

Charity registration number: 1182054

The Rachel Kay-Shuttleworth Textile Collections

Annual Report and Financial Statements

for the Year Ended 31 March 2023

KM
Chartered Accountants
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The Rachel Kay-Shuttleworth Textile Collections

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The Rachel Kay-Shuttleworth Textile Collections

Reference and Administrative Details

Trustees	The Rt Hon Lord Shuttleworth KG KCVO
	The Hon Sally Figgins
	Georgiana Foster
	Michael Millward
	Ashley Sutcliffe
	Dennis Mendoros OBE DL
	Ian Brown
	Fiona Ritchie
	Tom Kay-Shuttleworth
	Charlotte Steels
Charity Registration Number	1182054
Principal Office	Estate Office Cowan Bridge Carnforth Lancashire LA6 2HS
Independent Examiner	KM Chartered Accountants 1st Floor, Block C The Wharf Manchester Road Burnley Lancashire BB11 1JG
Solicitors	Fielden Marshall Glover Strutt Manor Buildings Moor Lane Wiswell Clitheroe Lancashire BB7 9DG
Bankers	Barclays Bank 72 St James Street Burnley Lancashire BB11 1NH

The Rachel Kay-Shuttleworth Textile Collections

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 March 2023.

Trustees

The Rt Hon Lord Shuttleworth KG KCVO

The Hon Sally Figgins (re-appointed 20 April 2023)

Georgina Foster

Michael Millward

Ashley Sutcliffe

Dennis Mendoros OBE DL

Ian Brown

Linda Drury (appointed 28 July 2022 resigned 3 October 2023)

Fiona Richie (appointed 28 July 2022)

Charlotte Steels (appointed 5 November 2022)

Tom Kay-Shuttleworth (appointed 20 July 2023)

Objectives and activities

Objects and aims

The Charity's statement of purpose is:

To hold the Rachel Kay-Shuttleworth Collections of woven, embroidered and other materials, tapestries, garments, books, objects d'art and other articles, and to realise Rachel Kay Shuttleworth's vision for inspiring people and encouraging learning through textile craft and heritage.

The aims of the Charity are:

- 1 To research, document, display and care for the Collection to approved museum standards.
- 2 To publicly share and communicate the story of textile heritage through the Rachel Kay-Shuttleworth (RBKS) Collection.
- 3 To create opportunities for things to be made, skills to be shared and learned.
- 4 To engage a broad range of people through programmes that inspire.
- 5 To work with artists and arts organisations to challenge perceptions of textile heritage and reinterpret the collection for a contemporary audience.
- 6 To realise Miss Rachel's vision of creating a craft based centre for education and training.

The Rachel Kay-Shuttleworth Textile Collections

Trustees' Report (continued)

The current objectives of the Charity are to:

- 1 Develop a programme of collections care and collection review to ensure that collections are stored and displayed to the best possible standards, in line with Accreditation.
- 2 To become a resilient and financially stable organisation for the benefit of future generations.
- 3 Develop the Collection through research, acquisition and new interpretation to ensure relevance, build sustainability and broaden audience appeal.
- 4 Be a visitor destination and to deliver an excellent visitor experience by curating inclusive spaces that inspire.
- 5 Develop an innovative learning and community engagement programme catering to both formal (schools, colleges and universities) and informal (family and community based) learning.
- 6 Work in close partnership with Gawthorpe site partners, local museums, arts and educational organisations within Pennine Lancashire to deliver efficient and effective programmes and services and to raise the profile of the Collection.
- 7 Work with national textile organisations to share knowledge and expertise.

When planning activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit and in particular, the specific guidance on charities for the advancement of education.

