

**The Society of Dyers & Colourists (SDC)**

**Annual Report &**

**Financial Statements**

**as revised 21 May 2024**

**For the Year ended 31<sup>st</sup> December 2023**

Charity Number 212331

Royal Charter Number RC000567

## Contents

Foreword by SDC Chief Executive Officer .....	3
2023 SDC Performance Summary .....	5
Society of Dyers and Colourists Annual Report .....	7
Honorary Officers.....	7
Trustees during 2023 .....	7
Co-opted Board Members .....	7
Chief Executive Officer .....	7
Principal Office .....	7
Auditors.....	8
Bankers.....	8
Investment Managers .....	8
Governance .....	8
Charitable Objectives .....	8
Structure and Governance.....	8
SDC Performance .....	11
The SDC Trading Companies .....	12
Charity Financial Activity.....	13
Environmental, Social and Governance Report .....	15
Reserves Policy.....	16
Project development 2023 .....	17
Review of Activities.....	18
Investment Policy.....	28
Fundraising.....	29
Risk Assessment .....	29
Human Resources and Equality, Diversity and Discrimination Policy.....	29
Data security .....	29
GDPR .....	29
Health and Safety.....	30
UK Pension Auto-enrolment .....	30
Remuneration Policy.....	30

## Foreword by SDC Chief Executive Officer

The year 2023 was very much about moving into the new normal post covid for the Society, as in person events started to resume and the SDC Staff started to travel once again to ITMA in Italy, the SDC Hong Kong Conference and we saw the holding of the first UK Technical Conference.

In 2022's Annual Report I also referred to global events that are impacting everyone, and in that respect 2023 continued, not only unabated, but with even more global disruption and uncertainty. The conflict in Ukraine continued and was joined by other Middle East conflicts. Their existence affected items such as the prices of almost everything in inflation, to my flight to and from Hong Kong being much longer in time, and more costly, than in the past due to routes that have to be taken.

On a positive note, the financial markets were less thrown by these international events in late 2023 than in the prior year and SDC investments actually grew in value, as opposed to the huge fall in value in 2022. Once again though the SDC only utilised dividends from these financial investments thus allowing the core financial investment value to grow.

The SDC Governance in 2023 was still very much in virtual mood, with attendance at committees now almost exclusively by remote attendance. This saved attendees time and made their lives more efficient, whilst reducing SDC expenses and avoided long running UK train strikes for committee attendees. However, some discussion topics, were less fruitful in my view.

Attendance at the ongoing SDC Webinar programme reduced from the very large numbers during Covid, as people had more to attend to in their workplaces and social lives. The SDC Webinar programme remained in place though, with each webinar recorded. In 2023, unlike many other organisations, the SDC did not cancel a single Webinar due to lack of registrants and we now, by the end of March 2024, have a catalogue of 38 Webinar Recordings on the SDC website (access is free of charge to SDC Members, so this is also being used as a driver to gain new members).

The Annual Report does, and should, look forward, as well as back over the past year. 2024 is a significant year for the SDC in that it is the 140<sup>th</sup> year of the Society and the 100<sup>th</sup> year of the Colour Index™. Hence, 2024 is going to be a busy year with an expanded AGM also covering displays and presentations on SDC activity and plans. The year has in store three conferences: an International Conference in Manchester in June; a UK Technical Conference in Bradford in October; plus, an International Conference in Leeds the SDC are hosting for the Dyes in History and Archaeology Group.

The Society has also been developing a renewed Strategy, commencing with a Board Day in November 2023 followed up by a more detailed development day for SDC Staff and Committees in April 2024. It is intended to provide many communication and sharing opportunities on this Strategy as 2024 progresses.

The work on the revision of the Society's Royal Charter, By-laws and Rules is also progressing at an ever-increasing pace following a very long period of review by a task group of the Audit Committee. Initial draft changes are now with legal experts to ensure all is covered and in the appropriate form and relevant Governance document. SDC Members will receive many opportunities to understand these changes in the coming months before also being asked to vote on the proposed changes.

