

Company number: 2942955

THE FINE ART TRADE GUILD
ANNUAL REPORT AND ACCOUNTS
31 DECEMBER 2012

CONTENTS	Page
Message from the Master of the Guild	3
Chief Executive's Report	4-9
Standing Committees	4
Directors of the Fine Art Trade Guild	10
Report of the Court	11
Auditors' report	12
Income and expenditure account	13
Balance sheet	14
Notes to the accounts	15-18

Chantrey Vellacott DFK LLP



MESSAGE FROM THE MASTER OF THE GUILD

It is no surprise that the last trading year has been difficult for many businesses. It has been a very tough year financially and the Fine Art Trade Guild has not been immune from the effects of the economic situation in Europe. However, we can be proud that despite all the doom and gloom, we have developed a very positive strategic plan which will take the Guild forward for the next few years.

The creation of picture framing standards has remained a very strong feature of our trade association and we are concentrating efforts on developing new programmes which will help members promote, to consumers and business customers alike, their adherence to Guild standards and thus bring in more business.

We have managed to take giant strides with what is now an internationally acknowledged *Mountboard Quality Awareness Programme*. Also progressing is our *Inkjet Print Quality Assurance scheme (IPQA)*, which is hoped to give artists, printers and publishers the opportunity to offer their customers a guarantee that the papers, inks and printer used in the production of an inkjet print are of the highest quality. In addition, an art registration scheme is in an advanced stage of development. Thanks are due to all those who have played, and are playing, such an important role to bring these plans to fruition and ultimately to give our members the perceived membership value we strive for.

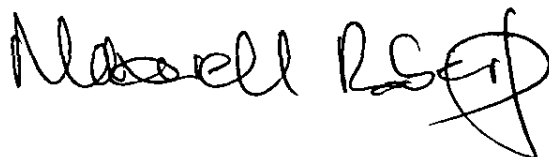
At very long last, the Guild website *fineart.co.uk* is beginning to deliver what was promised five years ago! It has been a very painful path, one that was never anticipated. It seems the functionality issues have now been sorted out and in fact Web traffic has more than doubled in the last year – much of this increase to the consumer content of the site, driving customers to Guild members for their art and framing needs. It feels as though we may finally be on our way to a website that fulfils our needs, and I hope that the membership will make use of its many attributes. Louise and her staff team are always there to help if needed.

Art Business Today has remained a most important part of the Art and Picture Framing industry, bringing to our members the highest level of news, education and opinion. As with all journals nowadays, advertising levels have dropped. Nevertheless, without any doubt, we have managed to maintain that very high level of professionalism which has made our magazine an award winner.

The new format for *Meet Learn Celebrate (MLC)* has been changed this year to include something asked for by the artist, namely an art exhibition. The trade fair has been rested this year but may well return in the next year. Education will play a big role in this year's event with some excellent seminars and discussions planned.

My three-year tenure as Master of the Guild will shortly end and I would therefore like to take this opportunity to thank my fellow executive members and staff at the Guild for their support and friendship. I will continue to support the next Master of the Guild and hope to see many of you in the future.

Maxwell Roberts
January 2013



REPORT FROM THE CHIEF EXECUTIVE OF THE FINE ART TRADE GUILD 2012 IN FOCUS

KEY FACTS

- The Fine Art Trade Guild was formed in 1910
- Trade Association for the art and framing industry, 752 members (837 in 2011) at year end plus 80 artists and 200 framers affiliated through their societies, which are Guild members, total 1032
- Prime purpose to inform, promote and assist development of businesses and practitioners within the art and framing sector
- Publishers of Art Business Today magazine, GCF Study guides and other publications
- The Fine Art Trade Guild has members in 27 countries, primarily in the United Kingdom and Ireland, also in Australia, Austria, Azerbaijan, Belgium, Canada, China, Cyprus, Denmark, France, Germany, Greece, Hong Kong, India, Italy, Netherlands, New Zealand, Nigeria, Norway, Poland, Russia, South Africa, Sweden, Switzerland, United Arab Emirates and USA
- 16% of Guild Membership is from outside the UK, up 4% on 2011
- www.fineart.co.uk received 43,601 unique visitors in the year, an increase of over 220% with page views of 223,698 Visitor statistics suggests that both businesses and consumers are using the Guild website to source goods and services from Guild members as the Find a Member page is the most visited after the home page

Chantrey Vellacott DFK LLP

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, 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

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

Standing Committees 2012

The Executive Committee met six times in 2012 to carry on the business of the Guild. Their support and hard work are invaluable to the running of the Guild and we owe them all a debt of gratitude for their endeavours.

