

Manchester Craft and Design

Report and Accounts

31 March 2019

Manchester Craft and Design
Report and accounts
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Manchester Craft and Design

Reference and administrative information for the year ending 31st March 2019

Company name: Manchester Craft and Design (MCAD)
also known as Manchester Craft & Design Centre (MCDC)

Company number: 2572530

Charity number: 1173366

Principal / registered office and operational address:
Manchester Craft and Design Centre, 17 Oak Street, Manchester M4 5JD

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

| | |
|----------------|-------------------|
| Louise Provan | (Chair) |
| Roy Beckett | (retired 8/11/18) |
| Robert Ritchie | |
| Joe McCullagh | |
| Tricia Morris | |
| Julie Platt | |
| Tom Bevan | (retired 19/9/18) |
| Wayne Hart | |
| Sara Hilton | |
| Helen Jones | |
| Alnoor Mitha | |

Chief Executive Officer and Senior Staff Member

| | |
|----------|-------------------|
| Kate Day | Company Secretary |
|----------|-------------------|

Bankers

Co-operative Bank
Delf House
Southway
Skelmersdale
WN8 6GH

Accountants and Independent Examiners

Godfrey Holland
Suite 4BC, Landmark House
Station Road
Cheadle Hulme
SK8 7BS

Manchester Craft and Design

Trustees Report for the year ending 31st March 2019

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2019. Included within the Trustees' Report is the Directors' Report as required by company law.

Reference and Administrative Information set out on page 1 forms part of this report. The trustees have adopted the provisions of Accounting and Reporting by Charities: SORP applicable to charities preparing accounts in accordance with FRS 102.

Structure, Governance and Management

MCAD is a charitable company limited by guarantee (England and Wales) and became a registered charity on 12th June 2017. The company was first incorporated on 9th January 1991. The company was established under a memorandum of association which sets out the objects and powers of the charitable company and is governed under its articles of association, the most recent of which was approved by the Board on 9th March 2016.

Directors and trustees

MCAD is governed by a Board of directors who are also its trustees.

The directors who served during the year are listed on page two of the annual report. The directors are appointed by Board members at Annual General Meetings. The Board may co-opt directors at quarterly meetings, but new directors are appointed at the AGM.

The Board directors meet at least 4 times per year to review strategy, policy, operational plans, budget and finance control, and risk management. In addition the Finance and General Purposes sub-committee meet quarterly to review income and expenditure and all financial matters.

The MCAD Director is also Company Secretary and is named on page two of the annual report.

Trustee recruitment

Board succession is managed through fixed terms of office, and regular skills audits to identify gaps in relation to the Business Plan. Board members are recruited through advertising via appropriate channels, and by existing Board directors suggesting potential candidates. Board applicants are invited to complete an application form, meet the Chair and MCAD Director, and attend a Board meeting as observers. In accordance with clause 44 of MCAD's Articles, Board members have fixed terms of office and must retire when they reach their term.

During the year two Board members resigned due to relocating / reaching their maximum term of office. Towards the end of the year succession planning took place for the Chair role, alongside plans for the introduction of a new Deputy Chair role, and recruitment of new Board members to be implemented in early 2019-20. When recruiting new Board members it is a priority to increase Board diversity in line with MCAD's Equality Action Plan.

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Related parties and relationships with other organisations

MCAD established MCAD Enterprises Limited on 24th April 2016 (company no.10143710) to carry out non-charitable trading activities. Under the Articles of the company any profits and gains arising from these activities will be paid over to MCAD.

Risk management

The Board is responsible for managing the risks of the organization. Risks are reviewed at quarterly Board meetings with processes put in place to mitigate identified risks. The controls that the Board uses are:

- Formal agendas for all Board meetings
- Business Plan including risk register reviewed at quarterly Board meetings via management reports
- Quarterly financial reports monitored by the Finance & General Sub-Committee, reporting to quarterly Board meetings
- Established organisational structure and lines of reporting
- Schedule of Delegation setting out financial controls

Objectives

The objects of Manchester Craft and Design (MCAD) as set out in its Memorandum and Articles of Association are to foster and promote the advancement of education of the public in contemporary visual art, craft and design by developing artistic understanding and participation in visual art, craft and design and by stimulating and promoting high standards of visual arts practice, craftsmanship and design and by providing greater access to the arts to the public.

