

THE FINE ART TRADE GUILD
ANNUAL REPORT AND ACCOUNTS

31 DECEMBER 2022

AND NOTICE OF ANNUAL GENERAL MEETING

Notice of Annual General Meeting

Notice is hereby given that the annual general meeting of the Fine Art Trade Guild will be held on 22 May 2023 at 11am BST at 2 Wye House, 6 Enterprise Way, London SW18 1FZ **via Teams** to receive the Annual Report and Accounts, to elect Officers and Members of the Court and to transact the business of The Fine Art Trade Guild.

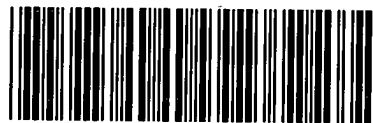
AGENDA

1. Chairman and Master's Report.
2. Treasurer's Report.
3. Adoption of the Annual Report and Accounts.
4. Election of Officers and Members of the Court.
5. Reappointment of Accountants.
6. Any other business.

By Order:

The Court of the Guild
The Fine Art Trade Guild
2 Wye House
6 Enterprise Way
London
SW18 1FZ

WEDNESDAY



AC66BP7T

A09

21/06/2023

#190

COMPANIES HOUSE

THE FINE ART TRADE GUILD
ANNUAL REPORT AND ACCOUNTS
31 DECEMBER 2022

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In common with many any membership organisations, the Guild experienced continuing challenges in the wake of Covid19. Membership of the Guild was building before the effects of the worldwide pandemic hit, and whilst the pandemic has passed, the fallout is still taking its toll. With businesses closing and members retiring we have seen a further reduction of membership numbers. This in turn resulted in a declining income, and specifically a challenging cashflow.

The situation was managed by looking at our outgoings and ensuring that we could afford the day to day running costs of the Guild. Much hard work was put in to identifying areas of expenditure that could be streamlined, including our biggest outlay: staff costs. These were controlled by not replacing staff who left during the year. Praise must be given to Louise and Geeta for the additional work taken on by them as a consequence. Inevitably a smaller staff team has had its downsides, with holidays and sickness leading to unavoidable closures of the office. However, because of the work put in I am pleased to let you know that we have returned a surplus of £22,290, the highest for many years.

Despite being a not-for-profit trade association, we have to view our organisation as a business that can only exist by making money, balanced against our awareness that our members are also suffering from rising costs. Much consideration was put into raising membership fees, but 2022 wasn't felt to be an appropriate time.

It's easy to view the above and conclude that the Guild is experiencing a bad time, but the reality is that we have been able to manage the inevitable loss of income and reorganise in a positive way. To look at the positives, we had an excellent Guild Weekend in May and our focus on education and networking proved to be very popular. London Branch continued to have very well attended Zoom meetings and an in-person meeting at Lion PFS that proved to be so popular that it was oversubscribed. Thank you, Sue Harper, and Jo Ronald, for this.

The AGM in May was the end point of Jo Palmer's time as Master of the Guild and my election to the post. Several new directors were also voted into position at this meeting. They were Grahame Case, Stephen Crozier, Charles Grey, and Maxwell Roberts, joining Sue Harper and Neal Scrase. (Neil Whitehorn joined later in the year as financial director when Ian Kenny stepped down from that position). The Guild is grateful for the time served as directors by James Braddock, Matt George, Martin Harrold, John Hunter, and Graham Miller, and to Steven McKee, Ian Kenny, and Jo Palmer for their times as directors and Masters of the Guild. Thank you all, your contribution to the success of the Guild is appreciated.

We were deeply saddened by the untimely passing of past-Master and FSQC Chair Steven McKee in January, and of stalwart Fine Art Committee member Gordon King in the same month.

Our Framing Standards and Qualifications Committee continues to work hard on its revision of the GCF Advanced study guides. The Technical Help line continues to be used well, as does the FrameTalk Forum. Again, the success of FSQC is down to the hard work put in by the members of this committee. Thank you all!