Two standing committees were active throughout 2012, the Framers Committee and the Fine Art Committee. Details of the Committee members and responsibilities are on the Guild website.

Thank you to our Sponsors - We couldn't have achieved what we have without the generous sponsorship of **Arqadia, Art & Frame, Besso Ltd, Daler-Rowney, Designline Systems, F.G. Conzen, Glass & Mirror, Gunnar, F. W. Holroyd, Framers Corner, Innova Art, International Graphics, Larson-Juhl New Zealand, LION Art Service, LION Picture Framing Supplies, D & J Simons & Sons, Slater Harrison, Spazio 81, Spring Fair International, Tru Vue, Wessex Pictures and Wizard** Also all those framers who provided their premises and expertise for **GCF testing** and training, the **Framers Committee members** who provide the Technical Advice Line and the willing volunteers who work on standards development, contribute to Art Business Today, organise branch events and support the Guild in myriad ways

Affiliations in 2012

Member of the Genesis Initiative, which is affiliated to UEAPME
ISO 9001 2008 – ninth assessment June 2012

Staff as at 31st December 2012

Staff all multi-function and support members and each others' core roles We welcomed Daniel Radley to the Guild team in January 2012 and Debra Doherty left us in September after five years and was replaced by Kasia Szkolnicka

Job titles and key responsibilities

Louise Hay - Chief Executive (General management, strategy, budget, publisher, export services, media, international and external relations, Awards Event management)

Daniel Radley – Membership Secretary (membership retention and recruitment, renewals)

Annabelle Ruston - Managing Editor (p/t) (editorial and production strategy, commissioning, publications management, editorial) Responsible for Art Business Today

Moira Sanders - Office Manager / Print Standards and GCF Programmes Manager (information service, reception, print testing & standards implementation, book sales, GCF Programme management, Awards Event)

Kasia Szkolnicka – Sales & Marketing Executive (advertising sales, member recruitment, subscription sales)

Nii-Tackie Tackie - Book-keeper & Administration Support

Both Daniel and Kasia have taken on roles as the Guild's social media representatives, effectively using Twitter and Facebook to promote Guild events and programmes as well as supporting members' initiatives

PERFORMANCE INDICATORS 2012 AND ACHIEVEMENTS

To improve the prestige, status and credibility of the Fine Art Trade Guild and its members in a sustainable way

- We launched a new Mountboard Logo Licensing scheme in January 2012 which was enthusiastically adopted by most of the mountboard manufacturers and has done much to improve the credibility of Guild standards in the industry
- The trade press supported this initiative with coverage in all of the major professional magazines – we have now to develop consumer materials
- The launch of a redesigned website in February 2012 has considerably improved the usability of the fineart site, as evidenced by increased traffic
- Chief Executive and GCF Programme Manager worked with members and journalists on placing press releases in various international trade publications and local media

The Guild short term strategy must move the Fine Art Trade Guild forward into profit in this present economic climate

- The budget for 2012 was set to return a small profit however higher than expected reductions in membership and advertising incomes, particularly in the last quarter, meant this target was not reached The loss of the tenants for Unit 3A due to the sale of their company contributed to the deficit Total income including Guild programmes and publications was down 10% on 2011 at £281,472
- Expenditure was held to budget but in spite of this a deficit of £26,409 was returned
- The Guild continues to enjoy the confidence of the bank and auditors but must see an improvement in its financial position

The internationalization of the Fine Art Trade Guild worldwide, through web and exhibition exposure in particular, is a key building block