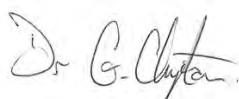
At the end of 2022 the SDC website was completely renewed and re-launched in early 2023 but, as anyone who has been involved in websites will be aware, a launch of a new site is not the end, but

just the start! Much of the past year has been spent on getting the member experience smoothened and enhanced. The Digital Archive for example now has a much-improved search and categorisation, with almost 2,750 items for members to view (some items are open to non-members also). This is not just about more items, but about enhancing those items. Past Medal awardees are now being listed with their citations and images being added. All our Past Presidents are listed, and we are adding images to them also, along with links to their medals awarded and notes on their background where available.

We have also started work on the SDC Textile Collection in early 2024. This will catalogue and digitise items held by the SDC in Perkin House, many of which are 'back home' there after many years of being away. In time members will have access to the collection as items are put online in a new purpose designed database, plus there will be growing opportunities to view and access items in person. As this work proceeds, we have been astounded at the historical gems found in the SDC collection in terms of their age, significance and condition, so be prepared to be amazed at them when we make them accessible to many more people.

November 2023 saw our Annual Awards and Celebration Dinner in York once again. Immediately post the event and to the end of January 2024 members were asked for feedback on the venue, timing and other aspects. The responses were very varied and the ability to make changes limited by available time and other events. In 2024 these events will be slightly earlier in November, but a very busy month of October, for both the SDC and the wider industry, prevents a move of the event any earlier this year. Accommodation suggestions have already been provided to members so they can pre-book at reasonable rates, this being based on feedback from the survey.

I look forward to your participation in online and in-person events across this significant year for the Society and encourage you to share the schedule of activities with others and encourage them to join the SDC community.



Dr Graham Clayton  
Chief Executive Officer.

## 2023 SDC Performance Summary

### SDC Membership

- In 2023 Membership numbers continued to decline by almost 6% although membership income rose very slightly. Much improved systems are now in place to ensure members do not lapse and renew, plus in-person events to promote membership have taken place. In 2024, with the conferences being held, it is planned see membership growth finally arrive.
- The annual reduction in membership numbers of individual members was the lowest reduction since 2017
- Company memberships rose by 2 over the past year and Educational Provider (College / University) memberships grew by 12 almost doubling their 2022 number.

### SDC Course Participants

- It was hoped to grow the ASDC Course participant number in 2023 but engagement numbers remained disappointingly low at 2 with companies, who support ASDC students, still seeing this as a large commitment post pandemic.
- The Maurice Tordoff Bursary was launched to promote the ASDC Course and ensure in the next few years a defined number of candidates requiring support to so could take this prestigious SDC qualification.
- The FTCC/TCC course participant numbers were more encouraging growing from 10 to 15 in 2023. Companies again predominately support their employees on these courses, and it is considered that the shorter time commitment (and hence lower cost) for these courses encouraged such company support.

### Office Rental within Perkin House

- 2023 Office Rental income rose by 12% to almost £82,000 pa. Whilst the end of year was 2.7% short of the target this was the highest rental income for over 15 years (before which the accounts structure was not directly comparable)
- In early 2024 some additional space has been upgraded for office rental and so it is planned to grow further this use of Perkin House.

### SDC Media Performance

- 42 Blog posts – almost one per week - were posted on the SDC website and promoted via social media across 2023
- 1,368 new followers, taking the total to over 6,000 followers, were gained across 2023 on LinkedIn, which is almost 4 per day
- Across 2023 over 75 MailChimp email campaigns were produced and sent, including a revamped monthly eNewsletter. In addition, smaller MailChimp campaigns were sent to Regional Groups.
- SDC social media across 2023 gained 4,165 reactions, 144 comments and 373 reposts. On top of this many SDC staff and members post or repost items relating to the SDC and gain further comments and reactions, thus extending the reach of the SDC activity.