Our house magazine Art + Framing Today used to be published in five issues per year, based around the schedule of major industry trade fairs and events. As these have become less relevant directors concluded that the fifth edition could be dropped to streamline into a quarterly cycle, putting less pressure on contributors and staff. We continue to produce an excellent magazine, packed full of relevant and educational content.

This was a challenging year that I hope we stood up to as well as could be expected. We came out of a pandemic not knowing how events would unfurl. I think on reflection that government schemes such as furlough tended to delay some inevitable problems that have hit the Guild this year, but we have risen to address them effectively.

We are now in a more confident position to move forward with two major factors - Recruitment and Retention - by making the Guild more relevant to the industry, allowing us to take positive strides forward.

Mark Wallington GCF(APF)
Chairman and Master of the Guild

The Members and Officers of the Court, Committee Chairs and Branch Masters act as the directors of the Guild.

Officers of the Court:

Mark Wallington GCF(APF)	Chairman and Master of the Guild
James Fraser GCF(APF)	Vice-Chair and Members' Warden
Neil Whitehorn	Finance Director

Elected Members of the Court:

Grahame Case
Steven Crozier
Charles Grey GCF(APF) Adv
Sue Harper GCF(APF)
Maxwell Roberts
Neal Scrase

Managing Director and Company Secretary:

Louise Hay

Committee Chairs

FSQC Chair Ian Kenny stood down as a Director of the Guild in November 2022

Bankers:

Unity Trust Bank plc
9 Brindley Place
Birmingham B1 2HB

Insurance Brokers:

Besso Limited
8-11 Crescent
London EC3N 2LY

Registered Office:

2 Wye House
6 Enterprise Way
London SW18 1FZ

Reporting Accountants:

Azets
2nd Floor Regis House
45 King William Street
London EC4M 9AR

Solicitors:

Thrings
6 Drakes Meadow
Swindon SN3 3LL

Company Number: 2942955

Accreditations in 2022:

ISO 9001:2008

THE OFFICE TEAM ON 31 DECEMBER 2022:

Staff members multi-function to support members, and each other's core roles, with the Managing Director taking over Financial Admin following the resignation of Denise Howes in May.

Louise Hay	Managing Director
Geeta Mangat	Membership Support

Contractors and freelancers

Staff members are supplemented by:

Lynn Jones	Editor, Art + Framing Today
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Key facts about the Fine Art Trade Guild

The Fine Art Trade Guild was formed in 1910 and is the trade association for the art and picture framing industry.

Our prime purpose is encouraging and promoting the best in art and framing.

The Fine Art Trade Guild has members in 31 countries around the world (32 in 2021), with UK members making up 70% of the membership.

The Guild is member owned and member run, with each full member having equal voting rights and a liability limited to £1.

Members commit to a clear Code of Ethics and include:

- Multi-national to sole trader businesses, retailers, manufacturers, exporters, and importers
- Artists and artists' agents, fine art photographers, 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 and 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
- E-commerce businesses relating to the art and framing industry.

We are the publishers of Art + Framing Today magazine, GCF Study Guides and other books, and the owners of www.fineart.co.uk.

Performance indicators and achievements

As in 2021, the focus of the Guild in 2022 was to support all members however we could while businesses began recovering from the effects of the pandemic. The Court's 2022 plan recognised the continuing impact of Covid19 but had not foreseen the effects of the war in Ukraine on businesses' costs, and the economy. The budget for 2022 predicted a surplus of £21,958.

Membership

Membership development, recruitment, and retention was hindered by staff shortages and economic pressures on members and prospective members.

The Court of the Guild has developed a robust Five-Year Plan 2022-27 which includes strategies to encourage and engage existing members, support those new to the industry, and bring back past members.

Total members 618 at year end (627 in 2021), being 594 full members (601 in 2021), plus 4 Friends of the Guild and 20 Artist Associate members. There are additionally 140 artists affiliated through their societies, which are Guild members. Churn rates varied throughout the year; membership recruitment increased by 3 to 57 new members, however membership resignations numbered 66. In 2020 member resignations were 215; the Five-Year Plan aims to return memberships to pre-pandemic rates.

