THE LEATHER CONSERVATION CENTRE
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH SEPTEMBER 2016
THE LEATHER CONSERVATION CENTRE
(A Company Limited by Guarantee)

Report of the Trustees for the year ended 30th September 2016

INDEX

<table>
<thead>
<tr>
<th>INDEX</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management Information</td>
<td>1</td>
</tr>
<tr>
<td>Director's Report</td>
<td>2 - 4</td>
</tr>
<tr>
<td>Director's Responsibilities</td>
<td>5</td>
</tr>
<tr>
<td>Independent Examiner's Report</td>
<td>6 - 7</td>
</tr>
<tr>
<td>Statement of Financial Activities</td>
<td>8</td>
</tr>
<tr>
<td>Balance Sheet</td>
<td>9</td>
</tr>
<tr>
<td>Principal Accounting Policies</td>
<td>10 - 11</td>
</tr>
<tr>
<td>Notes to the Financial Statements</td>
<td>12 - 14</td>
</tr>
</tbody>
</table>
THE LEATHER CONSERVATION CENTRE
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDDED 30TH SEPTEMBER 2016

Company number: 1370507
Charity number: 276485

Trustees/Directors: J.G.F. Cooke OBE (Chairman)
Ms. H. Richardson (Hon. Secretary) - Resigned 19 February 2016
M. Bradly Russell (Hon. Treasurer)
A. Collinson - Resigned 30 June 2016
Ms. C. De Stefani
P.M. Farmar
Mrs R Garwood - Appointed 23 October 2015
Mrs. M. Kite
Mrs. T.J. Meade
M.S. Pearson
M. Pebody
M. Redwood
Ms. C. Rogerson
Ms. B. Wills
W Tusting

Registered office: University Campus
Boughton Green Road
Northampton
NN2 7AN

Bankers: HSBC
100 Old Broad Street
London
EC2N 1BG

Independent Examiners: CVS Northamptonshire
32-36 Hazelwood Road
Northampton
NN1 1LN
DIRECTOR'S REPORT

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

The trustees are pleased to present their report and the unaudited accounts of the charity for the year ended 30th September 2016.

Directors and Trustees
The directors of the charitable company (the charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

Government Document
The Charity is constituted as a company limited by guarantee, and governed by its Memorandum and Articles of Association. There is no share capital and every member of the company undertakes to contribute to the assets of the company while she/he is a member or within one year after she/he ceases to be a member, such amounts as may be required, not exceeding £1.00 in the event of winding up. The company is registered under the Charities Act 2011 and as such is not liable to income tax, corporation tax and capital gains tax.

Objects of the Charity
The Centre was established as a permanent organisation to co-ordinate and improve the knowledge, methods and working standards needed to protect and preserve leather objects for the benefit of the public, to promote research into leather conservation and to disperse knowledge through education and training. It has the more general aim to promote the conservation and restoration of leather objects for the public benefit.

The Trustees have had due regard to the guidance published by the Charity Commission on public benefit and in particular the supplementary guidance on public benefit and fee charging.

Appointment of Trustees
Members of the organisation can be co-opted during the year and nominated for election to the Executive Committee at the Annual General Meeting. The Board of Trustees consists of not more than 20 members who can serve for a period of three years before being nominated for re-election. Recruitment of Trustees is undertaken according to the skill mix required for the Committee and in accordance with the nomination process for the organisation.

Trustee Induction and Training
New Trustees are issued with an induction pack including a copy of the Articles of Association, Trustee Code of Conduct Guidelines, a list of current trustees and staff, a brief history of the Centre, current publicity material and financial statements. This includes a briefing of legal objections under charity and company law.
DIRECTOR'S REPORT
FOR THE YEAR ENDED 30TH SEPTEMBER 2016

Organisation
The Board of Trustees administers the charity. The board meets three or four times a year and there are sub-committees covering finance and marketing which can meet more frequently if required. The Head of Conservation manages the Centre on a day to day basis with delegated authority for operational matters including administrative and conservation activities, within terms of delegation approved by the trustees.

Risk review
The Board of Trustees continues to review the risks to which the charity is exposed and systems are in place to mitigate these risks. Awareness of significant risks to funding has led to the development of a longer term strategic plan to diversify sources of funding and fee earning activities.

Achievements and Performance
Yvette Fletcher is the Head of Conservation responsible for the day-to-day running of the Centre. A book conservator, Jennifer Anderson, was appointed on a one year contract from 31 October 2015. In addition the Centre hosted an intern, for twelve months from January 2016, arranged through the ICON (UK Institute for Conservation) internship programme.