## SDC Communications

- The Mailchimp Campaign open rate remained relatively constant. In 2022 the open rate averaged 33% and the average across 2023 was 32%, although individual campaigns can vary widely and may reach over 50% of recipients.
- Blog content on the SDC website grew considerably in 2023 – Blogs are available to all website users
- 8 webinars were delivered and recorded in 2023. No webinars were cancelled, although scheduling of some proved a challenge due to availabilities of speakers.
- *The Colourist* eMagazine for SDC Members saw 4 editions (quarterly) produced and circulated online. All editions are available in the Digital Archive on the SDC website.
- 10 editions of the SDC eNewsletter were compiled and sent to members across 2023 – August & September were months without a SDC eNewsletter
- The Digital Archive on the SDC website now has over 2,700 entries (1,400 Oct '22). Many of these are more than just an entry also *e.g.* medal awardee details include the citation and photograph in a growing number of cases.
- The SDC website was re-launched January 2023 with GA4 Analytics active from July 2023. Up to 2,400 active user visits were seen per month (equivalent to 28,800 pa) by the end of 2023 with each user viewing 5 to 6 pages.
- *Coloration Technology*, the SDC peer reviewed publication produced in conjunction with Wiley Publications has continued to see article access growth with levels of over 80,000 article accesses made in 2023, being double the level of 8 years ago.
- The SDC also held a very successful UK Technical Conference in November 2023 with almost 10 attendees.
- The SDC also launched the Global Colourist Award which was well received by many at the November 2023 Awards and Celebration Dinner, which was a fully booked (160 individuals for the dinner) event this year.

## Environmental, Social and Governance (ESG)

- The inclusion of ESG in the 2023 Annual Report demonstrates the level of activity in place currently.
- The CO<sub>2</sub> footprint from electricity usage in Perkin House is 84% lower than predicted with potential to reduce this further.
- SDC travel costs in 2023 were 16% higher than in 2022 at £16,621. However, this is historically low (2019 travel costs being £41,025) resulting in a much-reduced carbon footprint from travel, predominately from continued use of online communication tools.
- Governance of the Society is regularly reviewed by the SDC Audit Committee in the light of Charity Commission Guidance and specialist charity legal advice. Governance is a developing field with new requirements almost every year. Where performance of the SDC has been slow or fallen short measures have been taken to ensure full performance in future. In the year 2023 the Charity Commission made no specific improvements to the Society.

## Society of Dyers and Colourists Annual Report

The Society's Board is comprised of nine elected trustees from amongst its Voting Member population, SDC Honorary Officers and the Chief Executive Officer, together with any co-opted Board members, who present their report together with the financial statements of the charity for the year ended 31 December 2023. The Board are of the view that the funds and assets have been prudently managed and effectively applied during the year, solely in furtherance of the objectives described in the SDC Governance documents and reproduced below. Financial performance is continually under review against these. The Board are satisfied that the financial policies and plans presently being applied are relevant, appropriate, and adequate to support and sustain the charitable activities of the SDC.

### Honorary Officers

President	Ullhas Nimkar (appointed AGM 2022 to AGM 2023)
President	Chris Carr (appointed AGM 2023 to AGM 2024)
Immediate Past President	John Hansford (from AGM 2022 to AGM 2023)
Immediate Past President	Ullhas Nimkar (from AGM 2023 to AGM 2024)
President Elect	Susan Kay-Williams (appointed AGM 2023)
Honorary Secretary	Stuart Wilkinson (appointed AGM 2018 until AGM 2021 and re-appointed AGM 2021 until AGM 2024)
Honorary Treasurer	Michael Catterall (appointed AGM 2021 to 2024)

