

The Lace Guild CIO

Charity No: 1195559



**Trustees' Annual Report &
Statement of Financial Activity**
for the period 19 August 2021 to 31 December 2022

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1 Reference and Administration Details

1.1 Charity Name & Registration

The Lace Guild CIO

The charity is a Charitable Incorporated Organisation, registration no: 1195559, registered with the Charity Commission on 19 August 2021. The charity also uses a working name – The Lace Guild.

The charity is registered with HM Revenue & Customs.

1.2 Charity's Address

The Hollies, 53 Audnam, Stourbridge, West Midlands, DY8 4AE

e-mail: hollies@laceguild.org

website: www.laceguild.org

1.3 Names of the Trustees Who Manage the Charity

<i>Name</i>	<i>Office</i>	<i>Appointed</i>	<i>Resigned</i>
Sue Smith	Chair	19 August 2021	9 October 2022
Denise Smith	Chair	19 August 2021	
Christopher Evans	Secretary	19 August 2021	
Tessa Whitlock	Treasurer	19 August 2021	
Phil Baldwin		19 August 2021	
Amanda Binns		19 August 2021	
Andrea Gaskell		19 August 2021	
Liz Muncey		19 August 2021	
Christine Cooper		4 May 2022	
Lizzie Foulon		16 October 2022	

1.4 Names of Advisors & Senior Members of Staff

None

1.5 Bank

National Westminster Bank, 141 High Street, Stourbridge, West Midlands. DY8 1DW

1.6 Independent Examiner

Pandora Jane Hancock BSc ACA, 2 Elias Close, Lichfield, Staffordshire. WS14 9TX

2 Structure, Governance & Management

2.1 Type of Governing Document

Constitution – based on the Charity Commission’s model governing document for Association Charitable Incorporated Organisations, *ie*: where the charity has a wider membership, including voting members other than the charity trustees.

2.2 Charitable Objects

- (a) To educate the public in the craft of lacemaking, its history and use.
- (b) To promote a high standard of lacemaking.
- (c) Through education, to encourage design, development and professional presentation of lace.

2.3 Trustee Selection Methods

There must be at least three charity trustees. The maximum number of trustees is 12.

In accordance with the Constitution, Trustees are appointed or re-appointed for a term of three years by a resolution passed at an annual general meeting of the members of the CIO.

In appointing Trustees due consideration is given to ensuring that the Trustees have, between them, the skills and experience necessary to manage the charity effectively and in accordance with charity law.

3 Activities, Achievements & Performance

3.1 Statutory Declaration

The Trustees confirm that they have paid due regard to the guidance issued by the Charity Commission on public benefit in deciding what activities the charity should undertake.

3.2 Overview (*Executive Summary*)

During this period, The Lace Guild CIO has successfully taken over all of the activities and responsibilities of the previous unincorporated charity.

3.3 Activities, Achievements & Performance

The Lace Guild CIO (CIO) was formed on 19 August 2021 to take over the work of the former unincorporated charity The Lace Guild registered charity number 274397. The members of the former charity resolved that it should be wound up from 1 January 2021 (or such other date as the trustees may decide) and all work transferred to the CIO. All of the trustees were also trustees of the former charity. The CIO trustees met regularly during this period to agree arrangements for the transfer. On 15 December 2021 the Charity Commission authorised the transfer of the assets of the unincorporated charity to the CIO and also authorised the CIO to grant an indemnity to the trustees of the unincorporated charity, limited to liabilities properly incurred while acting as trustees. The staff of the former charity were transferred to the CIO from 1 January 2022 but there was a delay in transferring the assets which were transferred to the CIO from 11 March 2022.

3.4 How the Public Have Benefitted

Since the CIO took over the work of the unincorporated charity, the public have been able to view our “Recent Acquisitions” exhibition of lace new to the museum collection and also our current exhibition “Lace from the Commonwealth”. Our exhibitions are free to enter. We have also circulated our “Artefact of the month” emails, a monthly email about an item in our collection. We have attended a textile show at the National Exhibition Centre, Birmingham to promote the craft of

lacemaking as well as other local events across the UK. In the summer of 2022 the Commonwealth Games was held in Birmingham and we contributed to the associated cultural programme in Dudley by holding our triennial lace competition and exhibition on the theme of “Commonwealth” at the Glasshouse Heritage Centre, Stourbridge, which was held alongside our exhibition at the hollies. Following on from that we were involved in the International Festival of Glass, where we held a corresponding exhibition “Tales of East Asia” which allowed public access to the private glass collection of Clive Manison alongside lace from our collection. During this period we have continued to produce new publications to support those that already make lace and might want to take up the craft.