Mission and Values

MCAD's mission is to be an unforgettable place to make, see and buy contemporary craft and design. It is home to an independent creative community dedicated to supporting craft and design talent in Manchester, the North West and beyond. Our community of artists share their skills and ideas with the public, working in a range of media including jewellery, ceramics, glassware, furniture and textiles. MCAD is the only urban studio in the UK that is open to the public all year round, where visitors can be inspired by established designer-makers and stars of the future, explore exhibitions by leading national and international artists, and learn new skills at our hands-on workshops. We champion talent by supporting new and established craftspeople and designers to develop their creative practice.

MCAD's work is guided by our shared values to be:

- Passionate: about sharing our knowledge and space
- Collaborative: we work together and with partners to reach our goals
- Supportive: we support each other, and nurture new talent and idea
- Professional: we aim for excellence and high standards in all we do
- Brave: we believe in testing out new ideas and approaches.

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MCAD supports the achievement of its mission and vision by:

- Making craft and design accessible to the public
- Identifying and nurturing new and existing talent
- Developing a healthy ecology for new and existing makers, designers and audiences
- Contributing to Manchester's cultural map
- Bridging traditional artisan skills and contemporary techniques and ideas
- Demonstrating excellence and confidence in everything we do

Business Plan Objectives

MCAD's Business Plan 2018-22 sets out the organisational objectives under six business drivers, and includes a Development Plan with measurable targets and a Risk Analysis. The business drivers that guide activity are: Income Generation; Audience Development and Marketing; Building Improvements; Talent Development; Exhibitions and Events Programme; and Digital. The plan is also informed by the key priorities of our two main funders, Arts Council England's 'Great Art for Everyone' and Manchester City Council's 'Cultural Partnership'.

The Business Plan sits alongside a suite of policies and strategies which inform our work and operational procedures, including the annual budget, fundraising strategy, marketing and audience development strategy, equality action plan, environmental plan, artistic policy, safeguarding children and vulnerable adults policy, and health and safety policy.

Key Partnerships and Networks

MCAD is funded as a Cultural Partner of Manchester City Council and a National Portfolio Organisation of Arts Council England, for work that delivers to their strategic priorities. The charity has a Memorandum of Understanding with Manchester School of Art to provide opportunities for students and graduates. MCAD's Director is co-Chair of the North West Craft Network and is a member of the national CraftNet leadership network, and MCAD is a member of the 'Contemporary Visual Art Manchester' network.

Manchester Craft and Design

Activities 2018-19

MCAD's charitable activities during the year included programmes and audience development events to promote public understanding and participation in contemporary craft and design, including:

Exhibitions Programme

MCAD exhibited fifty-seven emerging, mid-career and established designer-makers across seven exhibitions. For the main programme we worked with young people from mental health charity 42nd St, supporting them to curate an open-call exhibition 'Materialise: A Showcase of 5 Young Makers'. We brought the work of London-based Korean ceramicist Eunmi Kim to Manchester for her first UK solo show 'Eunmi Kim: A Journey Home' in partnership with Asia Triennial Manchester, Castlefield Gallery and Manchester Art Gallery. 'Metalsmiths: Contemporary Metal Makers from Yorkshire Artspace' showcased seven contemporary metal makers based at Yorkshire Artspace's studios in Sheffield. MCAD's partnership with Manchester School of Art continued, including our 13th MMU award exhibition '40 Years and Counting' by Textiles graduate Meghan Graydon Darby. All of our exhibitions were free to enter, and the main programme was accompanied by accessible interpretation such as handling objects, film / audio and large-print guides.

We supported young and emerging artists through our annual pop-up award with the University of Bolton featuring two new graduates, we provided pop-up exhibition space for six outstanding MMU graduates, gave ten graduates mentoring and social media support, and our Resident Makers showcased five 'Future Makers' in their studios. In addition, our project space was used twice by Manchester School of Art to showcase work by over 300 craft, design, and architecture students.