With the restrictions from Covid 19 lifted we have been able to offer a full and varied outreach programme. Study visits have also taken place and tours have recommenced.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

Key activities undertaken have included:

Ethical Textiles -funded by the National Lottery Reaching Communities Fund the project delivered community co-curated activity focused around ethical and sustainable textiles practice. Due to delays to the 2020 start date of the project and ongoing disruption as a result of the Covid-19 pandemic, we were permitted to reprofile the budget and extend the post of Community Engagement Officer attached to the project which took the end date of the project to September 2022. The community work created as part of this project was inspired by the collection. The finished pieces demonstrated sustainable and ethical textile techniques and were exhibited in the hall under the title 'Green Canopy'. This also linked to tree planting initiatives for the Queen's Platinum Jubilee celebrations and additional funding was secured from the Jubilee Fund for associated workshops. To finish the project a series of free online talks was delivered. The speakers were a mix of artists, makers and activists that had something to say about ethical textiles.

The Rachel Kay-Shuttleworth Textile Collections

Trustees' Report (continued)

Lancashire's Textile Treasures - funded through the Heritage Lottery Digital Skills for Heritage Fund, this project created a platform for online collaboration and contemporary curation of regional textile related collections - lancashiretextilegallery.com. It is a partnership between Gawthorpe Textiles Collection, Super Slow Way and University of Central Lancashire with contributions from museums across Lancashire. A series of workshops were run with a range of community groups to create online exhibitions inspired by regional collections, heritage venues and fashion. 73 people attended the community events. Community groups ranged from a homeless shelter to a Muslim Girls school. In addition we worked with academics and textile artists to curate additional exhibitions including themes such as disability and gender equality for the website. The intention is that content will continue to be created for the site through future projects and collaborations to ensure that it is not a static repository, but a dynamic reinterpretation of textile heritage.

Cherish the Past, Create for the Future - Almost £250k funding was secured through the National Lottery Heritage Fund's Dynamic Collections programme to improve physical and virtual access to the collection. The first part of the project is to improve documentation of the collection and re-fit the galleries and the second part is to work with the community through a series of workshops. In 2023/24 we will be upgrading the gallery space through the installation of new cabinets and lighting. The interpretation boards will be upgraded and new interactive digital screens will be installed. Before the work commences we will be undertaking research into our audiences and completing some community engagement initiatives in order to inform the redesign work. For the programme of community activities we have recruited four artists to run a series of workshops with community groups. They will encourage participants to engage with, and get inspiration from, the collection to inform their work. This project will be completed in March 2024.

Re:Fashion - There were two parts to the Re:Fashion project this year. The first was the main Re:Fashion project that ran with 19 participants in Blackburn in August. The project raises awareness of slow fashion and through working with fashion mentors, gives young people the skills to repair, re-make, re-use and recycle existing garments, with a particular focus for this year on denim. It is delivered in partnership between Gawthorpe Textiles Collection, University of Central Lancashire and Super Slow Way. One of the participants went on to enter the outfit that she had made in the Trashion Show at Jane Goodall Roots and Shoots 2023 awards and won a prize.

In addition we ran a series of Re:Fashion repair shops from Finsley Gate Wharf, teaching basic sewing, mending and repair skills. People could bring along their own garments and either learn the skills to repair them themselves or leave them with the group and have them mended or customised. Techniques demonstrated included Japanese Boro and Sashiko. Members of the Valley Street Textiles Studio Sew Social group helped.

Valley Street Textiles Studio - the group was established in February 2016 in conjunction with Calico Housing and run at Valley Street Community Centre. As well as learning new sewing skills they also undertook artistic commissions and community projects including making toiletry bags for a homeless shelter and knitting baby jackets for the premature baby unit. They have also been involved in print making and used their new skills to create designs for fabric to be made into tote bags and tea towels as well as to illustrate a cookbook of their favourite recipes. Items were to be sold to raise funds for the group. From 2022 the dedicated space at Valley Street Community Centre was no longer available and it was no longer viable for Gawthorpe Textiles Collection to continue to financially support this group. It came to an end in August, though some members of continue to meet independently at West End Community Centre.

Textile workshops - these were held in Brierfield Library with the aim of establishing a foothold in the area that will be the new home of the textile collection. At one of these sessions, we were contacted by the manager of the DEEN centre (Diversity, Equality, Empowerment Network) to work with them and they will become one of the venues for the Cherish the Past workshops.