- Attendance at West Coast Art and Frame, Las Vegas, FrameArt Expo, Milan, Photokina, Cologne and MIFF, Moscow Discussions with manufacturers, publishers and suppliers provide valuable feedback on standards and programme developments as well as opportunities for membership recruitment and retention
- We have seen increased interest in the GCF programme in Russia since the CEO's visit to Moscow, with one new training school embedding GCF in its programme there and enhanced support for the programme from our Test Centre partners We are grateful for the support of MIFF and Lion Art Service which enabled this visit
- New programmes developed toward the end of 2011 enabled the Guild to provide more relevant services to international members Further programmes currently in development for launch 2013 will achieve the same objectives

Delivery of the Guild strategy by continuing, improving or establishing:

I. Centre of Professional Excellence

- The Guild organised technical and business seminars at the Spring Fair International, most of them well attended, it gained financial support for the development of the 2012 Seminar Programme and sponsorship for key speakers
- The Framers Committee Members continue to provide a Technical Help Line for members
- The second Meet Learn Celebrate Art and Framing Convention was held in May Comprising trade event, seminar programme and our traditional awards dinner dance and presentations, the event was not as well attended as anticipated Indications that the 2013 trade fair element of the event would not be supported by the suppliers led to the Court of the Guild voting to suspend this activity for 2013 The event has been rebranded as the Art and Framing Convention UK and 2013 will see the return of the Guild Artists Exhibition, the first since 2004

- GCF is now available in Dutch, Russian and German as well as English Following Executive member Martin Harrold's 2011 visit to Norway we now have 9 Norwegian members
- www.fineart.co.uk A complete redesign was launched February 2012 This was achieved without additional expenditure The Chief Executive continued working with the developers to bring the missing elements of the Guild's website brief to fruition, to be completed early 2013

II. Regional Delivery

- Regional Organisers appointed in 2011 remain active These are Johanna Cruickshank and Suzanne Appleshaw, jointly Wessex Region (Hampshire), Cath Friend, Cotswolds Region (Berkshire and Wiltshire), Louise Hill, West Midlands Region
- Branch events were held in 8 regions Attendance numbered from between 5 -15 companies represented though attendee levels were up to 40 guests at some events
- Staff members have developed a new regional event, Making Pictures, which launched September 2012 This is an informal tabletop event offering members an opportunity to meet other members and learn in a relaxed and social environment

III. Publishing Excellence

- Art Business Today published January, April, June, August and October with content supporting the Guild's strategic aims and objectives, to serve the whole industry
- Distribution and pagination was maintained in 2012 but the Guild's publishing income was adversely affected by diminished advertising revenue in the October issue
- The number of advertisers in 2012 decreased by 15%, year on year
- Annabelle Ruston authored a new Conservation Framing book which went to press end 2012 for 2013 publication
- An Artists Guide to Selling Work was revised by Annabelle Ruston for publication as a new edition by Bloomsbury Press, late 2013

IV. Consumer Awareness Campaign

- Framed for Good leaflet continues to provide great opportunities to increase consumer awareness of good quality framing and lead people to their local professional framer
- Two other leaflets, Code of Ethics and Buying Art Prints have been available in 2012
- Staff continued to try to get media cover, Awards winners gained valuable local publicity
- The Guild website continues to service consumer needs, with the busiest content pages being 'Find a Member' and then 'Buying Art, Prints and Framing'
- Work has started on materials to support the Mountboard Logo License scheme, providing retailers with copy encouraging customers to seek quality mountboard

V. Membership Development

- Membership development was not achieved
Membership at 752 showed a net loss of 80 members This was a 10% reduction in total Guild membership numbers (8% reduction in 2011)
- Retention levels varied across the year and we lost 152 members in total Over half of memberships that were not renewed were ascribed to closure of business for various reasons or inability to afford fees
- New member recruitment was down from 77 to 72 in the year, a reduction of 6%
- Membership Income of £152,362 was £18,694 down on the previous year (a reduction of 10.5%)
- New programmes in development for 2013 are designed to make membership a more valuable proposition, and our new regional event programme will offer staff more opportunities to meet prospective members