Public Workshops Programme

MCAD's free workshop activities were designed to remove financial barriers to participation to family audiences, and to increase opportunities for visitors to work directly with artists. 1,017 people participated in our workshops in 2018-19. We targeted family audiences through ongoing partnerships with Manchester Mela and Manchester Science Festival, and secured additional funding for International Women's Day workshops. We celebrated young talent by partnering with Bee in the City hosting four bees designed by local school children, and provided free activities during the summer holidays to reach family audiences who wouldn't usually engage with culture, such as bee-themed colouring sheets that were used by 2,339 people. Our Exhibitions and Events Officer gave eleven free lunchtime tours of the Centre, we partnered with Heritage Open Days for the first time by offering free workshop activities and building tours. We also raised audience awareness through offsite displays at the Whitworth Art Gallery, Manchester Cathedral and the Bridgewater Hall.

Talent Development Programme

MCAD's work also involves affordable training and networking opportunities for artists to support the wider sector. Our ticketed 'Creative Business Development' seminars are heavily subsidised by Arts Council England funding, and promoted to reach a wide range of designer-makers. Eighty-two participants attended seven training events, with a 100% satisfaction rate. We increased the number of seminars through 'FRAMEWORK' a new partnership with a-n, Castlefield Gallery and Redeye Photographers Network. Our two free 'Maker Meet Up' networking events attracted 105 makers from diverse backgrounds, and included one-to-one advice surgeries and confidence building activities.

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Community Events

In order to develop engagement with our wider community MCAD offers free or subsidized use of our workshop / meeting room to charities and community groups. During 2018-19 we supported 929 people to use the space from 25 community, enterprise, artist and education groups. This included an ongoing partnership with HerArt (women's enterprise project), an MA Architecture community project exploring the history and future of the Northern Quarter, and a pop-up with the Barnabus charity (homeless adults furniture upcycling project):

"It was amazing, we had an almost non-stop stream of people visiting our pop-up interested in our work, buying pieces and encouraging our students."

Barnabus Head of Fundraising

MCAD gained funding from Manchester City Council's Neighbourhood Improvements Fund to make improvements to our entrance area, with the support of local residents from the Smithfield Residents Association. The 'community hub' improvements include communal seating, table space for working and relaxing, a welcome desk, children's activity area, improved heating and signage, and new hanging baskets. The project was designed to make the space more inviting to local people, and has been well used by local residents, for community consultations and police surgeries, and a launch event is planned for early 2019-20.

Educational Visits

Visits from education groups including KS4, KS5, HE, FE, and special education groups decreased this year by 28% to 786 people. However the number of groups remained the same as 2017-18 (51 groups) suggesting that group sizes may have reduced. 46% of groups pre-booked their visit, and 51% of groups were given an introductory tour of the building regardless of whether they pre-booked.

We supported our first group of students completing their Gold Arts Award, providing a bespoke programme of sessions about exhibition planning, writing reviews, debating arts issues, and a ceramics workshop. We also delivered three bespoke education sessions for groups in the Centre, with topics including running a small business and working as a maker. MCAD staff visited schools for the first time, speaking about creative careers at a primary school and secondary school. Both schools used our tactile handling collection, which we have continued to develop and is offered to all groups.

We worked with a wide range of students from local further and higher education establishments including volunteering and exhibiting opportunities and mentoring support, and established a new partnership with The Manchester College to offer work experience and live brief projects to students. We revised our Safeguarding Policy and commissioned bespoke training sessions from Theatre in Prisons and Probation, enabling our staff team to be more confident working with children, young people and vulnerable adults.

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Trustees' Statement on Public Benefit

The Trustees review MCAD's outcomes through quarterly management reports, and the annual review process, in order to monitor the impact of its activities with regard to the audiences that the charity is established to serve. It is the Trustees' intention to ensure that MCAD continues to play a unique role in providing accessible opportunities for the benefit of Manchester residents alongside wider audiences to engage with contemporary visual art, craft and design. Supporting new talent and working with the wider craft and design sector help us to deliver our charitable aims. It is also a priority for the Trustees to further the diversity, reach and impact of our work.