Exhibitions - Exspiravit by Decorum was installed in July 2022 and opened with a Meet the Artist event. The exhibition responded to the spirit of Gawthorpe and the textiles in the collection. Three workshops were planned to accompany the exhibition though only one ran.

The Rachel Kay-Shuttleworth Textile Collections

Trustees' Report (continued)

Relocation - during the year the Board have confirmed that, in order to preserve the collection, it will be necessary to relocate the collection to alternative premises. The worsening conditions in the basement at Gawthorpe Hall were beginning to have a negative impact on the collection and the conditions were not conducive to the preservation of a historically important collection. New premises at Northlight Mill have been identified and lease negotiations commenced during the year. In addition to the creation of a new, custom designed, store there will also be a large training room which will allow us to put on many more courses and study visits. These activities will allow us to generate additional revenue. The move is scheduled for completion in October 2023.

Key Fund - we have secured a combination of loan and grant funding to the value of £127k from the Northern Cultural Regeneration Fund to cover the cost of a new museum grade storage system, removal costs and a proportion of our running costs for the first three years.

Adlib Database - we upgraded the database which will allow us to utilise some of the additional features of the software. The upgrade has enabled more efficient documentation processes and ongoing support from suppliers Axiell which we had been unable to access on the old system. It is our hope that when it can be afforded, the database can be cloud based to enable multiple users to access it simultaneously, from any connected computer, and to enable it to be integrated with the website so that interested parties can search selected data from the catalogue made publicly available.

Business Development Group - This group comprises two Board and two independent members. They have been tasked by the Board to develop unrestricted income streams to protect the long term financial sustainability of the organisation. They have met regularly and have developed a new Business Development Strategy for the organisation with a focus on generating an income from the collection including licensing designs.

Licensing - Clitheroe company, Art of the Loom, joined us as a new licensee. They have licensed four designs from the collection for use on furnishing fabrics and we receive a commission based on sales. This relationship has also linked the collection with one of their key customers, Tetrad, who have a range of furniture available to purchase in the fabrics. We also signed an agreement with the Crewelwork Company. They create crewel work kits for sale in this country and overseas (largely America). They will be creating a series of kits of different sizes / levels of complexity based on the Tree of Life bedspread.

New Catalogue - we created a new introduction to the collection booklet drawing on our collection in 60s objects project from 2019, recent research and high resolution photography to show a greater breadth of the range of objects in the collection. This is now on sale in the Hall and on the website.

Film - an animated film about Rachel Kay-Shuttleworth was commissioned from Huckleberry Films by Community Rail Lancashire to encourage people to travel by train to Rose Grove station and then walk to Gawthorpe Hall to see the textile collection. The film is available on our website and serves as a wonderful introduction to Rachel and her collection.

Book - One of our volunteer researchers wrote a biography on Rachel Kay Shuttleworth which will be published next year.

The Rachel Kay-Shuttleworth Textile Collections

Trustees' Report (continued)

Educational engagement - we have worked with a group of MA students from Blackburn College who came to look at the African Textiles. We were made a member of the BA Textiles and Surface Design Advisory Board at the University of Bolton.

Our curator delivered a Fashion Forensics lecture at University of Central Lancashire. We also partnered with them on the Lancashire Textile Treasures and the Re:Fashion project.

We took part in Aspire Week at Shuttleworth College in Padiham. The aim of the event was to support year 10 pupils with their career choices post year 11. As part of the event we delivered a digital curation workshop that was well received. We also took part in the Burnley Cultural Careers Fair to promote heritage and the arts as a career option to secondary school students.

Relationships began to be built with Lancashire Adult Learning, again with the intention of developing work to support collaboration following relocation to Northlight.

