

# **QUAKER TAPESTRY LIMITED**

**Financial Statements and Annual Report**

**For the Year Ended**

**31 December 2021**

**QUAKER TAPESTRY LIMITED**

**FINANCIAL STATEMENTS**

**For The Year Ended 31 December 2021**

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# **Quaker Tapestry Limited**

## **Report of the Directors and Trustees**

### **For the year ended 31 December 2021**

The Directors of the charitable company, who are its Trustees for the purpose of charity law, are pleased to present their report together with the financial statements of the charity for the year ended 31 December 2021

#### **REFERENCE AND ADMINISTRATIVE INFORMATION**

Quaker Tapestry Limited is a company limited by guarantee (each member's contribution not exceeding £10) and is a registered charity. The company was first incorporated on 22 February 1994. The name was changed from The Quaker Tapestry at Kendal Limited to Quaker Tapestry Limited in 2011 and revised Articles of Association approved in 2012.

Company Number: 2901085

Charity Registration Number: 1035077

Registered Office: Friends Meeting House  
Stramongate  
KENDAL  
Cumbria  
LA9 4BH

Accountants: Mitchinsons Accountants  
22 Market Place  
KENDAL  
Cumbria  
LA9 4TN

#### **Directors and Trustees**

The company is run by the Directors who are also the Trustees and are referred throughout as such. The Trustees have the power to appoint the necessary staff to assist them. The Trustees who have served from 1 January 2021 until the day this report was approved were:

Lesley Janet Batchelor  
Rosalind Mary Batchelor  
Jill Patricia Booth  
David Ditcham  
Mary Dower (to June 2021)  
Dr Andrew James Fincham  
Glyn Hughes  
Alan Price  
Arthur George Willman Pritchard  
Stephen Jude Timson (to June 2021)  
Timothy John Yeomans (from June 2021)

Clerk (Chair) Quaker Tapestry Ltd: David Ditcham

Clerk (Chair) Planning and Finance Committee: Rosalind Mary Batchelor

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

Quaker Tapestry Limited is a charitable company limited by guarantee, governed by its Articles of Association which were revised and approved by Companies House and the Charity Commission in May 2012.

### **Recruitment and appointment of Trustees**

Trustees are appointed by the Annual General Meeting each June on the nomination of a specially appointed Search Group. Trustees serve for up to three years which may be renewed once, and exceptionally for longer.

## **GENERAL BACKGROUND**

The Quaker Tapestry began in 1981 in Somerset and over 4,000 people in 15 countries were involved in making the 77 wool embroidered panels which portray the insights and experiences of Quakers since the founding of the Quaker movement in 1652.

In 1992 the Quaker Tapestry at Kendal Appeal Fund was set up for the purpose of raising funds to provide for the housing and exhibition of the Quaker Tapestry. Monies from this appeal fund were used to finance initial set-up costs prior to incorporation. The Quaker Tapestry Exhibition was established in 1994 at Kendal Friends Meeting House and this continues to be its permanent base.

A separate charity, the Quaker Tapestry Collection Trust (Registration Number 295268) is the owner of the embroidered panels and other museum objects and artefacts. Quaker Tapestry Limited leases them, free of rent, so that they can be displayed for public benefit.

Kendal Friends Meeting House is leased from Friends Trusts Limited, acting as Landlords on behalf of Kendal & Sedbergh Area Meeting of The Religious Society of Friends (Quakers). The Friends Meeting House is a Grade 2\* listed building completed in 1816.



## **OBJECTIVES**

- a) To advance education for public benefit by displaying, maintaining and protecting embroidered hangings depicting Quakers, their worship and work in the world;
- b) To advance the education of the public by teaching arts and crafts and in particular embroidery and allied skills.

## ACHIEVEMENTS AND PERFORMANCE

2021 has been another unusual year with the Covid pandemic continuing to make its presence felt and by the early autumn the Trustees were preparing to find a new general manager and initiating the re-roofing project.



Bridget Guest decided to bring her retirement forward by a year after developing the Quaker Tapestry from 1997 into the vibrant museum it is today. The fact that she is handing over the day to day running of the museum to her successor in such a good state at the end of the year is a credit to Bridget and the splendid team she has developed.

During the early part of the year the museum was closed by covid restrictions. Some staff were furloughed on a part time basis and came in when necessary to prepare activities in readiness for reopening. For those staff who did continue to work, this time was an opportunity for curatorial staff to spend time digitising our collection and in taking part in a variety of social media campaigns such as 'My Local Museum'. The aim of these campaigns were to keep existing visitors engaged with the museum, promote to and engage new audiences, help local communities to keep connected and an opportunity to promote our digital content.

A joint arrangement with Kendal Local Meeting resulted in the purchase of equipment to facilitate blended zoom meetings. When we were allowed to reopen in May visitor numbers were small but steadily grew until they reached 95% of the attendance in 2019 in October. A month later we heard that once again we had been awarded the Visit England "Hidden Gem" status. Room hire was recovering too. In July Geraldine Green, local poet and writer in residence, held a successful online creative writing workshop the results of which appeared on our website in September in the form of a digital, free-download booklet 'Water Courses'. This anthology of poems and prose explores the link between people and waterways, offering a fresh perspective on the importance of place.