VI. Archive Preservation and Accessibility

- The archive materials have been maintained, with vital preservation work completed
- Researchers have utilised the Guild archive during 2012
- The volunteer Guild archivist, John Hughes, continues to provide services to collectors
We thank John for his continued support

PERFORMANCE INDICATORS 2013

- The Court of the Guild approved a new strategic plan for 2013-16, focussing on improving the relevance of the Guild to members and prospects, thereby returning the Guild to profit through increased income
- The internationalisation of the Fine Art Trade Guild worldwide, cost effectively through web and exhibition exposure in particular, is a key building block

Delivery of the Guild strategy should be by continuing, improving or establishing

Profit Generation

- This continues to be the key focus in 2013 and will be delivered through continued staff cost controls combined with new income generating initiatives
- The new mountboard logos programme provides a valuable additional benefit to members as well as bringing in annual licensing fees
- There is an outline plan in development for a new Inkjet Print Quality Assurance programme to supplement the existing and well respected Guild Print Standards
- There is an outline plan in development for an Original Image Registration programme which will assist artists in protecting their copyright
- Staff members continue to work with our lettings agent to seek tenants for unit 3A at the Guild office

Membership Development

- Staff will prioritise marketing and sales activity and all members are encouraged to bring their suppliers and trade customers into Guild membership to support staff efforts
- Members really are the best advocates for the benefits of membership and we encourage all members to take advantage of our referral programme which can bring them a free membership if they recruit 5 or more members
- The Membership Secretary continues to work with existing and new affiliate providers to strengthen the Guild's business benefit offerings

Consumer Awareness

- The Guild website remains central to plans for raising the profile of art and framing and of Guild members with consumers
- Website redevelopment will help the Guild and its members achieve the potential from our asset Guild directors are committed to motivate members to help the Guild make this even more effective by enhancing their own profiles and improving links and usage
- Members who need assistance can download online resources to improve their own profiles When the CEO attends Branch Meetings, she demonstrates how Members can enhance their profile E-Mango will provide support at the Art and Framing Convention UK 2013
- Retailer and framer members are encouraged to increase their use of the available leaflets to raise consumer awareness
- A redesigned online member benefits directory makes it easy for members to find and download shell press releases, marketing ideas and other resources

Publishing Excellence

- The Guild is committed to continuing to publish five excellent issues of Art Business Today
- We thank those Guild members and the wider trade who show their commitment by choosing Art Business Today for their advertising to the trade worldwide We are committed to working with our partners to ensure optimum reach and effectiveness
- As soon as the online registration process is complete we will work on building online subscriptions to increase our readership and thereby benefit advertisers with additional exposure
- Managing Editor Annabelle Ruston will develop e-books from the best of ABT articles

Centre of Professional Excellence

- The Guild's pioneering work in establishing standards is unprecedented and continues to be unique, respected and developed
- Standards development, international harmonisation and the propagation of the GCF programme worldwide will continue in 2013 thanks to the financial support of the manufacturers and distributors, and the many volunteer committee members who give their time for the benefit of all in the industry

Regional Delivery

- Branch events are considered to be an essential, cost effective membership benefit by the members who currently take advantage of this programme
- The strategy to encourage non-members to attend as guests will assist with recruitment, event hosts are asked to encourage guests to become members and pass any contacts onto Guild staff
- A way forward for large Regions might be to try county-based activities for their Members, by appointing a number of Regional Organisers
- Guild staff will take the Making Pictures event to five regions that do not have active branches at present, to stimulate support and activity in those branches

Archive Preservation and Accessibility

No expenditure is planned for 2013, the archive will be kept accessible and preserved in its current condition as far as possible

The Budget for 2013 projects a small profit in spite of allowing for a worst case scenario for membership and advertising incomes.

Our thanks to our professional, committed, and enthusiastic staff team, the Court of the Guild, and Committee Members for volunteering their time and expertise throughout 2012. Thanks also to the many other Fine Art Trade Guild Members who have contributed to the culture of excellence we strive to maintain.

