

**LEATHER & HIDE
TRADES BENEVOLENT
INSTITUTION**



**THE LEATHER & HIDE TRADES'
BENEVOLENT INSTITUTION**

**ACCOUNTS FOR THE YEAR ENDED
31ST DECEMBER 2020**

Registered Charity No 206133

LEATHER & HIDE TRADES' BENEVOLENT INSTITUTION

Trustees and Advisers

Vice Presidents

D Bailey
R Brown
J N N Boston
C J W Boston
J A Chaffe
T J Connolly OBE
P Corkhill
J H Crawford
P J Crack

W G Demuth
J Freeston
C Grant
M Lamb
J Loxston
A Lunt
G W Mawer
I O Michel
S P Patrick

M S Pearson
J W W Pittard
D J Potter
C P Scopes
J R Tusting OBE
R Tusting
I Walker
Mrs J Williams
R Winnard
S Yarwood

Trustees

J W Tusting (Chairman)
J Aiers
C J W Boston
R Brown
P J Crack
J Freeston

I O Michel
M W Pebody (Vice Chairman)
D Santa Olalla (retired 4th February 2021)
Dr M Wilkinson
R Winnard
S Yarwood

The above were members of the Committee from the Annual General Meeting of 7 May 2020 at which they were re-elected.

Secretary

Mrs K Harriman
LHTBI
5 Lyncroft Leys
LEICESTER
LE7 9UW

Treasurer

Mr J Mawer
4 Elmsleigh Avenue
LEICESTER
LE2 2DF

Independent Examiner

Mr W Hulme

Principal Bankers

Lloyds Bank plc

LEATHER & HIDE TRADES' BENEVOLENT INSTITUTION
TRUSTEES REPORT for the Year Ended 31 December 2020

Trustees Report

The Trustees present their report for the year ended 31st December 2020 in accordance with recommendations set out by the Charity Commissioners in their Statement of Recommended Practice (2011) for charity accounting and reporting.

Objectives and Activities for the Public Benefit

The Charity exists to provide financial assistance to persons who are, or have been, engaged in the leather industry who are aged or incapacitated from earning a livelihood, and the bereaved spouse, adult dependants and orphans of any such persons.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the forthcoming year.

Governance

The Institution has a Committee of not more than sixteen members elected yearly at the AGM. The Committee meets at least three times a year to review grant applications, review investment performance and receive financial reports. Day to day grant administration and managing the charities finances is carried out by the Chairman with assistance from the Secretary and Treasurer.

Review of Past Years Activities

The Charity receives donations from companies active in the leather or associated trades and from individuals. Income is also derived from investments held in recognised Common Investment Funds. The Charity also receives monies from fundraising events and from Trusts

Annuity payments are paid out of income augmented by sales of investment units balancing the need to maintain sufficient capital for future income generation with the need to maintain meaningful grants to persons in need.

The Trustees report an operating deficit for the year of £53,214, which compares with the net operating deficit in 2019 of £40,996. The increase in deficit was the result of lower dividend income from investments held and higher grants and annuities paid out, as the Trustees sought to further support annuitants during the coronavirus pandemic. Management and administration costs fell in the year, as the lease on the charity office was ended, with the Secretary permanently working from home.

During the year £50,000 of units were sold at a loss of £13,943 compared to the value as at 31st December 2019. The sale is in line with the Committee's policy to maintain significant cash holdings in light of economic uncertainty and is required to fund the expected operating deficit. After the sale of units, the Investment Portfolio overall reduced in size by £87,361, due to the decrease in market value of the portfolio held following global stock market falls resulting from the impact of the pandemic.

At the close of 2020 cash at bank and on deposit was £43,898.

Reserves at the close of 2020 had decreased by £154,518 from £862,131 to £707,613. The Trustees are satisfied that LHTBI has adequate resources to continue to meet its objects.

Grants Policy

Applications for grants in cases of personal hardship are considered from persons who have spent at least ten years' service in the Leather industry. Grants may be in the form of an annuity or one-off grant for a special need.

Where the Committee has decided the amount be paid as an annuity – consideration is taken into account of Government policy with regard to pension rules. Currently annuity grants are between £250 and £1900 per annum, are paid quarterly and subject to annual assessment. All applications are

directed in the first instance to the Secretary. The Institution actively encourages applications through national and local welfare organisations and makes strenuous efforts to reach those who have worked in the trade. However, the severe decline of the leather industry over the last 50 or more years has had the inevitable result that there are ever fewer persons alive today who have had such links. The number of persons receiving an annuity in the period of review averaged 45 (2019 average 48).