Social media activity has increased over the year and in mid-November 'The Dunera Boys' panel for the Australian Tapestry was completed. A new edition of the pictorial guide has been reviewed, designed and is selling well. Our curatorial team worked together during the year on conservation of a 1820s Quaker doll from our collection. This resulted in a new display and features two themes, one focusing on the doll's history and the other on the doll itself and her garments, detailing how we conserved them.





Funding for the re-roofing project reached a level whereby the contract could be signed and work started in October 2021. To raise our green credentials solar panels will be positioned on the hidden inner pitch of the roof. In the Meeting House LED lighting has replaced the older system where possible and a carbon literacy programme has been instigated.

All things considered 2021 with its associated difficulties has been a year of crisis and opportunity. We look forward to 2022 with an expectation of better times.



## **PUBLIC BENEFIT**

The Trustees have had regard to the Charity Commission's guidance on public benefit published on 14 February 2014. The principal activity of the charitable company is the display and promotion of the Quaker Tapestry to the public. This fulfils the charitable objectives and achieves public benefit by use of the art and embroidery of the tapestry panels to make known the work and witness of Quakerism. The trustees and staff regularly review ways of making the tapestries available to the widest audience. The level of entry fees to the exhibition have been set bearing in mind the ability of people to pay. The staff can reduce, or waive, fees for those who would otherwise be unable to benefit from the Quaker Tapestry.

## **FINANCIAL REVIEW**

This has been an extra-ordinary and unique year for Quaker Tapestry's finances. The annual accounts reflect much larger income and expenditure than at any other time in the history of the organisation, but the year has also included a period of lowest-ever earned income.

The year began with a further lockdown of over 4 months, due to the Covid pandemic. With all activities suspended, earned income in January to mid-May was less than £10,000, with half coming from a permitted AirBnB letting of the flat, over the closed café, to a business worker. During this time, we were sustained and encouraged by, and very thankful for, continuing donations, large and small, to the Revive, Survive and Thrive fund, launched in June 2020, together with furlough payments, other government and charitable grants.

Grants were received from:

Henry & Christine Armitage Burt Charitable Trust  
W F Southall Trust  
Anon trusts x 3  
Kendal Town Council – Fabric of Kendal project  
Museums North-west Development Funds Covid recovery  
South Lakeland District Council – Covid related Business Recovery

Major fund-raising related to the planned major repair of the very large roof of Kendal Meeting House started early in 2020. Interrupted by the core costs appeal, it resumed in late autumn that year and has continued throughout 2021. Together with Kendal & Sedbergh Area Meeting and Kendal Local Meeting, we are very grateful for support from many Quaker Trusts, Meetings & individual Friends and specific grants from:

Britain Yearly Meeting Houses Fund  
Sawell Family Fund  
Clark Foundation  
Edward Cadbury Foundation  
Garfield Weston Foundation  
Historic England via National Churches Trust

The major support from Historic England's Heritage Covid Stimulus Building Recovery Fund recognises the status and architectural quality of our Grade 2\* Listed Meeting House as part of Kendal's Georgian heritage. Works which started in September, will continue to late spring 2022. There have been some substantial increased costs, notified early in 2022, related to unexpected complications and confirmation of provisional items, but these have been covered by pledged grants and further fund-raising.

The year ended with considerable recovery of income-generating activity and with the major building work in progress. The 2021 full year outturn income of £503,554 included earned income, furlough support, donated and legacy income and grants towards core costs, the roof works and other special projects. Expenditure was £501,427 of which £164,442 was for core costs. The balance £336,985 mostly related to the roof building works, including a forward contract liability of £213,315.

Two totally unexpected and rare gifts have been a lifeline at this unusual time, reducing cash-flow concerns during the year. We are grateful to Elizabeth (Libby) Hope Perkins and Joan I Huddleston, both closely involved at various times as volunteers and supporters, who left gifts to Quaker Tapestry in their wills. It is planned to use these gifts gradually over a number of years to achieve increased income from COIF units and to support a slightly increased staff complement to assist development of the museum and educational activities.

### **MAJOR RISKS**

The risks facing the charity are summarised in a risk register and subject to rigorous review.

The highest risk factors continue to be financial and relate to our need to generate adequate income through activities or from charitable sources, including raising funds for property maintenance. Inadequate funds to manage cash-flow and limited reserves are related risks.

Maintaining adequate capacity of staff and volunteers to meet operational needs is also a risk, which has a bearing on the financial factors.

The pandemic has presented the most serious risk to core income that Quaker Tapestry has faced operating from Kendal since 1994. To monitor our financial situation, our Planning and Finance Committee has met more frequently, mostly by Zoom.

The management of a major building project, with related income generation, expenditure and cash flow implications is a current added risk. It has required considerable effort, time and energy on the part of Quaker Tapestry trustees and staff, including securing the funding required. A special Roof Group with members from QT, KSAM and KLM monitors the project and both Planning & Finance Committee and Trustee Board receive regular reports.

### **RESERVES POLICY**

The Trustees annually re-assess the need for reserves after considering current risk factors and Charity Commission guidance.