Louise Hay
Chief Executive

Louise Hay

DIRECTORS OF THE FINE ART TRADE GUILD AS AT 31 DECEMBER 2012

Officers:

Maxwell Roberts (Master), Headrow Gallery
Steven McKee GCF Adv (Members' Warden) Down School of Picture Framing
Peter Hayton GCF, (Master's Warden), Towngate and Designline Systems
Paul Cumberland (Treasurer), Birds, Birds, Birds

Elected Members of the Court

Steve Burke, Arqadia Limited
Joe Davis, D&J Simons
Ian Dixon GCF, Ian Dixon Bespoke Framer
Martin Harrold. (Executive Co-optee), LION Picture Framing Supplies
Toby Hurlinger, Fotospeed
Jenny Isaacson GCF, Top Mount Framing
Ian Morris, Chalfont Art and Framing
Mal Reynolds GCF Adv, Harlequin Frames

Branch Masters

East Midlands – Andy Rossiter GCF
London – Paul Webb GCF
Northern Ireland – John McDermott GCF
Republic of Ireland – Aidan Lynch GCF
South East – Deborah Colam

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

Chief Executive and Company Secretary:

Louise Hay

Bankers:

Unity Trust Bank plc
9 Brindley Place
Birmingham B1 2HB

Auditors:

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

Insurance Brokers:

Besso Limited
8-11 Crescent
London EC3N 2LY

Solicitors:

Moorhead James
Kildare House
3 Dorset Rise
London EC4Y 8EN

Company Number 2942955

**THE FINE ART TRADE GUILD
REPORT OF THE COURT FOR THE YEAR ENDED 31 December 2012**

The Court presents their report and accounts for the year ended 31 December 2011. The Guild is limited by guarantee, not having a share capital.

RESULTS FOR THE YEAR

The deficit for the year amounted to £26,289 (2011 £7,324 deficit)

PRINCIPAL ACTIVITIES, TRADING REVIEW AND FUTURE DEVELOPMENTS

The principal activities of the Guild are promoting, informing and developing the picture industry. The New Zealand Branch and the Republic of Ireland Branch operate outside the UK, all others are within the UK.

A review of the activities of the Guild is set out in the Master's Report on page 3 and the Chief Executive's Report on pages 4 through to 9, which includes a strategy for activities in 2013. The auditor is satisfied with the strategic plan. There have been no events since the balance sheet date which materially affect the position of the Guild. Future developments are expected to be in line with current activity, practices and strategy.

MEMBERS OF THE COURT

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

The Members of the Court are as set out on page 10. Mr Steven McKee GCF, Mr Ian Morris GCF, Mr Jim Anderson, Mr Toby Herlinger, Mr Mal Reynolds, Mr Steven Burke and Mr Joe David were elected at the AGM on 14 May. Mrs Anne Corless was elected on 17 May. Mr Graham Miller and Mrs Mary Evans GCF resigned at the AGM. Mr Stephen Banks GCF resigned 14 February, Mrs Fiona Hadden resigned 12 April, Mrs Lynne Holehouse resigned 13 July, Mr Jim Anderson resigned 31 August and Mr Brian Bogie resigned 20 October.

STATEMENT OF COURT'S RESPONSIBILITIES

The Court 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 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Guild and of the deficit of the Guild for that period having regard to the substance of transactions. In preparing these financial statements, the Court is required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent, and
- 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 proper accounting records that 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.

The Court is also responsible for the maintenance and integrity of the corporate and financial information included on the Guild's website.

Confirmation of Disclosure to Auditors

The Court hereby confirms that each person who is a Member of the Court at the date of approval of this report has

- (a) taken all steps that he ought to have taken as a Member of the Court in order to make himself aware of any relevant audit information, and
- (b) communicated all such information to the auditors.

Accordingly, so far as the Court is aware, there is no "relevant audit information" of which the Guild's auditors are not aware.

AUDITOR

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

Approved by the Court on 17th April 2013 and signed on their behalf by

Louise Hay
SECRETARY

Louise Hay

THE FINE ART TRADE GUILD

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

We have audited the financial statements of Fine Art Trade Guild for the year ended 31 December 2012 which comprise the Income and Expenditure Account, the Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting standards (UK GAAP).