Reserves and Investment Policy

All investments are held in recognised Common Investment Funds specially managed for charitable bodies. The Trustees have invested in Income Distribution units to provide income for annual distribution. Gains and losses incurred by the Investment portfolio are retained within the Designated Investment Fund and the three endowment funds. The performance of these funds is regularly monitored. The amount kept in General Reserve is that reckoned to be sufficient for at least three months distribution of grants and payment of expenses. However, as mentioned earlier, given the current uncertainty as to stock market performance, the Committee decided to hold more cash on deposit to secure its ability to pay annuitants.

Risk Management Statement

The Committee regularly conducts a review of the major risks to which the charity is exposed and has in place those controls considered appropriate for a charity of its size. Internal risks are minimised by the implementation of procedures for authorisation of grants and payments of all expenditure and regular reporting.

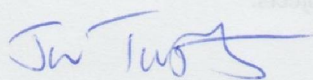
Statement of Trustees' responsibilities

Charity Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements, the trustees are required to:-

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- * prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the Trust and to enable them to ensure that the financial statements comply with the current Charities Act legislation. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Trustees:



J W Tusting (Chairman)

6th May 2021

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE LEATHER & HIDE TRADES' BENEVOLENT INSTITUTION**

for the year ended 31st December 2020

I report on the accounts of the Charity for the year ended 31st December 2020 set out on pages 6 to 10.

Respective responsibilities of trustees and independent examiner

The Charity's Trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility:

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


Basis of Independent Examiner's Report

My examination was carried out in accordance with the general Directions given by the Charity Commissioners. 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 in 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 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Acthave not been met: or
- 2) to which, in my opinion, attention in connection should be drawn in order to enable a proper understanding of the accounts to be reached.


William Allen Hulme A.C.I.S.
Independent Examiner

22 Feb 2021

THE LEATHER & HIDE TRADES' BENEVOLENT INSTITUTION
STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2020

		2020			2019
	Notes	General Funds £	Endowment Funds £	Total Funds £	Total Funds £
INCOMING RESOURCES					
Donations, Grants & Events	2				
Donations		7,844	-	7,844	6,976
Events		4,382	-	4,382	5,263
		12,226	-	12,226	12,239
Investment Income	3				
Undesignated		17,970	-	17,970	27,563
Davies Bequest		-	4,083	4,083	4,956
Samaritan Fund		-	832	832	1,013
Tomkins Benefaction		-	291	291	353
		17,970	5,206	23,176	33,885
Other Income		62	-	62	103
Total Incoming Resources		30,258	5,206	35,464	46,227
RESOURCES EXPENDED					
Direct Charitable Expenditure					
Annuities and Grants	4	66,098	5,206	71,304	67,892
Management & Admin	4	17,374	-	17,374	19,331
Total Resources Expended		83,472	5,206	88,678	87,223
Net (outgoing) resources		(53,214)	-	(53,214)	(40,996)
Gains/(Losses) on investments	6				
Unrealised Gains/(Losses)		(66,969)	(20,392)	(87,361)	76,787
Realised loss on Sales		(13,943)	-	(13,943)	6,555
		(80,912)	(20,392)	(101,304)	83,342
Net movement in funds		(134,126)	(20,392)	(154,518)	42,346
Balances brought forward		726,168	135,963	862,131	819,785
Balances at year end		592,042	115,571	707,613	862,131

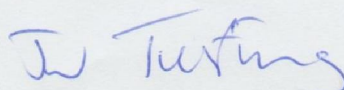
THE LEATHER & HIDE TRADES' BENEVOLENT INSTITUTION
BALANCE SHEET

AS AT 31ST DECEMBER 2020

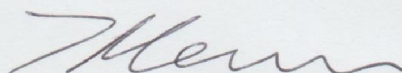
	Notes	2020	2019
		£	£
Fixed Assets			
Computer Equipment	5	384	768
Investments at Market Value	6		
Designated Fund		548,213	679,125
Unrestricted – Davies Bequest		90,794	106,754
Restricted – Samaritan Fund		18,356	21,643
Unrestricted – Tomkins Benefaction		<u>6,421</u>	<u>7,566</u>
		663,784	815,088
Total Fixed Assets and Investments		<u>664,168</u>	<u>815,856</u>
Current assets and liabilities			
Bank Deposits		40,022	35,008
Cash and Bank Balances		<u>3,876</u>	<u>12,767</u>
		43,898	47,775
Deferred Income & creditors	7	<u>453</u>	<u>1,500</u>
Net current assets		43,445	46,275
Assets Employed		<u>707,613</u>	<u>862,131</u>
Represented by Funds		£	£
Unrestricted fund		592,042	726,168
Endowment Funds		<u>115,571</u>	<u>135,963</u>
		<u>707,613</u>	<u>862,131</u>

Approved by the Trustees and signed on their behalf by:

J W Tusting - Chairman



J W Mawer - Treasurer



LEATHER & HIDE TRADES' BENEVOLENT INSTITUTION

Notes to the Accounts for the Year ended 31st December 2020

1 ACCOUNTING POLICIES

Accounting basis

The accounts are prepared in accordance with applicable accounting standards, on an historical cost basis as modified by the revaluation of investments and comply with charity law and with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2011.

