



Embroiderers' Guild

# **THE EMBROIDERERS' GUILD AND SUBSIDIARY**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31st AUGUST 2020**

Company Registration No. 00294310 (England and Wales)

Registered Charity No. 234239 (England)

Registered Charity Number SC040142 (Scotland)

### Report of the Board of Trustees for the year ended 31<sup>st</sup> August 2020.

The Board of Trustees present their report and financial statements of the Embroiderers' Guild (EG) and the Guild's wholly owned subsidiary, Embroiderers' Guild Enterprises Limited (EGE Ltd), for the year ended 31st August 2020. The activities and financial statement incorporate the results of the regions and branches of the Guild.

This document conforms to the Charities SORP (FRS 102) for the Trustees' Report disclosure requirements.

#### REFERENCE AND ADMINISTRATION DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS

<b>President</b>	Alice Kettle – Resigned April 2021
<b>Trustees</b>	Muriel Campbell (Chair of the Board) – Retired 30 <sup>th</sup> September 2020
	Anthea Godfrey (Artistic Director)
	Dr Penny Hill (Special interest - Social Media)
	Neil Hitchins – Appointed 12 <sup>th</sup> January 2021
	Loetitia Gibier (Special interest - Design) – Retired 28 <sup>th</sup> March 2020
	Alex Messenger (Artistic Director for Young & Student Embroiderers)
	Amanda Smith (Special interest - Education)
	Elizabeth Smith (Special interest - Conservation) – Retired 31 <sup>st</sup> December 2020

<b>CEO</b>	Terence Murphy – Retired 31 <sup>st</sup> January 2021
<b>Registered Office</b>	Embroiderers' Guild at Bucks County Museum, Church Street, Aylesbury HP20 2QP
<b>Bankers</b>	Unity Trust Bank plc, Four Brindley Place, Birmingham B1 2JB
<b>Auditors</b>	Knox Cropper LLP, Chartered Accountants, 65 Leadenhall Street, London, EC3M 2AD
<b>Company &amp; Charity Registrations</b>	Charity in England & Wales No. 234239 and Scotland SCO40142 Company limited by guarantee No. 00294310

**Governing Document**

Articles of Association approved at an Extraordinary General Meeting (EGM) held on 20<sup>th</sup> June 2015.

**Trustee Seats**

Artistic Director; Artistic Director for Young & Student Embroiderers; and Chair of Finance may be nominated by members of the Guild and are appointed by the trustees.

Trustees with a special interest in one of Conservation; Design; Education; Marketing; Students; Social Media and Regions & Branches are nominated and elected by members of the Guild.

Trustees with knowledge and skills related to Legal matters; the 3<sup>rd</sup> Age; and Income Generation may be nominated by members of the Guild or by external application and are co-opted by the trustees.

The knowledge, skills, experience and personal attributes applicable and sought for each trustee seat are published on the Guild website. These are intended to function as a framework for nominations, appointments, elections, and co-options.

As at 31<sup>st</sup> August 2020 the following seats were unfilled... Chair of Finance; Legal; 3<sup>rd</sup> Age; Students; Regions & Branches; Marketing; and Income Generation.

**Chair of the Board of Trustees**

The Chair of the Board of Trustees is elected by the members of the board from their number. The period of 'office' as Chair of the Board is normally between 2 and 4 years. The attributes and expectations of the 'Chair of the Board' are published on the Guild website.

Muriel Campbell was the elected 'Chair of the Board' on 31<sup>st</sup> August 2018. She subsequently retired as Chair on 30<sup>th</sup> September 2020.

**Board of Trustees**

The Board of Trustees meets as often as deemed necessary but never less than four times a year. It governs the Charity. The Board's main focus is on the Vision, Aims, Strategies (originally approved by Guild members at an EGM held on 20<sup>th</sup> June 2015 and subsequently revised to reflect changing circumstances), Risks, Investments, Policies, Data Protection, Activity Plans including delivery of a Public Benefit, Employer Responsibilities, Income Generation, Financial Management and the use and application of Restricted Funds. The Board also reviews the performance of the CEO (and staff) and, through the CEO, the performance of major contractors, partners, and sponsors.

The trustees and CEO make annual 'Related Parties' declarations to the auditors. These are designed to recognise, manage and eliminate the possibilities of risks related to the activities of trustees/CEO and related parties (company directors or family members).

The authority of the trustees is set out clearly in the Articles of Association approved by members at the EGM on 20<sup>th</sup> June 2015. The Board of Trustees delegate authority to the CEO to make operational and employment decisions and to contract with others on behalf of the Guild. These delegated authorities are set out in the contract between the Guild and the CEO.

Some decisions, normally related to the membership as a whole or the conduct of the company, require the approval of members, either a simple majority or, in some instances, a minimum of 75%. Such decisions are set out in the Articles of Association and members may vote in person or by proxy usually at an AGM or EGM.

### Induction and Training of Trustees

A comprehensive induction programme is prepared and updated regularly.

Trustees are conscious of the obligations of corporate governance and duties as defined by the Charity Commission and as set out under the accountabilities of directors as stated in the Companies Act 2006. Trustees are encouraged to visit the National Council for Voluntary Organisations (NCVO) website for further guidance and clarity. Trustees are encouraged to acquire and maintain relevant knowledge and experiences to be able to provide the leadership and/or guidance necessary to the board as a whole and to the Chief Executive Officer (CEO). All trustees are required to sign and observe a 'Code of Conduct'.

Trustees have put members and the sustainable future of the Charity at the heart of their immediate and mid-term strategic decisions.

## **Organisation and Management**

The Guild comprises the 'Board of Trustees'; Finance Committee; the Council of Regional Chairs; the Head Office (CEO and Staff); and Volunteers, in particular, region and branch committees and volunteers working at Bucks County Museum and Resource Centre.

### The Charity Finance Committee

This committee usually meets on average four times a year and comprises the Chair of Finance; Chair of the Board; and Trustee with 'Special Responsibilities for Legal Matters'. However, as a consequence of the vacancies of Finance Chair, and Trustee with a special responsibility for legal matters, the work of the Finance Committee has been undertaken by the Board of Trustees. The role of the Finance Committee is to scrutinise budgets including year-to-date performance and forecasts; review management accounts including those of the wholly-owned subsidiary, EGE Ltd; Employment Contracts, Pension arrangements and contractor performance and any risks related to the conduct of the contractual arrangements. The role of Chair of Finance has not been filled for the year ending 31<sup>st</sup> August 2020. The Board of Trustees has sought advice as necessary from the Guild's auditors, accountants and legal advisers.

### Head Office

This is situated at Bucks County Museum in Aylesbury. The space is rented from the Museum Trust. It houses the Guild records and equipment.

The services provided by Head Office staff include:

- Administration of membership subscriptions.
- Insurance for the Guild and its regions and branches.
- Support for regional and branch committees, in particular for region and branch officers.
- Coordinating and supporting volunteers.
- Advice and support on safeguarding young people and adults.
- GDPR implementation and advice to regions and branches on data protection.
- Advice on copyright matters.
- Support for regional and branch exhibitions, events and projects
- Developing activities to supplement and reduce the annual cost of branch meeting programmes.
- Design services.
- IT support for regional and branch officers and members.
- Developing a mid-to-long-term programme of member participation, national projects for the public benefit.
- Booking, administration and development of the Guild's 90+ folios.
- Production of the members' magazine – '*Contact*' and '*Keeping in Contact*' introduced in March 2020.
- Assisting regions and branches with banking and funding matters.
- Assisting regions and branches with the year-end reporting and audit process.
- Compliance and reporting services.
- Constitutional and legal advice.
- Developing and maintaining the Guild's database of members, branches and regions.
- Developing and maintaining the Guild's website, Facebook pages, Pinterest Boards, and Instagram.
- The Guild on-line shop.

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**Head Office (continued)**

- Technical and operational support and advice on computing and the use of social media, blogs, websites etc.
- Supporting the development of the EG distance-learning offering.
- Relationships with sponsors and partners.
- Working with solicitors and executors to maximise the benefit to the charity from legacies.
- Contracts and contracting, and supplier service performance.
- Accounts for the Guild, EGE Ltd and the annual consolidation of accounts.
- Preparing for the Guild AGM.
- Preparing for and guiding the implementation of the requirements of the GDPR.
- Preparation for public events/shows including design, printing and logistics.
- Responding to requests by members, the wider stitch community and the general public on a wide variety of topics.
- Providing information and guidance to members, branches and regional committees in relation to COVID 19.