In considering the public benefit of the charity the trustees have had due regard to the Charity Commission's guidance on Public Benefit, and have referred to this when reviewing the charity's aims and objectives and planning future activities.

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Achievements and Performance

MCAD's charitable activities are aimed at providing greater access to visual art, craft and design for the public benefit. We measure the success of our activities through a combination of quantitative and qualitative measures, so that consideration is paid to the impact of our work and range of beneficiaries, alongside statistical assessment.

Audience Development

During 2018-19 MCAD successfully increased visitor figures on the previous year by 5.5% totalling 97,414. Reciprocal marketing with cultural partners had a positive impact on reaching more diverse local audiences, in particular Bee in the City and Manchester Science Festival. By delivering family friendly craft workshops offsite, in particular the Manchester Mega Mela, we were able to engage new local audiences who had never previously visited the Centre.

The introduction of GDPR in the early part of 2018-19 resulted in a significant reduction of MCDC's mailing list (c.90%) impacting on our digital reach. Declining footfall in Manchester city centre and changing audience behavior also continues to be a challenge, and MCAD's Board and staff team are continuing to address this via targeted audience development and partnership activity.

MCAD uses Audience Finder questionnaires to measure audience demographics which helps us to measure target audiences and the diversity of attendees. 2018-19 data indicates that 75.9 % of MCAD's audiences are female, 80% aged between 25-64, 16.6% aged 16-24 and 3.4% over 65. 90.4% of our audiences were white, a slight decrease on 2017-18. We increased Asian / Asian British audiences (5.6%), Black or Black British audiences (1.2%). Visitors from Mixed/Multiple backgrounds (1.9%) and Other (0.9%) both decreased slightly.

Audience Finder data also shows a marked increase in visitors whose day-to-day activities are limited due to a health problem or disability, up to 9.8% from 5.9%. Overall whilst MCAD's audience diversity is below the national average we have made positive progress on attracting more diverse visitors which we will continue to work on through targeted audience development work.

Audience Finder data showed MCAD still reaching significant number of 'Experience Seekers' which was the largest group (24.4%), followed by 'Dormitory Dependables' (18.7%), and 'Trip and Treats' (16.3%). Attendance by these segments was higher than the national average for visual arts. There was a 50% increase of 'Heydays' visitors on previous year (up to 2.8%) – a harder to reach segment that we recognise as an untapped audience for MCAD.

Exhibitions and Events

Overall during the year 89,934 people visited our exhibitions, 1,683 participated in launch events, and we estimate that c. 45,346 visitors engaged with exhibitions (from data capture forms). We continued to reduce barriers to participation by programming free public family friendly workshops. 656 people attended 11 free making-workshops at MCDC for Manchester Science Festival, International Women's Day and Heritage Open Day. We ran two workshops at Manchester Mega Mela with 344 children participating, and were delighted to host 4 bees designed by local school children as part of Bee in the City. Building on this experience of reaching younger family audiences and visitor feedback we accessed small grants to fund a new family friendly activity area in the community hub.

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We used the community hub to deliver six free grant-funded workshops over three days for International Women's Day which involved creating embroidery portraits of strong Manchester women. 24 participants stayed for an average of two hours each, the majority from Greater Manchester and 25% of whom were from our local Piccadilly ward. Building on this success we aim to offer more workshops and further partnership work with local residents.

MCAD hosted 84 external events with 1,309 participants, including creative workshops, meetings, student exhibitions and charity pop-ups. Exhibition partnerships, such as the Horsfall Creative Agents at 42nd Street (11-25 years), and as part of Asia Triennial Manchester with Manchester Art Gallery and Castlefield Gallery, enabled us to share audiences and reach new visitors.

Talent Development

Our core exhibitions met programming targets for community co-curated and culturally diverse projects, featuring an exhibition of young artists curated by young people from mental health charity 42nd St, and a solo show by Korean ceramicist Eunmi Kim. Three out of four core exhibitions showcased early career artists, 21% of exhibitors were from BAME backgrounds and 7% were LGBTQ.

