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THE FINE ART TRADE GUILD
ANNUAL REPORT AND ACCOUNTS
31 DECEMBER 2008

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MESSAGE FROM THE MASTER OF THE GUILD

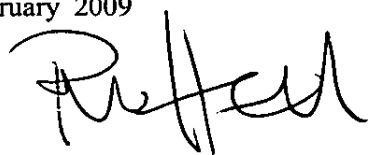
The Fine Art Trade Guild Website Development Project has been the key focus of Executive and staff in 2008. Key staff members were deployed to make this the authoritative hub for the industry. Expectations that the new website would be up and running during the first half of 2008 were frustratingly disappointed, but Guild Members contributed generously throughout the year to a state of the art website that will deliver on all its promises in 2009. The members' contributions are wholly ring-fenced to finance the project.

Art Business Today continued to provide in depth features on the widest possible range of subjects and issues affecting the art and framing industry. Readership rose significantly, as advertisers chose Art Business Today over other publications and the revenue earned was ploughed back to benefit the wider trade as well as helping to hold down membership fees. Programmes and Services were maintained at the highly professional level we have come to take almost for granted. The Art & Framing Industry Awards were again a brilliant occasion to celebrate excellence in the sector. 2008 was a record year for attendance as more framers, artists and others joined in the fun. The long-term strategy of using Guild publications and leaflets to increase consumer awareness of the Fine Art Trade Guild and its members is paying off. PR was gained nationwide, publicising Framing Competition winners, Award winners and GCF success. Three books co-published with A&C Black now serve to get a clear message to artists, textile craftspeople and those thinking of starting up a gallery or framing business. Our trade association's expertise and experience show through at every turn and we have reason to be proud of the good job done by all involved.

In 2007, the Fine Art Trade Guild strengthened its Member benefits, especially for the art shops, galleries and other retailers across the UK. In 2008, the Guild maintained this high level of provision, although struggling with a staff vacancy in order to contain costs. Without the budgeted revenue anticipated from the website, effective the second half of the year, and with the global economy worsening, the Guild has suffered, but it will take very little to turn this around dramatically. I am confident that the corner has been turned with the launch of the new website in 2009, which stands to make up the 2008 deficit and begin contributing toward reserves. The Court of the Guild and Managing Director share this confidence.

My first term of office as Master of the Guild has been exceptionally involved supporting the staff team to bring the website to fruition. I have seen first hand how intensely the Framers Committee work for the benefit of the whole industry and wonder if they are fully appreciated. I ask you all to continue to support the Guild and its initiatives. We are fortunate to have such a strong trade association and such a dedicated staff team, but we could do with more involvement from all those with something to offer, more use of Art Business Today for prime trade advertising, and more members encouraging others in the trade to join up. We can all achieve our goals if we work together.

Colin Ruffell
February 2009



REPORT FROM THE MANAGING DIRECTOR

THE FINE ART TRADE GUILD 2008 IN FOCUS

JANUARY

- Art Business Today – 5,000 magazines went out to the art and framing industry, providing comprehensive trade news and features, information and education.
- The Guild's Spring Fair planner helped drive buyers to the UK's show, which had a whole hall devoted to art and framing.
- Business development - The Fine Art Trade Guild managing director joined FACTS president, Terry Way, to present a seminar on industry standards at the West Coast Art & Framing Show, in the USA; the Guild's trade stand there provided invaluable international expertise and guidance, encouraging trade with Guild Members worldwide. The Guild's 'Starting up a Gallery and Frame Shop', jointly published with A&C Black and on public sale, received ringing endorsements from the trade. The Artist's Guide to Selling Work continues to be a leading seller, helping artists to develop their businesses.
- Raising public awareness - The Artist's Guide to Selling Work is also an effective 'consumer' marketing tool to raise awareness of professional framers who are Guild Members, especially those who have qualified as Guild Commended Framers. Work began on redeveloping the Guild website with the selected contractors, e-mango Ltd.
- Standards – The Guild convened a Mountboard Standards review meeting at WCAF, attended by representatives from all of the world's leading mountboard manufacturers. Progress was made but it was agreed that a revised set of guidelines should await the outstanding issues being addressed at a later date.
- Export - UKTI funding was suspended late in 2007, adversely affecting the support of emerging exporters at overseas trade fairs in Spring 2008, including WCAF, Quadrum SACA and DECOR/Artexpo.