### Trustees during 2023

Chris Carr – appointed at the AGM 2018 and re-appointed AGM 2021 until AGM 2024<sup>#</sup>  
 Ela Dedhia – appointed at the AGM 2022 and retires AGM 2025\*  
 Eamon Furey – appointed at the AGM 2022 and retires AGM 2025\*  
 Parik Goswami – appointed at the AGM 2020 and re-appointed AGM 2023 until AGM 2026\*  
 Linda Hodgson - appointed AGM 2023 until AGM 2026\*  
 Ian Lewis - retired by rotation AGM 2020 and re-appointed until AGM 2023  
 Siva Pariti – appointed at the AGM 2022 and retires AGM 2025\*  
 Adam Pursell – appointed at the AGM 2023 until AGM 2026\*  
 Paul Santohki – appointed at the AGM 2022 and retires AGM 2025\*  
 Gavin Thatcher – appointed at the AGM 2018 and re-appointed AGM 2021 until AGM 2024\*  
 Katherine Wells – appointed at the AGM 2020 and re-appointed AGM 2023 until AGM 2026\*

\*Denotes the nine trustees on the Society's Board post AGM 2023

<sup>#</sup> Chris Carr stood down as a Trustee at AGM 2023 to enable him to take up the post of SDC President as a person is unable to hold more than one Office.

### Co-opted Board Members

Paul Hamilton was appointed Vice-President (Projects) at the AGM 2022 and was re-appointed at AGM 2023 for a further year.

### Chief Executive Officer

Graham Clayton

### Principal Office

Perkin House, Longlands Street, Bradford, BD1 2LU



### Auditors

Thomas Coombs, 3365 The Pentagon, Century Way, Thorpe Park, Leeds, Yorkshire, LS15 8ZB

NB. The previous Auditors, Watson Buckle Limited, were re-appointed at the AGM 2023 but on 19 October 2023 informed the SDC that Watson Buckle were withdrawing from the Charity market. A rapid search for new Auditors late in the year was successful in the appointment of Thomas Coombs, established in 1878 with a long-standing charity support portfolio.

### Bankers

National Westminster Bank plc, 1 Market Street, Bradford, BD1 1EG

### Investment Managers

Brewin Dolphin Securities Limited, 10 Wellington Place, Leeds, LS1 4AN

### Governance

The SDC is a charitable body, incorporated by Royal Charter (RC000567) with the governing documents being the Royal Charter (1963) with Amendments, By-laws (2009) and Rules (2012 as amended 2014, 2015, 2016, 2017, 2018 & 2019). These documents are available for public access on the [SDC website](#).

### Charitable Objectives

The SDC was established in 1884 to advance the science of colour. The SDC achieves this aim by global dissemination of colour knowledge to members, industry and the public, via publications of scientific papers, lectures and electronic media. The charitable objectives are contained within the [Royal Charter](#) of 1963 and are:

- a) To promote the advancement of technology both in the theory and in the practice of the creation and use of colour and colouring matters
- b) To provide means for the wider dissemination and interchange of knowledge concerning the science and technology of colour and colouring matters including knowledge of the application to substrates and of the materials to which they may be applied
- c) To encourage education and research in all and any subjects concerned with the science of colour
- d) To hold meetings for the reading of papers and giving of lectures on coloration and colouring matters and for discussion of the same
- e) To publish scientific literature and a journal for the promotion and correlation of knowledge of the science of colour
- f) To initiate and stimulate research and education in the interests of coloration in all aspects of human life
- g) To co-operate with other scientific organisations and bodies in relation to colour and its application and use
- h) To acquire by purchase, devise, bequest, donation or otherwise lands and hereditaments of any description and tenure and to accept any gift, endowment or bequest and the office of trustee and to carry out any trusts attached to any such gift, endowment or bequest or attached to such office
- i) To do all such lawful things as are incidental or conducive to the attainment of the above objects or any of them.

### Structure and Governance

The Society's Board is the Governing Body of the Charity with up to nine trustees elected from among the Voting Members of the Society by the Voting Members (Rule 101). The Chief Executive Officer, the Honorary Treasurer and the Honorary Secretary are also entitled to attend meetings of the Board (By-law 36.2), which may also co-opt a maximum of three members (Rule 104 & By-law 36.2). Only trustees take part in any vote of the Board, a quorum of which is 50% of the voting members on the Society's Board (ie trustees), rounded up to the nearest whole number, present either in person or electronically in real time (Rule 115).