Governance

Members of the Fine Art Trade Guild are represented by the directors, who are elected each year at the AGM and form the Court of the Guild alongside our standing committee chairs. At the heart of the Court of the Guild is the Executive Committee which comprises the Master and Chairman of the Guild, the Members' Warden and Vice Chair, and the Treasurer, all of whom are elected, and the Master's Warden and Vice Chair, who serves at the Master's behest. The Managing Director is a de facto member of the Court and the Executive Committee, where one is appointed.

To protect our office team and volunteers, and to contain costs, we continued with virtual committee and Executive meetings throughout much of 2022. The full Court of the Guild joined the Executive at one of those virtual meetings in March. Our scheduled September Court meeting was deferred until November 2022 but took place at the Guild office with some directors joining by video link. We were able to hold an in-person AGM in May, which was well attended. We thank outgoing directors James Braddock, Matt George, Martin Harrold, John Hunter, Ian Kenny, Steven McKee, Graham Miller, and Jo Palmer for their service, and welcome Grahame Case, Steven Crozier, Charles Grey, and Maxwell Roberts to the board. At the AGM Jo Palmer ended her three-year tenure as Chairman and Master of the Guild, with Mark Wallington duly elected to the position. We thank them both.

Our Five-Year Plan includes actions to support and encourage members to become more involved in the running of their Guild, at a level that they can sustain.

Finances

We returned a surplus of £22,290 v budget £21,958, against our -£14,463 deficit in 2021.

We had budgeted for growth in membership in 2022, but this was not achieved especially in Retailer/Framer memberships which reached 78% of income target. However, Trade Supplier memberships exceeded expectations. Trading income, including Guild programmes and publications, did not achieve budget. Total income including discretionary grants was £239,460 v budget £278,813 (-£39,353) but was up £14,218 against 2021. We reduced spending to £217,171 v budget £268,239 (-£51,068) mainly by controlling staff costs.

Our budget for 2023 predicts a surplus of £10,574.

The Court's aim is to increase membership income to cover the cost of the office, so that programmes and publications income can be used to invest in member benefits, further developments, and build reserves. The Court remains committed to the programmes, services, and quality standards that Guild members value, but as part of our Five-Year Plan to return the Guild to surplus, we will be monitoring their contributions to this strategic goal closely.

Standards and programmes

The Framing Standards and Qualifications Committee finalised the new GCF Advanced: Conservation Framing Study Guide which was published in the spring and was dedicated in memory of FSQC Chair Steven McKee GCF(APF) Adv. Development work continues for the GCF Advanced: Mount Design and Function, and Textile Framing modules. We continue to promote the 2021 changes to the Four Levels of Framing, and Guild publications are updated to reflect these as book stocks are replaced. The soft roll out of our revised Fine Art Trade Guild Quality Standards for Mountboard continues, for full implementation by 2024. Promotion and activities will accelerate as we approach the deadline, and we thank the members of the Mountboard Group for their cooperation with this programme.

ArtSure provides an effective vehicle for the promotion of the Guild's print standards. The distinctive ArtSure, Guild and GCF logos raise awareness of standards, and are widely used by members. We encourage all members to display them with pride.

Directors took the decision to wind down our Original Art Register as costs exceeded income by 1500%. Active registrations will be honoured until their expiry in 2024 when the programme will shut down entirely. Artist members who also produce prints are encouraged to register with ArtSure as an alternative.

Our Five-Year Plan gives due regard to the part Guild standards and programmes play in member recruitment and retention, income generation and the good standing of the Guild.

Education and qualifications

The Larson-Juhl Scholarship programme supports new framers to achieve their GCF accreditation and their first year's Continuing Professional Development, including study guides, workshops, and seminars. We offer

congratulations to the four scholars awarded in 2022. The scholarship training offered is now tailored to reflect individuals' business and framing needs; scholars report their satisfaction with this programme.

GCF exam take up has slowly begun to increase after the pandemic shutdown, with ten members qualifying as Guild Certified Framers in 2022. GCF and its accompanying CPD programme means the Guild's framing qualification is up to date with other professional certifications. Educational and CPD opportunities were provided at our Guild Weekend 2022, with framing workshops and demonstrations organised by FSQC. Members were also able to access information at lively online branch events, via articles in Art + Framing Today, and get assistance with business and framing queries from Framing Standards and Qualifications Committee members. FSQC members continue to provide a confidential Technical Helpline for members and moderate the FrameTalk forum where members can interact to problem-solve and seek advice.