FEBRUARY/ MARCH

- Spring Fair, 'the first great buying opportunity of the year', welcomed art and framing buyers from around the world and provided a fresh impetus, inspiration and education for visitors. The Guild masterminded successful seminars on a range of subjects to help companies get the best out of their businesses in 2008.
- Membership – 37 Guild Members were recruited at the Spring Fair, an increase of 61% and one of the highest levels ever.
- The 1000th GCF was among the framers who successfully passed the examination in Northern Ireland.
- Emap confirmed their financial contribution towards the Fine Art Trade Guild for their support of Spring and Autumn fairs, the development of professional standards and qualifications, and the promotion of the industry as a whole and the trade fairs in particular. The Fine Art Trade Guild thanks Alison Jackson, her successor Louise Young, and their Emap Connect team for this continuing commitment to the art and framing industry.

APRIL

- Colin Ruffell was elected Master of the Guild at the AGM. Colin is the first Master of the Guild to earn his living as an artist. Elected to the Court were several publishers, trade suppliers, framers and a manufacturer of art materials, to give real balance to the several interests of the industry. These are detailed in the Report of the Court, page 9 of this Annual Report & Accounts.
- Peter Hayton GCF was appointed Master's Warden and the Guild is grateful for his excellent service as Master of the previous two years.
- Art Business Today – comprehensive trade news and features, information and education focussed on how to win the battle of the high street, effective shop design, posters, animal art and stretching textiles. Advertising revenue increased substantially as the trade chose this leading publication over others, recognising its effectiveness and stature.
- The Art & Framing Industry Awards 2008 finalists were announced.
- The web development project continued to demand the highest level of staff resource but

progress was unexpectedly slow and frustrating and the planned launch was postponed.

- The death of Keith Gardner, Master of the Guild 1993 – 1995 was shared with sadness.

MAY

- The Guild hosted a meeting of key art professionals to examine the definition of artists' prints. Included were a representative from the Printmakers Council, the President of the Royal Society of Painter-Printmakers, Curwen Studio's managing director, and a representative from DeMontfort, on behalf of Guild Member publishers.
- The Guild interacted with photo professional bodies in the Photo Imaging Council, to co-ordinate raising media awareness of digital photography, printing and wall décor options.
- Guild staff were hosted by the British Museum art conservation team to advance understanding of conservation materials and techniques.
- The highly successful and profitable Awards event held in Bristol revealed the most successful artists, framers and companies in the art and framing industry.

JUNE/JULY

- The UK industry survey was delivered through Art Business Today, analysing the changes over the past five years. Other features included cover of the Awards winners and sponsors, comprehensive trade news, advice on shipping art, printmaking and canvas reviews, and football shirt framing education.
- The GCF programme in New Zealand was brought back in line with the rest of the world. A brief experiment to insist that all GCF's had to be Members of the Fine Art Trade Guild was found to be unworkable; the Court of the Guild agreed that Guild Membership had tangible benefits that made it worthwhile. Use of the Guild logo was confirmed to be restricted worldwide to Guild Members.

AUGUST/ SEPTEMBER

- Education and qualification – the Guild reported on the international growth of the Guild Commended Framer programme, a truly global qualification.
- Comprehensive trade news and features in Art Business Today included the second part of the industry survey, focussed on art publishing. August ABT also contained in-depth guidance on retailing and shopping trends. Advertising sales were again well up on the preceding year and the print-run was extended to 6,000, to reward advertisers with increased reach, resulting in even better response rates.
- Autumn Fair Birmingham provided another opportunity for the art industry to present new products to gallery, department store and other buyers. The Fine Art Trade Guild was able to recruit 9 new members.
- Detailed work continued on the web development project but progress was frustratingly slow. The Guild Executive became involved in trying to bring this to a successful conclusion.