Our policy is that unrestricted funds should be held to provide sufficient cash-flow to sustain the operation through seasonal and other fluctuations in earned income, grants and donations, to front-fund purchase of shop stock and production of publications, to cope with emergency maintenance, maintain a small building repairs fund and to support a period of six months without income in the event of needing to close the exhibition. For example, 2021 has included publication of a new "Pictorial Guide" and renovation of the bathroom in the flat.

Estimated core expenditure in 2022 is £167,000. Based on this and other factors above, an estimated minimum reserve of £141,000 has been calculated. At the end of 2021, the unrestricted funds held, not including tangible assets, were £217,273, forming part of the £239,552 held in COIF investment units.

This level of reserves, above the policy minimum, is considered entirely reasonable given the unpredictable current and future circumstances and the related level of recent donated income including the exceptional legacy income received during the year. Careful use of these resources is planned over several years, including maximising COIF interest and gradual release of funds.

## DIRECTORS' AND TRUSTEES' RESPONSIBILITIES

The Directors and Trustees are required to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the surplus or deficit of the company for that period. In preparing the accounts, the Directors and Trustees are required to:

- a) select suitable accounting policies, apply them consistently and state them in the accounts;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- d) prepare the accounts on a going concern basis and to indicate where they are not prepared on that basis;

The Directors and Trustees are responsible for keeping proper books of account with respect to the company's transactions and its assets and liabilities and for maintaining a satisfactory system of control over the company's books of account and transactions. The Directors and Trustees are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

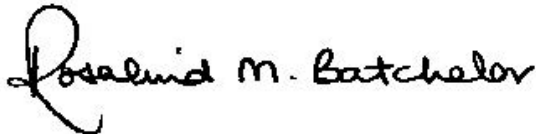
## SMALL COMPANY EXEMPTION

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**Signed on behalf of the Trustees:**



.....  
David Ditcham (Clerk (Chair) of Trustees)



.....  
Rosalind Mary Batchelor (Clerk of Planning and Finance Committee)



**QUAKER TAPESTRY LIMITED**

**INDEPENDENT EXAMINERS REPORT ON THE ACCOUNTS**

**For The Year Ended 31 December 2021**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

**Responsibilities and basis of report**

As the charities trustees and directors of the Company, you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

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

**Independent examiner's statement**

I am qualified to undertake the examination by being a qualified member of the ACCA.

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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

**Jennifer Marshall FCCA**

**Mitchinsons Accountants**  
**22 Market Place**  
**Kendal**  
**Cumbria**  
**LA9 4TN**

QUAKER TAPESTRY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES  
(Including Income and Expenditure Account)

For The Year Ended 31 December 2021

| INCOME AND ENDOWMENTS                       | Notes | Unrestricted Funds<br>£ | Restricted Funds<br>£ | Total<br>2021<br>£ | Total<br>2020<br>£ |
|---|-------|-------------------------|-----------------------|--------------------|--------------------|
| <b>Income from Charitable Activities</b>    |       |                         |                       |                    |                    |
| Admissions (Not GA)                         |       | 7,255                   | -                     | 7,255              | 1,738              |
|   |       | <u>7,255</u>            | <u>-</u>              | <u>7,255</u>       | <u>1,738</u>       |
| <b>Other Trading Activities</b>             |       |                         |                       |                    |                    |
| Shop and Mail Order Sales                   |       | 17,886                  | -                     | 17,886             | 12,523             |
| Room Hire Income                            |       | 10,692                  | -                     | 10,692             | 5,844              |
| Tapestry Hire Income                        |       | -                       | -                     | -                  | 1,445              |
| Café Licence                                |       | 4,840                   | -                     | 4,840              | 5,040              |
| Café Overheads                              |       | 1,772                   | -                     | 1,772              | 1,419              |
| Cottage Income                              |       | 19,435                  | -                     | 19,435             | 10,917             |
| Workshop Fees                               |       | 500                     | -                     | 500                | 683                |
| Car Park Income                             |       | 819                     | -                     | 819                | 819                |
| Insurance Contribution                      |       | 1,345                   | -                     | 1,345              | 1,304              |
| Insurance loss of earnings claim            |       | 2,500                   | -                     | 2,500              | -                  |
| Other Income                                |       | 430                     | -                     | 430                | 356                |
|   |       | <u>60,219</u>           | <u>-</u>              | <u>60,219</u>      | <u>40,350</u>      |
| <b>Donations and Legacies</b>               |       |                         |                       |                    |                    |
| Grants and Donations                        | 4     | 50,481                  | 224,935               | 275,416            | 86,751             |
| Government Grants COVID 19                  | 22    | 28,560                  | -                     | 28,560             | 38,029             |
| Admissions (GA)                             |       | 6,661                   | -                     | 6,661              | 2,390              |
| Area Meeting Contribution                   |       | 5,200                   | -                     | 5,200              | 3,200              |
| Legacies and Lifetime Gifts                 |       | 115,474                 | -                     | 115,474            | 45,655             |
|   |       | <u>206,376</u>          | <u>224,935</u>        | <u>431,311</u>     | <u>176,025</u>     |
| <b>Income from Investments</b>              |       |                         |                       |                    |                    |
| Interest and dividends Received             |       | 4,769                   | -                     | 4,769              | 1,701              |
|   |       | <u>4,769</u>            | <u>-</u>              | <u>4,769</u>       | <u>1,701</u>       |
| <b>TOTAL INCOME AND ENDOWMENTS</b>          |       | <u>278,619</u>          | <u>224,935</u>        | <u>503,554</u>     | <u>219,814</u>     |
| <b>EXPENDITURE</b>                          |       |                         |                       |                    |                    |
| <b>Expenditure on Charitable Activities</b> |       |                         |                       |                    |                    |
| Exhibition Running Costs and Maintenance    |       | 125                     | -                     | 125                | 323                |
| Cottage Expenses                            |       | 13,896                  | -                     | 13,896             | 4,866              |
| Café expenses                               |       | -                       | -                     | -                  | -                  |
| Support Costs                               | 7     | 70,821                  | 168,493               | 239,314            | 62,627             |
| Accountancy Fees                            | 21    | 2,945                   | -                     | 2,945              | 2,395              |
|   |       | <u>87,787</u>           | <u>168,493</u>        | <u>256,280</u>     | <u>70,211</u>      |
| <b>Expenditure on Raising Funds</b>         |       |                         |                       |                    |                    |
| Direct Costs                                | 6     | 5,834                   | -                     | 5,834              | 11,565             |
| Workshop Expenses                           |       | -                       | -                     | -                  | -                  |
| Support Costs                               | 7     | 70,821                  | 168,493               | 239,314            | 62,627             |
|   |       | <u>76,655</u>           | <u>168,493</u>        | <u>245,148</u>     | <u>74,192</u>      |
| <b>TOTAL EXPENDITURE</b>                    |       | <u>164,442</u>          | <u>336,985</u>        | <u>501,427</u>     | <u>144,404</u>     |
| <b>INCOME LESS EXPENDITURE</b>              |       | <u>114,177</u>          | <u>(112,050)</u>      | <u>2,127</u>       | <u>75,410</u>      |