Since the Government mandated COVID19 lockdown in 2020, head office has published a series of guidelines and advice to members and branches on matters relating to personal care to contractual arrangements and considerations for restarting monthly branch meetings. The Guild provided appropriate insurance for regions and branches throughout the period of the pandemic.

The Head Office team deal, on average, with over 10,000 requests per year from members, branches, regions, graduates, scholars, competition entrants, the wider stitch community and the general public. However, the strategic focus is on assisting the organisation to realise its Vision and achieve its Aims.

The Guild has four employees (three full-time and one part-time). In addition, it contracts with sole traders, private limited companies and PLCs, as appropriate, for network support, programming, magazine production services, accountancy, banking and audit services and, from time-to-time, legal advice. The staff work remotely from home with reliable communication links between each other and with the CEO.

The Head Office service is only possible with the considerable support of trustees and other volunteers.

The CEO is an independent contractor. The fees paid to the CEO are fixed for the duration of each contracted period. The CEO has no employment rights or benefits and is expected to provide the services as set out in the contract between the CEO and the Guild at the expense of the CEO in the event he is unable to do so personally. The CEO also works remotely but visits the office as required.

### The Council

The Council comprises the Chairs of the ten regions of the Guild. Council meetings are normally chaired by the 'Chair of the Board of Trustees' and attended by the 'Trustee with a Special Interest in Regions and Branches', the CEO and other trustees as necessary. The Council is concerned with the interests of the region and branches and the implementation of the Vision, Aims, Strategies and Purpose of the Charity, in particular, delivering a public benefit. It normally meets twice a year. However, the Council has not met since October 2019 due mainly to the restrictions and personal care required as a result of the COVID 19 pandemic.

### Regions

There are 10 regions of the Guild covering England and Scotland. Each region is run by a committee whose members are elected by the members of the Guild, almost always limited to the members residing in each region.

Some regions experience difficulties related to forming a committee or filling the main committee posts, in particular, Chair and Treasurer. In 2019/20 four regions experienced these difficulties. The Head Office and Trustees provided support as requested or needed with the aim of minimising the loss of amenities for members and providing support for those volunteers committed to provide a regional service albeit without the support of a full committee.

Regional programmes can include Regional or Festival days, workshops, courses, exhibitions, competitions, summer schools, and inter-branch days. Regional Days provide a variety of activities and interests and are usually well attended. Many Regional Days are attended by either the Chair of the Board, trustees, or the CEO. Members hear a report on the activities and achievements of the Guild, in particular, the public benefit and the main priorities for the future. The regions support their branches in many ways including administrative and financial advice and by arranging workshops, exhibitions, educational trips, residential summer schools and other regional events and activities.

Most regions hold an AGM. This gives members the opportunity to review the activities of the region, the work of the regional committee and the finances of the region. A trustee or their nominee, aim to attend Regional AGMs and report to members on behalf of the Board of Trustees.

### Membership

At the end of August 2020, the Guild had 4,500 adult members. These comprise Life Members, Individual Members and Members affiliated to one or more of 145 branches.

### Branches

Members join a local branch because they have a passion for embroidery and textile art and wish to meet people with similar interests.

Most branches hold a monthly meeting, some fortnightly, often with a guest speaker. Speakers give presentations on a diverse range of subjects. In addition, branches run workshops, organise outings, attend conferences, visit exhibitions and museums, and take part in a wide range of community projects. Their contribution creates and extends the awareness of embroidery and textile art, helps other organisations achieve their aims and brings pleasure to many who see the fine examples of work created by members who participate in these projects.

Many branches print a newsletter and/or have a website or publish a blog. Many have a library of specialist books and magazines which are available to members for interest or to improve their craft skills and widen their knowledge of embroidery. They also keep members in touch with the work and developments of the Guild.

Branches and individual members take part in local, regional and national embroidery initiatives that often lead to public exhibitions of work.

Members' work has been exhibited in support of churches, flower shows, craft fairs, arts and flower festivals, agricultural shows, and hospices. Members have drawn inspiration from other events and projects, including stately homes, museums and gardens.

Members have also worked alongside teachers and lecturers in schools and colleges across the UK to support the art and craft aspect of the curriculum.

All these activities help increase awareness and interest in embroidery that results in new memberships. Taken together, they are a major contributor to achieving the charitable objects of the Embroiderers' Guild.

Most branches ceased to meet in March 2020 as a direct consequence of the COVID 19 pandemic. All branches put in place revised programmes to engage and stay in touch with members. Many made use of social media and on-line meeting facilities such as Zoom and Microsoft Teams.

### Young Embroiderers

YE membership as of August 2020 was 405, many affiliated to one of 51 groups or are independent members.

Compliant with the law of England & Wales DBS (Disclosure and Barring Service) checks and the law in Scotland PVG (Protection of Vulnerable Groups) checks and records have been maintained and updated in 2019/20.

The website includes substantial information for casual or directed visitors. The two member areas were designed to meet the needs of 'Junior Embroiderers' and the older 'Textile Students'. The website includes a large number of projects and ideas including the facility for Young Embroiderers to contact recent and past graduates and scholars for help, advice or information. The YE website has had visitors from Europe, USA, Australia, India and the Far East.

### The Trading Company – EG Enterprises Ltd, a wholly owned subsidiary

The Guild's wholly-owned subsidiary, EG Enterprises Ltd, sold its *Stitch* publication in January 2020 but continues to publish *Embroidery* magazine. The directors of EG Enterprises Ltd may be drawn from the trustees, the staff and, subject to Board approval, external persons. EG Enterprises Ltd contracts with editors, designers, photographers, printers, subscriptions management providers, retail chain account managers, advertising agencies and distributors. It does not employ staff, nor does it have separate premises. However, it is assigned a share of Guild staff and facilities costs sufficient only to publish and distribute the magazines. EG Enterprises Ltd may develop new and alternative income streams but it has no working capital. Taxable profits are 'gift aided' to the Guild.

### Communications

The Guild uses a number of communication channels. Communications from Head Office may be...

- Sent direct to members, often via Regional Chairs.
- Posted on the members' area of the website.
- Included in *Contact*. This is published monthly via email. Members who do not have access to email may receive a printed copy produced by their branch or have sight of a copy when attending a branch meeting. Members who do not attend branch meetings or do not have access to a printed copy receive an annual edition that includes the best of the features of the previous year. This edition is printed and posted to applicable members in January of each year.
- Distributed via region and branch committees or appropriate region and branch officers for onward transmission to members at meetings and other events.

## Vision, Objects, Purpose, Strategies and Aims

### Vision

Our 'Vision' is that... *the Guild is recognised and valued as a central educational and inspirational resource – a hub for all who are attracted to or experienced in embroidery/stitch, textiles and related arts and crafts. It is seen as being supportive of all levels of ability whether for personal enjoyment through to an increasingly rewarding and enriching experience of personal accomplishment in the furtherance of historical skills, techniques and artistic excellence.*

### Objectives/Purpose

The principal objectives of the Charity as defined in the Articles of Association are to:

- **Encourage** new generations to stitch whether for pleasure, technical excellence or artistic merit.
- **Support** all who teach, learn, explore and extend the boundaries of the art of stitch.
- **Publish** the history of stitch and support contemporary research.
- **Collect**, preserve and exhibit items of historical and contemporary significance.

### Aims and Activities for the Public Benefit

The focus points and aims for the medium to long term starting in April 2019 are...

- **Membership:** To develop a membership scheme that reflects the various levels of interest and attainment throughout the stitch community. Following on from the disappointing outcome of the member consultation in 2014/15 there has been no further progress in the accounting period although members of the professional stitch community have been invited to take part in selected Guild projects.
- **Branches:** To develop a new relationship with branches that works for the branch and the central Guild and, wherever possible, includes a mutually supportive, coordinated approach to realising the Guild's Vision and Objectives. Some progress was made via the participation of members in the national projects related to Capability Brown, the 'White Walker' embroidery, 'Page 17, 100 Hearts War Stories and Home. Unfortunately, Covid19 and the lockdown meant that plans for the second half of the year had to be cancelled. The Guild continues to seek a co-ordinated, synergistic approach to realising the Guild's Vision and Objectives.
- **Regions:** To build on the work already done by each region with a view to achieving a greater level of coordination and focus on the long terms Aims of the Guild; less duplication in the use of volunteer time; and improved support for branches of the Guild. A plan was prepared and discussed in detail at a Council Meeting but did not achieve a sufficient level of consensus to be implemented.