Our member partner in China recommenced framing training in 2022, but it was not possible to conduct GCF exams due to travel restrictions. They continue to recruit framer members and we thank them for their support and promotion of the Guild.

The Court acknowledges that education and qualifications currently offered are framer-centric, reflecting the remit of our active and enthusiastic Framing Standards and Qualifications Committee. Action points in the Five-Year Plan include extending training opportunities to other sections of our Guild community.

Events

After two years of Covid19 cancellations we were finally able to host our Guild Weekend in 2022. The event was well attended, and the informal tabletop workshops and demonstrations format was successful in allowing guests to network and learn during the day. We plan to build on this format in 2023.

Our Master's Dinner and Art & Framing Industry Awards presentations in the evening ran smoothly and congratulations are due to our deserving awards winners. The event is a huge amount of work, and we thank our team of volunteers, staff members, and event partners whose support helped it happen.

London Branch Regional Organisers continued to host virtual events, providing members and prospective members with much needed social contact, and CPD opportunities for framers. The branch celebrated at our Guild Weekend with an afternoon tea, and we are grateful for the support of LION Picture Framing Supplies in hosting an oversubscribed in-person education day in October.

The Five-Year Plan recognises the importance of events in increasing members' sense of belonging to the Guild family, and in encouraging engagement in programmes, standards, and volunteering.

Communications and publications

In 2022, directors reviewed the schedule for Art + Framing Today in the light of the reduced number of issues published in 2020 and 2021. They decided to continue to publish four issues per year, which will regularise the schedule and reduce the workload on staff and contributors. Advertising revenues decreased by 15% from £31,030 in 2021 to £26,446, reflecting trading conditions and a lack of Guild sales staff. Net contribution to funds was £19,588. Support from Guild members in providing content and articles is fundamental and we thank everyone who assisted in 2022 and invite members to submit ideas and articles for 2023.

The Guild's social media feeds help members feel connected and enable us to keep them up to date. We encourage members to engage with us by tagging @finearttradeguild. Our website remains a valuable resource for members and consumers with the busiest content pages being 'Find a member' and then 'Buying Art, Prints and Framing'; FAQs on valuing artwork always rate highly.

Framed for Good, Code of Ethics, and GCF Thank You flyers remain available for GCF and non-GCF members. The Member Publicity Pack is effective in increasing use of Guild leaflets to raise consumer awareness.

Communications are key to the success of our Five-Year Plan and our Executive, committee, and staff teams will be working on refreshing and improving our publications, including the Guild website.

Office

The office building is the Guild's principal financial asset though after eight years' occupancy, some repairs and maintenance have been required to keep it running in good order. Our new contract for IT support reduced costs and mitigated risks to our data by migrating it to cloud, allowing us to retire our aging server.

When permitted, the Master of the Guild attended the Guild office to keep up personal contacts with the staff team and participate in appraisals, planning, and programmed work.

The Guild archive of Fine Art Trade Journals is available for examination at Wye House by appointment along with registered prints, minutes, and other memorabilia.

The Five-Year Plan identifies the need to schedule regular maintenance of the building and the Guild archive. Following the last couple of years, it also recognises the importance of strengthening resilience in staff and volunteers, with support and training key actions.

Acknowledgments

The Guild could not have continued to be there for members during 2022 without huge amounts of work and support from Guild family members. We'd like to thank:

Our Guild Partners – AFAExpo, Besso Ltd, e-mango, Daler-Rowney, Gunnar, Innova Art, the late Jorge Aguilar-Agon, KC Glass, Larson-Juhl UK, LION Picture Framing Supplies, D & J Simons & Sons, Slater Harrison, Tru Vue, Valiani, and Wessex Pictures.

Members of the Framing Standards and Qualifications Committee, who staff the Framers Technical Advice Line, moderate the FrameTalk Forum, and further develop the GCF Programme.