Fundraising - we launched our Benefactor and Star schemes. The Benefactor scheme is for major donors and the Star scheme is for individual giving. Both schemes support the work of the textile collection. In the year we also hosted a fundraising dinner with the author Stacey Halls as the guest speaker. In 2019 she published her debut novel *The Familiars* which tells the fictional story of Fleetwood Shuttleworth mistress of Gawthorpe Hall.

Local connections - the collection used as inspiration for artwork in Padiham's regeneration - gable end mural and stone tablets etched with "Cherish the past, adorn the present, create for the future" and inspired designs created by Harriet Lawton in conjunction with community participants.

Reach - Through the delivery of outreach programmes, talks, workshops and study visits we supported 974 beneficiaries during the year. This excludes those people that visited the Hall.

Activity	Number of participants
Lancashire Textile Treasure (Outreach)	73
Ethical Textiles (Outreach)	542
Talks	342
Study Visits	17
	974

Financial review

The financial statements show the financial position of the charity at the year end. Total funds amounted to £281,514.

During the year an unsecured loan was obtained from Key Fund to support the work of the charity.

Policy on reserves

Gawthorpe Textiles Collection will endeavour to maintain reserves to ensure the ongoing financial viability of the organisation as outlined in our reserves policy. The charity now maintains a designated reserve which represents an amount the trustees consider would be necessary for the charity to discharge its obligations in the event that the Charity was to be wound up. The reserve is regularly reviewed to take account of most recent information and circumstances and when the budget for the following year is set. Based on the 31st March 2023 accounts this equates to approximately £136,000. This leaves a general reserve of £73,000.

The Rachel Kay-Shuttleworth Textile Collections

Trustees' Report (continued)

Plans for future periods

The charity will continue developing towards achieving its Vision published in March 2021. Funding was secured in 2022/23 to deliver the Cherish the Past Create the Future project in 2023/24. Some of this funding will support the relocation of the collection and offices. Suitable premises have been identified and the Collection and offices will relocate in 2023/24. Once in our new premises we will run a targeting marketing and communication campaign to raise awareness of the new venues and the services and support that we can offer.

In addition we will be undertaking a significant review of the Collection and fully documenting and photographing the items in the Collection prior to packaging the items ready for the move.

In the second part of the year, we will be looking at refitting the gallery spaces within Gawthorpe Hall and undertake a full redisplay of the textile galleries. We also have funding to introduce integrated digital media screens to the gallery spaces to enhance the visitor experience.

The financial sustainability of the organisation remains paramount and the Board are looking at new ways to generate unrestricted income streams. The Business Development Group will support the Board by looking at how best to generate an income from our main asset, the Collection.

We will continue to raise the profile of the Charity and Collection both locally and more widely through linking nationally and internationally with academics and experts, delivering outreach programmes, undertaking general and targeted promotions activity, as well as continuing to deliver high quality programmes of exhibitions, workshops and events to the public - both face to face and online.

Structure, governance and management

Nature of governing document

The Charity is a Charitable incorporated Organisation (CIO). It was registered on 15 February 2019 with the Charity Commission and is governed by its Constitution dated 24 January 2019. The Charity remained dormant until 28 November 2019. On this date the Charity received the net assets of The Rachel Kay-Shuttleworth Textile Collection (registered number 516227), an existing unincorporated trust with the same charitable objective as the charity. This reconstruction was accounted for under the merger accounting method in accordance with the Charities SORP (FRS 102). The Charity's working name is Gawthorpe Textiles Collection. The Charity Commission registration number and principal office are given on the information page at the beginning of these financial statements.

The Rachel Kay-Shuttleworth Textile Collections

Trustees' Report (continued)

Organisational structure

The Trustees agree the broad strategy and areas of activity of the Trust. They consider the performance of the Trust's investments and review the risks facing the Charity.

Three new board members were recruited during the year – Fiona Richie and Linda Drury effective 28 July 2022 and Charlotte Steel effective 5 November 2022. Linda Drury stood down from the Board on 3rd October 2022 in order to apply for the vacant post of Director.