**Aims and Activities for the Public Benefit (continued)**

- **Teaching:** To develop and make available on a large scale a package of support for teachers throughout the education systems of England, Wales and Scotland. No substantive progress has been possible in the accounting period due mainly to the non-availability of expected funding. However, the launch of the 'World's Longest Embroidery for Schools' is a vehicle for engaging teachers and pupils and open a pathway to a future dialogue and possible cooperation. The aim was to involve 1000 schools in this project in the next five years but again Covid 19 and the closure of schools meant the project had to be suspended.
- **On-Line presence:** To be an information hub or portal for all engaged in embroidery, stitch, art and design. This includes making optimal use of social media and the creation of on-line facilities that will have a world-wide appeal. There is now a full-time digital marketing post. The Guild now has an active on-line presence via FB, Instagram and Pinterest. Its public website continues to be a source of news and information and the members' side has an increasing range of facilities for members.
- **Public Engagement:** To engage, inform, educate, inspire and support all who indicate a wish to acquire or develop the skills and artistry of embroidery. This has been an area of considerable achievement in recent accounting periods. In particular, the participation by over 2000 members in creating pieces for the 45 exhibitions inspired by the life and work of Capability Brown and the creation and subsequent exhibitions of the 'Hardhome' embroidery, 'Page 17', '100 Hearts' and 'Home'. The aim of bringing stitch and textile art to a wider public via exhibitions in high footfall venues was, unfortunately, made impossible by the cancellation of large-scale public events due to Covid19 and the lockdown from March 2020 onwards.
- **Exhibiting items from the Guild Collection:** To attract partner venues spread throughout the UK that will, from time to time, host exhibitions of items from the Guild's collection for the benefit of members and the general public. There were two exhibitions in the accounting period, one hosted by Ely Cathedral and the other in the permanent EG Collection gallery at Bucks County Museum. Prior to this there had been a 4-month exhibition of items from the EG Collection at Bucks County Museum and a wartime memories exhibition, the 'Calm during the Storm'.
- **Young & Student Embroiderers:** To continue the groups of young embroiderers and to extend the Guild's reach to engage, inform, educate, inspire and connect with young people in schools and further and higher education colleges. The aim was to engage 5000 young people per year by 2020 but this is unlikely to be achieved. It is being reassessed.

**Strategies for achieving the Aims and Objectives**

The Guild seeks to achieve its Vision, Aims and Objectives by ...

- Continuing the active engagement of members and network of Guild branches and regions to work together in a co-ordinated way.
- Crafting a relationship with members and branches that is non-judgmental and mutually beneficial, a relationship based on the future and not the past.
- Adopting the lowest cost, digital administration processes, and communications and use social media to greater effect to improve our engagement with the wider community.
- Developing educational initiatives on a scale where it is possible to make a meaningful contribution to teaching, inspiration, and learning.

These strategic approaches are underpinned by the following set of values...

- Excellence
- Inspiration
- Inclusiveness ... involving members, top practitioners, tutors, speakers, teachers, partners, cultural groups, and the public.
- Mutuality... Having a common purpose and acting together in mutually beneficial ways

Making the Guild's Vision a reality will require the scale of what we do to be sufficient to truly *make a difference* and be seen to do so.



**Criteria for Assessing Success** (in this reporting period)

- **Members, branches and regions** – Achieving a simple majority approval of plans for reducing administration costs and invitations to participate in the achievement of the Vision and Aims. This was not achieved. Some efficiencies and savings were achieved in the process by which Guild membership renewals payments were made. However, reducing administration costs requires the introduction and adoption of automated payment and records maintenance processes. This has proved to be a major obstacle.
- **On-Line presence** – Making operational changes necessary to create the resources needed. Substantial progress continues to be made.
- **Public Engagement** – Moving exhibitions of embroidery and textile art into high footfall venues and in doing so raising the exposure of the Guild and the artistry of stitch by a factor of many hundreds. This was achieved.

**Main Activities** (in this reporting period)

- **Governance and Compliance** – In this accounting period trustees gave approximately 2,000 hours as volunteers. Within this the Chair of the Board gave approximately 1,000 hours.
- **Public Engagement** – Due to the COVID 19 restrictions and personal/public safety considerations the Guild was unable to carry out planned public engagement activities.
- **Embroiderers' Guild Members' Challenge** – This challenge to members of the Guild is issued every year. It invites members to create original pieces interpreting a theme set by the Artistic Director of the Guild. Over 60 members responded in this reporting period. The award categories recall and celebrate some of the most iconic and influential embroiderers of the last century. Trustees provide a further 60 days in support.
- **Reasons to be Thankful** - At the beginning of our first UK lockdown, members of the Embroiderers' Guild came together to show thanks and appreciation to our heroic NHS staff in the way we know best – through the medium of stitch.
- **Wall Hangings** - The Embroiderers' Guild have produced three wall hangings each composed of individual stitched squares by members which offer their own personal and heartfelt messages of thanks. The embroideries serve to remind everyone of the crisis but also thank our selfless NHS staff across the nation for their personal sacrifice.

**Public Benefit**

These example activities fulfil the public benefit requirement and contribute to the objects and related aims of the charity. Individual members and members of branches and regions of the Guild have...

- Taken part in a wide range of community projects.
- Run stitch workshops and demonstrations in public places.
- Led or contributed to restoration works.
- Held pop-up, drop-in stitch surgeries.
- Supported local arts weeks and arts festivals.
- Contributed to heritage events.
- Contributed to church and community events.
- Demonstrated the art of stitch and textile design.
- Used stitch as a basis for therapy sessions.
- Awarded bursaries to young embroiderers and student textile artists.
- Piloted support for undergraduates.
- Supported teachers in schools and colleges.
- Advised on and contributed to conservation and restoration work.
- Run or supported after-school clubs.
- Held open workshops for young people.
- Helped people in residential care.
- Delivered talks on stitch or the Guild's collection to other community and special interest groups.
- Invited the public to add their stitches to the 'World's Longest Embroidery'.
- Exhibited work in public places.
- Provided help to individuals needing input to enable them to complete personal projects.
- Produced banners and other commissioned pieces for community groups and places of worship.
- Run summer schools.
- Invited members of the public to regional festival days and other events.
- Engaged primary and secondary school boys and girls via their participation in the World's Longest Embroidery for Schools'.

The Guild continues to...

- Award bursaries to Guild Scholars and Graduates.
- Recognise and encourage excellence in teaching and lecturing through its awards in the name of Beryl Dean.

Additional Information – Volunteers (approximately 6,000 days). The following figures are an indication of volunteer contributions to the charity in normal, pre-COVID times.

- Assistance in the Head Office – 180 'volunteer days' (contributions by trustees and specialist knowledge volunteers).
- Assistance with the EG Collection, folios and library – 240 'volunteer days' including contributions by trustees.
- Running the regional programmes – approximately 200 'volunteer days'.
- Running branch programmes – approximately 5,000 'volunteer days'.
- 'Volunteer' time given by trustees including running the scholars and graduate selection processes and contribution to the Beryl Dean Award – approximately 170 'volunteer' days (mainly contributions by trustees).
- Running national projects including 'Reasons to be Thankful' – approximately 30 'volunteer days' (mainly contributions by trustees).

**Public Benefit (continued)**

- Running the young embroiders projects ('Postal Pages'; 'World's Longest Embroidery'; Postcard Archive) – 10 volunteer days (contributions by trustees).
- Governance – 100 days

**Achievements and Performance**

**Main Achievements in relation to direct beneficiaries...**

- Three bursaries were available to Scholars (18-30; 30+; and an 'education' scholar – no age band) to assist with the achievement of their aims. Two were awarded.
- Eight Graduate awards to final year students enabling them to exhibit their work at the major shows. An experienced team from the Guild visits designer shows to find and identify the best graduates. Cancelled for 2020.
- The annual 'Members' Challenge' which encourages excellence in design, skills and interpretation.
- Two Young Embroiderers' awards to students considering higher education in textiles/design.
- The development of a pilot scheme known as 'Postal Pages'. The scheme involves young embroiderers exchanging ideas, being inspired, and doing new work that extends their skills and imagination.
- An award in the name of Beryl Dean to recognise teaching excellence in higher education, now in its 6<sup>th</sup> year.

**Main Achievements in relation to society as a whole**

- The creation of the 'White Walker Hardhome Embroidery' and its subsequent exhibitions extending into early 2019.
- Results on social media (over 500,000 views) and feedback from exhibiting venues indicate that over 200,000 people visited these exhibitions. Consistent feedback from the exhibition host venues was that the pieces on display were seen by an audience that included visitors who were seeing embroidery and textile art either for the first time or being reintroduced to it.