QUAKER TAPESTRY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES - continued

(Including Income and Expenditure Account)

For The Year Ended 31 December 2021

|  | Notes   | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>2021<br>£ | Total<br>2020<br>£ |
|--|---------|----------------------------|--------------------------|--------------------|--------------------|
| Income less Expenditure B/Fwd            |         | 114,177                    | (112,050)                | 2,127              | 75,410             |
| <b>Net Gains/(Losses) on Investments</b> |         |                            |                          |                    |                    |
| Unrealised gains/(losses)                | 10      | <u>22,487</u>              | <u>-</u>                 | <u>22,487</u>      | <u>4,501</u>       |
| <b>Net Income/(Expenditure)</b>          |         | <u>136,664</u>             | <u>(112,050)</u>         | <u>24,614</u>      | <u>79,911</u>      |
| <b>Transfers Between Funds</b>           | 14 & 15 | <u>(81,136)</u>            | <u>81,136</u>            | <u>-</u>           | <u>-</u>           |
| <b>NET MOVEMENT IN FUNDS</b>             |         | <u>55,528</u>              | <u>(30,914)</u>          | <u>24,614</u>      | <u>79,911</u>      |
| <b>Reconciliation of Funds</b>           |         |                            |                          |                    |                    |
| Total Funds B/Fwd                        |         | <u>175,255</u>             | <u>41,747</u>            | <u>217,002</u>     | <u>137,090</u>     |
| Total Funds C/Fwd                        |         | <u>230,783</u>             | <u>10,833</u>            | <u>241,616</u>     | <u>217,002</u>     |

There were no recognised gains or losses in the year other than those in the Statement of Financial Activities

All incoming resources derive from continuing activities

The notes on pages 11 to 17 form part of these Financial Statements

**QUAKER TAPESTRY LIMITED**

**BALANCE SHEET**  
**31 December 2021**

|  |              | <b>2021</b>    |                | <b>2020</b>     |                |
|--|--------------|----------------|----------------|-----------------|----------------|
|  | <b>Notes</b> | <b>£</b>       | <b>£</b>       | <b>£</b>        | <b>£</b>       |
| <b>FIXED ASSETS</b>                          |              |                |                |                 |                |
| Tangible assets                              | 9            |                | 13,510         |                 | 15,121         |
| Investment at valuation                      | 10           |                | <u>239,552</u> |                 | <u>122,065</u> |
|  |              |                | 253,062        |                 | 137,186        |
| <b>CURRENT ASSETS</b>                        |              |                |                |                 |                |
| Stocks                                       | 11           | 14,421         |                | 11,965          |                |
| Debtors                                      | 12           | 28,366         |                | 5,066           |                |
| Cash at bank and in hand                     |              | <u>165,209</u> |                | <u>75,107</u>   |                |
|  |              | 207,996        |                | 92,138          |                |
| <b>CREDITORS</b>                             |              |                |                |                 |                |
| Amounts falling due within one year          | 13           | <u>(6,307)</u> |                | <u>(12,322)</u> |                |
| <b>NET CURRENT ASSETS</b>                    |              |                | 201,689        |                 | 79,816         |
| <b>Total Assets Less Current Liabilities</b> |              |                | <u>454,751</u> |                 | <u>217,002</u> |
| <b>CREDITORS</b>                             |              |                |                |                 |                |
| Amounts falling due after more than one year |              |                | -              |                 | -              |
| <b>PROVISIONS FOR LIABILITIES</b>            | 23           |                | (213,135)      |                 | -              |
| <b>NET ASSETS</b>                            |              |                | <u>241,616</u> |                 | <u>217,002</u> |
| <b>FUNDS</b>                                 |              |                |                |                 |                |
| Unrestricted funds                           | 14           |                | 230,783        |                 | 175,255        |
| Restricted funds                             | 15           |                | <u>10,833</u>  |                 | <u>41,747</u>  |
| <b>TOTAL FUNDS</b>                           | 18           |                | <u>241,616</u> |                 | <u>217,002</u> |