This report is made solely to the Guild's Members in accordance with section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Guild's Members those matters we are required to state to them in an 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 Guild and the Guild's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Court of the Guild and auditors

The Court's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Court's Responsibilities.

Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Guild's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Court, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Guild's affairs as at 31 December 2012 and of its deficit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Chantrey Vellacott DFK LLP

Philip Clark (Senior Statutory Auditor)

for and on behalf of CHANTREY VELLACOTT DFK LLP

Chartered Accountants and Statutory Auditor

London

31 May 2013

THE FINE ART TRADE GUILD
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 December 2012

Chantrey Vellacott DF-K LLP

	Notes	2012 £	2011 £
INCOME			
MEMBERSHIP SUBSCRIPTIONS	1(c)	152,373	171,057
SELF FINANCING ACTIVITIES	3		
Publications		60,652	64,338
Members' services		17,518	6,214
Exhibitions		18,443	27,215
Awards weekend		22,312	26,795
Interest income		445	854
		<u>119,370</u>	<u>125,416</u>
Insurance commission		5,663	5,700
Rental income		4,066	11,307
		<u>281,472</u>	<u>313,480</u>
EXPENDITURE			
Self financing activities	3	62,348	67,501
Staff costs	4	173,330	177,600
Depreciation	6	6,500	7,137
Administrative and office expenses	5	65,583	68,566
		<u>307,761</u>	<u>320,804</u>
OPERATING DEFICIT		(26,289)	(7,324)
INVESTMENT INCOME			
Interest receivable		-	-
		<u>-</u>	<u>-</u>
DEFICIT FOR THE YEAR		<u>(26,289)</u>	<u>(7,324)</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 2012

	Notes	2012 £	2011 £
FIXED ASSETS			
Tangible assets	6	269,314	275,814
CURRENT ASSETS			
Stock		200	200
Debtors	7	34,264	44,762
Cash at bank and in hand		415	1,071
		<u>34,879</u>	<u>46,033</u>
CREDITORS amounts falling due within one year		152,921	144,286
NET CURRENT ASSETS		<u>(118,042)</u>	<u>(98,253)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>151,272</u>	<u>177,561</u>
ACCUMULATED FUND			
1 January 2012		177,561	184,885
Deficit for the year		(26,289)	(7,324)
		<u>151,272</u>	<u>177,561</u>

Approved by the Court on 17 April 2013
and signed on their behalf by

Maxwell Roberts

- Master

Louise Hay

- Chief Executive

Maxwell Roberts
Louise Hay

THE FINE ART TRADE GUILD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 December 2012

1 ACCOUNTING POLICIES

(a) Accounting convention

The accounts have been prepared under the historical cost convention

(b) Income And Expenditure Account

Due to the nature of the Guild's activities, an income and expenditure account is prepared and not a profit and loss account in the format required by the Companies Act 2006

(c) Membership subscriptions

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

(d) Depreciation

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

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

(e) Cash flow statement

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

2 COMPANY LIMITED BY GUARANTEE

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

THE FINE ART TRADE GUILD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 December 2012

(continued)

3 SELF FINANCING ACTIVITIES

	Income £	Expenditure £	2012 NET £	Income £	Expenditure £	2011 NET £
Publications						
Advertising	48,507	-	48,507	53,080	-	53,080
ABT subscriptions	7,099	-	7,099	6,686	-	6,686
Other	5,047	-	5,047	4,572	-	4,572
Costs	-	(23,571)	(23,571)	-	(26,946)	(26,946)
	<u>60,652</u>	<u>(23,751)</u>	<u>36,902</u>	<u>64,338</u>	<u>(26,946)</u>	<u>37,392</u>
Members services						
Guild Commended Framers programme	6,503	(2,413)	4,090	5,827	(2,151)	3,676
Contracted member services	-	(3,750)	(3,750)	-	(4,050)	(4,050)
Guild products	544	-	544	387	-	387
Mountboarding Licensing	9,000		9,000			
Other guild events	230		230			
Consumer awareness programme	1,230		1,230			
Branch costs		(355)	(355)		(138)	(138)
	<u>17,518</u>	<u>(6,519)</u>	<u>10,989</u>	<u>6,214</u>	<u>(6,339)</u>	<u>125</u>
Exhibitions						
Overseas	632	(3,193)	(2,561)	5,202	(4,055)	1,147
UK/Eire	17,812	(4,710)	13,102	22,013	(3,966)	18,047
	<u>18,443</u>	<u>(7,903)</u>	<u>10,541</u>	<u>27,215</u>	<u>(8,021)</u>	<u>19,194</u>
Awards weekend	<u>22,312</u>	<u>(17,433)</u>	<u>4,879</u>	<u>26,795</u>	<u>(20,604)</u>	<u>6,191</u>
Website development	<u>445</u>	<u>(6,923)</u>	<u>(6,468)</u>	<u>854</u>	<u>(5,591)</u>	<u>(4,737)</u>
	<u>119,370</u>	<u>(62,348)</u>	<u>56,843</u>	<u>125,416</u>	<u>(67,501)</u>	<u>57,915</u>