OCTOBER

- The German language version of the GCF Study Guide was launched at Art-fair Europe, a German art and framing trade fair. The Guild thanks Fritz Conzen for his excellent translation and appreciates the work by Germany residents Stephen Finney GCF and Bryan Clapperton GCF for bringing this to fruition.
- The Guild managing director presented a seminar on the benefits of international standards and qualifications at Art-fair Europe.
- Art Business Today – 6,000 print-run, distributed at trade fairs as well as direct distribution to Guild Members, subscribers and some speculative industry contacts. Included comprehensive trade news and features, information and education on lighting galleries, printmaking and aspects of framing.
- The Epson-Art Business Today best-selling images survey revealed Sue Howells as topping the poll, with Beryl Cook as the leading deceased artist. Local views are again the top selling subject matter, with limited edition giclée prints on paper the best-selling type of art.
- A comprehensive programme of business and framing seminars was launched in Art Business Today, to be delivered during the Spring Fair International, February 2009, at the Birmingham NEC.
- The Guild lobbied government and opposition parliamentarians to protect SME's from the worst of the bank crisis and emerging economic slowdown.

NOVEMBER

- Canon UK hosted a reception to honour the Art Business Today/Canon 'Print to Win' Competition. ABT's editor, Mike Sims, presented first prize to Scottish artist, Kirstie Cohen, for her dramatic oil painting, Mountain Loch. Guild staff, Court Members, and competing artists attended.
- The Executive of the Court of the Guild reviewed the existing six year strategy. The Guild's priority is to be a centre of excellence, with publishing excellence and building consumer awareness following closely. Membership development and regional delivery are identified as important, with the remaining focus on archive preservation and accessibility. The review is ongoing.

DECEMBER

- Work continued to try to bring the new website to fruition. Guild staff, primarily Louise Hay, have populated the content but technical difficulties remain with the searches failing to deliver accurately and the membership information from the Guild's database not mapping as expected to the website. The managing director and Master of the Guild co-operate to get delivery of the website in accordance with the detailed brief given to the contractors.

THE FINE ART TRADE GUILD IN 2008 – KEY FACTS

- Trade Association for the art and framing industry, 1734 members including 704 artists affiliated through their societies, which are Guild members.
- Prime purpose: to inform, promote and assist development of businesses and practitioners within the art and framing sector.
- Formed in 1910, the Fine Art Trade Guild has Members in 26 countries, primarily in the United Kingdom and Ireland, also in Australia, Austria, Canada, Cyprus, Denmark, France, Germany, Greece, Hong Kong, India, Italy, Kenya, Malaysia, Netherlands, New Zealand, Nigeria, Norway, Russia, South Africa, Spain, Sweden, Switzerland, United Arab Emirates, USA.
- 10% Guild Membership is from outside the UK
- In 2008 the Fine Art Trade Guild recruited 21% less members but retention levels were strengthened, nevertheless resulting in a 6.4% reduction in total Guild membership numbers.
- Membership Income of £206,512 was £3,036 down on the previous year. Against the trend of retirements and business closures, trade supplier and artist membership increased.
- Distribution and print-run of Art Business Today increased throughout the year by 3,500 copies, giving better value for money to advertisers.

Members commit to a clear Code of Ethics and include:

- multi-national to sole trader businesses, retail to manufacturers, exporters and importers
- artists and artists' agents, fine art printers and publishers
- fine art printer equipment suppliers
- art materials manufacturers and distributors
- art materials shops
- framing material and equipment manufacturers and distributors
- bespoke and contract framers
- frame and art restorers and conservators
- galleries, contemporary art dealers, corporate art businesses
- trainers to the art and framing industry
- computer software and hardware suppliers to the sector
- organisers of related trade and consumer exhibitions, web and internet service providers

Active participation of members is through specialist committees, local events, seminars, Court of the Guild (Board of Directors), trade shows. These are promoted through www.fineart.co.uk and Guild publications.

