

QUAKER TAPESTRY LIMITED

Financial Statements and Annual Report

For the Year Ended

31 December 2023

QUAKER TAPESTRY LIMITED

FINANCIAL STATEMENTS

For The Year Ended 31 December 2023

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**Quaker Tapestry Limited Report of
the Directors and Trustees for the
year ended 31 December 2023**

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 2023

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 2023 until the day this report was approved were:

Lesley Janet Batchelor
Rosalind Mary Batchelor (to June 2023)
Lindsay Grace Bullard
David Ditcham
Dr Andrew James Fincham
Matthew John Kirk
Glyn Hughes
Alan Price
Arthur George Willman Pritchard
Esther Phoebe Rutter
Timothy John Yeomans

Clerk (Chair) Quaker Tapestry Ltd: David Ditcham
Clerk (Chair) Planning and Finance Committee: Matthew John Kirk

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

2023 has been a year continuing to build from the effects of Covid and returning to a more regular way of operating. Positive signs are showing with visitor numbers in 2023 increasing from 2022 and being close to pre-pandemic levels. In 2023, the Museum welcomed 4625 visitors, which was an increase on the 3658 visitors in 2022. The Quaker Tapestry has also seen an increase in school groups and general group visits.



At the beginning of 2023, the Quaker Tapestry team reviewed the shop stock and displays. Ranges featuring tapestry panels and own branding were increased and revamped. A new range of souvenirs were produced featuring a specially commissioned drawing of the Quaker Tapestry Museum/Kendal Meeting House, by local artist and tutor Lynda Gray. These included fridge magnets, magnetic bookmarks and notepads.

Also commissioned was the design of new cross stitch kits incorporating and inspired by the Tapestry panels including Voyage of the Woodhouse and our Kingfisher embroidery kit. These changes have been well received by visitors and led to good sales in the Museum and the online shop.

July saw the opening of the museum's Quaker Simplicity exhibition. This exhibition delved into the rich history of Quaker simplicity and plainness, with a special focus on clothing. It also explored how Quakers view their testimony of simplicity in the modern world and gained insights into how it influences their daily lives.

The Museum was awarded £5,000 from The Art Fund, Arts Council England and Museum Development UK'S Recovery and Reset fund for the Quaker Simplicity project. A textile wall hanging was commissioned, celebrating the theme 'A Simple Life'. This is the result of an artist led community project to introduce new people to the Quaker Tapestry as well as giving children and adults the chance to explore different textile techniques both in groups and individually. Artist Sue Rowland planned the textile wall hanging to include work from children from local primary schools, a local group and members of the community (locally and further afield) who attended sessions at the Quaker Tapestry Museum.



The museum was awarded £3,200 in funding from the Royal Society's Places of Science Grant for the project Weather Watching: John Dalton FRS, Meteorology and Kendal. Children from two local primary schools came to the museum for a series of workshops to learn about the life of John Dalton and his work on Meteorology. Between visits they made a logbook of their own temperature and rainfall observations at school. They then thought more broadly about how these observations can be used to track the changing climate and how meteorologists can use Dalton's data to track climate change today. Working with local artist, Donna Cambell, the children created their own artistic responses to all they had learned about John Dalton, meteorology, and climate change. The resulting artwork accompanies this exhibition.

2023 was the first year for the full new workshop's program, drawing on a range of tutors and a variety of creative skills. The diversity and popularity of the workshops, resulting in repeat workshops and returning customers demonstrates how they have been a successful addition to the Museum's outreach activities.



As part of the Museum's aim to engage with a new and diverse audience, a Family Fun Day was held in July and a Craft Fair in September. Both were successful in increasing the awareness of the Museum and bringing a new audience through the doors.



The Museum was awarded £1000 from Museum Development North West to partake in a staff team away day. The funding was used to run a staff away day to Manchester, visiting Manchester Museum, Castlefield Viaduct and the Museum of Science and Industry. This was extremely beneficial in building relationships within the team and also gave staff a chance to learn about best practice in the sector and how museums are working with audiences in new ways.