4 STAFF COSTS AND EMPLOYEES

	2012 £	2011 £
Wages and salaries	153,790	156,767
Social security costs	15,110	15,429
Other pension costs	4,430	5,404
	<u>173,330</u>	<u>177,600</u>

THE FINE ART TRADE GUILD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 December 2012

(continued)

The average number of employees was 6 of which 1 was part-time (2011 6 of which 1 was part-time)

The Members of the Court receive no remuneration for their services to the Guild

The Chief Executive received £44,446 including pension contributions (2011 £48,437) The outgoing Managing Director also received £nil (2011 £533) during the year

5

ADMINISTRATIVE AND OFFICE EXPENSES		2012 £	2011 £
Administrative expenses			
Recruitment, advertising and public relations	10	2,660	
Committee travel expenses	2,901	3,650	
Travelling and entertaining	753	1,856	
Audit fees	4,050	3,850	
Legal and professional fees	10,790	13,529	
Printing and stationery	4,385	4,101	
Postage and telephone	5,481	5,524	
Bank charges	6,276	5,762	
Sundries	789	499	
Other Staff	1 989	2,267	
Bad Debt	-	(113)	
		<u>37,424</u>	<u>43,585</u>
Office expenses			
Rates and service charges	9,814	6,684	
Repairs and maintenance	11,392	10,873	
Software and software support	573	1,017	
Light and heat	1,298	1,362	
Insurance	5,082	5,045	
		<u>28,159</u>	<u>24,981</u>
		<u>65,583</u>	<u>68,566</u>

6

TANGIBLE FIXED ASSETS		Freehold property £	Office furniture, fittings & equipment £	Total £
Cost				
At 1 January 2012 and 31 December 2012		<u>364,426</u>	<u>170,306</u>	<u>532,732</u>
Depreciation				
1 January 2012		90,645	166,273	256,918
Charge for the year		4,303	2,197	6,500
At 31 December 2012		<u>94,948</u>	<u>168,470</u>	<u>263,418</u>
Net book value				
At 31 December 2012		<u>269,478</u>	<u>1,836</u>	<u>269,314</u>
At 31 December 2011		271,781	4,033	275,814

THE FINE ART TRADE GUILD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 December 2012

(continued)

7	DEBTORS	2012 £	2011 £
	Trade debtors	25,167	27,333
	Prepayments	9,097	17,429
		<u>34,264</u>	<u>44,762</u>
8	CREDITORS amounts falling due within one year	2012 £	2011 £
	Overdraft	103,943	87,251
	Subscriptions received in advance	12,930	10,499
	Trade creditors	12,054	14,796
	Taxation and social security	14,144	13,921
	Accruals and deferred income	6,555	15,086
	Corporation tax	-	(43)
	Other	3,295	2,776
		<u>152,921</u>	<u>144,286</u>

The Guilds overdraft facility with Unity Trust Bank Plc is secured against the property held by the company

9 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

There were no capital commitments at 31 December 2012 (2011 £Nil)

There were no contingent liabilities at 31 December 2012 (2011 £Nil)

10 RELATED PARTIES

During the year, Committee Members received £2,734 (2011 £1,643) in relation to expenses incurred in relation to their duties