Thank-you to our Sponsors - We couldn't have achieved what we have without the generous sponsorship of Arqadia, Autumn Fair International, Besso Ltd, Canon UK, Crescent Europe, Daler-Rowney, DeMontfort, Designline Systems, Epson UK, F.G. Conzen, Glass & Mirror, Gunnar, Hahnemühle, F. W. Holroyd, International Graphics, LION Picture Framing Supplies, LION Art Service (Russia), Peterboro Cardboards, Profile Magazine, D & J Simons & Sons, Slater Harrison, Spring Fair International, Larson-Juhl New Zealand, Wessex Pictures and all those framers who provided their premises and expertise for GCF testing and training.

Standing Committees 2008 – Two standing committees were active in 2008, the Framers Committee and the Fine Art committee. Work commenced to build an Art Materials committee for 2009.

The Framers Committee: Mary Evans GCF Adv (Chair), Mal Reynolds GCF Adv, Neil Duguid, Ian Dixon GCF, Barry Leveton GCF Adv, Katie Herriman GCF, Steven McKee GCF Adv, Nicola Harrold, Louise Hay (Secretary). The FC provide a technical advice line service free of charge to Guild Members, accessible through the Guild office.

The Framers Committee responsibilities cover:

- Vocational Qualifications Development and Maintenance (currently GCF and Advanced GCF Modules)
- Framing Standards development and oversight
- Framing Materials specifications
- Framing Skills and Knowledge Training
- Professional Framer recruitment and retention – benefits, needs, interests etc.

The Fine Art Committee's remit is to attract and retain artist members. Its members: Colin Ruffell (Chair), Sue Howells, Alex Borissov, Jorge Aguilar-Agon, Lynne Holehouse, Marialuisa Marino, Peter Town, Francis Aliefteh, Pip McGarry, Gordon King, Debra Colley (Secretary). The FA Committee members support Guild artists with free of charge advice and information on an ad hoc basis.

Affiliations:

Member of the British Standards Institute

Member of the Photo Imaging Council Advisory Board (PIC)

Member of Art Copyright Coalition

Member of the Genesis Initiative, which is affiliated to UEAPME

British Government Accredited Trade Organisation

British Shops and Stores Association affiliate

ISO 9001:2000 – fifth assessment June 2008

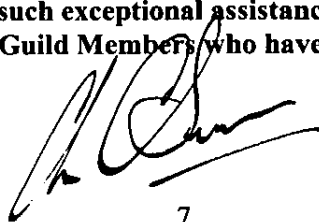
Staff as at 31 December 2008:

Staff all multi-function and support Members and each others' core roles. The staff managed the business of the Guild a person short throughout 2008, mainly by extending their hours. They also took on the additional project of the Guild website development. Job titles and key responsibilities:

- Membership Manager – **Samantha Marshall** (*manager of membership retention and recruitment, Guild website updates, new Member application processing, The Directory information*)
- Office Manager / Print Programme Manager – **Moirra Sanders** (*information service, reception, print testing and standards implementation, book sales*)
- Sales Executive – **Debra Colley** (*advertising sales, membership trade advertising advisor, Member recruitment, subscription sales*)
- Managing Editor (p/t) – **Annabelle Ruston** (*editorial and production strategy, commissioning, publications management, editorial*)
- Editor, Art Business Today and The Directory – **Mike Sims** (*editorial and production, commissioning, Guild design management*) Mike Sims left the Guild employment on 15th January 2009, after eight years of excellent contribution and we wish him all the very best in his new job.
- Accounts – **Udi Akabogu** joined the staff team on 2nd January 2009, as Book-keeper and Admin Assistant.
- Assistant to the Managing Director / Quality Manager / GCF Programme Manager - **Louise Hay** (*awards organisation, exhibition presence organisation, export group organisation and support, overseeing book-keeper, GCF test administration, GCF programme development*)
- Managing Director – **Christrose Sumner** (*Guild strategy, standards development, media, business, government and international relations, export services, budgeting, general management, publisher, staff development*)
- Web Development Project - Project manager: Christrose Sumner; Webmaster: Louise Hay

My thanks to our professional, committed, and enthusiastic staff team and to the Court of the Guild and Committee Members for volunteering such exceptional assistance and support throughout 2008. Thanks also to the many other Fine Art Trade Guild Members who have contributed to the culture of excellence we strive to maintain.