3.5 Trustee Development

Trustees are encouraged to participate in appropriate development opportunities. The Charity’s status as a museum allows trustees to access training provided by West Midlands Museum Development (WMMD). The Chair is a member of WMMD Trustee Network.

3.6 Looking Ahead

This year will include our first in person AGM and Lace Day since the Pandemic, being held at the Warwick Conference Centre. This will also be our first attempt at a hybrid AGM, following feedback from the AGM in 2022.

Looking further ahead, preparations have begun to plan our next Triennial Competition for 2025 and following on how we might include as many people as possible in our Golden Anniversary celebrations in 2026.

4 Financial Review

4.1 Details of Any Funds Materially in Deficit

The Charity has no funds which are materially in deficit.

4.2 Policy on Reserves

The trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately six months of unrestricted charitable expenditure. The trustees consider that this level will provide sufficient funds to continue the work of The Lace Guild CIO and to ensure that support and governance costs are covered.

Unrestricted reserves will be invested in low risk instruments to earn the best rate of return available. These funds will be used to support the aims and objectives of The Lace Guild CIO as stated in the Constitution.

Enough unrestricted funds to cover two month’s short term cash flow requirements will be kept in current accounts.

Funds equal to the total amount of restricted funds will be kept in a separate account. These funds will be held in an interest bearing account until required.

4.3 Principal Sources of Funding and Outgoings

We have made a profit this year of £76,689.68. The Lace Guild CIO was very kindly named as a beneficiary of someone’s will. Sadly, last year the person died. At the end of 2022 we received an interim payment from the estate concerned in the amount of £71,336.37. This was very generous of the deceased and will give the Guild a good financial base for the future.

Our operating profit for the year ending the 31st December 2022 was £5,353.31.

Our general sales and sales of second-hand items were up on 2021 by approximately 62%, thanks to the sterling work of the team, their use of Spotlight and attendance at more events. Sadly overall,

our subscriptions were down by approximately 5.16%, hopefully this trend will reverse this year. Summer School made a small profit and more groups are using the insurance cover we can provide which in turn increases our revenue, this is a really good sign as it means more lace events are being held.

Gift Aid was down on 2021 as we received two amounts in 2021 and the usual one amount in 2022.

Office costs were 44% higher than in 2021. Included in this figure are our utility costs, which, as we all know, have increased a lot. We have been able to take out some fixed contracts which have helped to reduce the increase.

Bank charges have increased in line with the increase in our sales. Most people pay by credit card and these charges are included in this figure.

A considerable amount of the year was spent on transferring the assets and liabilities of The Lace Guild to The Lace Guild CIO, which included The Hollies. As an unincorporated charity The Lace Guild wasn't allowed to own property, so The Hollies was vested with the Official Custodian to be held on behalf of the charity. As The Lace Guild CIO is an incorporated charity it can own property so The Hollies has been transferred from the Official Custodian to The Lace Guild CIO.

4.4 Remuneration of Trustees

All Trustees act in a voluntary capacity and receive no remuneration or other material benefits from their services to the Charity.

Out-of-pocket expenses necessarily and reasonably incurred by Trustees in promoting the purposes of the Charity are reimbursed at cost.

4.5 Financial Status

Following the transfer of assets from the unincorporated charity the trustees expect that the charity's resources from unrestricted and unrestricted donations will be more than sufficient to meet its outgoings for at least next year.

All the indications are that this will remain the case for the foreseeable future.

4.6 Statutory Statements on Liabilities

The Trustees declare that:

- ✓ The charity has given no guarantees where potential liability under the guarantee is outstanding at the date of this statement (*eg*: any outstanding/ongoing contract or legal undertaking to buy or provide specific services);
- ✓ The charity has no debt outstanding at the date of this statement which is owed by the CIO and which is secured by an express charge on any assets of the CIO (*eg*: a mortgage on property owned by the charity);

Approved by the Trustees and signed on their behalf,



Denise Smith (Chair)

Date: 31 May 2023

5 Statement of Financial Activity

5.1 Independent Examiner's Report on the Accounts

I report to the trustees on my examination of The Lace Guild CIO Statement of Assets and Liabilities FY 31/12/2022 and The Lace Guild CIO Receipts & Payments report FY 31/12/22

As the charity's trustees, 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 Lace Guild'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.