A Business Development Group has been established and they report to the Board. This group comprises Board representation and the Director but also includes two external members with knowledge of business, public sector and grant giving. They have been tasked with looking at how best to generate an income from our main asset, the Collection.

The day-to-day administration of the Charity is undertaken by two core team members, the Director and Curator. Charlotte Steels had been in the post on a part time basis since December 2016 She resigned her post of Director in November 2022.

To support the planned growth of the organisation the Board decided to make the roll of Director full time. An open recruitment process was held, and Linda Drury was appointed and took up the post on 17th January 2023. The Curator is a part-time role.

In addition to the core staff, two project funded staff members on fixed term contracts were employed during the year, a Community Engagement Officer throughout the period and a Collections Officer from 6 December 2022. The funding for the Funding Development Officer contract came to an end in October 2022 and the post was terminated.

The paid staff team is supported by a small team of 9 dedicated volunteers.

Risk management

The trustees have a formal risk management policy in place and a strategic and operational risk register to assess risk and implement risk management strategies.

Internal risks are minimised by the implementation of procedures and authorisation processes of all transactions to ensure the consistent quality of delivery for all operational aspects of the charitable company. Procedures are in place to ensure compliance with health and safety of staff, volunteers, beneficiaries and visitors to the premises.

These procedures are periodically reviewed to ensure that they are meeting the needs of the Charity.

The annual report was approved by the trustees of the charity on and signed on its behalf by:

.....
The Rt Hon Lord Shuttleworth KG KCVO
Trustee

The Rachel Kay-Shuttleworth Textile Collections

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources 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, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees 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.

The Rachel Kay-Shuttleworth Textile Collections

Independent Examiner's Report to the trustees of The Rachel Kay-Shuttleworth Textile Collections

I report to the trustees on my examination of the accounts of The Rachel Kay-Shuttleworth Textile Collections for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity trustees of The Rachel Kay-Shuttleworth Textile Collections you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the The Rachel Kay-Shuttleworth Textile Collections's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Rachel Kay-Shuttleworth Textile Collections as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

.....
Mark Heaton FCCA FCIE DChA
KM

1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

Date:.....

The Rachel Kay-Shuttleworth Textile Collections

Statement of Financial Activities for the Year Ended 31 March 2023

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Income from:							
Donations and legacies	2	5,639	-	5,639	32,292	-	32,292
Grants received	2	-	109,432	109,432	-	81,174	81,174
Other trading activities		23,720	-	23,720	13,566	-	13,566
Investment income	4	12,421	-	12,421	9,904	-	9,904
Total income		<u>41,780</u>	<u>109,432</u>	<u>151,212</u>	<u>55,762</u>	<u>81,174</u>	<u>136,936</u>
Expenditure on:							
Charitable activities		<u>(57,535)</u>	<u>(93,366)</u>	<u>(150,901)</u>	<u>(49,778)</u>	<u>(72,619)</u>	<u>(122,397)</u>
Total expenditure		<u>(57,535)</u>	<u>(93,366)</u>	<u>(150,901)</u>	<u>(49,778)</u>	<u>(72,619)</u>	<u>(122,397)</u>
Gains/losses on investment assets		<u>(14,246)</u>	<u>-</u>	<u>(14,246)</u>	<u>14,331</u>	<u>-</u>	<u>14,331</u>
Net (expenditure)/income		<u>(30,001)</u>	<u>16,066</u>	<u>(13,935)</u>	<u>20,315</u>	<u>8,555</u>	<u>28,870</u>
Gross transfers between funds		<u>23,334</u>	<u>(23,334)</u>	<u>-</u>	<u>(550)</u>	<u>550</u>	<u>-</u>
Net movement in funds		<u>(6,667)</u>	<u>(7,268)</u>	<u>(13,935)</u>	<u>19,765</u>	<u>9,105</u>	<u>28,870</u>
Reconciliation of funds							
Total funds brought forward		<u>216,076</u>	<u>79,373</u>	<u>295,449</u>	<u>196,311</u>	<u>70,268</u>	<u>266,579</u>
Total funds carried forward	14	<u>209,409</u>	<u>72,105</u>	<u>281,514</u>	<u>216,076</u>	<u>79,373</u>	<u>295,449</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 14.