Christrose Sumner, Managing Director
February 2009



DIRECTORS OF THE FINE ART TRADE GUILD AS AT 31 DECEMBER 2008

Officers:

Colin Ruffell, (Master), Crabfish Ltd
Helen Swaby, (Members' Warden), DeMontfort Fine Art Ltd
Peter Hayton GCF, (Master's Warden), Towngate and Designline Systems
Paul Cumberland (Treasurer), Birds, Birds, Birds

Elected Members of the Court:

Mr Barry Leveton GCF Adv, Leveton & Sons (Norwich) Ltd
Mr Steven McKee GCF Adv, Dromore Picture Framing
Mr Len Brook, Alpha 1 Marketing Ltd
Mr Paul Giddens, Winsor & Newton
Mr Lee Tandy, LION Picture Framing Supplies Ltd
Mr Roy Rowlands GCF, Hedgehog Art and Framing
Mr Steve Burke, Arqadia Limited
Mr Maxwell Roberts, Headrow Gallery
Mr Paul Taylor, Aquarelle Publishing Ltd
Mrs Paula McConkey, Midas Mouldings
Mr Peter Thompson, Ashworth & Thompson Limited
Mr Lawrence Walmsley, International Graphics Walmsley GmbH

Branch Masters:

Cotswolds – Peter Whistler GCF	East Midlands - Ian Parsons GCF
London – Ian Dixon GCF	New Zealand – Michael Masters GCF Adv
North West – Tony Gallagher	Northern Ireland – Rolf Lawson GCF
Republic of Ireland – Karen Walshe GCF Adv	Scotland North – Alan Milne GCF
Scotland South – Richard Atkin GCF	South East – Jackie Armstrong
South West – Richard Broome GCF	Wessex – Pierre Lafrance
West Midlands – Kim Smith GCF	North East – vacant; Mike Bisby standing in as Acting Branch Master

(Company details on www.fineart.co.uk and latest copy of Art Business Today)

Managing Director and Company Secretary:

Christrose Sumner

Bankers:

Unity Trust Bank plc
9 Brindley Place
Birmingham B1 2HB

Auditors:

Chantrey Vellacott, DFK LLP
Russell Square House
10/12 Russell Square
London WC1B 5LF

Insurance Brokers:

Besso Limited
8-11 Crescent
London EC3N 2LY

Solicitors:

Moorhead James
Kildare House
3 Dorset Rise
London EC4Y 8EN

Company Number 2942955

**THE FINE ART TRADE GUILD
REPORT OF THE COURT FOR THE YEAR ENDED 31 December 2008**

The Court present their report and accounts for the year ended 31 December 2008. The Guild is limited by guarantee, not having a share capital.

RESULTS FOR THE YEAR

The deficit for the year amounted to £43,031. (2007: £17,583 deficit).

PRINCIPAL ACTIVITIES, TRADING REVIEW AND FUTURE DEVELOPMENTS

The principal activities of the Guild are promoting, informing and developing the picture industry.

A review of the activities of the Guild is set out in the Master's Report on page 3 and the Managing Director's Report on pages 4 through to 7 inclusive.

There have been no events since the balance sheet date which materially affect the position of the Guild. The New Zealand Branch and the Republic of Ireland Branch operate outside the UK; all others are within the UK. Future developments are expected to be in line with current activity, practices and strategy.

MEMBERS OF THE COURT

The Members of the Court act as the directors of the Guild.

The Members of the Court are as set out on page 8. Pierre Lafrance was elected 27th March 2008; Len Brook, Steve Burke, Paul Giddens, Maxwell Roberts, Roy Rowlands GCF, Helen Swaby, Lee Tandy, Paul Taylor, Peter Thompson and Lawrence Walmsley were elected at the AGM on 2nd April; Peter Whistler GCF was elected 17th April; Michael Masters GCF Adv was elected 18th May; Kim Smith GCF was elected 14th October, Karen Walsh GCF Adv was elected 19th October, Tony Gallagher was elected 20th November 2008.