Our volunteer Guild archivist, John Hughes, who continues to provide services to collectors.

And each of the willing volunteers who offer their time and expertise throughout the year, particularly the Executive team who committed time and resources to supporting members and the Guild office. All those who work on standards development, contribute to Art + Framing Today, organise branch events, and all Guild members who have contributed to our Guild in so many ways during 2022. Finally, the Court wishes to thank our hardworking and committed staff team who work in our Guild office to support all Guild members.

STATEMENT OF THE COURT'S RESPONSIBILITIES

The Court of the Guild is responsible for preparing the Report of the Court and the financial statements in accordance with applicable law and regulations.

Company law requires the Court (who are also the directors for the purposes of company law) to prepare financial statements for each financial year. Under that law the Court has elected to prepare the financial statements in accordance with applicable law and UK Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK'. Under company law the Court must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Fine Art Trade Guild and of the profit or loss of the Guild for that period.

In preparing these financial statements, the Court is required to:

- select suitable accounting policies for the Guild's financial statements and then apply them consistently
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Guild will continue in business.

The Court is responsible for keeping adequate accounting records that are sufficient to show and explain the Guild's transactions and disclose with reasonable accuracy at any time the financial position of the Guild and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Guild and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

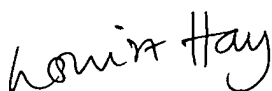
SMALL COMPANIES NOTE

In preparing this report, the Court has taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

Approved by the Court on 21 April 2023 and signed on their behalf by:



Mark Wallington
Chairman and Master of the Guild



Louise Hay
Managing Director

CHARTERED ACCOUNTANT'S REPORT TO THE BOARD OF MEMBERS ON THE PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF THE FINE ART TRADE GUILD FOR THE YEAR ENDED 31 DECEMBER 2022

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of The Fine Art Trade Guild for the year ended 31 December 2022 as set out on pages 9 to 16 from the Guild's accounting records and from information and explanations you have given to us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at

<http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Members of The Fine Art Trade Guild, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of The Fine Art Trade Guild and state those matters that we have agreed to state to the Board of Members, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Fine Art Trade Guild and its Board of Members, as a body, for our work of for this report.

It is your duty to ensure that The Fine Art Trade Guild has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position, and surplus of The Fine Art Trade Guild. You consider that The Fine Art Trade Guild is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of The Fine Art Trade Guild. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Azets

Azets
Regis House
45 King William Street
London
EC4R 9AN

Date: 20 June 2023

**THE FINE ART TRADE GUILD
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes		2022 £	2021 £
INCOME				
Membership subscriptions			117,284	118,478
SELF-FINANCING ACTIVITIES	3			
Publications		52,379	58,892	
Members' services		31,667	27,992	
Exhibitions		-	-	
Guild weekend		30,774	-	
Website		96	75	
			<u>114,916</u>	86,959
Insurance commission			5,054	5,820
Rental income			1,350	-
Grant income			852	13,985
			<u>239,456</u>	225,242
EXPENDITURE				
Self-financing activities	3	64,192	44,974	
Staff costs	4	99,929	121,770	
Depreciation	6	202	51	
Administrative and office expenses	5	52,849	73,090	
			<u>217,172</u>	239,885
OPERATING SURPLUS / (DEFICIT)			22,284	(14,643)
INVESTMENT INCOME				
Interest receivable			6	-
			<u>22,290</u>	(14,643)
SURPLUS / (DEFICIT) FOR THE YEAR BEFORE TAX			22,290	(14,643)
Corporation tax			-	-
SURPLUS / (DEFICIT) FOR THE YEAR			<u>22,290</u>	<u>(14,643)</u>

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 2022**

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	6	505,395	505,596
Intangible Assets	7	-	-
CURRENT ASSETS			
Stock		200	200
Debtors	8	32,913	35,980
Cash at bank and in hand		1,072	5,736
		<u>34,185</u>	<u>41,916</u>
CREDITORS: amounts falling due within one year	9	(48,935)	(79,157)
NET CURRENT LIABILITIES		(14,750)	(37,241)
TOTAL ASSETS LESS CURRENT LIABILITIES		490,645	468,355
		<u><u>490,645</u></u>	<u><u>468,355</u></u>
ACCUMULATED FUND			
1 January		468,355	482,998
(Deficit) / Surplus for the year		22,290	(14,643)
At 31 December		<u><u>490,645</u></u>	<u><u>468,355</u></u>

For the year ended 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.