Conservation: Significant projects during the year included:

- set of 13 leather covered doors
- large gilt leather screen from a London Livery Company
- cushions from a steamboat
- shield from funerary achievements of the Black Prince
- gilt leather panels from a London Livery Company
- archive materials from The Leathersellers' Company including continuation of work on two parchments deeds with the Great Seal of Elizabeth I attached
- continuation of long term project conserving large set of photograph albums

Training: A three day leather conservation training course was held at West Dean College and a one day training course for museum volunteers was provided for the Museum of London. In addition a half day lecture in leather conservation was given to conservation students at Lincoln University.

The Centre and ICLT ran a course entitled 'Understanding Leather' From Tannery to Collection' for ten conservators, curators and other museum professionals.

A conservation student from Germany completed an 8 weeks work placement at the Centre and a Russian conservator, currently completing a PhD, spent two weeks at the Centre learning more about our methodologies for conservation treatments.
Financial Review
The results for the year and the charity's financial position at the end of the year are shown in the attached accounts.

The Statement of Financial Activities shows a net surplus of £12,195

Investments, Powers and Policy
Under the Articles of Association, the charity has the power to invest in any way the Trustees wish.

Plans for the Future
Every endeavour continues to be made to increase the flow of conservation work through the studio. The majority of the participants of the Understanding Leather course were from overseas (including USA and Canada) enhancing the Centre's reputation worldwide.

A newsletter was sent out to clients and prospective clients in September 2016 and it is expected that further Newsletters will be sent every 12-18 months;

Public Benefits Statement
The Centre benefits the public in a number of ways. The long term preservation and conservation of historic objects made wholly or partly of leather ensures that these items are available for the public to view, and in some cases use, both now and in the future. The Centre advances knowledge and education in conservation by providing guidance, advocacy, training and education opportunities for the conservation profession and the wider heritage community. The Centre is also committed to public benefit through promoting public understanding of and access to the conservation of cultural heritage by giving talks to interested parties to further the public's understanding and awareness of conservation

Related Parties
The Centre has close relationships with the Worshipful Company of Leathersellers, the Worshipful Company of Saddlers and the University of Northampton. All three organisations nominate a representative to serve on the Board of Trustees.

Reserves
The current reserve policy is to maintain sufficient cash flow for known commitments, and the replacement of certain assets. Not all grants are received at the beginning of the financial year others are received in arrears.
DIRECTOR’S RESPONSIBILITIES
FOR THE YEAR ENDED 30TH SEPTEMBER 2016

Company law requires the members of the Executive Committee to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those financial statements, the members of the Executive Committee are required to:

- select suitable accounting policies and then apply them consistently;
- make adjustments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue its activities.

The members of the Executive Committee are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Presented and approved by the board of trustees on 27th February 2017 and signed on their behalf.

[Signature]
Jonathan Cooke  Director
Independent Examiner’s Report to the Trustees of: THE LEATHER CONSERVATION CENTRE
Registered Charity Number: 276485

We report on the accounts of the company for the year ended 30th September 2016, which are set out on the attached pages 8 to 14.

Respective responsibilities of trustees and examiner
The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to an audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act:
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act,
- state whether particular matters have come to my attention.

Basis of independent examiner’s statement
Our examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures of the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a “true and fair view” and the report is limited to those matters set out in the statement below.

Independent Examiner’s statement
In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect, the requirements:
   
   - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
   - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

   have not been met; or
2. to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Lorraine Scullion MAAT
6th March 2017
## STATEMENT OF FINANCIAL ACTIVITIES

**FOR THE YEAR ENDED 30th SEPTEMBER 2016**

<table>
<thead>
<tr>
<th>Notes</th>
<th>Unrestricted</th>
<th>Restricted</th>
<th>Total 2016</th>
<th>Total 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income and endowments from:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations and legacies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charitable Activities</td>
<td>1</td>
<td>97,372</td>
<td>31,000</td>
<td>128,372</td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td>48</td>
<td>-</td>
<td>48</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total income and endowments</strong></td>
<td>97,420</td>
<td>31,000</td>
<td>128,420</td>
<td>117,984</td>
</tr>
</tbody>
</table>

| Expenditure on:        |              |            |            |            |
| Raising Funds          |              |            |            |            |
| Charitable Activities  | 2            | 85,225     | 31,000     | 116,225    | 97,297     |
| Other                  |              | -          | -          | -          | -          |
| **Total Expenditure**  | 85,225       | 31,000     | 116,225    | 97,297     |

| **Net income/(expenditure)** | 12,195 | - | 12,195 | 20,687 |

| Transfer between funds | 993      | (993) | - | - |
| **Net movement in funds** | 13,188  | (993) | 12,195 | 20,687 |

| Total funds brought forward | 66,770 | 22,660 | 89,430 | 68,742 |

| **Total funds carried forward** | 79,958 | 21,867 | 101,825 | 89,430 |

All of the activities of the charitable company are classed as continuing.