The roof project is still awaiting final completion and payment of the retention as final snagging and remedial work is likely to be completed by mid-2024. Now that the end is in sight for this, we have started discussing with Kendal and Sedbergh Area Meeting the programme of building works required to keep the beautiful, listed Meeting House in good condition for years and decades to come. This is not a cheap process but one close to our hearts.

The Museum has been very grateful for the support of volunteers, both those who have been with us a while and those who have joined the team during 2023. Volunteers have supported the visitor welcome, collection care, archiving activities, school visits and

much more. Volunteers are a vital part of the museum's success, and the Quaker Tapestry team look forward to working with them more in 2024.

Although the museum has faced challenges in 2023 that will continue into 2024, such as the rise of utility bills and the continuing cost of living crisis that will put pressure on staff and visitors, it has been a positive year with exciting new projects and activities.

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 a reasonable year for Quaker Tapestry's finances as the accounts stabilised after the roof project which dominated the prior two years, and as we continue recovery post-COVID.

Core revenue from admissions to the museum, the museum shop and online sales, workshops, short-term rentals of the cottage (flat), the café and room hire was £88,272 against £74,412 in 2022. This increase was driven by better cottage rental, higher admissions and the café returning to full payments of overheads and licence fee after the substantive end of the roof building works.

Core costs, so excluding the roof project (primarily 2022 and before), property repairs and costs associated with delivering grant-funded projects, were slightly up compared to 2022 primarily due to utilities and the costs of servicing the higher level of the cottage rentals. Staff costs were 1.2% below the previous year as the cost of the overlap of the previous general manager and some of the costs of the cleaner came off in 2023. We increased staff wages in January 2023 in line with the Real Living Wage Foundation recommendation (10.1%).

We received legacies and lifetime gifts of £39,974 in 2023 which were very much appreciated, and without which we would have made a substantial deficit.

As it was, with these gifts, we had an operating deficit of -£31,041 in 2023, though thanks to a rebound in the previously declining value of our COIF investments, the net movement in funds in the year was limited to -£10,435.

We received specific support for the following areas in 2023, many of which were carried over from 2022:

- Community Connections Fund
- Sustainable Improvement Fund
- Collection Care Fund
- Quaker Simplicity Fund
- Wild Escape
- CPD (staff development)

We also raised funds through two appeals in 2023 which are still to be spent in 2024, namely:

- Quaker Samplers (that we intend to purchase)
- George Fox 400 appeal

We are grateful to Naomi and her team for the considerable effort involved in making applications and for achieving such a high level of success, facilitating interesting new activities. We also appreciate the need to continue to generate funds to cover core costs which have increased significantly over the last few years, particularly staff costs and utilities.

MAJOR RISKS

The risks facing the charity are summarised in a risk register and subject to regular review. The Planning & Finance Committee has a standing agenda item of “any newly emerging risks?”

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.

We face increased, potentially permanently, operating costs, relating mostly to external inflationary factors, principally staff costs and utilities. We are not alone in the museum and charity sectors with regard to these factors. Earned income is also affected by external economic factors, including the personal disposable income of potential visitors. It is therefore important that we continue to monitor and manage finances carefully and where possible apply for other funding. We are also planning to increase engagement, support and income from within the wider Quaker community in Britain, and see this as a potential ongoing source of income, reducing the dependency on legacies

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.

Estimated core expenditure in 2024 is approximately £215,000. Based on this and other factors above, an estimated *minimum* reserve of £184,000 has been calculated. At the end of 2023, the unrestricted funds held, were £216,886, including tangible assets of £11,132 and held mainly in COIF investment units of £230,398 (Dec 2023). Some of the restricted funds are also held in the COIF investment units, including the roof project retention of £13,509 which we expect to pay in 2024.