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

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

Approved by the Court on 21 April 2023 and signed on their behalf by:



Mark Wallington
Chairman and Master of the Guild



Louise Hay
Managing Director

Company number: 02942955

**THE FINE ART TRADE GUILD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. GENERAL INFORMATION

The Fine Art Trade Guild is a private company, limited by guarantee, domiciled in England and Wales.

The registered office is as stated on page 2.

The financial statements are presented in Sterling (£).

2. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Guild's accounting policies.

The following principal accounting policies have been applied:

b) Going concern

The Guild incurred a surplus before tax for the year of £22,290 (2021 – £14,643 Deficit).

The Guild had reserves of £490,645 (2021 – £468,355) at the balance sheet date and therefore the members consider it appropriate to prepare the financial statements on the going concern basis. The Board have updated their forecasts and projections and remain confident that the Guild will remain a going concern over the next twelve months

c) Income

Income represents cash received relating to membership subscriptions commencing during the accounting period, after adjusting for deferred income.

d) Grant income

Grant income represents government grants received during the accounting period recognised on an accruals basis.

e) Expenditure

Expenditure on development costs, which represent the application of research to the development of new software, is capitalised provided that:

Specific projects are identified, they are technically feasible, and the Guild has sufficient resources to complete development.

**THE FINE ART TRADE GUILD
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

f) Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended.

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 as follows:

Long leasehold property	- No depreciation has been provided
Office furniture, fittings and equipment	- Straight line over 3 years

g) Intangible fixed assets

Capitalised development expenditure is amortised over its expected useful life of 3 years on a straight-line basis from when the software was brought into use.

h) Stocks

Stocks are stated at the lower of cost and net realisable value.

i) Financial reporting standard 102 – reduced disclosure exemptions

The Guild has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

- The requirements of Section 7 Statement of Cash Flows.

j) Pension contributions

The Guild operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the Guild. The contributions are recognised as an expense when they are due with amounts not paid shown in accruals at the balance sheet date.

**THE FINE ART TRADE GUILD
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

3. SELF-FINANCING ACTIVITIES

	Income £	Expenditure £	2022 Net £	Income £	Expenditure £	2021 Net £
Publications:						
AFT advertising	26,447	-	26,447	31,030	-	31,030
AFT subscriptions	24,167	-	24,167	25,070	-	25,070
Other - books	1,765	-	1,765	2,792	-	2,792
Costs	-	(31,114)	(31,114)	-	(26,098)	(26,098)
	<u>52,379</u>	<u>(31,114)</u>	<u>21,265</u>	<u>58,892</u>	<u>(26,098)</u>	<u>32,794</u>
Members' services:						
Guild Certified Framers programme	18,856	(9,524)	9,332	15,693	(9,178)	6,515
Guild products	246	-	246	36	-	36
Mountboard licensing	7,500	-	7,500	7,000	-	7,000
Consumer awareness programme	-	-	-	583	-	583
Branch costs	-	(356)	(356)	-	(142)	(142)
Original Art Register	84	(1,361)	(1,277)	305	(1,361)	(1,056)
ArtSure membership	4,981	(525)	4,456	4,375	(525)	3,850
	<u>31,667</u>	<u>(11,766)</u>	<u>19,901</u>	<u>27,992</u>	<u>(11,206)</u>	<u>16,786</u>
Exhibitions:						
Overseas	-	(996)	(996)	-	(996)	(996)
UK/Eire	-	-	-	-	-	-
	<u>-</u>	<u>(996)</u>	<u>(996)</u>	<u>-</u>	<u>(996)</u>	<u>(996)</u>
Guild weekend	30,774	(13,903)	16,871	-	-	-
Website	96	(6,413)	(6,317)	75	(6,674)	(6,599)
	<u>114,916</u>	<u>(64,192)</u>	<u>50,724</u>	<u>86,959</u>	<u>(44,974)</u>	<u>41,985</u>

4. STAFF COSTS AND EMPLOYEES

	2022 £	2021 £
Wages and salaries	91,327	111,582
Social security costs	5,014	6,930
Other pension costs	3,588	3,258
	<u>99,929</u>	<u>121,770</u>

The average number of employees during the year was 3 (2021 - 4).