There are no recognised gains or losses other than those included in the Statement of Financial Activities shown above.
# THE LEATHER CONSERVATION CENTRE
(A Company Limited By Guarantee)

## BALANCE SHEET AS AT 30th SEPTEMBER 2016

<table>
<thead>
<tr>
<th>Notes</th>
<th>Unrestricted</th>
<th>Restricted</th>
<th>Total 2016</th>
<th>Total 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

### Fixed Assets

Current Assets

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Restricted</th>
<th>Total 2016</th>
<th>Total 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debtors</td>
<td>11,073</td>
<td>-</td>
<td>11,073</td>
<td>11,738</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>72,469</td>
<td>21,667</td>
<td>94,136</td>
<td>82,121</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>83,542</strong></td>
<td><strong>21,667</strong></td>
<td><strong>105,209</strong></td>
<td><strong>93,859</strong></td>
</tr>
</tbody>
</table>

### Creditors

Amounts falling due within one year

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Restricted</th>
<th>Total 2016</th>
<th>Total 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(3,584)</td>
<td>-</td>
<td>(3,584)</td>
<td>(4,429)</td>
</tr>
<tr>
<td></td>
<td>(3,584)</td>
<td>-</td>
<td>(3,584)</td>
<td>(4,429)</td>
</tr>
</tbody>
</table>

Net Current Assets

**79,958** | **21,667** | **101,625** | **89,430**

**NET ASSETS**

**79,958** | **21,667** | **101,625** | **89,430**

### FUNDS

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Restricted</th>
<th>Total 2016</th>
<th>Total 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted funds</td>
<td>79,958</td>
<td>-</td>
<td>79,958</td>
<td>66,770</td>
</tr>
<tr>
<td>Restricted</td>
<td>-</td>
<td>21,667</td>
<td>21,667</td>
<td>22,660</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>79,958</strong></td>
<td><strong>21,667</strong></td>
<td><strong>101,625</strong></td>
<td><strong>89,430</strong></td>
</tr>
</tbody>
</table>

For the year ending 30th September 2016, the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors are aware that:

(i) the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

(ii) the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

(iii) these accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts have been prepared in accordance with the special provisions relating to small companies within the Companies Act 2006.

Approved by the trustees at a committee meeting held on 27th February 2017 and signed on their behalf by:

Jonathan Cooke

Director

CVS Community Finance Service
THE LEATHER CONSERVATION CENTRE
(A Company Limited By Guarantee)

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30th SEPTEMBER 2016

Accounting Policies
The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice FRSSE (SORP) "Accounting and Reporting by Charities" issued in January 2015, and applicable UK Accounting Standards the Charities Act 2011, and the Companies Act 2006.

Format
The company has taken advantage of the provisions of the Companies Act 2006 and presented an income and expenditure account in the form of a Statement of Financial Activities on the grounds that it enables the financial statements to show a true and fair view of the result for the year.

Fund accounting
General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated funds is set out in the notes to the financial statements. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes.

Incoming resources
All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Grants are brought into account on a receivable basis.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received.

Resources expended
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is stated inclusive of value added tax.

- Cost of Generating Funds are those costs incurred in attracting voluntary income.
- Charitable Activities include expenditure associated with direct services and membership support.
- Governance Costs include those incurred in the governance of the Charity and its assets.

Tangible fixed assets and depreciation
Individual fixed assets costing £1,000 or more are capitalised at cost. Depreciation is calculated to write down the cost of all tangible fixed assets by instalments over the expected useful lives. The period generally applicable are:

- Computer/IT equipment 33% straight line basis
- Fixtures and fittings 25% straight line basis
- Alterations 12.5% straight line basis

Intangible income
Intangible income, in the form of donated facilities and voluntary help etc., is not included in the financial statements since it is not considered practicable to quantify such income.

CVS Community Finance Service
PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30th SEPTEMBER 2016

Reserves
The current reserve policy is to maintain sufficient cash flow for known commitments, and the replacement of certain assets. Not all grants are received at the beginning of the financial year, others are received in arrears.

Risk
The directors/trustees do not believe the organisation is subject to any substantial risk beyond those disclosed in the Annual Report and Accounts. The organisation has employer and public liability insurance to protect it in the case of a claim.