This level of reserves, slightly above the policy minimum, is considered entirely reasonable given the unpredictable current and future circumstances. The reserves also include the proceeds of significant legacies received in 2021, which it is planned to release gradually over several years if needed. As a comparison the level of unrestricted funds at the end of 2023 of £216,886 is down versus the end of 2022 when it was £234,583, which we feel reinforces the need for a prudent approach.

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.

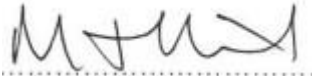
SMALL COMPANY EXEMPTION

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:

A handwritten signature in black ink, appearing to read 'D. Ditcham', written over a dotted line.

David Ditcham (Clerk (Chair) of Trustees)

A handwritten signature in black ink, appearing to read 'M. Kirk', written over a dotted line.

Matthew Kirk (Clerk of Planning and Finance Committee)

QUAKER TAPESTRY LIMITED

INDEPENDENT EXAMINERS REPORT ON THE ACCOUNTS

For The Year Ended 31 December 2023

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2023.

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 2023

| INCOME AND ENDOWMENTS | Notes | Unrestricted Funds £ | Restricted Funds £ | Total 2023 £ | Total 2022 £ |
|---|--------------|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Income from Charitable Activities | | | | | |
| Admissions (Not GA) | | 13,599 | - | 13,599 | 13,482 |
| | | <u>13,599</u> | <u>-</u> | <u>13,599</u> | <u>13,482</u> |
| Other Trading Activities | | | | | |
| Shop and Mail Order Sales | | 22,437 | - | 22,437 | 22,702 |
| Room Hire Income | | 7,968 | - | 7,968 | 15,678 |
| Café Licence | | 5,040 | - | 5,040 | 1,890 |
| Café Overheads | | 5,391 | - | 5,391 | 3,818 |
| Cottage Income | | 20,488 | - | 20,488 | 7,474 |
| Workshop Fees | | 4,603 | - | 4,603 | 2,979 |
| Car Park Income | | - | - | - | (410) |
| Insurance Contribution | | 1,808 | - | 1,808 | 1,684 |
| Insurance loss of earnings claim | | - | - | - | 10,021 |
| Other Income | | 1,612 | - | 1,612 | 857 |
| | | <u>69,347</u> | <u>-</u> | <u>69,347</u> | <u>66,693</u> |
| Donations and Legacies | | | | | |
| Grants and Donations | 4 | 19,244 | 27,851 | 47,095 | 501,921 |
| Government Grants COVID 19 | 22 | - | - | - | 2,667 |
| Admissions (GA) | | 8,746 | - | 8,746 | 6,389 |
| Area Meeting Contribution | | 4,900 | - | 4,900 | 2,500 |
| Legacies and Lifetime Gifts | | 39,974 | - | 39,974 | - |
| | | <u>72,864</u> | <u>27,851</u> | <u>100,715</u> | <u>513,477</u> |
| Income from Investments | | | | | |
| Interest and Dividends Received | | 7,562 | - | 7,562 | 6,715 |
| | | <u>7,562</u> | <u>-</u> | <u>7,562</u> | <u>6,715</u> |
| TOTAL INCOME AND ENDOWMENTS | | <u>163,372</u> | <u>27,851</u> | <u>191,223</u> | <u>600,367</u> |
| EXPENDITURE | | | | | |
| Expenditure on Charitable Activities | | | | | |
| Exhibition Running Costs and Maintenance | | 788 | - | 788 | 455 |
| Cottage Expenses | | 11,488 | - | 11,488 | 4,273 |
| Café Expenses | | 1,090 | - | 1,090 | 1,605 |
| Support Costs | 7 | 89,262 | 6,793 | 96,055 | 248,343 |
| Accountancy Fees | 21 | 3,750 | - | 3,750 | 3,560 |
| | | <u>106,378</u> | <u>6,793</u> | <u>113,171</u> | <u>258,236</u> |
| Expenditure on Raising Funds | | | | | |
| Direct Costs | 6 | 9,154 | - | 9,154 | 6,612 |
| Workshop Expenses | | 3,885 | - | 3,885 | 724 |
| Support Costs | 7 | 89,262 | 6,793 | 96,055 | 248,343 |
| | | <u>102,301</u> | <u>6,793</u> | <u>109,094</u> | <u>255,679</u> |
| TOTAL EXPENDITURE | | <u>208,679</u> | <u>13,585</u> | <u>222,264</u> | <u>513,914</u> |
| INCOME LESS EXPENDITURE | | <u>(45,307)</u> | <u>14,266</u> | <u>(31,041)</u> | <u>86,453</u> |