**Fundraising**

- The Guild head office appealed to individual Guild members, branches and regions to contribute to the first two years' costs associated with the transfer of the EG Collection to Bucks County Museum and the performance of the Service Level Agreement between the Guild and Bucks County Museum Trust. The target of £45,000 was achieved at the start of the previous accounting period.
- Regions of the Guild raised £44,000 of income in support of their programmes. All funds raised are retained by the regions.
- Branches of the Guild raised £373,000 of income in support of their programmes. All funds raised are retained by the branches.
- All funds generated by the regions and branches were retained for their use.
- There is no data available on the costs of fundraising by the regions and branches of the Guild.
- As required by the Charity Governance code we confirm that the Guild does not employ professional fund raisers.
- Additionally, the Guild does not have funds or contracts awarded from local authorities or national or devolved governments.
- The only income received from overseas is the payment of annual personal memberships.

**Factors influencing the charity's ability to achieve its objectives**

Positive factors include...

- Ability to build mutually beneficial relationships with third parties, many of whom have resources far in excess of those of the charity.
- Implementation of a revised governance structure.
- Contributions by individual trustees unconnected with their governance role.
- The development of the first on-line branch, ThreadIT, designed to meet the needs and interests of embroiderers of all skill levels resident in the UK and overseas. ThreadIT became available to an initial cohort of EG members in mid-2020 in order to test the systems and facilities prior to a public, world-wide launch.
- The development of a range of design-led, on-line, distance learning courses to meet the needs of embroiderers who wish to explore and develop their artistic use of stitch and textiles. These EG design courses were offered for sale to a limited cohort of purchases in mid-2020 in order to test the systems and delivery of the materials prior to a public, world-wide launch.

Negative factors include...

- The public perception of 'embroidery'.
- An ageing membership.
- 'Volunteering fatigue' (within the ageing membership).
- Greater interest of Guild members in the life and work of their branches over that of the central Guild.
- Internal local needs and desires over a coordinated national, outward facing programme that included local benefits.

- The work and time involved with complying with increasing legislation and the increasing need to move towards on-line banking.
- Persistent, unfilled vacancies within the governance structure.
- Reluctance of members and branches to engage in coordinated activities focused on income generation for the central charity.

#### Plans for Future Periods

The future direction of the charity is to...

- **Attract a new membership** drawn from people in two primary groups i.e., those with an interest and personal investment in stitch and textile art who wish to further that interest after leaving further or higher education and people, a little later in life, who find themselves with available time to pursue a previous or new interest in stitch and textile art.
- **Streamline its administration costs**, in particular, with reference to exceptional membership administration costs.
- **Extend its distance learning offering** and capacity to become a significant income stream.
- **Further extend its on-line capabilities** to enable the widest access to its resources and be a portal-of-choice for the wider stitch community.
- **Continue to extend its reach into the public domain** with partnerships and projects that bring stitch and textile art to the widest audience in ways that inspire, educate and motivate that audience to support and/or participate.

Experience has shown that the current model of branches and local activities may have only a limited life. Social expectations and trends indicate clearly the need for digital social and educational facilities and interactions. Equally, the development of on-line facilities will also meet the changing needs of an ageing population, one that is less able or less inclined to travel for meetings and events. The trustees are committed to supporting the current model while, at the same time, developing new on-line services and facilities. However, this will create a challenging demand on funds and other resources. Part of the challenge continues to be a reluctance by long-time members to move on from the legacy created by failures and disappointments in the mid-2000s.

In the immediate short term, the Guild aims to...

- **Determine the level and extent of interest of members** in supporting and taking an active role in the achievement of the public engagement aims and activities.
- **Extend its on-line presence**, facilities and services to attract and engage with a new generation of participants in stitch and textile art.
- **Exhibit items from the Guild's Collection** in 2019/20 in a total of at least two venues in the South West, East Anglia, North East, North West and Scotland. Suspended as a result of the pandemic.
- **Create a new website** with facilities to underpin the aim of becoming a portal or hub for all with an interest in stitch and textile art and one that includes increased on-line engagement facilities i.e. on-line branches and social groups for members and course participants.
- **Continue to extend the distance learning opportunities** offered by the Guild via the introduction of more short courses and the introduction of on-line learning groups and individuals.

- 
- **Expand the scheme for the World's Longest Embroidery for Schools** and, subject to the findings, set objectives for engaging schools throughout the UK and beyond. This is on-hold due to COVID 19 and will remain so at least until schools return to fully normal operations.
  - **Reassess the establishment of branches of the Guild in universities.** These may be achieved through the developing on-line virtual branch capability.
  - **Continue to develop public benefit focused, project-based relationships** with regional, national and international organisations. A 2019 project (HOME) attracted excellent support from members and a project for 2021-2022 is being planned.
  - **Investigate possible approaches to maximising the therapeutic attributes of stitch** when used as part of a wider programme to help people cope with trauma and stress. Run at least one scheme.
  - **Partner with other organisations to bring stitch and textile art to a wider audience** on a scale that has the potential to make a difference to the point where others support and/or join the Guild. This work has started. Progress has been encouraging but it will take long term commitment and investment.

### Risks

The Guild maintains and regularly reviews a register of high-risk topics and factors, in particular, risks that have the potential to undermine the viability of the charity and/or the wholly owned subsidiary – EG Enterprises Ltd. The trustees confirm that the risk register is an agenda topic for all board meetings.

### Risks facing the Charity

- **Closure of branches** due to 'volunteer fatigue', membership numbers becoming too low to support the essential costs of a branch and a desire to move away from and potentially reduce the costs of being part of a charity.
- **Declining membership numbers** due, in part, to the age profile of the membership (average 70 years); an unwillingness or inability at branch level to take the actions necessary to attract new members, not helped by the associated increases in premises hire and other related costs; and the current lack of an on-line offering to attract support and/or memberships.
- **Continuing loss of membership income** previously estimated to be 5% year-on-year but, as a consequence of COVID 19, proved to be 24% net loss in 2020 – a £60,000 loss of income.
- **Loss of membership in excess of that experienced in September-November 2020 the forecast – a possible additional loss of income of c. £30-60,000.**
- **Capacity to change** either in the direction of a coordinated approach to achieve the essential public benefit outcomes and to adopt administration practices that would lead to essential streamlining and cost reduction. The trustees continue to encourage change in this direction, but it is difficult to see how the necessary changes could be achieved without a significant loss of current members.
- **A lack of inclination at a grass roots level to raise funds for the operating costs of the Guild** head office to invest in the future viability of the charity. The trustees have consulted on whole-Guild income generation schemes and continue to do so.
- **Viability of the charity** – As at November 2020 the trustees were assessing the likely viability of the charity and were engaged in a process to identify possible ways forward.

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**Risks facing the wholly owned subsidiary – EG Enterprises Ltd**

- **Embroidery magazine ceases to make a trading profit** and/or cannot pay the overhead costs associated with its production and distribution. To be reviewed on an issue-by-issue basis. It is hoped that the new (2020) website for the magazine will help attract and retain subscribers.

**Significant Factors and Events**

Financial impacts of significant events during the year...

In 2019 the directors of EG Enterprises Ltd reviewed the strategic position of the company and resolved to dispose of Stitch magazine, which was completed during the year. for an amount equal to the forward liability to the magazine's subscribers. The company continues to publish *Embroidery* magazine and the directors continue to monitor the performance of the company.

**REVIEW OF FINANCIAL ACTIVITIES**

*Parent Company in these accounts refers to the Guild head office and the branches and regions. Group refers to the parent company and the trading subsidiary company EG Enterprises Limited.*

The main sources of income of the Guild are members' subscriptions, donations and legacies, and profit on the sale of magazines from our trading company EG Enterprises Limited, (EGE). In addition, these accounts include income from branches and regions. Branches have continued to make a significant contribution to group turnover with income generated from classes, workshops and lectures, exhibitions and projects, outings, social events and meetings, despite the impact of the pandemic lockdown restrictions in the latter half of the year.

The Embroiderers' Guild Group (Head Office, Regions, Branches and EGE Ltd) recorded a deficit of £73,192 (2019: deficit of £67,305). Within this, the Guild recorded a deficit of £114,008 (2019: deficit of £47,446).

The Guild Head Office deficit was primarily due to a decline in donations received in the year. The Guild continues to be extremely grateful to its benefactors. Guild Head Office continue their commitment to monitoring all of and exercising tight control over costs, and in this regard achieved a reduction in support costs.

Membership subscriptions paid to the Guild and Branches decreased by £29K in 2019/20 to £308k, of which £16K was a decrease in amounts paid to Head Office.