Pension costs:
The Charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from the Charity. The annual contributions payable are charged in the Statement of Financial Activities.
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDING 30th SEPTEMBER 2016

Unrestricted Restricted 2016 2015
£ £ £ £

1 Income from Charitable Activities
Sale of chemical and waxes 1,815 - 1,815 3,201
Sale of monographs 322 - 322 360
Conservation fees 78,849 - 78,849 67,385
Training Courses 5,261 - 5,261 8,235
Other income 5,125 - 5,125 1,766
Grants
Worshipful Company of Saddlers 6,000 - 6,000 6,000
Worshipful Company of Leathersellers - 30,000 30,000 30,000
Worshipful Company of Cumiers - 1,000 1,000 1,000
97,372 31,000 128,372 117,947

Overseas sales amounted to £4,745 (2015: £11,050)

2 Expenditure on Charitable Activities
Employment costs 3 8,810 30,000 38,810 41,707
Self employed 39,365 - 39,365 33,867
Intern Costs 20,180 - 20,180 -
Office/running costs 4,061 - 4,061 3,658
Publicity 2,540 - 2,540 2,276
Insurance 4,032 - 4,032 3,971
Other costs 100 - 100 229
Training 2,594 1,000 3,594 3,487
Conservation materials & equipment 2,880 - 2,880 7,589
Governance
Audit/accountancy fees 663 - 663 513
85,225 31,000 116,225 97,297

3 Trustees and Employment
Wages and salaries - 23,077 23,077 24,443
NIER - 850 850 8,254
Pension costs 6,235 6,073 12,308 3,601
Travel 2,575 - 2,575 5,408
8,810 30,000 38,810 41,707

There are no employee being paid in excess of £60,000 per annum. (2015: £nil)
The average number of full time employees during the year was: 1. (2015: 1.5)
During the year the trustees received £nil in remuneration. (2015: £nil)
The total expenditure reimbursed to trustees amounted to £nil. (2015: £nil)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDING 30th SEPTEMBER 2016

4 Fixed Assets:
There are currently no Fixed Assets.

5 Debtors

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Debtors</td>
<td>7,449</td>
<td>8,930</td>
</tr>
<tr>
<td>Prepayments</td>
<td>3,624</td>
<td>2,808</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>11,073</strong></td>
<td><strong>11,738</strong></td>
</tr>
</tbody>
</table>

6 Creditors - Amounts falling due within one year

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sundry/Trade creditors</td>
<td>(120)</td>
<td>(1,406)</td>
</tr>
<tr>
<td>Accruals</td>
<td>(750)</td>
<td>(750)</td>
</tr>
<tr>
<td>Tax &amp; Social security costs</td>
<td>(2,714)</td>
<td>(2,273)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>(3,584)</strong></td>
<td><strong>(4,429)</strong></td>
</tr>
</tbody>
</table>

7 Unrestricted Reserves

<table>
<thead>
<tr>
<th></th>
<th>Balance 01.10.15</th>
<th>Movement In</th>
<th>Movement Out</th>
<th>Balance 30.09.16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Assets</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>66,770</td>
<td>97,420</td>
<td>(85,225)</td>
<td>993</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>66,770</strong></td>
<td><strong>97,420</strong></td>
<td><strong>(85,225)</strong></td>
<td><strong>993</strong></td>
</tr>
</tbody>
</table>

8 Restricted Funds

<table>
<thead>
<tr>
<th></th>
<th>Balance 01.10.15</th>
<th>Movement In</th>
<th>Movement Out</th>
<th>Balance 30.09.16</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Leche Trust</td>
<td>993</td>
<td></td>
<td></td>
<td>(993)</td>
</tr>
<tr>
<td>The Leathersellers’ Company</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charitable Trust</td>
<td>19,667</td>
<td>30,000</td>
<td>(30,000)</td>
<td>19,667</td>
</tr>
<tr>
<td>Worshipful Company of Saddlers</td>
<td>2,000</td>
<td></td>
<td></td>
<td>2,000</td>
</tr>
<tr>
<td>Worshipful Company of Curriers</td>
<td>(1,000)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>22,660</strong></td>
<td><strong>31,000</strong></td>
<td><strong>(31,000)</strong></td>
<td><strong>21,667</strong></td>
</tr>
</tbody>
</table>

The Leche Trust - funds to cover ICOM conference.
The Leathersellers’ Company Charitable Trust - provide a contribution towards Leather Conservator salary costs
Worshipful Company of Saddlers - For repair of items in conjunction with Museum of Leather Craft in Northampton
Worshipful Company of Curriers - towards training costs
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDING 30th SEPTEMBER 2016

9 Defined contribution pension scheme
The Charity operates a defined contribution pension scheme. The assets are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £12,307 including employees' contributions. (2015: £3,601)

10 Ultimate Controlling Party
The charitable company is under the ultimate control of its trustees, who are also the directors, and whose names are shown at the front of the financial statements.