Karl Smith resigned 19th March; Barry Pollitt resigned 27th March; Neil Duguid, Mark Gask, Martin Harrold, Angela Ryder and James Stock resigned at the AGM 2nd April, Gary Wright resigned 18th May, John Fish GCF resigned 14th October 2008.

STATEMENT OF COURT'S RESPONSIBILITIES

Company law requires the Court (who are the directors for the purposes of Company Law) to prepare financial statements which give a true and fair view of the state of affairs of the Guild at the end of its financial year and of the surplus or deficit of the Guild for the year then ended. In preparing these financial statements, the Court is required to:

- select suitable accounting policies and apply them consistently;
- 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;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Guild will continue in business.

The Court is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Guild and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Guild and for the prevention and detection of fraud and other irregularities.

The Court is responsible for the maintenance and integrity of the corporate and financial information included on the Guild's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each Member of the Court at the date of this report was approved has taken all steps that they ought to have taken as Members of the Court in order to:

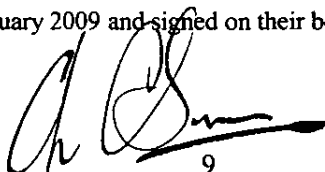
- Make themselves aware of any relevant audit information (as defined by the Companies Act 1985); and
- Ensure that the auditors are aware of all relevant audit information (as defined)

As far as each Member of the Court is aware, there is no relevant audit information of which the company's auditors are unaware.

AUDITOR

A resolution proposing the re-appointment of Chantrey Vellacott DFK LLP as auditors will be put to the Members at the Annual General Meeting.

Approved by the Court on 26th February 2009 and signed on their behalf by
Christrose Sumner
SECRETARY



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THE FINE ART TRADE GUILD

Independent Auditors' Report to the Members of The Fine Art Trade Guild

We have audited the financial statements of the Fine Art Trade Guild for the year ended 31 December 2008 which comprise the Income and Expenditure account, Balance sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Guild's Members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Guild's Members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Guild and the Guild's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Court of the Guild and auditors

As described in the Statement of Court's Responsibilities the Court is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with the relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985.

We also report to you whether, in our opinion, the information given in Report of the Court is consistent with the financial statements.

In addition we report to you if, in our opinion, the Guild has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the Guild is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Report of the Master, Report of the Managing Director and the Report of the Court. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Court in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Guild's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Guild's affairs as at 31 December 2008 and of its deficit for the year then ended.
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

CHANTREY VELLACOTT DFK LLP

Chartered Accountants

Registered Auditors

London

15 June 2009

Chantrey Vellacott DFK

THE FINE ART TRADE GUILD
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 December 2008

	Notes	2008 £	2007 £
INCOME			
MEMBERSHIP SUBSCRIPTIONS	1(c)	206,512	209,548
SELF FINANCING ACTIVITIES	3		
Publications		150,621	146,250
Members' services		38,154	40,975
Exhibitions		6,155	33,460
Awards weekend		29,785	42,882
Website Development		26,828	-
		<u>251,543</u>	<u>263,567</u>
Insurance commission		5,132	5,533
		<u>463,187</u>	<u>478,648</u>
EXPENDITURE:			
Self financing activities	3	135,919	132,350
Staff costs	4	271,735	271,487
Depreciation	6	10,817	10,352
Administrative and office expenses	5	90,045	85,365
		<u>508,516</u>	<u>499,554</u>
OPERATING DEFICIT		(45,329)	(20,906)
INVESTMENT INCOME			
Interest receivable		2,875	4,862
Taxation thereon	10	(577)	(1,539)
		<u>2,298</u>	<u>3,323</u>
DEFICIT FOR THE YEAR		(43,031)	(17,583)

All recognised gains and losses are included in the above income and expenditure account.