Branch income decreased from £589K to £417K (29%). Branch expenditure, however, also decreased from £642K to £445K (31%) reducing the deficit on branch activities from £53K in the preceding year to £28K. Remaining funds left over on the closure of branches continue to be designated within the Branches Support Fund by the trustees.

Under its Articles of Association, the Charity has the power to make investments as the Trustees see fit, subject to the jurisdiction of the Charity Commissioners. The Guild realised its holdings with Cazenove Fund Management Limited during the year.

**Reserves Policy**

The Guild's policy is to take all necessary action to provide secure financial stability for the future. This policy was the subject of an Executive Committee decision in 2013 to adopt and implement a 'Sustainable Future' strategy.

The Charity holds both restricted and unrestricted funds. These funds relate to a wide range of Guild activities and exist to cover future expenditure on these charitable activities.

These reserves are principally those of the Guild's regions and branches and, though substantial in total, the individual branches' and regions' reserves are typically modest and prudent. In some cases, reserves are more substantial, often equal to a year's income or greater.

The Guild aims to eliminate the Head Office's unrestricted reserves deficit as soon as practicable. The budgetary control introduced in 2010 will continue to be applied, however, further action is required. Income needs to increase.

The balance of unrestricted funds at Head Office at 31st August 2020 was £(352,790) (Note 18). Note 18 also indicates that when the branches and region's reserves are taken into account, total unrestricted funds at 31 August 2020 were £328,367. Excluding fixed assets held for the group's own use, reserves amounted to £292,541.



**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The Trustees are responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law and the law applicable to charities in England and Wales requires the Charity Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and Charitable Company and of its incoming resources and application of resources, including the income and expenditure of the Group, for that period. In preparing these financial statements, the Trustees are required to:-

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Statement of Recommended Practice, Accounting and Reporting by Charities;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Charitable Company will continue to operate.

The Trustees are responsible for the Guild keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charity (Accounts and Reports) Regulations 2008, Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that, in the case of each of the persons who are Trustees at the date of this report, the following applies:-

- so far as each Trustee is aware there is no relevant audit information (information needed by the Charity's auditors in connection with preparing their report) of which the Charity's auditors are unaware.
- each Trustee has taken all the steps necessary to make herself/himself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

**Acknowledgements**

The continued commitment and achievements of all staff, volunteers, and members, in whatever capacity they are working to make this year's achievements possible, is gratefully acknowledged by the Trustees.

This report has been prepared in accordance with provisions applicable to companies entitled to small companies' exemption.

This report of the Board of Trustees was approved on 16th May 2021 and signed on its behalf by:

**N H M HITCHENS**

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Director / Trustee

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EMBROIDERERS' GUILD

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We have audited the financial statements of The Embroiderers' Guild (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31st August 2020 which comprise the consolidated statement of financial activities, the consolidated and company balance sheets, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (United Kingdom Generally Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31st August 2020 and of the group's incoming resources and application of resources for the year ended;
- have been properly prepared in accordance with United Kingdom General Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EMBROIDERERS' GUILD

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### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirements to prepare a strategic report.

### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 16), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material, if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EMBROIDERERS' GUILD

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### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken, so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report or for the opinions we have formed.

James Holland-Leader FCA, Senior Statutory Auditor  
For and on behalf of Knox Cropper LLP, Statutory Auditors  
65 Leadenhall Street  
London  
EC3M 2AD

XX XXXXXX 2021

## THE EMBROIDERERS' GUILD

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING THE INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Unrestricted Funds £	Restricted Funds £	Total 2019 £
<b>Income From</b>							
Donations and Legacies	2	24,650	-	24,650	74,310	-	74,310
Other Trading Income	3	239,294	-	239,294	267,436	-	267,436
Investments	4	885	-	885	4,149	-	4,149
<b>Charitable activities</b>							
Branch income	20	296,380	4,988	301,368	487,083	4,931	492,014
Subscriptions	5	307,611	-	307,611	336,683	-	336,683
Other income		-	-	-	53,662	-	53,662
<b>Total income</b>		<b>868,820</b>	<b>4,988</b>	<b>873,808</b>	<b>1,223,323</b>	<b>4,931</b>	<b>1,228,254</b>
<b>Expenditure on</b>							
Raising Funds	6	174,550	-	174,550	288,394	-	288,394
<b>Charitable activities</b>	7						
Collection and curatorial		5,997	16,350	22,347	6,049	1,161	7,210
Branch activities		438,826	5,298	444,124	627,043	4,729	631,772
Education		30,005	5	30,010	17,816	-	17,816
Exhibition and shows		44,977	1,585	46,562	19,087	-	19,087
Young Embroiderers		63,795	675	64,470	34,245	543	34,788
Membership services		159,588	4,385	163,973	295,216	3,012	298,228
		<b>743,188</b>	<b>28,298</b>	<b>771,486</b>	<b>999,456</b>	<b>9,445</b>	<b>1,008,901</b>
<b>Total expenditure</b>		<b>917,738</b>	<b>28,298</b>	<b>946,036</b>	<b>1,287,850</b>	<b>9,445</b>	<b>1,297,295</b>
		<b>(48,918)</b>	<b>(23,310)</b>	<b>(72,228)</b>	<b>(64,527)</b>	<b>(4,514)</b>	<b>(69,041)</b>
Net (losses) /gains on investments	13	-	(964)	(964)	-	1,736	1,736
<b>Net (expenditure)/income</b>		<b>(48,918)</b>	<b>(24,274)</b>	<b>(73,192)</b>	<b>(64,527)</b>	<b>(2,778)</b>	<b>(67,305)</b>
Transfers between funds	18&19	32,861	(32,861)	-	-	-	-
<b>Net movement in funds</b>		<b>(16,057)</b>	<b>(57,135)</b>	<b>(73,192)</b>	<b>(64,527)</b>	<b>(2,778)</b>	<b>(67,305)</b>
Fund balances at 1st September 2019		344,424	415,478	759,902	408,951	418,256	827,207
<b>Fund balances at 31st August 2020</b>	15&16	<b>£328,367</b>	<b>£358,343</b>	<b>£686,710</b>	<b>£344,424</b>	<b>£415,478</b>	<b>£759,902</b>

Total unrestricted branch income and expenditure, amounted to £411,918 and £440,028 respectively. For accounts disclosure purposes, the income from branch activities excludes donations, subscriptions and investment income, which are accounted for under these headings. Subscriptions paid by branches to Head Office are eliminated on consolidation. The results for the year are all derived from continuing activities. There are no gains or losses other than those disclosed above.

**THE EMBROIDERERS' GUILD**  
**CONSOLIDATED & COMPANY BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

	Notes	2020		2019	
		Group £	Parent £	Group £	Parent £
<b>Fixed assets</b>					
Intangible assets	11	25,826	25,826	29,490	29,490
Tangible assets	12(a)	-	-	-	-
Heritage assets	12(b)	10,000	10,000	10,000	10,000
Investments	13	-	-	25,883	25,883
Investment in subsidiary company	14	-	100	-	100
		<u>35,826</u>	<u>35,926</u>	<u>65,373</u>	<u>65,473</u>
<b>Current assets</b>					
Stocks	15	-	-	180	180
Debtors	16	33,496	15,872	46,609	29,735
Cash at bank and in hand		712,826	711,651	791,813	752,498
		746,322	727,523	838,602	782,413
Creditors: Amounts falling due within one year	17	(95,438)	(80,697)	(144,073)	(51,124)
<b>Net current assets</b>		<u>650,884</u>	<u>646,826</u>	<u>694,529</u>	<u>731,289</u>
<b>Total assets less current liabilities</b>		<u>686,710</u>	<u>682,752</u>	<u>759,902</u>	<u>796,762</u>
Creditors: Amounts falling due after more than one year		-	-	-	-
<b>Net assets</b>		<u>£686,710</u>	<u>£682,752</u>	<u>£759,902</u>	<u>£796,762</u>
Capital and reserves					
Accumulated funds					
Unrestricted	18	328,367	324,409	344,424	381,284
Restricted	19	358,343	358,343	415,478	415,478
		<u>£686,710</u>	<u>£682,752</u>	<u>£759,902</u>	<u>£796,762</u>

The financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees on 27th May 2021 and signed on its behalf by:



**N H M HITCHENS**

**Director / Trustee**

The notes on pages 23-33 form part of the financial statements.

