>32,594</u>	<u>159,069</u>		<u>191,663</u>

THE LETTERING & COMMEMORATIVE ARTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Depreciation	520	-	520	622	-	622
Rent and rates	16,995	-	16,995	21,923	-	21,923
Repairs and maintenance	1,556	-	1,556	2,238	-	2,238
Insurance	950	-	950	840	-	840
Light and heat	(9,000)	-	(9,000)	1,500	-	1,500
Bank charges	60	-	60	60	-	60
Accountancy	-	5,802	5,802	-	5,287	5,287
Consultancy costs	-	26,856	26,856	-	11,310	11,310
Trustee expenses	-	14	14	-	353	353
	<u>11,081</u>	<u>32,672</u>	<u>43,753</u>	<u>27,183</u>	<u>16,950</u>	<u>44,133</u>
Analysed between						
Charitable activities	<u>11,081</u>	<u>32,672</u>	<u>43,753</u>	<u>27,183</u>	<u>16,950</u>	<u>44,133</u>

Governance costs includes payments to the independent examiners of £4,159 (2019- £4,159) and £1,128 (2018- £1,128) for other services.

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

11 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	5	6
	<u>5</u>	<u>6</u>
Employment costs	2020	2019
	£	£
Wages and salaries	73,679	90,723
Other pension costs	1,842	2,786
	<u>75,521</u>	<u>93,509</u>

THE LETTERING & COMMEMORATIVE ARTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Employees

(Continued)

There were no employees who received total employee benefits of more than £60,000.

12 Taxation

The charity is exempt from taxation on its income and gains where they are applied directly for charitable purposes.

13 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 January 2020	9,865	10,744	20,609
At 31 December 2020	9,865	10,744	20,609
Depreciation and impairment			
At 1 January 2020	9,865	7,552	17,417
Depreciation charged in the year	-	520	520
At 31 December 2020	9,865	8,072	17,937
Carrying amount			
At 31 December 2020	-	2,672	2,672
At 31 December 2019	-	3,191	3,191

14 Fixed asset investments

Other Investments

Cost or valuation

At 1 January 2020 & 31 December 2020 100

Carrying amount

At 31 December 2020 100

At 31 December 2019 100

THE LETTERING & COMMEMORATIVE ARTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

14 Fixed asset investments (Continued)

	Notes	2020 £	2019 £
Other investments comprise:			
Investments in subsidiaries	15	100	100
		<u>100</u>	<u>100</u>

15 Subsidiaries

Details of the Charity's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
LCAT Trading Limited	United Kingdom	Retail sales	Ordinary	100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
LCAT Trading Limited	16,996	17,096

16 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Amounts owed by subsidiary undertakings	10,592	9,883
Other debtors	2,400	2,400
	<u>12,992</u>	<u>12,283</u>
	<u>12,992</u>	<u>12,283</u>

17 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	330	362
Accruals	17,592	28,463
	<u>17,922</u>	<u>28,825</u>
	<u>17,922</u>	<u>28,825</u>

THE LETTERING & COMMEMORATIVE ARTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Retirement benefit schemes

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £1,842 (2019 - £2,786).

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2019	Movement in funds		Balance at 1 January 2020	Movement in funds		Balance at 31 December 2020
	£	Income	Expenditure	£	Income	Expenditure	£
Lettering Arts Education Fund	16,839	38,129	(32,594)	22,374	2,200	(8,429)	16,145
Lettering Arts Centre Fund	9,726	25,000	(24,666)	10,060	53,600	(25,276)	38,384
	<u>26,565</u>	<u>63,129</u>	<u>(57,260)</u>	<u>32,434</u>	<u>55,800</u>	<u>(33,705)</u>	<u>54,529</u>

The Lettering Arts Centre Fund relates towards the development of the Lettering Arts Centre and its activities supporting education, appreciation and awareness of the arts and crafts of lettering and lettercarving.

The Lettering Arts Education Fund is in respect of workshops and apprenticeships for the maintenance and strengthening of Britain's long tradition of letter carving in stone and wood. The fund balance is to be used to enable the charity to run a varied education and training programme including an Apprenticeship Scheme.

THE LETTERING & COMMEMORATIVE ARTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Analysis of net assets between funds

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Tangible assets	299	2,373	2,672	357	2,834	3,191
Investments	100	-	100	100	-	100
Current assets/(liabilities)	(8,762)	52,156	43,394	46,438	29,600	76,038
	<u>(8,363)</u>	<u>54,529</u>	<u>46,166</u>	<u>46,895</u>	<u>32,434</u>	<u>79,329</u>

21 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2020	Movement in funds Transfer between funds	Resources expended	Balance at 31 December 2020
	£	£	£	£
Lettering Arts Centre Premises Fund	10,765	-	-	10,765
	<u>10,765</u>	<u>-</u>	<u>-</u>	<u>10,765</u>

The Lettering Arts Centre (LAC) Premises Fund provides for the maintenance of the Lettering Arts Centre.

22 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	16,000	-
Between two and five years	32,000	-
	<u>48,000</u>	<u>-</u>

THE LETTERING & COMMEMORATIVE ARTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

23 Related party transactions

During the year The Lettering and Commemorative Arts Trust charged management expenses to LCAT Trading Limited of £35,000 (2019: £61,450).

At the year end a total of £10,592 was owed by LCAT Trading Limited (2019: £9,883).

24 Remuneration of key management personnel

The aggregate remuneration of key management personnel was £nil (2019: £26,112)

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