The Audit Committee comprises (By-law 37) the Honorary Secretary, the Honorary Treasurer, the President, the President Elect, the Immediate Past President and four elected Voting Members of the Society (Rule 125). It reports to the Society's Board and monitors legal compliance of all activities related to the Royal Charter, By-laws, SDC Rules, agreed policies and strategies.

The Nominations Committee (By-law 38 & Rule 126) comprises the Chair of the Society's Board, the Honorary Secretary, the Honorary Treasurer and Voting Members representing UK members, members from outside the UK, the Committees and the Regions. The Nominations Committee also ensures the procedure for the appointment of Trustees, Honorary Officers and members of the Audit and Nominations Committees is rigorous and transparent (Rule 126).

The finances of the SDC are the responsibility of the Society's Board (Rule 47) and the Board appoints a Finance Committee, chaired by the Honorary Treasurer, to manage the Society's finances (Rule 48). The composition of the Finance Committee and its appointment is made annually by the Society's Board (Rule 49) at their first full meeting after the AGM.

The SDC's other committees report to the Society's Board and the Chief Executive Officer and develop, direct and monitor the charity's activities in accordance with its' Charitable Objectives and Strategic Plan. The SDC's day-to-day operational activity is managed by the Chief Executive Officer with a complement of appropriately skilled staff and external service providers under the CEO's management.

The Society's Board are advised of their responsibilities under charity and company law, the requirements of the Royal Charter, By-laws and SDC Rules. Formal training of the Board members, Audit Committee, Nominations Committee and those standing for election is made available at least annually, with attendance recorded. This training is delivered by experts in their field who also have wide experience in the charity sector. In 2020 the move was made to make this available via the SDC main website and 3 new Governance training sessions were held in 2023, with the recordings available for members of the Board, Audit and Finance Committees online.

### **Governance Review**

A Governance Task Group Working Party of the SDC Audit Committee has spent some considerable time examining the SDC Royal Charter, By-laws and Rules. The Working Party was formed by the SDC Audit Committee in December 2020 and concluded its work, reporting to a meeting of the SDC Audit Committee, in February 2024. Three fully revised Governing documents are now being drafted by the Society's legal advisors, with the work almost complete in April 2024. These documents will then be presented to the Society's Board and, if accepted, communicated at many opportunities to SDC Members before being taken to a specific General Meeting of SDC Voting Members for final approval following which the Royal Charter and By-laws will be submitted to the Privy Council for their approval.

### **SDC Committees**

The following committees comprise the SDC Governance bodies:

- The Society's Board – Chair Gavin Thatcher. In 2023 the Society's Board met on 8 occasions, plus met at 3 Governance Training sessions which were also recorded.
- Audit Committee – Chair Stuart Wilkinson. In 2023 the Audit Committee met on 3 occasions plus a joint meeting with the Finance Committee to review the Annual Accounts.
- Finance Committee – Chair Michael Catterall. In 2023 the Finance Committee met on 2 occasions plus a joint meeting with the Audit Committee to review the Annual Accounts.

- Nominations Committee – Chair Stuart Wilkinson. In 2023 the Nominations Committee met on 1 occasion.
- Medals Committee – Chair Stuart Wilkinson. In 2023 the Medals committee met on 3 occasions.
- Examinations, Qualifications and Accreditation Board – Chair Prof Stephen Westland. In 2023 EQAB met on 3 occasions plus an examination board meeting.
- Publications Committee – Chair John Easton. In 2023 the Publications Committee met on 2 occasions.
- Publications Award Committee – Chaired at their single 2023 meeting by David Lewis. This committee reviews all papers published in the year by *Coloration Technology* resulting in a single meeting with a huge amount of preparation in reading every paper published that year.
- Colour Index Pigment and Solvent Dyes Technical Board. Chair Adrian Abel. In 2023 the CIPSDTB met 3 occasions.

It is very much appreciated, and here recognised, that these committees operate due to the substantial input of volunteers. The number of committee meetings above conceals the duration of the volunteer input with preparation as well as the meetings themselves.