The wider programme addressed barriers to participation through mentoring and awards (MMU and Bolton University), graduate opportunities ('Spotted' and 'Future Makers'), and free/affordable support for 187 early and mid-career artists (Creative Business Development seminars and Maker Meet Up events). 22% of Maker Meet Up attendees were from BAME backgrounds, and 16% had limiting disabilities or health conditions. We shared free digital development opportunities through blog-posts and monthly MCAD Network email bulletins.

ACE's 7 quality principles for children and young people has continued to inform our work with children and young people, targeting 16-24 year olds. We also continued to work with bridge organization Curious Minds, accessing training and seeking advice about Arts Award, working with schools, and to further develop MCAD's education and outreach offer. Delivering our Arts Award Gold project for a group of college students has enabled us to refresh and refine MCAD's Arts Award offer that will improve future delivery.

Digital engagement

Despite the negative impact on MCAD's mailing list due to GDPR (decreased from 7,511 subscribers in 2017-18 to 986 in 2018-19), MCAD's social media reach grew well during the year. Facebook followers grew by 20.5%, and Instagram by 17.5%. Twitter remained static but having decided to focus less on Twitter in 2017-18, Facebook and Instagram were MCAD's target platforms for increasing engagement.

Three of our exhibitions featured video content, and we commissioned or created a total of 36 videos and GIFs which received 14,999 views across all platforms. In total MCAD's website attracted 67,212 views from 56,078 unique browsers. We also committed time to reviewing superfast broadband provision with the aim of improving MCAD's digital infrastructure in 2019.

Volunteers, Partnerships and the wider sector

We worked with 35 volunteers who donated 687 hours on a range of projects including audience development, exhibitions, events and administration support. Due to a

Manchester Craft and Design

partnership project with the Manchester College MCAD's volunteer base was significantly more diverse than in previous years. Towards the end of the year we successfully applied for an Awards for All grant to fund a part-time Volunteer Co-ordinator post, with the aim of further diversifying our volunteer programme and introducing welcome volunteers to the community hub to improve the visitor experience. MCAD's team also supported a 9-month work placement for a student from the University of Leeds.

MCAD sustained numerous partnerships including programming collaborations with Asia Triennial Manchester, 42nd Street, Manchester Science Festival, Yorkshire Artspace, a-n, Castlefield Gallery and Redeye Photographers Network. We continued our Memorandum of Understanding with Manchester Metropolitan University, worked with Bolton University, and developed a new partnership with the Manchester College.

MCAD's Director continued her role as Co-Chair of the North West Craft Network, which MCAD is now fund-holder for via 2018-22 Arts Council NPO funding. Staff members also participated in a number of sector networks and panels such as the Crafts Council's UK Craft Network, the University of Bolton's Industry Panel, the Arts Foundation's Designer-Maker Fellowship award and CraftNet (national leadership network).

Environmental Impact

We undertook a range of building improvements funded from reserves and external grants including: new heating and insulation utilising advice from the Green Business Growth Hub; improved signage; external structural repairs; the community hub project to improve the visitor welcome and experience. MCAD's environmental impact reduced by 27% from 22.3 Tonnes to 16 Tonnes, a significant outcome given the age and condition of the building.

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Financial Review

MCAD has robust financial policies and procedure that support our aims and objectives. Performance is monitored through quarterly financial reports reviewed at Finance Sub-Committee and Board meetings, with financial controls set out in our Schedule of Delegation.

2018-19 was a transitional year for MCAD with administration changes required for the new trading arm (MCAD Enterprises). The establishment of the trading arm since gaining charitable status in 2017 means that 2018-19 income and expenditure are not comparable to previous years financial figures, particularly in relation to rental income and enterprise development expenditure.

2018-19 was also the first year of renewed ACE and MCC revenue funding covering the 2018-22 period, including an uplift in ACE NPO funding from £40,000 to £80,000 p.a. MCAD's new Development Officer and Creative Enterprise Officer joined the team, and we contracted a freelance Coordinator on behalf of the North West Craft Network.

Budgeted income and expenditure were broadly on target, with some underspend of restricted funds due to staffing changes or projects straddling financial years. Total funds as of 31st March 2019 were £122,083 with £8,893 restricted funds carried forward to be spent in 2019-20. Unrestricted reserves sufficiently met our reserves target (see Reserves Policy below). Total income was £158,257, with £56,437 earned income consisting of rents, ticketed events, sundry income and donations.