The charity's gross income did not exceed £250,000 and I am qualified to undertake the examination by being a member of Institution of Chartered Accountants of England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements

concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008.

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.

Pandora Jane Hancock BSc ACA

2 Elias Close

Lichfield

Staffs

WS14 9TX

Date 30th January 2023

5.2 The Lace Guild CIO Receipts and Payments report 19/08/2021 to 31/12/2022

The Lace Guild CIO

Receipts & Payments report FY 31/12/22

	<u>2022</u>	<u>2021</u>
Income	£	£
Subscriptions	62,182	65,565
Donations	76,823	357
Assessments	825	0
Competitions	606	0
General Sales	34,426	21,225
Courses	26,704	20,824
AGM	0	5
Magazine Advertising	3,238	2,703
Other Income	7,501	4,462
Grants & HLF	0	3,887
Interest	1,335	30
Gift Aid	5,237	15,644
	218,877	134,704
Expenditure		
Purchases	3,828	6,640
Assessments	553	83
Courses	21,616	23,021
AGM	0	1,146
Competition	912	0
Magazine	29,631	28,488
Grants & HLF	0	6,422
Bursaries & Travel Grant	0	40
Library	514	512
Fairs/Shows/Exhibitions	450	195
	57,504	66,546
Sales Promotion	390	307
Overheads		
Committee Expenses	717	196
Salaries	44,099	39,898
Property Costs	5,160	4,472
Office Costs	27,756	19,236
Professional Fees	2,716	2,245
Bank Charges	3,846	2,335
	84,293	68,382
Net Profit/(Loss):	76,690	(530)

5.2.1 The Lace Guild CIO Statement of Assets and Liabilities FY 31/12/2022

Tangible Assets	<u>2022</u>	<u>2021</u>	<u>Comments</u>
Freehold Property	£150,000	£150,000	
Computers, Fixtures and Fittings	£5,474	£4,097	
Telephone system	£1,090	£1,090	
Total	£156,564	£155,187	
 Current Assets			
Stock	£9,929	£10,536	As per stock take as at 31/12/22
Debtors	£0	£0	
Total	£9,929	£10,536	
Cash at Bank	£167,337	£83,991	
Total Assets	£333,830	£249,714	
Creditors			
Creditors	£0	£0	
Total Liabilities		£0	
 Net Current Assets	£333,830	£249,714	
 Restricted Funds			
Ann Woodward Bursary	£1,046	£1,046	
Chihuahua Bursary	£1,230	£1,230	
Denis Hornsby Bursary	£200	£200	
Lilian Young Bursary	£850	£860	
Pauline Milne Donation	£133	£133	
Building and Repairs Fund	£1,078	£1,214	Building and repairs
Archives Fund	£55	£55	
Roof Fund	£4,823	£4,823	Balance to be used for other repair work
Total Restricted Funds	£9,415	£9,561	

5.2.2 Disposition of Funds

The Charity has no designated or restricted funds as at 31/12/2022.

5.2.3 Approval of the Board of Trustees

The Trustees declare that they have approved the above Annual Report & Statement of Financial Activity.

Signed on behalf of the Trustees



Tessa Whitlock, Treasurer

Date: 15 February 2023

5.3 Notes to the Accounts

a) Accounting Policies

The financial statements have been prepared in accordance with the Charities Act 2011 Section 133, using the Receipts and Payments basis available to small charities and the charity's own Simple Accounts Spreadsheet.