In approving these financial statements as directors of the company we hereby confirm:

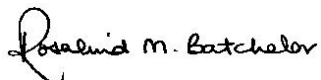
- (a) that for the year stated above the company was entitled to the exemption conferred by Section 477 of the Companies Act 2006;
- (b) that no notice has been deposited at the registered office pursuant to Section 476 requesting that an audit be conducted for the year ended 31 December 2021; and
- (c) that we acknowledge our responsibilities for:
  - (1) ensuring that the company keeps accounting records which comply with Section 386; and
  - (2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the year then ended in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the provisions of the Companies Act relating to financial statement, so far as applicable to the company.

**QUAKER TAPESTRY LIMITED**

**BALANCE SHEET - continued**  
**31 December 2021**

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

The financial statements have been approved by the Trustees on ...22/4/22..... and are signed on their behalf by:



.....  
**Rosalind M Batchelor** (Clerk of Planning and Finance Committee)



**David Ditcham** (Clerk of Trustees)

The notes on pages 11 to 17 form part of these Financial Statements

## QUAKER TAPESTRY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 31 December 2021

#### 1. Statutory Information

Quaker Tapestry Limited is a private company limited by guarantee, and a registered Charity, domiciled in England and Wales. Its registered office is at Friends Meeting House, Stramongate, Kendal, LA9 4BH.

#### 2. Compliance with Accounting Standards

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A for small entities. There were no material departures from that standard.

#### 3. Accounting Policies

##### a) Accounting Convention

The Financial Statements have been prepared under Companies Act 2006, the Statement of Recommended Practice on Accounting and Reporting by Charities (the Charities SORP) and comply with FRS 102 Section 1A for small entities.

##### b) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less residual value over its expected useful life, as follows:

|  |  |
|--|--|
| Property Restoration and Refurbishment | - over 21 years on a straight line basis |
| Cottage Property Improvements          | - over 16 years on a straight line basis |
| Café                                   | - over 14 years on a straight line basis |
| Office Equipment, Fixtures & Fittings  | - 20% p.a on the reducing balance        |
| Exhibition Design                      | - 50% p.a on the reducing balance        |
| Computer                               | - 40% p.a on the reducing balance        |
| Café Equipment                         | - 15% p.a on the reducing balance        |

##### c) Stocks

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

##### d) Incoming Resources

These are recognised in the Statement of Financial Activities when the charity becomes entitled to the resources, the Trustees are virtually certain they will receive the resources and the monetary value can be recognised with sufficient reliability.

Income is shown net of any applicable Value Added Tax

Income tax recoverable on Gift Aid donations is only included in the Statement of Financial Activities when receivable.

Grants and donations are only included in the Statement of Financial Activities when the charity has unconditional entitlement to the resources.

##### e) Expenditure

All expenditure is accounted for on an accruals basis. Expenditure is summarised under functional headings either on a direct basis or for support costs apportioned according to an estimate of usage both in time and nature.

##### f) Funds

The charity has various funds for which it is responsible and which require separate disclosure. These are as follows:

Unrestricted funds: These are funds that can be used at the discretion of the Trustees in furtherance of the objects of the charity.

Restricted funds: These funds have arisen from grants, donations and legacies and which have been earmarked for specific purposes.

##### g) Investments

Fixed asset investments are initially recognised at their transaction value and are subsequently measured at their fair value (market value) as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. Quoted stocks and shares are included in the Balance Sheet at the current market value quoted by the investment analyst, excluding dividend. Further information on the Charity's investments can be found in note 10.

##### h) Pension contributions

Employees of the charity are entitled to join the defined contribution pension scheme. Contributions payable to the pension scheme are charged to the Statement of Financial Activities in the period to which they relate. The contributions are included with in staff costs and disclosed in note 8.