Company Number 00294310 Charity Number 234239 (England) Charity Number SC040142 (Scotland)

**THE EMBROIDERERS' GUILD**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31ST AUGUST 2020**

	Notes	2020		2019	
		£	£	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Net cash (used in)/provided by in operating activities	A		(104,791)		(30,200)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Dividend and Interest Received		885		4,149	
Proceeds from sale of investments		24,919		-	
Purchase of Tangible Fixed Assets		-		-	
Purchase of Intangible Fixed Assets		-		(1,780)	
Net cash provided by/(used in) investment activities			25,804		2,369
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE FINANCIAL YEAR</b>					
Cash and Cash Equivalents at the beginning of the financial year			791,813		819,644
Cash and Cash Equivalents at the end of the financial year			£712,826		£791,813
<b>NOTES TO THE STATEMENT OF CASH FLOWS</b>					
A	Reconciliation of Net Expenditure to Net Cash Flow from Operating Activities		<b>2020</b>		<b>2019</b>
			£		£
	Net Expenditure for the financial year		(73,192)		(67,305)
	Adjustments for -				
	- Depreciation		-		2,605
	- Amortisation		3,664		3,664
	- (Gains)/Losses on Investments		964		(1,736)
	- Dividends and Interest		(885)		(4,149)
	- (Gains)/Losses on Sale of Fixed Assets		-		-
	- (Increase)/Decrease in Debtors		13,113		50,920
	- (Decrease)/Increase in Creditors		(48,635)		(15,199)
	- (Increase)/Decrease in Stock		180		1,000
	Net cash (used in)/provided by Operating Activities		£(104,791)		£(30,200)
B	Analysis of Changes in Net Debt				
		<b>At 1st September 2019</b>	<b>Cash Flows</b>	<b>At 31st August 2020</b>	
	Cash	£791,813	£(78,987)	£712,826	

**THE EMBROIDERERS' GUILD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1 Accounting policies**

1.1 The Charitable Company is limited by guarantee and incorporated in England and Wales. A description of the nature of the Charity's operations and its principal activity is disclosed in the Board Report on page 6.

The Charitable Company's registered office is stated on Page 1.

**1.2 Basis of Preparation and Assessment of going concern**

The accounts have been prepared under the historical cost convention with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Board has considered the impact of Covid-19 on the short and long term health of the Charity, and is content that the measures taken, combined with sufficient reserves, provides assurance that the going concern basis is appropriate in preparing the financial statements.

**1.3 Group financial statements**

These financial statements consolidate the results of the Charity and its wholly-owned subsidiary EG Enterprises Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account are not presented for the parent Charity itself, the Charity having taken advantage of the exemptions afforded by the Companies Act 2006. The parent company's (deficit)/surplus for the year amounted to £(114,008), (2019: £(47,446)).

**1.4 Intangible assets**

Intangible assets comprise externally acquired computer software and databases. These are carried at cost less accumulated amortisation and any recognised impairment loss. Intangible assets such as externally acquired computer software and software licences are capitalised and amortised on a straight-line basis over their useful lives of three to fifteen years.

Amortisation of intangible assets is calculated on a straight-line basis from the date of which they are brought into use, charged to support costs, and is calculated based on the useful lives indicated below:

Computer software and databases	3-15 years, or the lease term if shorter
---------------------------------	--

Amortisation periods and methods are reviewed annually and adjusted if appropriate.

*Estimation of Useful Life*

The charge in respect of periodic amortisation is derived by estimating an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced amortisation charge in the Statement of Financial Activities.

The useful life is determined by management at the time the software is acquired and brought into use and is regularly reviewed for appropriateness. For computer software licences, the useful life represents management's view of the expected period over which the Group will receive benefits from the software.



**THE EMBROIDERERS' GUILD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1 Accounting policies (continued)**

**1.5 Heritage assets**

The Guild maintains a collection of embroidery and related items. This collection of approximately 8,500 items has been built up over many years.

The original cost of individual items acquired historically is not available. Many items have been donated. The nature of the collection means that a sufficiently reliable method of valuation for accounting purposes is not available for items acquired prior to 1st August 2007. Items acquired subsequently are disclosed at cost.

**1.6 Other tangible fixed assets**

Other tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated at the following annual rates on the bases shown in order to write off each asset over its estimated useful life:

Computer equipment	33% of cost
Furniture, fittings and equipment	33% of written down value
Other assets – held by regions and branches	33% of cost

**1.7 Investments**

The investment in the subsidiary company is disclosed on the parent's balance sheet at cost.

Investments are a form of basic financial investment and are initially recognised at their transaction value and subsequently measured at fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

**1.8 Stocks**

Stocks have been valued at the lower of cost and estimated net realisable value.

**1.9 Leases**

Operating lease rentals are charged to the Statement of Financial Activities when payments to the lessor fall due. Currently no assets are held under finance leases.

**1.10 Pension fund contributions**

The pension costs charge represents the Charity's contributions to personal pension plans of staff members and these are brought into account when payments arising to the scheme fall due.

**1.11 Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Legacies and donations are recognised when the Charity is entitled to receipt and the amount can be ascertained with reasonable certainty. Subscriptions and membership fees (other than Life Membership fees) are spread over the period covered by the subscription and amounts received in excess of the amounts credited are deferred. Life membership subscriptions once paid are not refundable. They are therefore credited as income in the year of receipt.

**THE EMBROIDERERS' GUILD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1 Accounting policies (continued)**

**1.12 Expenditure and cost allocation**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is recognised on an accruals basis.

Costs that relate direct to charitable activities or fund-raising activities of the Charity are charged to those activities. All other expenses are allocated on the basis of time spent by staff on the various activities.

Governance costs include the costs of administering the Charity as a legal entity and include costs of Trustees meetings, audit fees, other statutory costs and allocated to support costs.

The parent Charity is not registered for VAT and costs are disclosed inclusive of VAT. The subsidiary company is registered for VAT and fully recovers all input VAT. Costs incurred by the subsidiary are therefore stated net of VAT.

**1.13 Funds**

Unrestricted funds are donations and other incoming resources that can be used at the discretion of the Trustees for charitable purposes. Restricted funds are funds received from donors for specific activities. Expenditure which meets the criteria can be charged to the funds. Designated funds are unrestricted funds which have been earmarked by the Board for specific purposes.

**1.14 Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.15 Cash at bank and in hand**

Cash bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.16 Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**1.17 Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**1.18 Significant judgements and estimates**

The following are the critical judgements and key sources of estimation uncertainty that the Board has made in the process of applying the charity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

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**1 Accounting policies (continued)**

**1.18 Significant judgements and estimates (continued)**

*Revenue Recognition*

Assumptions have been made by management in determining accrued magazine income for issues released prior to the year end for which income is received via stage payments after the Balance Sheet date. This judgement has been based on the latest sales data provided by the magazine distributor.

The basis for establishing income received in advance in connection with magazine subscriptions is also judgemental and is calculated based upon the month that the subscription is purchased. At the reporting date, the balance is deferred over the remaining term of the subscription. On the basis that subscriptions are on an annual basis, the Trustees are confident that this does not provide a material level of estimation uncertainty.

**2 Voluntary income**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Donations	7,427	24,909
Donations received by branches (Note 18)	17,223	23,671
Legacies	-	25,730
	<u>£24,650</u>	<u>£74,310</u>

**3 Other trading activities**

Commercial trading operations	210,005	267,436
Other income	16,610	-
Branch fundraising activities (Note 18)	12,679	-
	<u>£239,294</u>	<u>£267,436</u>

**4 Investment income and interest**

Investment income	124	2,499
Interest received	-	-
Interest received by branches (Note 18)	761	1,650
	<u>£885</u>	<u>£4,149</u>

**5 Subscriptions**

Embroiderers' Guild	222,736	238,851
Retained by branches (Note 18)	84,875	97,832
	<u>£307,611</u>	<u>£336,683</u>

**6 Raising Funds**

Support Costs (Note 7)	3,312	4,664
Branch Fundraising	2,051	-
Commercial trading operations	169,187	283,730
	<u>£174,550</u>	<u>£288,394</u>

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**7 Charitable Activities**

	Direct Staff Costs £	Other Direct Costs £	Support Costs £	Total 2020 £
Collection and curatorial	1,048	16,350	4,949	22,347
Branch activities	-	432,294	11,830	444,124
Education	6,919	3,000	20,091	30,010
Exhibitions and shows	15,305	3,937	27,320	46,562
Young Embroiderers	20,127	675	43,668	64,470
Membership	40,464	9,511	113,998	163,973
	<u>£83,863</u>	<u>£465,767</u>	<u>£221,856</u>	<u>£771,486</u>