All SDC Committees meet within Microsoft Teams. This means there is a single committee meeting place and depository of Agendas, meeting papers and Minutes for each meeting and future reference.

There are several measures that could be used to report volunteer input to the Society, but which all generalise the volunteer input to some extent. The number of volunteers on committees alone conceals the fact that more than a few volunteers are on several different committees. The SDC website lists all SDC Staff and all SDC Committee members (91 in total in 2023) as one Team (with the ability to filter by committee) which is appropriate, as it is the whole Team of staff and volunteers who deliver the Society's activity and impact.

This narrative on volunteer input has also thus far erroneously focused on the main SDC Governance Committees and coverage here would not be complete without also including the regional volunteers who manage their Region and arrange and deliver regional events. Such volunteers are typically exceedingly rich in experience whilst also extremely welcoming of new and early career volunteers. The committees of regions are now also listed on the SDC website under 'About Us' and 'The Team' as they do form part of the whole SDC Team.

A conservative estimate of the combined hours of volunteer input of the above just in actual meetings is over 1,500 hours per annum, or around 40 person weeks of work. This estimate does not include preparation time which will vary by volunteer role, but it is quite probable that the volunteer input time could be two or three times the conservative estimate.

### **Regional AGMs**

The Society's Rule 55 states that: *"Regions, or Student Section, where it has no parent Region, shall submit a statement of accounts to the Chief Executive Officer at least one week before the Society's Annual General Meeting. These will be presented to the Society's Board at the first meeting after the Annual General Meeting."* This had not been adhered to for many years, but the Governance of the Society is ensuring success in getting this schedule reinstated. Regions have held their own AGMs and provided a Statement of Accounts but at different times across the year. In 2024 the UK regions will all have held their AGMs ahead of the main SDC AGM, as will have many international regions.

## **Mission**

Educating the world in the science of colour.

## **Objectives**

The objectives of the SDC for 2023 were to:

- 1) To *Educate* in the field of colour and the science of coloration
- 2) To *Collaborate* with SDC members and the wider colour community, whilst developing the SDC Communities for the SDC future world.
- 3) To *Include* all staff, members, collaborators and interested parties as appropriate in the SDC *Colour Education* and the *SDC Communities*
- 4) To *Increase* the reach of the SDC to deliver its' services to a wide *Colour and Education Community* globally
- 5) To *Build* and deliver a sustainable business model that ensures the future availability of SDC resources.

The Objectives of the Society are reviewed annually. Informed by ongoing Governance Training, the Society Objectives for the year are kept in agreement with the Royal Charter Objectives.

## **Public benefit**

The SDC public benefit arises from a wide range of events and activities provided for the public to gain greater knowledge through education in the science of colour:

- The [SDC website](#) and associated Digital Archive grew across 2023. Some content is only available to current members, with some content available to all.
- Bursaries and grants have been awarded and a new Global Colourist Award introduced in 2023.
- Lectures, seminars / webinars and conference presentations on colour. The SDC now has a [list of all webinar recordings available online](#) which number 38. These are available free of charge to members and at a nominal charge to non-members
- Colour training courses – these courses take place internationally delivered by SDC staff and agreed partners
- Colour products such as the [STEM \(Science, Technology, Engineering & Mathematics\) Dyes kit](#) are available. Due to increased export controls this is now only available to UK customers due to the administration involved in overseas shipment of chemicals.
- Provision of the Secretariat to the BSI (British Standards Institution) Technical Committee, TCI 81, for Colour fastness and colour measurement of textiles, thus supporting all industries for colour and textiles.
- Supporting the provision of the Secretariat for the International Standards Organisation Technical Committee, ISO TC 38 SC1, for Coloured textiles and Colorants, for global standardisation.
- The SDC also has representation on several other international technical committees relating to colour.

The SDC provides benefit to both the public and to its' members. The Society's Board confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The public benefit has also been a feature of trustee and interested party training on governance provided by a charity governance lawyer and a charity accountant.