QUAKER TAPESTRY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES - continued

(Including Income and Expenditure Account)

For The Year Ended 31 December 2023

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total 2023 £ | Total 2022 £ |
|--|---------|----------------------------|--------------------------|--------------------|--------------------|
| Income less Expenditure B/Fwd | | (45,307) | 14,266 | (31,041) | 86,453 |
| Net Gains/(Losses) on Investments | | | | | |
| Unrealised gains/(losses) | 10 | 20,606 | - | 20,606 | (29,760) |
| Net Income/(Expenditure) | | <u>(24,701)</u> | <u>14,266</u> | <u>(10,435)</u> | <u>56,693</u> |
| Transfers Between Funds | 14 & 15 | 7,004 | (7,004) | - | - |
| NET MOVEMENT IN FUNDS | | <u>(17,697)</u> | <u>7,262</u> | <u>(10,435)</u> | <u>56,693</u> |
| Reconciliation of Funds | | | | | |
| Total Funds B/Fwd | | <u>234,583</u> | <u>63,726</u> | <u>298,309</u> | <u>241,616</u> |
| Total Funds C/Fwd | | <u>216,886</u> | <u>70,988</u> | <u>287,874</u> | <u>298,309</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 13 to 19 form part of these Financial Statements

QUAKER TAPESTRY LIMITED

BALANCE SHEET
31 December 2023

| | | 2023 | | 2022 | |
|--|--------------|-----------------|----------------|-----------------|----------------|
| | Notes | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 9 | | 11,132 | | 13,842 |
| Investment at valuation | 10 | | 230,398 | | 209,792 |
| | | | <u>241,530</u> | | <u>223,634</u> |
| CURRENT ASSETS | | | | | |
| Stocks | 11 | 12,746 | | 15,436 | |
| Debtors | 12 | 7,540 | | 15,556 | |
| Cash at bank and in hand | | <u>54,258</u> | | <u>72,189</u> | |
| | | 74,544 | | 103,181 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 13 | <u>(28,201)</u> | | <u>(28,506)</u> | |
| NET CURRENT ASSETS | | | <u>46,343</u> | | <u>74,675</u> |
| Total Assets Less Current Liabilities | | | <u>287,873</u> | | <u>298,309</u> |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | | | - | | - |
| PROVISIONS FOR LIABILITIES | | | - | | - |
| NET ASSETS | | | <u>287,873</u> | | <u>298,309</u> |
| FUNDS | | | | | |
| Unrestricted funds | 14 | | 216,886 | | 234,583 |
| Restricted funds | 15 | | <u>70,988</u> | | <u>63,726</u> |
| TOTAL FUNDS | 18 | | <u>287,873</u> | | <u>298,309</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 2023; 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 statements, so far as applicable to the company.

QUAKER TAPESTRY LIMITED

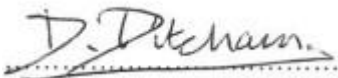
BALANCE SHEET - continued
31 December 2023

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 31/ 05/24 and are signed on their behalf by:

A handwritten signature in black ink, appearing to read 'M Kirk', written over a horizontal dotted line.

Matthew Kirk
(Clerk of Planning and Finance Committee)

A handwritten signature in black ink, appearing to read 'D. Ditcham', written over a horizontal dotted line.