	Staff Costs £	Other Direct costs £	Support Costs £	Total 2019 £
<b>Charitable activities</b>				
Collection and curatorial	752	1,652	4,806	7,210
Branch activities	-	620,688	11,084	631,772
Education	4,962	-	12,854	17,816
Exhibitions and shows	10,975	4,143	3,969	19,087
Young Embroiderers	14,434	3,907	16,447	34,788
Membership	42,442	44,763	211,023	298,228
	<u>£73,565</u>	<u>£675,153</u>	<u>£260,183</u>	<u>£1,008,901</u>

**8 Support Costs**

	2020 £	2019 £
Staff Costs	18,722	18,390
CEO	73,614	99,652
Database & Website	25,151	1,846
Accounting & Bookkeeping	33,715	38,156
Travel & Subsistence	9,293	16,250
Office Costs	24,203	44,479
Insurance	11,830	16,663
IT	8,796	10,802
Amortisation	3,664	3,664
Audit	10,473	10,200
Other	5,707	4,745
	<u>£225,168</u>	<u>£264,847</u>

**THE EMBROIDERERS' GUILD**  
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**9 Total resources expended**

Total resources expended are stated after charging:

		<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
Amounts payable to the auditors	- for audit	12,885	13,700
	- other services	-	-
Depreciation		-	2,605
Amortisation		3,664	3,664
Operating Lease Payments		<u>20,019</u>	<u>21,452</u>

**10 Employee Information**  
**Staff Costs**

		<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
Salaries		92,150	84,348
Social security costs		4,906	4,036
Pension		<u>5,529</u>	<u>3,570</u>
		<u>£102,585</u>	<u>£91,954</u>
The average weekly number of staff employed (including part time members) during the year was:		<u>4</u>	<u>4</u>
Emoluments of the Board of Trustees		<u>£NIL</u>	<u>£NIL</u>

No employee was paid remuneration in excess of £60,000 (2019: Nil).

None for the Trustees, or any person connected with them have received any remuneration in the current or preceding year.

Six Trustees were reimbursed for travel and overnight accommodation totalling £4,468 (2019: Six, £1,648).

The Key Management Personnel are the Trustees and Chief Executive whose fees amounted to £73,614 (2019: £99,652).

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**11 Intangible fixed assets**

	<b>Computer Software</b>	
	<b>Group</b>	<b>Parent</b>
<b>Cost</b>	<b>£</b>	<b>£</b>
At 1 September 2019	36,640	36,640
Additions this year	-	-
Disposals	-	-
At 31 August 2020	<u>36,640</u>	<u>36,640</u>
<b>Amortisation</b>		
At 1 September 2019	7,150	7,150
Charge for the year	3,664	3,664
On disposals	-	-
At 31 August 2020	<u>10,814</u>	<u>10,814</u>
<b>Net book value</b>		
At 31 August 2020	<u>£25,826</u>	<u>£25,826</u>
At 31 August 2019	<u>£29,490</u>	<u>£29,490</u>

**12 (a) Tangible fixed assets**

	<b>Furniture, Fittings, Computer and Equipment</b>	
	<b>Group</b>	<b>Parent</b>
<b>Cost or valuation</b>	<b>£</b>	<b>£</b>
At 1 September 2019	121,959	121,460
Additions this year	-	-
Disposals	-	-
At 31 August 2020	<u>121,959</u>	<u>121,460</u>
<b>Depreciation</b>		
At 1 September 2019	121,959	121,460
Disposals	-	-
Charge for the year	-	-
At 31 August 2020	<u>121,959</u>	<u>121,460</u>
<b>Net book value</b>		
At 31 August 2020	<u>£ -</u>	<u>£ -</u>
At 31 August 2019	<u>£ -</u>	<u>£ -</u>

All fixed assets were used for charitable purposes.

**12 (b) Heritage assets – Group and Parent**

	<b>£</b>
<b>Cost or valuation</b>	
At 1 September 2019	10,000
Additions this year	-
At 31 August 2020	<u>£10,000</u>

The Guild maintains a collection of embroidery and related items. Proceeds from disposals of heritage assets amounted to £12,180 in the year ended 31/08/2020, £112 in the year ended 31/08/2019, £78,466 in the year ended 31/08/2017.

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12 (b) **Heritage assets – Group and Parent (continued)**

The Guild has a permanent gallery at Bucks County Museum, which is available to members in business hours, 5 days a week. The Guild plans to continue to provide the general public with access to the travelling exhibition of the Collection. Though the Collection is insured for £642,000, this figure is for insurance purposes only and is not reflected as an asset in the accounts.

The original cost of individual items acquired historically is not available and many items have been donated. The nature of the Collection means that a sufficiently reliable method of valuation for accounting purposes is not available for items acquired prior to 1st August 2007. Items acquired subsequently are disclosed at cost.

13 **Investments**  
**Group and Parent**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Market value at 1 September 2019	25,883	24,147
Additions	-	-
Disposals proceeds	(24,919)	-
Net investment (losses)/gains	<u>(964)</u>	<u>1,736</u>
Market value at 31 August 2020	<u>£-</u>	<u>£25,883</u>
Historical cost at 31 August 2020	<u>£-</u>	<u>£23,256</u>

The following investments within the Guild's investment portfolio are material:-

	<b>Market Value</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Cazenove Charity Income Units	<u>£ -</u>	<u>£24,986</u>

14 **Investment in trading subsidiary**

**Parent**

The Embroiderers' Guild holds 100% of the ordinary share capital (100, £1 ordinary shares) of E G Enterprises Limited, a company incorporated in England and Wales. The principal activities of the company are magazine publishing, tours and retailing, in connection with the craft of embroidery. A summary of its trading results is shown below:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	167,969	267,436
Costs of sales	(156,888)	(254,383)
<b>Gross profit</b>	<u>11,081</u>	<u>13,053</u>
Administrative expenses	(12,299)	(34,647)
Other operating income	42,034	-
<b>Operating profit/(loss)</b>	<u>40,816</u>	<u>(21,594)</u>
Interest receivable	-	-
<b>Profit/(loss) for the financial year</b>	<u>40,816</u>	<u>(21,594)</u>
Paid under deed of covenant to the Charity	-	-
<b>Retained in subsidiary</b>	<u>£40,816</u>	<u>£(21,594)</u>

The aggregate capital and reserves of the company at 31 August 2020 was £4,057, 2019: (£36,759).

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15 **Stocks**

	2020		2019	
	Group £	Parent £	Group £	Parent £
Goods for resale: Held by Regions and Branches	£ -	£ -	£180	£180

16 **Debtors**

	2020		2019	
	Group £	Parent £	Group £	Parent £
Trade debtors	5,106	221	5,055	150
Amount due from subsidiary company	-	-	-	15,988
Other debtors and prepayments	28,390	15,651	41,554	13,597
	<u>£33,496</u>	<u>£15,872</u>	<u>£46,609</u>	<u>£29,735</u>

17 **Creditors: Amounts falling due within one year**

	2020		2019	
	Group £	Parent £	Group £	Parent £
Trade creditors	24,451	15,323	33,385	25,580
Taxes and social security costs	1,317	1,317	1,125	1,125
Other creditors	1,066	1,066	1,321	1,321
Accruals	26,667	23,667	24,313	20,813
Deferred income	41,937	885	83,929	2,285
Amount due to subsidiary company	-	38,439	-	-
	<u>£95,438</u>	<u>£80,697</u>	<u>£144,073</u>	<u>£51,124</u>



**THE EMBROIDERERS' GUILD**  
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18 **Unrestricted Funds**

	<b>B/f</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>C/f</b>
	<b>01/09/2019</b>				<b>31/08/2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Group</b>					
General (Guild Headquarters)	(366,163)	456,903	(476,391)	32,861	(352,790)
Branches and regions	683,070	411,917	(441,347)	(60,620)	593,020
	316,907	868,820	(917,738)	(27,759)	240,230
Branches Support Fund	27,517	-	-	60,620	88,137
	<u>£344,424</u>	<u>£868,820</u>	<u>£(917,738)</u>	<u>£32,861</u>	<u>£328,367</u>
<b>Parent</b>					
General (Guild Headquarters)	(329,303)	246,898	(307,204)	32,861	(356,748)
Branches and regions	683,070	411,917	(441,347)	(60,620)	593,020
	353,767	658,815	(748,551)	(27,759)	236,272
Branches Support Fund	27,517	-	-	60,620	88,137
	<u>£381,284</u>	<u>£658,815</u>	<u>£(748,551)</u>	<u>£32,861</u>	<u>£324,409</u>

**Unrestricted Funds**

	<b>B/f</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>C/f</b>
	<b>01/09/2018</b>				<b>31/08/2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Group</b>					
General (Guild Headquarters)	(349,946)	634,440	(650,657)	-	(366,163)
Branches and regions	736,280	583,833	(637,043)	-	683,070
	386,334	1,218,273	(1,287,700)	-	316,907
Branches Support Fund	22,617	5,050	(150)	-	27,517
	<u>£408,951</u>	<u>£1,223,323</u>	<u>£(1,287,850)</u>	<u>£ -</u>	<u>£344,424</u>
<b>Parent</b>					
General (Guild Headquarters)	(334,681)	367,004	(361,626)	-	(329,303)
Branches and regions	736,280	583,833	(637,043)	-	683,070
	401,599	950,837	(998,669)	-	353,767
Branches Support Fund	22,617	5,050	(150)	-	27,517
	<u>£424,216</u>	<u>£955,887</u>	<u>£(998,819)</u>	<u>£ -</u>	<u>£381,284</u>

General reserves represent funds freely available to further the objects of the Charity.