## The SDC Trading Companies

### **SDC Enterprises Group Ltd**

The consolidated results of SDC Enterprises Group (incorporating SDCE Enterprises Limited (SDCE) and Sam Weller & Sons Limited (SW)) show a small reduction in revenue, < 1%, as 2nd half-year trade returned to more normal levels after the post Covid 'mini boom'. Margins were reduced through the combined impact of cost inflation and returning exhibition costs, running ahead of sales price inflation. Despite this, pre-tax profitability remained healthy.

As SDCE looked to refresh its branding, and security identification, with a simplified logo, the 20-year-old licence agreement with the Society for use of the previous version of the Society's logo ended in February 2023. Funding to the Society was maintained, at 10% above the 2022 level, by an increase in Gift Aid. SDCE remain fully committed to supporting the Society's charitable activities, though the Board of SDCE must balance this distribution of resources versus the needs of the long-term development plan for commercial activities. Total funds provided to the Society, by SDCE, in 2023 were £550,000, or 71 % of the Society's total income (excluding revaluations).

During 2023 the acquisition of Northern Dyers (ND) was completed, providing strategic growth opportunities in wet processing activities, and enabling the reallocation of space within the Spinksmire Mill site. This ability to reallocate space is key to maximising the efficiency and cost effectiveness of developing the entire site. Work began on a renovation to a unit for use in the production of Multifibre. Renovations work will accelerate in 2024 with the refurbishment of the former Quarmby and Sykes dyehouse, to accommodate ND. This will allow for limited modernisation and increased scope of activities at ND, whilst freeing the optimal site for building a new weaving shed for SW. This property development and new capital plant requirement will require significant new investment from SDCE. SDCE aims to fund this from retained profits and a minimal amount of borrowing.

SDCE' Board judge that the pressure on SDCE' resources should not reduce the ability to maintain its funding of charitable activity. For 2024 a 9% increase in funds provided to the Society has been agreed, subject to trading results. The Board also recognise that, any medium-term risk to funding charitable activity, is also negated by the considerable reserves the Society has built up for that specific purpose.

The Society's total equity in SDCE Group remains strong, with shareholder funds standing at £7,696,548 versus the Society's investment of £445,600.

The Directors are confident that the implementation of the commercial strategy, as agreed with the Society, is delivering tangible results. The ongoing investment is affordable and will provide long-term growth for SDCE, whilst protecting and enhancing the Society's shareholding value in the Group.

Mark Yare  
March 2024

## **SDC International Ltd**

The SDC wholly owned company, SDC International Ltd is UK based and has Directors appointed by The Society's Board who are the post holders of the roles of Honorary Treasurer, CEO and ASEAN Region Manager.

SDC International activity was severely curtailed in 2020, just as it was planned to grow, due to the pandemic. In following years there were conferences and exhibition activity planned and arranged, but again cancelled due to the pandemic. In 2023 SDC International was evident, through Indian registered SDC International India pvt Ltd, at large Indian exhibitions and conferences and SDC necessary financial support started to reduce. A plan being delivered in 2024 exists for further exhibitions and conferences that will result in repayment of the monies owed to the Society by SDC International and also further contributions to the work of the Society over and above that in the longer term.

2023 saw organisation of income realising Indian exhibitions in Ludhiana and Tirupur by SDC International India pvt Ltd. In 2024 SDC International India pvt Ltd is organising a large exhibition and conference in Dhaka, Bangladesh in November entitled C3M-Expo showcasing Chemicals, Compliance and Machinery. This event is forecast to see SDC International Ltd start to provide an income stream to the Society.

## **Charity Financial Activity**

The Society's Board monitor monthly the financial activities of the charity via the Finance Committee and SDC Management Accounts. The Finance Committee and Society's Board take appropriate action as necessary.

## **Investments**

Over the year 2023 the Charity's net downward movement of all funds was less than 2022, being £106,642 lower 2023 vs 2022 (cf £207,298 lower in 2022 cf 2021). Charity income was up £54,180 in 2023 at £801,889 although expenditure rose by £115,671.