THE FINE ART TRADE GUILD

BALANCE SHEET

AS AT 31 December 2008

	Notes	2008 £	2007 £
FIXED ASSETS			
Tangible assets	6	276,475	276,576
CURRENT ASSETS			
Stock		200	200
Debtors	7	45,723	56,477
Cash at bank and in hand		67,729	97,414
		<u>113,652</u>	<u>154,091</u>
CREDITORS: amounts falling due within one year	8	61,242	58,751
		<u>52,410</u>	<u>95,340</u>
NET CURRENT ASSETS		<u>52,410</u>	<u>95,340</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>328,885</u>	<u>371,916</u>
ACCUMULATED FUND			
1 January 2008		371,916	389,499
Deficit for the year		(43,031)	(17,583)
		<u>328,885</u>	<u>371,916</u>

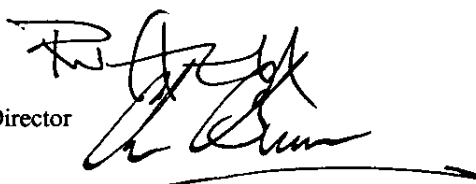
Approved by the Court on 26th February 2009
and signed on their behalf by:

Colin Ruffell

- Master

Christrose Sumner

- Managing Director



THE FINE ART TRADE GUILD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 December 2008

1. ACCOUNTING POLICIES

(a) Accounting convention

The accounts have been prepared under the historical cost convention.

(b) Income And Expenditure Account

Due to the nature of the Guild's activities, an income and expenditure account is prepared and not a profit and loss account in the format required by the Companies Act 1985.

(c) Membership subscriptions

Membership subscriptions represent, after adjusting for prepayments, cash received during the year relating to subscriptions commencing during the accounting period.

(d) Depreciation

Depreciation is provided at rates calculated to write down the cost of fixed assets to their estimated residual values over the period of their anticipated useful lives. The lives used are as follows:

Freehold property	- Buildings	: 50 years
	- Land	: Not depreciated
Office furniture, fittings and equipment		: 3 to 5 years

(e) Cash flow statement

The Guild has taken advantage of the provisions of Financial Reporting Standard No 1 and has not prepared a cash flow statement.

2. COMPANY LIMITED BY GUARANTEE

The Fine Art Trade Guild is a company limited by Guarantee, the Guarantors being every Member of the Guild whose liability is limited to one pound.

THE FINE ART TRADE GUILD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 December 2008

(continued)

3. SELF FINANCING ACTIVITIES

	Income £	Expenditure £	2008 NET £	Income £	Expenditure £	2007 NET £
Publications:						
Advertising	122,709	-	122,709	110,164	-	110,164
ABT subscriptions	9,315	-	9,315	15,371	-	15,371
Other	18,597	-	18,597	20,715	-	20,715
Costs	-	(54,080)	(54,080)	-	(50,497)	(50,497)
	<u>150,621</u>	<u>(54,080)</u>	<u>96,541</u>	<u>146,250</u>	<u>(50,497)</u>	<u>95,753</u>
Members services:						
Guild Commended Framers programme	15,371	(5,881)	9,490	17,082	(5,303)	11,779
Consumer awareness programme	22,000	-	22,000	23,000	-	23,000
Contracted member services	-	(10,680)	(10,680)	-	(7,000)	(7,000)
Branch development costs	-	(803)	(803)	-	(670)	(670)
Guild products	783	(535)	248	893	(557)	336
	<u>38,154</u>	<u>(17,899)</u>	<u>20,255</u>	<u>40,975</u>	<u>(13,530)</u>	<u>27,445</u>
Exhibitions:						
Overseas	6,155	(9,343)	(3,188)	33,460	(29,513)	3,947
UK/Eire	-	(5,215)	(5,215)	-	(4,644)	(4,644)
	<u>6,155</u>	<u>(14,558)</u>	<u>(8,403)</u>	<u>33,460</u>	<u>(34,157)</u>	<u>(697)</u>
Awards weekend	<u>29,785</u>	<u>(22,554)</u>	<u>7,231</u>	<u>42,882</u>	<u>(34,166)</u>	<u>8,716</u>
Website development	<u>26,828</u>	<u>(26,828)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>251,543</u>	<u>(135,919)</u>	<u>115,624</u>	<u>263,567</u>	<u>(132,350)</u>	<u>131,217</u>