When branches are dissolved, any surplus funds are remitted to head office and credited to the branches support fund which is designated to provide assistance for the launch of new branches and to provide financial assistance to existing branches.

The branches and regions fund represents resources held by the branches and regions.

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**19 Restricted Funds - Group and Parent**

	<b>B/f</b>	<b>Income</b>	<b>Expenses</b>	<b>Gains /</b>	<b>Transfers</b>	<b>Total</b>
	<b>01/09/2019</b>			<b>(Losses)</b>		
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
De Denne Memorial Fund and Young Embroiderers	67,768	-	(475)	(964)	-	66,329
Exhibitions	2,029	-	(1,585)	-	(444)	-
Folios	456	-	-	-	-	456
Broderers Annual Members	874	-	-	-	-	874
Education Resources	5	-	(5)	-	-	-
Collection	117,545	-	(16,350)	-	(32,417)	68,778
Madeira Fund	632	-	(200)	-	-	432
Teaching Support Nottingham	181,891	-	-	-	-	181,891
Digital Resources	2,425	-	(2,425)	-	-	-
Database and Website	1,960	-	(1,960)	-	-	-
<b>Embroiderers' Guild Total Restricted Funds</b>	<b>375,585</b>	<b>-</b>	<b>(23,000)</b>	<b>(964)</b>	<b>(32,861)</b>	<b>318,760</b>
Regions and Branches	39,893	4,988	(5,298)	-	-	39,583
<b>Total Restricted Funds</b>	<b>£415,478</b>	<b>£4,988</b>	<b>£(28,298)</b>	<b>£(964)</b>	<b>£(32,861)</b>	<b>£358,343</b>

**Restricted Funds - Group and Parent**

	<b>B/f</b>	<b>Income</b>	<b>Expenses</b>	<b>Gains /</b>	<b>Transfers</b>	<b>Total</b>
	<b>01/09/2018</b>			<b>(Losses)</b>		
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
De Denne Memorial Fund and Young Embroiderers	66,575	-	(543)	1,736	-	67,768
Exhibitions	2,029	-	-	-	-	2,029
Folios	456	-	-	-	-	456
Broderers Annual Members	874	-	-	-	-	874
Education Resources	5	-	-	-	-	5
Collection	118,506	-	(961)	-	-	117,545
Madeira Fund	832	-	(200)	-	-	632
Teaching Support Nottingham	181,891	-	-	-	-	181,891
Digital Resources	2,425	-	-	-	-	2,425
Database and Website	4,972	-	(3,012)	-	-	1,960
<b>Embroiderers' Guild Total Restricted Funds</b>	<b>378,565</b>	<b>-</b>	<b>(4,716)</b>	<b>1,736</b>	<b>-</b>	<b>375,585</b>
Regions and Branches	39,691	4,931	(4,729)	-	-	39,893
<b>Total Restricted Funds</b>	<b>£418,256</b>	<b>£4,931</b>	<b>£(9,445)</b>	<b>£1,736</b>	<b>£ -</b>	<b>£415,478</b>

The restricted funds comprise the regions and branches fund (which consists of the restricted funds within all the regions and branches, usually recent project grants), the Collection, and Educational Resources Funds (consisting largely of donations for these purposes from members of the Guild) and the De Denne Memorial Fund, the income from which is used for the benefit of young embroiderers. The IT and website fund has been donated to the Guild to help the Guild achieve much needed operational efficiencies.

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20 **Branches and Regions Financial Statements**

**Branch Income and Expenditure Account**

	2020		2019	
	£	£	£	£
<b>Income</b>				
Net Subscription income		84,875		71,429
Donations and tax reclaimed		17,223		23,671
Bank Interest		761		1,650
Fundraising income		12,679		24,901
Meetings income	46,332		71,902	
Class, workshop and lecture income	131,558		226,100	
Exhibition and project income	18,107		19,286	
Sales table income	14,265		26,882	
Branch outings	32,972		68,683	
Regional day income	19,716		36,095	
Magazine subs received	950		8,365	
Library Loan Income	455		1,600	
Young Embroiderers income	6,928		8,200	
Other	30,085		-	
		<u>301,368</u>		<u>467,113</u>
<b>Total Income</b>		<b>416,906</b>		<b>588,764</b>
<b>Expenditure</b>				
Regional levy and affiliation fees	2,781		4,359	
Insurance	11,255		11,084	
Officers and committee expenses	7,979		9,583	
Meetings costs and expenses	92,715		148,181	
Class, workshop and lecture expenses	173,184		225,538	
Exhibition and projects expenses	17,434		52,942	
Branch outings	34,189		72,981	
Fundraising expenses	2,051		2,550	
Regional day expenses	19,889		33,713	
Office costs	16,244		15,637	
Branch magazine	1,079		1,730	
Magazine Income paid to Guild	-		7,522	
Young Embroiderers expenses	6,962		9,157	
Other net expenses	59,564		46,795	
<b>Total Expenditure</b>		<u>445,326</u>		<u>641,772</u>
<b>(Deficit)/Surplus for the year</b>		<u><u>£(28,420)</u></u>		<u><u>£(53,008)</u></u>

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**21 Analysis of Net Assets between Funds**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds</b>
<b>Group</b>	<b>£</b>	<b>£</b>	<b>£</b>
Intangible Fixed Assets	25,826	-	25,826
Tangible Fixed Assets	10,000	-	10,000
Investment Assets	-	-	-
Current Assets	387,979	358,343	746,322
Current Liabilities	(95,438)	-	(95,438)
	<u>£328,367</u>	<u>£358,343</u>	<u>£686,710</u>

<b>Parent</b>			
Intangible Fixed Assets	25,826	-	25,826
Tangible Fixed Assets	10,000	-	10,000
Investment Assets	100	-	100
Current Assets	369,180	358,343	727,523
Current Liabilities	(80,697)	-	(80,697)
	<u>£324,409</u>	<u>£358,343</u>	<u>£682,752</u>

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds</b>
<b>Group</b>	<b>£</b>	<b>£</b>	<b>£</b>
Intangible Fixed Assets	29,490	-	29,490
Tangible Fixed Assets	10,000	-	10,000
Investment Assets	-	25,883	25,883
Current Assets	449,007	389,595	838,602
Current Liabilities	(144,073)	-	(144,073)
	<u>£344,424</u>	<u>£415,478</u>	<u>£759,902</u>

<b>Parent</b>			
Intangible Fixed Assets	29,490	-	29,490
Tangible Fixed Assets	10,000	-	10,000
Investment Assets	100	25,883	25,983
Current Assets	392,818	389,595	782,413
Current Liabilities	(51,124)	-	(51,124)
	<u>£381,284</u>	<u>£415,478</u>	<u>£796,762</u>

**22 Related Party Transactions**

Transactions between the parent charitable company and its subsidiary company are not separately disclosed as the group's consolidated financial statements are publicly available.

The Guild's Chief Executive Officer is an independent contractor who invoiced the parent Charity £72,614 (2019: £94,752) and the subsidiary company EG Enterprises £Nil (2019: £5,300) during the year, of which £8,900 (2019: £18,877) was included in creditors.

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**23 Operating Lease Commitments**

In the next twelve months the group and the parent are committed to the following payments under operating leases which expire:

	<b>Group</b>		<b>Parent</b>	
	<b>Land and Building £</b>	<b>Office Equipment £</b>	<b>Land and Building £</b>	<b>Office Equipment £</b>
0 – 1 Year	20,475	-	20,475	-
1 – 2 Years	-	-	-	-
2 – 5 Years	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>