Public grants consisted of £80,000 Arts Council England NPO funding, and £16,455 Manchester City Council Cultural Partnership funding. The Radcliffe Trust funded £3,000 for the 2018-19 MMU Graduate Award. MCAD's new Development Officer successfully applied for project funding from Manchester City Council's Neighbourhood Investment and International Womens Day funds, and from Awards for All for the Volunteer Coordinator project planned to be implemented 2019-20. MCAD claimed Gift Aid on donations for the first time as a charity, increasing donated income to £1,895.

The biggest fundraising challenge for MCAD is the need for building refurbishment of our Oak Street premises. Following on from capital fundraising applications during 2017-18, MCAD's Trustee Board established a Development Working Group in 2018-19 to progress future capital plans. The Development Working Group's remit has involved reviewing the business model with consultancy support to inform future planning, and continuing dialogue with MCC and ACE regarding future funding bids and capital plans.

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Reserves Policy

The Trustees have set the following Reserves Policy:

- Reserves are maintained at a level which ensures Manchester Craft and Design has the ability to meet its ongoing commitments, with sufficient reserves to cover a minimum of six months expenditure, any potential redundancy costs and core committed costs.
- The calculation of the required reserves is an integral part of the Organisation's planning, budget and forecast cycle and will take into account:
 - a) Risks associated with each stream of income and expenditure being different from that budgeted.
 - b) Planned activity level.
 - c) Organisation's commitments.

Based on our policy, set out below, minimum reserves for 2019-20 has been set at £84,460.00. The Trustees intention is to use any significant level of reserves above the target level to facilitate capital and strategic developments that will have a significant impact on MCAD's long term sustainability and capacity to deliver on the priorities outlined in the business plan.

Definition

Manchester Craft and Design's working definition for reserves is based upon that adopted by the Charity Commission:

"We define reserves as income which becomes available to the Organisation and is to be expended at the Management Board's discretion in furtherance of any of the charity's objects but which is not yet spent, committed, designated or earmarked"

Current Policy

- To ensure financial viability of Manchester Craft and Design and its ability to meet its ongoing commitments, the charity will endeavour to maintain sufficient reserves to cover a minimum of six months unrestricted expenditure, potential redundancy costs and core committed costs.
- Management action with approval by the full Board of Trustees will be required should this fund diminish below the above calculated reserve requirement.
- The reserves fund will be managed and monitored at each Finance & General Purposes (F&GP) Sub Committee meeting and reported back to the full Board of Trustees within the finance reporting procedures.
- The calculated reserves fund will be reviewed quarterly to ensure it takes account of changing circumstances.
- The full reserves policy will be reviewed annually. This review will consider various scenarios, future needs and opportunities.

Manchester Craft and Design

In preparing this report advantage has been taken of the exemptions in the small companies' regime.

Approved by the Board of Trustees on 14th October 2019

Signed on behalf of the Board of Trustees by

A handwritten signature in black ink, appearing to read 'Julie Platt', is written over a horizontal line.

Julie Platt

Chair of the Board of Trustees

Manchester Craft and Design
Independent examiners report to the trustees of Manchester Craft and
Design (the Company)

I report to the charity trustees on my examination of the accounts of Manchester Craft and Design for the year ended 31st March 2019

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



F.R. Godfrey FCCA
Godfrey Holland
Accountants
Suite 4BC
Landmark House
Station Road
Cheadle Hulme
SK8 7BS
14th October 2019