QUAKER TAPESTRY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
For The Year Ended 31 December 2021

|  |                |               |
|--|----------------|---------------|
| <b>4. GRANTS AND DONATIONS</b>                     | <b>2021</b>    | <b>2020</b>   |
|  | <b>£</b>       | <b>£</b>      |
| <b>Unrestricted Fund</b>                           |                |               |
| General Donations                                  | 10,144         | 27,830        |
| Membership Income                                  | 3,763          | 3,918         |
| Gift Aid Tax Refund                                | 4,988          | 5,189         |
| Revive, Survive and Thrive Appeal Donations        | 13,178         | 8,225         |
| Trust Appeal Grants                                | 18,000         | 14,000        |
| Other  | 408            | 968           |
|  | <u>50,481</u>  | <u>60,130</u> |
| <b>Restricted Funds</b>                            |                |               |
| Covid 19 Recovery Fund                             | 500            | 4,800         |
| Building (Joint Repairs) Fund Income               | 8,763          | 2,377         |
| Roof Repair Fund Income                            | 212,567        | 14,558        |
| Education Fund Income                              | -              | 1,350         |
| Community Connections Initiative Income            | 700            | 586           |
| Fabric of Kendal Fund Income                       | 2,167          | 2,300         |
| Opening Doors Fund Income                          | 78             | -             |
| Audio Guide Fund Income                            | 160            | 650           |
|  | <u>224,935</u> | <u>26,621</u> |
| <b>TOTAL</b>                                       | <u>275,416</u> | <u>86,751</u> |
| <b>5. NET INCOME OVER EXPENDITURE</b>              |                |               |
| This is stated after charging:                     |                |               |
| Depreciation                                       | 3,675          | 3,678         |
| Loss/(profit) on disposal of tangible fixed assets | -              | -             |
| <b>6. DIRECT COSTS</b>                             |                |               |
| Opening stock                                      | 11,965         | 18,906        |
| Purchases and other direct costs                   | 8,294          | 4,390         |
| Carriage and postage                               | (4)            | 234           |
|  | <u>20,255</u>  | <u>23,530</u> |
| Less:  |                |               |
| Closing stock                                      | (14,421)       | (11,965)      |
|  | <u>5,834</u>   | <u>11,565</u> |

**QUAKER TAPESTRY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 31 December 2021**

| <b>7. SUPPORT COSTS</b>                             | <b>Notes</b> | <b>2021</b>    | <b>2020</b>    |
|---|--------------|----------------|----------------|
|   |              | <b>£</b>       | <b>£</b>       |
| Salaries  |              | 83,528         | 79,770         |
| Pension Contributions                               |              | 3,492          | 3,724          |
| Evening Supervisors                                 |              | 348            | 96             |
| Opening Doors Fund Expenses                         |              | 619            | 3,295          |
| Community Connections Initiative Fund Expenses      |              | 157            | -              |
| COVID 19 Recovery Fund Expenses                     |              | 3,828          | 102            |
| Marketing Fund Expenses                             |              | 200            | 110            |
| Roof Repairs Fund Expenses                          | 23           | 331,806        | 1,451          |
| Fabric of Kendal Fund Expenses                      |              | 375            | 152            |
| Audio Guide Fund Expenses                           |              | -              | 650            |
| Cleaning and Caretaking Expenses                    |              | 2,241          | 2,067          |
| Travel Expenses                                     |              | 123            | -              |
| Trustees Expenses                                   | 20           | -              | -              |
| Repairs and Maintenance (equipment and maintenance) |              | 7,884          | 3,441          |
| Property Repairs                                    |              | 6,258          | 1,494          |
| Garden Expenses                                     |              | 1,486          | 911            |
| Heat, Light and Power                               |              | 7,816          | 7,029          |
| Rates   |              | 134            | 266            |
| Water Rates   |              | 51             | 1,311          |
| Insurance   |              | 4,850          | 4,960          |
| Telephone   |              | 2,693          | 2,433          |
| Office Postage, Stationery and Maintenance          |              | 761            | 626            |
| Advertising and Promotion                           |              | 5,948          | 3,898          |
| Fundraising Costs                                   |              | 160            | 705            |
| Subscriptions                                       |              | 1,067          | 1,017          |
| Training, Recruitment and Sundry                    |              | 7,255          | 941            |
| Bank and Credit Card Facility Charges               |              | 1,872          | 1,127          |
| Depreciation  |              | 3,675          | 3,678          |
|   |              | <u>478,627</u> | <u>125,254</u> |

Support Costs are allocated on a best estimate of the usage both in time and nature and as such an element of judgement has been applied.

|                       |                |                |
|-----------------------|----------------|----------------|
| Charitable Activities | 239,314        | 62,627         |
| Raising funds         | <u>239,314</u> | <u>62,627</u>  |
|                       | <u>478,627</u> | <u>125,254</u> |

**8. STAFF COSTS**

|  |               |               |
|--|---------------|---------------|
| Wages and Salaries                                 | 82,985        | 78,603        |
| Social Security Costs (net of employers allowance) | 543           | 1,167         |
| Pension Costs                                      | <u>3,492</u>  | <u>3,724</u>  |
|  | <u>87,020</u> | <u>83,494</u> |

The average number of full time equivalent employees was as follows:

|                       |     |     |
|-----------------------|-----|-----|
| Charitable Activities | 1.8 | 1.6 |
| Raising Funds         | 1.8 | 1.6 |

The average number of employees during the year was 8 (2020 - 6).

No employees received benefits in excess of £60,000 (2020 - Nil).