David Ditcham (Clerk of Trustees)

QUAKER TAPESTRY LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 31 December 2023

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 |
| 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 within staff costs and disclosed in note 8.

QUAKER TAPESTRY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023

| | | |
|--|---------------|----------------|
| 4. GRANTS AND DONATIONS | 2023 | 2022 |
| | £ | £ |
| Unrestricted Fund | | |
| General Donations | 6,550 | 10,263 |
| Membership Income | 2,433 | 3,148 |
| Gift Aid Tax Refund | 4,961 | 5,589 |
| Revive, Survive and Thrive Appeal Donations | - | 4,294 |
| Trust Appeal Grants | 5,300 | 5,650 |
| Other | - | - |
| | <u>19,244</u> | <u>28,944</u> |
| Restricted Funds | | |
| Building (Joint Repairs) Fund Income | 4,865 | 17,507 |
| Roof Repair Fund Income | - | 437,567 |
| Education Activities Fund Income | - | 500 |
| Community Connections Initiative Income | 861 | 792 |
| Audio Guide Fund Income | - | 50 |
| Sustainable Improvement Fund Income | 5,000 | 7,000 |
| Collection Care Fund Income | 3,190 | 1,861 |
| Places of Science Fund Income | - | 3,200 |
| Quaker Simplicity Fund Income | 500 | 4,500 |
| Wild Escape Fund Income | 3,000 | - |
| Warm Hub Fund Income | 30 | - |
| CPD Fund Income | 1,000 | - |
| Sampler Fund Income | 6,190 | - |
| George Fox Fund Income | 3,215 | - |
| | <u>27,851</u> | <u>472,977</u> |
| TOTAL | <u>47,095</u> | <u>501,921</u> |
| 5. NET INCOME OVER EXPENDITURE | | |
| This is stated after charging: | | |
| Depreciation | 2,710 | 3,469 |
| Loss/(profit) on disposal of tangible fixed assets | - | - |
| 6. DIRECT COSTS | | |
| Opening stock | 15,436 | 14,421 |
| Purchases and other direct costs | 6,419 | 7,518 |
| Carriage and postage | 45 | 109 |
| | <u>21,900</u> | <u>22,048</u> |
| Less: | | |
| Closing stock | (12,746) | (15,436) |
| | <u>9,154</u> | <u>6,612</u> |

QUAKER TAPESTRY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023

| 7. SUPPORT COSTS | Notes | 2023 £ | 2022 £ |
|---|-------|----------------|----------------|
| Salaries | | 107,742 | 109,838 |
| Pension Contributions | | 5,296 | 4,616 |
| Evening Supervisors | | - | 252 |
| Cleaning and Caretaking Expenses | | 4,972 | 2,716 |
| Travel Expenses | | 953 | 868 |
| Trustees Expenses | 20 | - | 756 |
| Repairs and Maintenance (equipment and maintenance) | | 7,105 | 4,851 |
| Property Repairs | | 8,127 | 30,145 |
| Garden Expenses | | 2,188 | 1,398 |
| Heat, Light and Power | | 14,869 | 11,158 |
| Rates and water | | 1,793 | 1,970 |
| Insurance | | 6,430 | 5,384 |
| Telephone | | 2,543 | 2,658 |
| Office Postage, Stationery and Maintenance | | 868 | 763 |
| Advertising and Promotion | | 6,137 | 5,221 |
| Fundraising Costs | | 892 | - |
| Event Expenses | | 492 | - |
| Subscriptions | | 2,047 | 1,619 |
| Training, Recruitment and Sundry | | 2,010 | 1,833 |
| Bank and Credit Card Facility Charges | | 1,350 | 1,504 |
| Depreciation | | 2,710 | 3,469 |
| Fund Expenses | 15 | | |
| Roof Repairs Fund Expenses | 23 | 1,325 | 295,838 |
| Audio Guide Fund Expenses | | 860 | 1,500 |
| Education Activities Fund Expenses | | 503 | 251 |
| Sustainable Improvement Fund Expenses | | 3,036 | 5,485 |
| Places of Science Fund Expenses | | 2,200 | 770 |
| Quaker Simplicity Fund Expenses | | 3,734 | 1,088 |
| Collection Care Fund Expenses | | - | 734 |
| Wild Escape Fund Expenses | | 1,557 | - |
| Warm Hub Fund Expenses | | 22 | - |
| Audience Engagement Fund Expenses | | 40 | - |
| CPD Fund Expenses | | 308 | - |
| | | <u>192,109</u> | <u>496,685</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 | 96,055 | 248,343 |
| Raising funds | <u>96,055</u> | <u>248,343</u> |
| | <u>192,109</u> | <u>496,685</u> |