Manchester Craft and Design
Statement of Financial Activities
for the year ended 31 March 2019

| | Notes | General funds £ | Restricted funds £ | 2019 £ | 2018 £ |
|---|-------|-----------------------|--------------------------|----------------|----------------|
| Incoming Resources | | | | | |
| Rental income | 8 | 51,708 | - | 51,708 | 97,793 |
| Grants receivable - Arts Council | 9 | - | 80,000 | 80,000 | 40,000 |
| Grants receivable MCC | 9 | - | 21,820 | 21,820 | 22,084 |
| Grants receivable - RadcliffeTrust | 9 | - | - | - | 3,000 |
| Sundry income | | 2,216 | - | 2,216 | 13,304 |
| Donations | | 1,895 | - | 1,895 | 415 |
| Bank interest | | 618 | - | 618 | 469 |
| Total incoming resources | | 56,437 | 101,820 | 158,257 | 177,065 |
| Resources expended | | | | | |
| Employee costs | | 19,013 | 66,203 | 85,216 | 87,200 |
| Premises costs | | 20,933 | - | 20,933 | 20,179 |
| Exhibition & promotion costs | | 3,697 | 26,004 | 29,701 | 41,293 |
| General operating & administrative expenses | | 12,860 | 4,550 | 17,410 | 19,065 |
| Legal & professional costs | 2 | 1,890 | - | 1,890 | 2,320 |
| Exceptional items | 2 | - | 1,512 | 1,512 | 6,522 |
| Total resources expended | | 58,393 | 98,269 | 156,662 | 176,579 |
| Net incoming (outgoing) resources | | (1,956) | 3,551 | 1,595 | 486 |
| Total funds at 1st April 2018 | | 118,749 | 1,739 | 120,488 | 120,002 |
| Transfers between funds | | (3,603) | 3,603 | - | - |
| Total funds at 31st March 2019 | | 113,190 | 8,893 | 122,083 | 120,488 |

Manchester Craft and Design
Balance Sheet
as at 31 March 2019

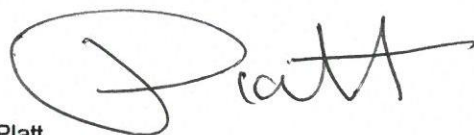
| | Notes | 2019 £ | 2018 £ |
|---|-------|-----------|-----------|
| Fixed assets | | | |
| Tangible assets | 3 | 3 | 3 |
| Investments | 4 | 10 | - |
| | | 13 | 3 |
| Current assets | | | |
| Debtors | 5 | 2,240 | 11,957 |
| Cash at bank and in hand | | 141,801 | 129,287 |
| | | 144,041 | 141,244 |
| Creditors: amounts falling due within one year | 6 | (21,971) | (20,759) |
| Net current assets | | 122,070 | 120,485 |
| Net assets | | 122,083 | 120,488 |
| Capital and reserves | | | |
| General funds | | 113,190 | 118,749 |
| Restricted funds | | 8,893 | 1,739 |
| Funds | | 122,083 | 120,488 |

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

Members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.



Julie Platt
Director

Approved by the board on 14 October 2019

Manchester Craft and Design
Notes to the Accounts
for the year ended 31 March 2019

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with the Companies Act 2006, the Financial Reporting Standard 102 (FRS102) Section 1A applicable to small entities and the Charities Statement of Recommended Practice (SORP) FRS102.

Fund accounting. Unrestricted funds are corporate funds available for use at the discretion of the directors in accordance with the charity's objects. Restricted funds are trust funds subject to specific restrictive conditions imposed by the grantor. Designated funds comprise unrestricted funds which have been set aside by the directors for specific purposes.

Incoming resources. All income is accounted for on a receivable basis. Any grants whose use is restricted by the grantor to a future accounting period are accounted for as deferred income until the restriction has been satisfied.

Debtors. Short term debtors are measured at transaction price, less any impairment losses for bad and doubtful debts

Creditors. Short term creditors are measured at transaction price.

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Improvements, equipment & computers 20% reducing balance/33.3% on cost.

Taxation

As a registered charity the company is generally exempt from income tax and capital gains tax (but not from VAT). Irrecoverable VAT is included in the cost of those items to which it relates.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Resources expended include:

| | 2019 | 2018 |
|------------------------------|--------------|--------------|
| | £ | £ |
| Pension costs | 955 | - |
| Independent examination fees | 1,320 | 1,320 |
| Exceptional items | <u>1,512</u> | <u>6,522</u> |

Exceptional items comprise preliminary professional and consultancy costs relating to a proposed premises redevelopment. The costs have not been capitalised as the project and its funding are not yet confirmed.