QUAKER TAPESTRY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
For The Year Ended 31 December 2021

9. TANGIBLE FIXED ASSETS

|                          | Property<br>Restoration &<br>Refurbishment<br>£ | Cottage<br>Property<br>Improvements<br>£ | Café<br>£ | Fixtures,<br>Fittings &<br>Office<br>Equipment<br>£ | Exhibition<br>Design<br>£ | Computer<br>£ | Café<br>Equipment<br>£ | Total<br>£ |
|--------------------------|---|--|-----------|---|---------------------------|---------------|------------------------|------------|
| <b>COST</b>              |   |  |           |   |                           |               |                        |            |
| At 1 Jan 2021            | 58,880  | 37,404                                   | 22,033    | 101,895   | 143,482                   | 20,062        | 30,222                 | 413,978    |
| Additions                | -   | -  | -         | 360   | -                         | 1,704         | -                      | 2,064      |
| Disposals                | -   | -  | -         | -   | -                         | -             | -                      | -          |
| At 31 Dec 2021           | 58,880  | 37,404                                   | 22,033    | 102,255   | 143,482                   | 21,766        | 30,222                 | 416,042    |
| <b>DEPRECIATION</b>      |   |  |           |   |                           |               |                        |            |
| At 1 Jan 2021            | 58,879  | 37,403                                   | 22,032    | 90,895  | 143,477                   | 19,662        | 26,509                 | 398,857    |
| Provided during the year | -   | -  | -         | 2,273   | 3                         | 842           | 557                    | 3,675      |
| On Disposals             | -   | -  | -         | -   | -                         | -             | -                      | -          |
| At 31 Dec 2021           | 58,879  | 37,403                                   | 22,032    | 93,168  | 143,480                   | 20,504        | 27,066                 | 402,532    |
| <b>NET BOOK VALUE</b>    |   |  |           |   |                           |               |                        |            |
| At 31 Dec 2021           | 1   | 1  | 1         | 9,087   | 2                         | 1,262         | 3,156                  | 13,510     |
| At 31 Dec 2020           | 1   | 1  | 1         | 11,000  | 5                         | 400           | 3,713                  | 15,121     |

**QUAKER TAPESTRY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 31 December 2021**

| <b>10. INVESTMENTS</b>                                   | <b>2021</b>    | <b>2020</b>    |
|--|----------------|----------------|
|  | <b>£</b>       | <b>£</b>       |
| <b>COIF Charities Fixed Interest Fund - Income Units</b> |                |                |
| <b>Cost</b>  |                |                |
| At 1 January 2021  | 117,817        | 52,817         |
| Additions  | 95,000         | 65,000         |
| Disposals  | -              | -              |
| At 31 December 2021                                      | <u>212,817</u> | <u>117,817</u> |
| <b>At Market Value</b>                                   |                |                |
| At 1 January 2021  | 122,065        | 52,564         |
| Additions  | 95,000         | 65,000         |
| Unrealised gains/(losses)                                | 22,487         | 4,501          |
| At 31 December 2021                                      | <u>239,552</u> | <u>122,065</u> |

An element of unrestricted funds are held in the COIF Charities Ethical Investment Fund. The holding forms a basic reserve in line with Charity Commission guidance and the organisation's reserve policy (see Trustees' Report).

These units include part of the original core reserves established when the Charity became based in Kendal in 1994. It has been possible to add to these reserves in 2021.

**11. STOCKS**

|                  |               |               |
|------------------|---------------|---------------|
| Goods for Resale | <u>14,421</u> | <u>11,965</u> |
|------------------|---------------|---------------|

Stocks include cost of goods for sale in the shop, via mail order and at external events. Perhaps unusually compared to other museums, Quaker Tapestry is also a publishing body, so stocks include the cost of high quality publications, such as the Stitch Guild, Pictorial Guide and greetings cards which are produced in quantities and sold over several years.

Quaker Tapestry also creates its own embroidery kits and other related products involving bespoke fabrics and yarns. Older stock is usually sold at reduced prices in the shop or online, rather than being written off. The reserves need to be adequate to front fund these publications and purchases.

**12. DEBTORS**

|                                |               |              |
|--------------------------------|---------------|--------------|
| Trade Debtors                  | 6,384         | 3,384        |
| VAT                            | 20,342        | -            |
| Prepayments and Accrued Income | <u>1,640</u>  | <u>1,682</u> |
|                                | <u>28,366</u> | <u>5,066</u> |

**13. CREDITORS**

|                                       |              |               |
|---------------------------------------|--------------|---------------|
| Amounts Falling Due Within One Year:  |              |               |
| Trade Creditors                       | 1,197        | 2,850         |
| Other Taxes and Social Security Costs | 538          | 1,032         |
| Accruals and Other Creditors          | <u>4,572</u> | <u>8,440</u>  |
|                                       | <u>6,307</u> | <u>12,322</u> |

**QUAKER TAPESTRY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 31 December 2021**

| <b>14. UNRESTRICTED FUNDS</b> | <b>2021</b>    | <b>2020</b>    |
|-------------------------------|----------------|----------------|
|                               | <b>£</b>       | <b>£</b>       |
| Brought Forward               | 175,255        | 111,341        |
| Transfer Between Funds        | (81,136)       | 4,862          |
| Unrealised Gains/(Losses)     | 22,487         | 4,501          |
| Net Income/(Expenditure)      | 114,177        | 54,551         |
| Carried Forward               | <u>230,783</u> | <u>175,255</u> |