| | | |
|--|----------------|----------------|
| 8. STAFF COSTS | | |
| Wages and Salaries | 105,924 | 108,898 |
| Social Security Costs (net of employers allowance) | 1,818 | 941 |
| Pension Costs | <u>5,296</u> | <u>4,616</u> |
| | <u>113,038</u> | <u>114,455</u> |

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

| | | |
|-----------------------|---|---|
| Charitable Activities | 2 | 2 |
| Raising Funds | 2 | 2 |

The average number of employees during the year was 9 (2022 - 9).

No employees received benefits in excess of £60,000 (2022 - Nil).

QUAKER TAPESTRY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023

9. TANGIBLE FIXED ASSETS

| | Property Restoration & Refurbishment £ | Cottage Property Improvements £ | Café £ | Fixtures, Fittings & Equipment £ | Exhibition Design £ | Computer £ | Café Equipment £ | Total £ |
|--------------------------|---|--|-----------|---|---------------------------|---------------|------------------------|------------|
| COST | | | | | | | | |
| At 1 Jan 2023 | 58,880 | 37,404 | 22,033 | 104,300 | 143,482 | 21,766 | 31,978 | 419,843 |
| Additions | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - |
| At 31 Dec 2023 | 58,880 | 37,404 | 22,033 | 104,300 | 143,482 | 21,766 | 31,978 | 419,843 |
| DEPRECIATION | | | | | | | | |
| At 1 Jan 2023 | 58,879 | 37,403 | 22,032 | 95,394 | 143,481 | 21,009 | 27,803 | 406,001 |
| Provided during the year | - | - | - | 1,781 | - | 303 | 626 | 2,710 |
| On Disposals | - | - | - | - | - | - | - | - |
| At 31 Dec 2023 | 58,879 | 37,403 | 22,032 | 97,175 | 143,481 | 21,312 | 28,429 | 408,711 |
| NET BOOK VALUE | | | | | | | | |
| At 31 Dec 2023 | 1 | 1 | 1 | 7,125 | 1 | 454 | 3,549 | 11,132 |
| At 31 Dec 2022 | 1 | 1 | 1 | 8,906 | 1 | 757 | 4,175 | 13,842 |

QUAKER TAPESTRY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023

| 10. INVESTMENTS | 2023 £ | 2022 £ |
|--|----------------|-----------------|
| COIF Charities Fixed Interest Fund - Income Units | | |
| Cost | | |
| At 1 January 2023 | 212,817 | 212,817 |
| Additions | - | - |
| Disposals | - | - |
| At 31 December 2023 | <u>212,817</u> | <u>212,817</u> |
| At Market Value | | |
| At 1 January 2023 | 209,792 | 239,552 |
| Additions | - | - |
| Unrealised gains/(losses) | <u>20,606</u> | <u>(29,760)</u> |
| At 31 December 2023 | <u>230,398</u> | <u>209,792</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.