The Members of the Court received no remuneration for their services to the Guild (2021 - £Nil).

The cost of employing the Managing Director was £66,950 including pension contributions of £1,950 (2021 - £66,950 including pension contributions of £1,950).

**THE FINE ART TRADE GUILD
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. ADMINISTRATIVE AND OFFICE EXPENSES	2022 £	2021 £
Administrative expenses:		
Recruitment, advertising, and public relations	3,325	7,305
Committee travel expenses	110	152
Travelling and entertaining	-	-
Accountancy fees	1,950	2,400
Legal and professional fees	1,990	8,134
Printing and stationery	2,272	6,146
Postage and telephone	5,206	4,895
Bank charges	3,205	2,839
Other staff	2,475	2,405
Sundries	1,687	-
	<u>22,220</u>	<u>34,276</u>
Office expenses:		
Rent and rental charges	532	3,084
Rates and service charges	13,689	17,191
Repairs and maintenance	2,866	6,718
Software and software support	6,742	4,508
Light and heat	979	922
Insurance	5,821	6,391
	<u>30,629</u>	<u>38,814</u>
	<u>52,849</u>	<u>73,090</u>

6. TANGIBLE FIXED ASSETS	Long leasehold property £	Office furniture, fittings and equipment £	Total £
Cost:			
At 1 January 2022	505,395	161,184	666,579
Additions	-	-	-
Disposals	-	-	-
At 31 December 2022	<u>505,395</u>	<u>161,184</u>	<u>666,579</u>
Depreciation:			
1 January 2022	-	160,983	160,983
Charge for the year	-	201	201
Released on disposal	-	-	-
At 31 December 2022	<u>-</u>	<u>161,184</u>	<u>161,184</u>
Net book value:			
At 31 December 2022	<u>505,395</u>	<u>-</u>	<u>505,395</u>
At 31 December 2021	<u>505,395</u>	<u>201</u>	<u>505,596</u>

**THE FINE ART TRADE GUILD
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. INTANGIBLE FIXED ASSETS

	ArtSure Software £
Cost:	
At 1 January 2022	3,500
Additions	-
Disposals	-
	<u>3,500</u>
At 31 December 2022	<u>3,500</u>
Amortisation:	
1 January 2022	3,500
Charge for the year	-
Released on disposal	-
	<u>3,500</u>
At 31 December 2022	<u>3,500</u>
Net book value:	
At 31 December 2022	-
	<u>-</u>
At 31 December 2021	<u>-</u>

8. DEBTORS

	2022 £	2021 £
Trade debtors	21,632	24,903
Prepayments	11,281	11,077
	<u>32,913</u>	<u>35,980</u>

9. CREDITORS: amounts falling due within one year

	2022 £	2021 £
Subscriptions received in advance	8,225	9,991
Trade creditors	14,199	14,852
Taxation and social security	5,486	9,891
Accruals and deferred income	2,400	21,418
Loans	17,608	21,858
Other	1,017	1,147
	<u>48,935</u>	<u>79,157</u>

**THE FINE ART TRADE GUILD
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. RELATED PARTIES

During the year, the following transactions were undertaken with related parties:

Ian Kenny Ltd received £5,993 (2021 - £5,088) for delivery of social media services, scholarship training, GCF exams, and GCF publications.

The Framing Lot received £1,118 for delivery of scholarship training and GCF exams.

Loans totalling £17,608 (2021 - £21,858) were due to 4 Directors of the Guild at the year end. The loans are interest free. The loans shall be repaid in full when the company has surplus funds available for repayment.