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3 Tangible fixed assets

| | Plant and machiner y etc £ |
|-----------------------|-------------------------------------|
| Cost | |
| At 1 April 2018 | 24,402 |
| At 31 March 2019 | <u>24,402</u> |
| Depreciation | |
| At 1 April 2018 | 24,399 |
| At 31 March 2019 | <u>24,399</u> |
| Net book value | |
| At 31 March 2019 | <u>3</u> |
| At 31 March 2018 | <u>3</u> |

4 Investments

| | Investments in subsidiary undertakings £ |
|--|---|
| Cost | |
| Additions - ordinary shares in MCAD Enterprises Limited (100%) | 10 |
| At 31 March 2019 | <u>10</u> |

5 Debtors

| | 2019 £ | 2018 £ |
|---------------|--------------|---------------|
| Trade debtors | <u>2,240</u> | <u>11,957</u> |

6 Creditors: amounts falling due within one year

| | 2019 £ | 2018 £ |
|---|---------------|---------------|
| Trade creditors | 7,532 | 6,711 |
| Other creditors | 10 | - |
| Other creditors - deposits & rents in advance | 14,429 | 14,048 |
| | <u>21,971</u> | <u>20,759</u> |

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| | | |
|--|-------------|-------------|
| 7 Employees, trustees & related parties | 2019 | 2018 |
| | £ | £ |
| Average number of employees | <u>7</u> | <u>5</u> |

The trustees did not receive any remuneration or re-imbursement of expenses during the year.

There were no related party transactions requiring disclosure in the year.

8 Rental income

The reduction in rental income arises due to restructuring during the year, as more fully described in the Financial Review section of the trustees report.

9 Funds

| | Brought forward | Incoming resources | Resources expended | Inter fund transfers | Carried forward |
|-------------------------------|------------------------|---------------------------|---------------------------|-----------------------------|------------------------|
| | £ | £ | £ | £ | £ |
| 2018/19 | | | | | |
| Restricted funds: | | | | | |
| Arts Council NPO 2018/19 | - | 80,000 | 73,150 | - | 6,850 |
| Radcliffe Trust | - | - | 3,000 | 3,000 | - |
| MCC Cultural Partnership | - | 16,455 | 16,458 | 3 | - |
| MCC Economic Regeneration Fnd | 1,739 | - | 1,739 | - | - |
| MCC Neighbourhood Inv. Fund | - | 4,465 | 3,022 | 600 | 2,043 |
| MCC International Womens day | - | 900 | 900 | - | - |
| Total restricted funds | 1,739 | 101,820 | 98,269 | 3,603 | 8,893 |
| General funds | 118,749 | 56,437 | 58,393 | (3,603) | 113,190 |
| Total funds | <u>120,488</u> | <u>158,257</u> | <u>156,662</u> | <u>-</u> | <u>122,083</u> |
| Represented by: | | | | | |
| Fixed assets | | | | | 13 |
| Net current assets | | | | | <u>122,070</u> |
| | | | | | <u>122,083</u> |
| Prior year - 2017/18 | | | | | |
| Restricted funds: | | | | | |
| Arts Council NPO 2017/18 | 908 | 40,000 | 40,908 | | - |
| Radcliffe Trust | - | 3,000 | 3,000 | | - |
| MCC Cultural Ptnrshp/Comm Fnd | 1,540 | 22,084 | 23,624 | | - |
| MCC Economic Regeneration Fnd | 8,333 | - | 6,594 | | 1,739 |
| Total restricted funds | 10,781 | 65,084 | 74,126 | | 1,739 |
| General funds | 109,221 | 111,981 | 102,453 | | 118,749 |
| Total funds | <u>120,002</u> | <u>177,065</u> | <u>176,579</u> | | <u>120,488</u> |

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10 Members

Manchester Craft and Design is a company limited by guarantee. Members agree to contribute a sum not exceeding £1 in the event of a winding up. There were 8 members at the year end.

11 Other information

Manchester Craft and Design is a company limited by guarantee, incorporated in England and it is a charity registered in England. Its registered office is 17 Oak Street, Manchester M4 5JD