

Embroiderers' Guild

General Meeting – Ordinary Resolution - Explanation

Purpose of the meeting

The impact of the coronavirus pandemic has thrown into sharp relief issues that the Trustees of the Guild have been grappling with over a number of years and has now brought those issues to a head. The Trustees now must make some very difficult decisions in order to ensure that the Guild survives and the purpose of the proposed General Meeting, to be held online on **Thursday 4th March 2021**, is to invite members' support for the Trustees' proposals outlined below.

The matters referred to in this note and to be discussed at the General Meeting are important.

Attached with this note you will find:

- **Formal Notice of a General Meeting** setting out the text of the resolution that will be put to the meeting after the Chairman's presentation and questions from members have been addressed;
- **Joining instructions** for participating at the meeting online
- **A Proxy Form**. This is for use by members who do not/cannot attend the General Meeting in person.
- **A Poll Card** for use by members who attend the General Meeting and then wish to vote.

Why is this happening now?

A number of long term factors have impacted on the Guild's ability to continue 'as is.' Like many other smaller charities this year, the global pandemic has added to our difficulties. Many Branches have made sterling efforts to engage with their members despite a lack of face-to-face meetings. Membership renewals have fallen significantly this year, with many branch members deciding not to re-join the Guild. This has translated into a significant loss of income which, when added to pre-existing financial deficits, now makes it impossible for the Guild to continue as it is.

Our auditors have advised us that the Guild's total income has reduced to a point where, if we do not make these changes, we, the Trustees, will be left with no option but to declare that the Embroiderers' Guild is not a 'going concern'. This would lead to winding up the Guild's affairs and lead to a liquidator being appointed to dispose of the Guild's assets and funds.

The Trustees' proposals

Having considered the current position and the various options available to the Guild the Trustees are of the view that the Guild is no longer viable as it is.

In order for the Guild to continue the Trustees are proposing to:

- **Close Head Office**. This will take full effect over the next year.
- **Reduce staffing costs**. This will entail redundancies during the course of the next year.

- **Manage the Guild with the help of volunteers.** The recently retired CEO will not be replaced.
- **Significantly reduce the need for our main contractors** and the associated cost of their services – the accountant, book keeper and IT support person. This will require a reduction in the need for their services.
- **Significantly reduce the cost of professional fees** – banking, audit, legal etc. This will also require a reduction in the need for these services.
- **Redeploy the Guild's financial resources** including all those currently held by the branches and regions. This will enable the Guild to continue to support and engage our members and to (better) achieve our charitable aims for the benefit of stitch and textile art and continue the care and conservation of the Guild Collection.

It will no longer be possible to support a network of regions and branches. Understandably, some branches will decide to close. Others may decide to continue as independent stitch groups. The Guild will make available a package of support for independent stitch groups including a start-up grant. There will no longer be a requirement for branch members to be Guild members. Branches that elect to continue as an independent stitch group will retain all their other (non-financial) stitch-related items.

The time available for the Trustees to act is running out. If action is not taken soon then there is a real risk that the Guild will essentially become insolvent. That is something that the Trustees feel must be avoided.

Your vote FOR the Ordinary Resolution will ensure that the Guild continues

- **The Embroiderers' Guild** will be better positioned to continue to support and nurture stitch and textile art in ways that make it available to the widest possible audience i.e. better achieve its charitable aims.
- **The Guild Collection** will continue to be cared for to the highest standards. It will continue to be a historical and contemporary record of stitch and textile art. It will be increasingly available to Guild members, students and researchers.
- **The Folios** will continue to be made available on application. New folios that record late 20th and 21st Century trends will continue to be created.
- **ThreadIT**, the Guild's first on-line branch already has over 500 members. The plan is to introduce it to stitchers all over the world and create new versions of this on-line branch to cater for different special interest groups. It will be a new source of income.
- **Guild support for those in full and part time education** including students, graduates, post graduates and their teachers and lecturers will continue.
- **Guild projects will continue.** Please see the temporary website and Contact for details of the 2021/22 project – TIME.
- **The new Guild design-orientated courses** will continue. These will be marketed to self-learners across the world. The aim is to make them a significant source of income.
- **'Contact'** and **'Keeping in Contact'** and the annual **'Best of Contact'** will continue and feature all aspects of Guild life.

- **The Guild website** will be entirely redesigned to take advantage of the best on-line facilities and provide a unique and expanding resource. There will be a new 'Members' Room'. It will include new e-books; regular featured items from the Collection; details of the Members' Challenges and Guild projects; an increasing postcards archive and more.
- **Embroidery magazine**, now in its 89th year, will continue to be published. It will also be digitised and offered to university libraries, museums and galleries across the world as the most comprehensive record of stitch and textiles. This will also be a new source of income.

In addition, **Guild branches** may decide to continue as independent stitch groups and can take advantage of a package of support from the Guild.

Members are urged to vote **FOR the Resolution**

In the event that the trustees consider that there is insufficient support for the Guild to continue as a 'Going Concern' they would have to consider closing down the Guild entirely.

This could include...

- Disposing of all Guild assets including the Guild Collection.
- No start-up support for Guild branches that decide to continue as independent stitch groups.
- Making all staff redundant.
- Ceasing publication of Embroidery magazine.
- Closing down ThreadIT
- The Guild design-led courses no longer being available.
- The appointment of a liquidator. The cost would be many 10s of thousands of pounds and all decisions would be made by the appointed person.

Conclusion

As outlined above the Trustees' preferred course of action is to make substantial changes that would ensure the future of the Guild for the benefit of stitch and textile art and future generations of embroiderers and textile designers.

The Trustees are accountable for taking whatever action is necessary to address the financial situation of the Guild and, as accountable people, they have the powers to do so. However, as Guild members, they recognise the importance of informing members and inviting them to support the proposed courses of action. Hence, we are calling this General Meeting, sending this explanatory document and posting extensive 'Questions and Answers' on the temporary Guild website at www.embroiderersguild.com.

The Trustees of the Embroiderers' Guild

Dated 11th February 2021