It should be noted that as the accounts have been prepared using the receipts and payments basis, they cannot show a true and fair view of the accounts making it unnecessary to comply with accounting standards concerned with the presentation of financial information. The accounts will not include any amount for depreciation since only cash items are included in the accounts.

b) The Lace Collection

The Lace Collection (which is a heritage asset), has catalogued information relating to 18,465 items as at the end of September 2022. During this time The Ponsonby collection which has been on long term loan, has been donated to the collection prior to his death. The items in The Ponsonby collection aren't included in the total number of items in our collection as yet, as they need to be acquisitioned. Included in the museum are a number of items/small collections on loan to it, where it is entrusted for five years at a time. The items in the collection cover: costume; embroidery; ephemera; equipment; lace; materials and patterns. The items in the collection date from the late 16th century to current times. The origin of the majority of the lace is the U.K and European areas. A small minority is from other parts of the world that have people who are lacemakers, such as India, Malta, and U.S. etc. The majority of items are either in excellent or good condition. The museum is to Accreditation Standard, which means the items should be stored and displayed to their criteria. The Museum also has its own set of standards which includes written Policies and Procedures with regard to the Acquisition and Disposal from the collection.

c) Library Collection

Since the start of The Lace Guild, we have had a small lending library (which is a heritage asset) for the use of the membership and as we have grown, the breadth and complexity has increased to reflect the demand of the lacemakers and textile enthusiasts that use this valuable resource. The current collection held in the library is made up of approximately 10,500 items. The majority of the collection is made up of roughly 5,000 published volumes, 4,500 published magazines and 1,000 items of audio-visual material such as CDs, DVDs, cassettes, photographs and slides. Of the published volumes, about half is made up of the wide variety of books detailing modern and traditional bobbin lace techniques from across the world and include laces such as Bedfordshire, Bucks Point, Honiton, Milanese, Torchon, Downton, Mixed and Braid laces, and includes many that are written in foreign languages. The rest of the volumes cover modern and traditional non-bobbin laces such as Needlelace, Tatting, Knitting, Crochet and Decorated Net techniques, as well as collection of books detailing the history of lace and fashion. Included in this summary are around 250 reference volumes which are too rare to be included in the lending library, which are made up of first and early editions which date from the late 19th and early 20th century. The published magazine holdings include complete sets of magazines from similar organisations in other countries across the world, in a variety of languages, as well as magazines from the late 19th and early 20th century that offer a very different presentation of a wide variety of lace and needle crafts. The majority of our modern published magazines are acquired through an exchange programme with their publishers and these include notable magazines such as Australian Lace, De Faden, Fuselliamo, Kant, Kniplebrevet, Krajka, La Dentelle and Scottish Lace, to name a few. These are an important part of the lending library and make sure our holdings stay up to date with the latest developments in the lacemaking world. New books and digital media continue to be added to the library, making it one of the most comprehensive lace resources in the UK.

d) The Archives

As the collections have grown through the generous donations of members the necessity of expanding the collection parameters to include an archive collection (which is a heritage asset) occurred naturally. This is made up of items which have been acquired over the last 20 years and since 2017 with the help of specialist archive volunteers the archive has begun to be collated and

documented so that the research value of the historical information held in The Lace Guild collection can be realised and it is now starting to attract academic researchers from across the country.

The collection currently stands at approximately 3,500 items, and is largely made up of an array of photographic material including prints, slides and original negatives. This includes a growing collection of 'histories' of lacemaking centres of industry in the UK and relevant information about the lacemakers, designers, teachers and authors that have contributed to the rich history of lace making in the UK. Alongside these we hold a considerable collection of supporting archive material such as unpublished correspondence, published manuscripts, collections of scrapbooks of ephemera and newspaper cuttings, as well as documents concerning the activities of The Lace Guild, other local and national lace groups, suppliers and collectors of lace.

e) Reimbursement of Out-of-Pocket Expenses

Out-of-pocket expenses necessarily, reasonably and incidentally incurred by Trustees in the course of their duties as Trustees are reimbursed in accordance with the prevailing Financial Policies & Procedures.

f) Salaries & Professional Fees

No trustee receives any payments for the services they provide to the charity. In the current financial year the charity employed four staff and three external contractors;

g) Fixed Assets

The fixed assets of The Lace Guild were transferred to The Lace Guild CIO on the 11th March 2022. The charity has not purchased or disposed of any other fixed assets in the current financial year;

h) Creditors

Cheques issued prior to the end of the financial year but not appearing in the end of financial year bank statement are only reported as outstanding creditors if they remain unrepresented at the time of producing the financial statements.

i) Rounding Discrepancies

All amounts are recorded to the penny, but in these accounts are shown as digitally rounded to the nearest pound. This can occasionally result in a total apparently not being the sum of its constituent amounts. All individual amounts, and their totals, are nevertheless correct.