The notes on pages 13 to 19 form an integral part of these financial statements.

The Rachel Kay-Shuttleworth Textile Collections

(Registration number: 1182054)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	9	217,553	216,798
Current assets			
Debtors	10	11,870	2,131
Cash at bank and in hand		<u>143,915</u>	<u>80,709</u>
		155,785	82,840
Creditors: Amounts falling due within one year	11	<u>(13,757)</u>	<u>(4,189)</u>
Net current assets		<u>142,028</u>	<u>78,651</u>
Total assets less current liabilities		359,581	295,449
Creditors: Amounts falling due after more than one year	12	<u>(78,067)</u>	<u>-</u>
Net assets		<u><u>281,514</u></u>	<u><u>295,449</u></u>
Funds of the charity:			
Restricted income funds			
Restricted funds		72,105	79,373
Unrestricted income funds			
Designated funds		136,000	-
General funds		<u>73,409</u>	<u>216,076</u>
Total unrestricted funds		<u>209,409</u>	<u>216,076</u>
Total funds	14	<u><u>281,514</u></u>	<u><u>295,449</u></u>

The financial statements on pages 11 to 19 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
The Rt Hon Lord Shuttleworth KG KCVO
Trustee

The Rachel Kay-Shuttleworth Textile Collections

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Rachel Kay-Shuttleworth Textile Collections meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and trustees meetings and reimbursed expenses.

The Rachel Kay-Shuttleworth Textile Collections

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Trade creditors

are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

The Rachel Kay-Shuttleworth Textile Collections

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and legacies	5,639	-	5,639	32,292
Grants received	-	109,432	109,432	81,174
	<u>5,639</u>	<u>109,432</u>	<u>115,071</u>	<u>113,466</u>

3 Income from other trading activities

	Unrestricted funds General £	Total funds £	Total 2022 £
Other income from other trading activities	23,720	23,720	13,566
	<u>23,720</u>	<u>23,720</u>	<u>13,566</u>

4 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	173	173	6
Other income from fixed asset investments	12,248	12,248	9,898
	<u>12,421</u>	<u>12,421</u>	<u>9,904</u>

5 Expenditure on charitable activities

		Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Charitable activities		16,439	57,536	73,975	25,395
Staff costs		5,603	19,821	25,424	26,137
Governance costs	6	35,493	16,009	51,502	70,865
		<u>57,535</u>	<u>93,366</u>	<u>150,901</u>	<u>122,397</u>

The Rachel Kay-Shuttleworth Textile Collections

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

6 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Staff costs	31,251	14,109	45,360	51,987
Legal fees	2,460	1,900	4,360	11,100
Other governance costs	-	-	-	3,488
Independent Examiner's remuneration	1,782	-	1,782	3,760
	<u>35,493</u>	<u>16,009</u>	<u>51,502</u>	<u>70,335</u>

7 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	59,720	62,653
Social security costs	8,638	12,522
Pension costs	<u>2,426</u>	<u>2,949</u>
	<u>70,784</u>	<u>78,124</u>
 Of which relating to key management personnel:		
Wages and salaries	36,475	38,733
Social security costs	6,459	10,305
Pension costs	<u>2,426</u>	<u>2,949</u>
	<u>45,360</u>	<u>51,987</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Charitable activities	<u>4</u>	<u>4</u>

No employee received emoluments of more than £60,000 during the year

The Rachel Kay-Shuttleworth Textile Collections

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

8 Taxation

The charity is a registered charity and is therefore exempt from taxation.