11. STOCKS

| | | |
|------------------|---------------|---------------|
| Goods for Resale | <u>12,746</u> | <u>15,436</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 | 4,696 | 4,273 |
| Prepayments and Accrued Income | <u>2,844</u> | <u>11,283</u> |
| | <u>7,540</u> | <u>15,556</u> |

13. CREDITORS

| | | |
|---------------------------------------|---------------|---------------|
| Amounts Falling Due Within One Year: | | |
| Trade Creditors | 5,158 | 6,355 |
| Other Taxes and Social Security Costs | 3,430 | 2,927 |
| Accruals and Other Creditors | <u>19,613</u> | <u>19,224</u> |
| | <u>28,201</u> | <u>28,506</u> |

Included in Other Creditors is £13,509 retention for the roof works, payable to Hodgson Sayers 6 months after practical completion and the resolution of defects. We now expect this to be paid in 2024 when all defects are resolved.

QUAKER TAPESTRY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023

| 14. UNRESTRICTED FUNDS | 2023 | 2022 |
|-------------------------------|----------------|----------------|
| | £ | £ |
| Brought Forward | 234,583 | 230,783 |
| Transfer Between Funds | 7,004 | 114,418 |
| Unrealised Gains/(Losses) | 20,606 | (29,760) |
| Net Income/(Expenditure) | (45,307) | (80,858) |
| Carried Forward | <u>216,886</u> | <u>234,583</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 is currently £50,336 (2022 - £50,336).

| 15. RESTRICTED FUNDS | Brought Forward | Incoming Resources | Resources Expended | Transfers Between Funds | Carried Forward |
|----------------------------------|------------------------|---------------------------|---------------------------|--------------------------------|------------------------|
| | £ | £ | £ | £ | £ |
| Families and Education Fund | 3,099 | - | 503 | - | 2,596 |
| Roof Repairs Fund | 47,904 | - | 1,325 | - | 46,579 |
| Building (Joint Repairs) Fund | - | 4,865 | - | (4,865) | - |
| Community Connections Initiative | 785 | 861 | - | (550) | 1,096 |
| Opening Doors Fund | 2,459 | - | - | - | 2,459 |
| Fabric of Kendal Fund | 1,000 | - | - | - | 1,000 |
| Audio Guide Fund | 1,031 | - | 860 | - | 171 |
| Sustainable Improvement Fund | 674 | 5,000 | 3,036 | - | 2,638 |
| Places of Science Fund | 2,235 | - | 2,200 | - | 35 |
| Collection Care Fund | 1,127 | 3,190 | - | - | 4,317 |
| Quaker Simplicity Fund | 3,412 | 500 | 3,734 | (178) | - |
| Wild Escape Fund | - | 3,000 | 1,557 | (1,443) | - |
| Warm Hub Fund | - | 30 | 22 | (8) | - |
| Audience Engagement Fund | - | - | 40 | 40 | - |
| Sampler Fund | - | 6,190 | - | - | 6,190 |
| George Fox Fund | - | 3,215 | - | - | 3,215 |
| CPD Fund | - | 1,000 | 308 | - | 692 |
| | <u>63,726</u> | <u>27,851</u> | <u>13,585</u> | <u>(7,004)</u> | <u>70,988</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.

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.

| 18. ANALYSIS OF NET ASSETS BETWEEN FUNDS | Unrestricted Funds | Restricted Funds |
|---|---------------------------|-------------------------|
| | £ | £ |
| Fixed Assets | 241,530 | - |
| Current Assets | 3,556 | 70,988 |
| Current Liabilities | (28,201) | - |
| Long Term Liabilities | - | - |
| Provisions for Liabilities | - | - |
| | <u>216,885</u> | <u>70,988</u> |

QUAKER TAPESTRY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **For The Year Ended 31 December 2023**

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 (2022 - Nil).

The total expenses reimbursed to trustees during the year relating to travel was £Nil (2022 - £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 £2,500 (2022 - £2,500) and other advisory and payroll work totalling £850 (2022 - £1,460).

22. GOVERNMENT GRANTS COVID 19

The total Government grants received in relation to COVID 19 support of £Nil (2022 - £2,667) which was from South Lakeland District Council business support grants.