4. STAFF COSTS AND EMPLOYEES

	2008 £	2007 £
Wages and salaries	235,025	235,459
Social security costs	24,992	24,997
Other pension costs	11,718	11,031
	<u>271,735</u>	<u>271,487</u>

The average number of employees was 7 of which 1 was part-time (2007: 8 of which 1 was part-time).
The Members of the Court receive no remuneration for their services to the Guild.
The Managing Director received £69,269 including pension contributions (2007: £67,137).

THE FINE ART TRADE GUILD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 December 2008

(continued)

5. ADMINISTRATIVE AND OFFICE EXPENSES	2008 £		2007 £
Administrative expenses:			
Recruitment, advertising and public relations	2,007	2,849	
Committee travel expenses	3,867	3,405	
Travelling and entertaining	2,976	1,562	
Audit fees	3,735	3,665	
Legal and professional fees	13,265	12,187	
Professional subscriptions	204	294	
Printing and stationery	4,848	5,759	
Postage and telephone	13,500	10,183	
Bad debts	(758)	(497)	
Bank charges	2,045	2,860	
Sundries	991	2,536	
Other Staff	3,683	2,826	
	<u>50,363</u>		47,629
Office expenses:			
Rates and service charges	16,205	15,466	
Repairs and maintenance	21,037	18,786	
Software and software support	1,444	1,348	
Light and heat	996	2,136	
	<u>39,682</u>		37,736
	<u>90,045</u>		<u>85,365</u>
6. TANGIBLE FIXED ASSETS			
	Freehold property £	Office furniture & equipment £	Total £
Cost:			
1 January 2008	346,800	153,229	500,029
Additions	-	10,716	10,716
	<u>346,800</u>	<u>163,945</u>	<u>510,745</u>
At 31 December 2008			
Depreciation:			
1 January 2008	74,333	149,120	223,453
Charge for the year	4,000	6,817	10,817
	<u>78,333</u>	<u>155,937</u>	<u>234,270</u>
At 31 December 2008			
Net book value:			
At 31 December 2008	<u>268,467</u>	<u>8,008</u>	<u>276,475</u>
At 31 December 2007	<u>272,467</u>	<u>4,109</u>	<u>276,576</u>

THE FINE ART TRADE GUILD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 December 2008

(continued)

7.	DEBTORS	2008 £	2007 £
	Trade debtors	32,865	33,563
	Prepayments	12,701	18,206
	Other debtors	157	4,708
		<u>45,723</u>	<u>56,477</u>

8.	CREDITORS: amounts falling due within one year	2008 £	2007 £
	Subscriptions received in advance	12,758	15,487
	Trade creditors	4,733	3,511
	Taxation and social security	14,195	16,660
	Accruals and deferred income	28,979	22,135
	Corporation Tax	577	958
		<u>61,242</u>	<u>58,751</u>

9. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

There were no capital commitments at 31 December 2008 (2007: £Nil).

There were no contingent liabilities at 31 December 2008 (2007: £Nil).

10. TAXATION

Taxation is payable only in respect of interest receivable. Provision is made at current rates (20%) for all corporation tax arising.

(a) Analysis of charge in period

	2008 £
Current tax	
UK corporation tax on profits of the period	<u>577</u>
Total current tax charge (note 10(b))	<u>577</u>

THE FINE ART TRADE GUILD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 December 2008
(continued)

(b) Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (20%).
The differences are explained below:

	2008
	£
Interest Income before tax	2,875
Tax on profit on ordinary activities at standard CT rate of 20%	(577)
	<hr/>
Current tax charge for the period (note 10(a))	577
	<hr/>

11. RELATED PARTIES

During the year, Committee Members received £2,384 in relation to expenses incurred in relation to their duties.