9 Fixed asset investments

	2023 £	2022 £
Other investments	217,553	216,798
Other investments		
	Listed investments £	Total £
Cost or Valuation		
At 1 April 2022	216,798	216,798
Revaluation	(14,245)	(14,245)
Additions	15,000	15,000
At 31 March 2023	217,553	217,553
Net book value		
At 31 March 2023	217,553	217,553
At 31 March 2022	216,798	216,798

10 Debtors

	2023 £	2022 £
Trade debtors	10,795	792
Prepayments	1,075	1,339
	11,870	2,131

11 Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans	6,691	-
Trade creditors	3,400	1,107
Accruals	3,666	3,082
	13,757	4,189

The Rachel Kay-Shuttleworth Textile Collections

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

12 Creditors: amounts falling due after one year

	2023 £
Bank loans	<u>78,067</u>

13 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £2,426 (2022 - £2,949).

14 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2023 £
Unrestricted funds						
General	216,076	41,780	(57,535)	(112,666)	(14,246)	73,409
Designated						
Closedown reserve	<u>-</u>	<u>-</u>	<u>-</u>	<u>136,000</u>	<u>-</u>	<u>136,000</u>
Total unrestricted funds	<u>216,076</u>	<u>41,780</u>	<u>(57,535)</u>	<u>23,334</u>	<u>(14,246)</u>	<u>209,409</u>
Restricted funds						
Arts Council England	13,625	-	-	(13,625)	-	-
National Lottery Ethical Textiles	11,274	-	(11,565)	291	-	-
UCLAN	10,000	-	-	(10,000)	-	-
John Murray Charitable Trust	3,003	-	(2,100)	-	-	903
Northern Cultural Regeneration Fund	-	42,350	-	-	-	42,350
Heritage Fund	35,074	39,680	(67,373)	-	-	7,381
Other Funds	6,397	-	-	-	-	6,397
Queen's Jubilee Fund	-	3,500	(3,426)	-	-	74
Heritage Fund Dynamic Collections	-	8,902	(8,902)	-	-	-
Garfield Weston Foundation	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,000</u>
	<u>79,373</u>	<u>109,432</u>	<u>(93,366)</u>	<u>(23,334)</u>	<u>-</u>	<u>72,105</u>
Total funds	<u>295,449</u>	<u>151,212</u>	<u>(150,901)</u>	<u>-</u>	<u>(14,246)</u>	<u>281,514</u>

The Rachel Kay-Shuttleworth Textile Collections

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2022 £
Unrestricted funds						
General	196,311	55,762	(49,778)	(550)	14,331	216,076
Restricted funds						
Arts Council England	9,603	22,941	(18,919)	-	-	13,625
European Social Fund	5,872	(5,176)	(56)	(640)	-	-
National Lottery Ethical Textiles	15,574	11,667	(15,967)	-	-	11,274
UCLAN	10,000	-	-	-	-	10,000
John Murray Charitable Trust	4,549	-	(1,546)	-	-	3,003
Northern Cultural Regeneration Fund	16,969	-	(18,159)	1,190	-	-
Heritage Fund	-	49,600	(14,526)	-	-	35,074
Other Funds	7,701	2,142	(3,446)	-	-	6,397
	<u>70,268</u>	<u>81,174</u>	<u>(72,619)</u>	<u>550</u>	<u>-</u>	<u>79,373</u>
Total funds	<u>266,579</u>	<u>136,936</u>	<u>(122,397)</u>	<u>-</u>	<u>14,331</u>	<u>295,449</u>

15 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds at 31 March 2023 £
	General £	Designated £	£	
Fixed asset investments	81,553	136,000	-	217,553
Current assets	83,679	-	72,105	155,784
Current liabilities	(13,757)	-	-	(13,757)
Creditors over 1 year	(78,067)	-	-	(78,067)
Total net assets	<u>73,408</u>	<u>136,000</u>	<u>72,105</u>	<u>281,513</u>
	Unrestricted funds General £		Restricted funds £	Total funds at 31 March 2022 £
Fixed asset investments	216,798		-	216,798
Current assets	3,467		79,373	82,840
Current liabilities	(4,189)		-	(4,189)
Total net assets	<u>216,076</u>		<u>79,373</u>	<u>295,449</u>