Incoming Resources

Interest and dividends from investment funds are included as receivable on the due dates. Donations and legacies are recognised when they are received.

Costs of Generating Funds

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Investment gains and losses

Unrealised gains and losses for the year reflect the movement in market values. Realised gains and losses represent the difference between proceeds on disposal and the market value brought forward. Unrealised and realised investment gains or losses are shown net on the face of the Statement of Financial Activities.

Investments

Investments are stated at the year end at their market value.

Funds

General Funds represent the funds of the Institution that are not subject to any restrictions regarding their use and are available for application on the general purposes.

Income from the Endowment Funds has been, for presentation purposes, included in a single separate column. Income from the Tomkins Benefaction and Davies Bequest Fund is unrestricted. The income from the Samaritan Fund is restricted and has been applied to grants made by the Committee in exceptional cases where the applicant does not meet the standard criteria of the application rules.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 33% on cost

NOTES TO THE ACCOUNTS - 31 DECEMBER 2020 (Continued)

2 DONATIONS, GRANTS & EVENTS

Income from donations, grants and events came from the following sources:

	2020	2019
	£	£
Donations		
Presidents Appeal	7,844	6,976
Events		
Golf Championship	-	3,000
Luncheon Raffle	1,460	7,775
Donations	2,922	488
	4,382	5,263
	12,226	12,239

3 INVESTMENT INCOME

Investment income during the year came from the following sources:

	2020	2019
	£	£
Endowment Fund Income		
M&G dividends	5,206	6,322
General Fund Income		
Black Rock dividends	6,629	9,346
Schroders dividends	11,341	18,217
	17,970	27,563
	23,176	33,885

4 DIRECT CHARITABLE EXPENDITURE

	2020	2019
	£	£
Annuities & Grants		
Annuitant payments	67,590	65,770
Grants	1,840	280
Hampers	1,874	1,842
	71,304	67,892
Management & Administration		
Secretarial, Treasurer and governance fees	13,995	14,200
Rent of office	1,404	2,808
Printing, postage, stationery and telephone	1,168	1,398
Travel and bank charges	231	569
Annual general meeting	-	(340)
Fundraising and website	192	312
Depreciation of computer equipment	384	384
	17,374	19,331

The number of persons receiving an annuity in the year averaged 45 (2019 average 48).

NOTES TO THE ACCOUNTS - 31 DECEMBER 2020 (Continued)

5 TANGIBLE FIXED ASSETS

	Computer Equipment	Total
	£	£
Cost		
At 1 January 2020	1,152	1,152
Additions	-	-
At 31 December 2020	1,152	1,152
Depreciation		
At 1 January 2020	384	384
Charge for the year	384	384
At 31 December 2020	768	768
Net Book value		
At 31 December 2020	384	384
At 31 December 2019	768	768

6 INVESTMENTS AT MARKET VALUE

Investments are shown at market value. The change in value during the year analysed by fund is made up as follows:

Fund Name	Opening Balance at 1 Jan 2020 £	(Sales)/ Purchases in year £	Realised Gain/(Loss) on sales	Revaluation Gains/ (Losses) £	Closing Balance at 31 Dec 2020 £
<u>Endowment</u>					
M&G Charibond Fund	17,274	-	-	199	17,473
M&G Charifund Fund	118,689	-	-	(20,591)	98,098
	135,963	-	-	(20,392)	115,571
<u>Unrestricted</u>					
Black Rock Charities UK Bond Fund	39,158	-	-	1,315	40,473
Black Rock Charities UK Equity Fund	258,728	-	-	(17,316)	241,412
Schroders Charity Equity Fund	381,239	(50,000)	(13,943)	(50,968)	266,328
	679,125	(50,000)	(13,943)	(66,969)	548,213
Portfolio Total	815,088	(50,000)	(13,943)	(87,361)	663,784

7 DEFERRED INCOME & CREDITORS

	2020	2019
	£	£
2021 Cycling deposits	433	1,200
Independent examination fees	20	300
	453	1,500