Included in unrestricted funds is a designated building reserve held to make a provision for Quaker Tapestry's contribution to future major repair work. The reserve has increased and is currently £47,669 (2020 - £31,334) See Trustees' Report - Financial Review. Specific donations received during the year relating to planned future roof works are held as restricted Roof Repairs Fund (see Note 15).

| <b>15. RESTRICTED FUNDS</b>      | <b>Brought Forward</b> | <b>Incoming Resources</b> | <b>Resources Expended</b> | <b>Transfers Between Funds</b> | <b>Carried Forward</b> |
|----------------------------------|------------------------|---------------------------|---------------------------|--------------------------------|------------------------|
|                                  | <b>£</b>               | <b>£</b>                  | <b>£</b>                  | <b>£</b>                       | <b>£</b>               |
| Education Fund                   | 1,350                  | -                         | -                         | -                              | 1,350                  |
| Roof Repairs Fund 23             | 25,414                 | 212,567                   | 331,806                   | 93,825                         | -                      |
| Building (Joint Repairs) Fund    | -                      | 8,763                     | -                         | (8,763)                        | -                      |
| Education Activities Fund        | 1,500                  | -                         | -                         | -                              | 1,500                  |
| Community Connections Initiative | -                      | 700                       | 157                       | -                              | 543                    |
| Marketing and Expertise          | 465                    | -                         | 200                       | (265)                          | -                      |
| Opening Doors Fund               | 3,000                  | 78                        | 619                       | -                              | 2,459                  |
| Fabric of Kendal Fund            | 2,000                  | 2,167                     | 375                       | (2,792)                        | 1,000                  |
| Audio Guide Fund                 | 3,321                  | 160                       | -                         | -                              | 3,481                  |
| COVID 19 Recovery Fund           | 4,697                  | 500                       | 3,828                     | (869)                          | 500                    |
|                                  | <u>41,747</u>          | <u>224,935</u>            | <u>336,985</u>            | <u>81,136</u>                  | <u>10,833</u>          |

Restricted funds are mostly grants and donations received to support specific work. Related project costs may contain an element of core costs, including staff time or regular building maintenance, which are transferred during the year.

The Building (Joint Repairs) Fund relates to regular maintenance work for which costs are shared under the Lease and management agreements.

**16. SHARE CAPITAL**

The company is limited by guarantee and does not have any share capital.

**17. TAXATION**

The company is a registered charity and has been exempted by HM Revenue & Customs from Tax under S.505 (1) (C) ICTA 1988.

| <b>18. ANALYSIS OF NET ASSETS BETWEEN FUNDS</b> | <b>Unrestricted Funds</b> | <b>Restricted Funds</b> |
|---|---------------------------|-------------------------|
|   | <b>£</b>                  | <b>£</b>                |
| Fixed Assets                                    | 253,062                   | -                       |
| Current Assets                                  | 197,163                   | 10,833                  |
| Current Liabilities                             | (6,307)                   | -                       |
| Long Term Liabilities                           | -                         | -                       |
| Provisions for Liabilities                      | (213,135)                 | -                       |
|   | <u>230,783</u>            | <u>10,833</u>           |

## **QUAKER TAPESTRY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - continued** **For The Year Ended 31 December 2021**

#### **19. LEASE OBLIGATIONS**

Quaker Tapestry Limited leases Kendal Friends Meeting House from Friends Trust Ltd, acting as landlords on behalf of Kendal & Sedbergh Area Meeting of the Religious Society of Friends (Quakers). The annual lease is £1.

Quaker Tapestry is responsible for organising the regular maintenance of the Grade 2 building, built in 1816. An associated management agreement with Kendal & Sedbergh Area Meeting reserves some restricted use for Kendal Local Meeting and sets out arrangements for joint funding of building repair works.

#### **20. TRANSACTIONS WITH TRUSTEES AND RELATED PARTY TRANSACTIONS**

The charity trustees were not paid for any services and did not receive any employment income or benefits in the year (2020 - Nil).

The total expenses reimbursed to trustees during the year relating to travel was £Nil (2020 - £Nil).

There were no other related party transactions during the year.

#### **21. INDEPENDENT EXAMINERS FEE**

The total fees paid to Mitchinsons Accountants during the year consisted of the independent examiners fee £2,100 (2020 - £2,000) and other advisory and payroll work totalling £845 (2020 - £395).

#### **22. GOVERNMENT GRANTS COVID 19**

The total Government grants received in relation to COVID 19 support of £28,560 (2020 - £38,029) is made up of £12,225 (2020 - £26,695) claimed under the furlough scheme and £16,335 (2020 - £11,334) South Lakeland District Council business support grants.

#### **23. PROVISIONS FOR LIABILITIES**

A provision of £213,135 (2020 - £Nil) has been provided for the roofing contract with Hodgson Sayers Ltd which was partially complete at the year end. The total contract value amounts to £323,798 and will be completed in 2022. All costs and the provision have been charged to the roofing repairs expenditure fund. Additional costs relating to contract variations and provisional sums are not included in the provision, these will be incurred and resourced in 2022.