The investments managed by Brewin Dolphin come under their specific charity team and the SDC portfolio will typically have 55% exposed to equities, 26.5% to fixed interest, 14% to alternative investments and 4.5% to cash. The portfolio, which is managed at Risk Category 5, is likely to have moderate market volatility. The Charity's investment assets are invested in line with its aims. The Investment Managers are aware that the Trustees do not wish to adopt an exclusionary policy, but individual investments may be excluded if perceived to conflict with the Charity's purpose. The investment objective of the SDC with Brewin Dolphin managed funds remains unchanged:

*"The trustees view the portfolio over the long-term and see the portfolio as providing a 'safety net' against any unforeseen costs. With that in mind the trustees are concerned with growing the invested assets ahead of inflation so that they retain their real buying power.*

*The trustees would also like the portfolio to produce an income to assist in the smoothing of the charities annual cash flow."*

Net losses on Brewin Dolphin managed investments in 2022 was £139,087 which turned to modest gains of £41,348 in 2023.

Quoted investments at market value, plus cash held associated with those investments, rose £35,060 in 2023. The total value of Brewin Dolphin managed investments on 31st December 2022 was £940,637, hence this was 3.7% growth in 2023. In addition, these investments realised dividends of £26,624, resulting in total SDC return on these investments managed by Brewin Dolphin of 6.6% over the year.

The audit requirement for the annual revaluation of the Perkin House asset, the outcome of which is based on market prices, produced little change this past year. In 2022 the total value of Perkin House was assessed to be £1,000,000, with £310,000 of that in the investment (i.e. rented or immediately rentable) part of the building. By the end of 2023 the total value of Perkin House was given as £1,039,721, hence a 4% annual growth in total value of the building asset.

Perkin House rental income has risen from mid-2015, with rental income to the SDC rising to £81,741 in 2023, hence up 12% on 2022 and up 21% from the 2021 income levels. The investment portion of the Perkin House value above is given as £320,866 at 31<sup>st</sup> December 2023, making rental income a 25% Return on Investment.

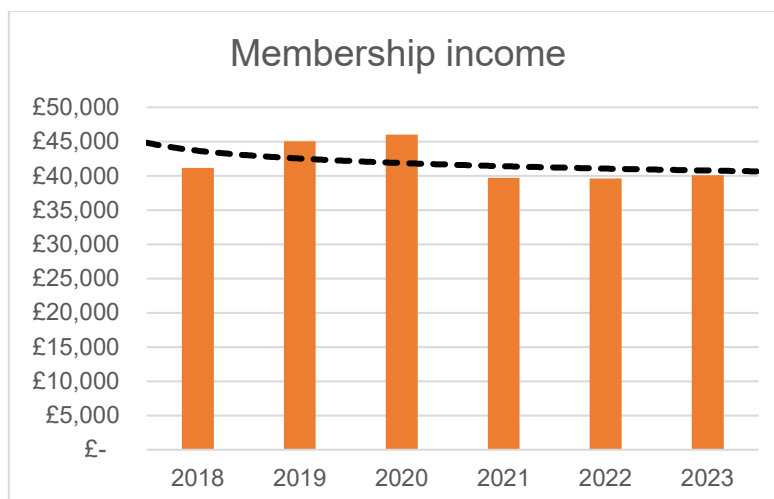
The largest SDC investment is in SDC Enterprises Group Ltd, the wholly owned subsidiary of the SDC Charity. The investment value of SDC Enterprises Ltd has, for many years, been given in the annual accounts as £445,600 and this has not changed. SDC Shareholder funds in SDC Enterprises Group Ltd now are at £7,696,548. In 2023 the Charity received from SDC Enterprises Group Ltd Licence Fee of £42,708 plus Gift Aid at £507,292, making a total return of £550,000 (£500,000 in 2022). This equates to 7% of shareholder funds.

### **Other Financial Activity**

Auditors examining 2022 accounts recommended a VAT review. The SDC moved some years ago, at HMRC behest, to partial exemption of VAT. The calculations of such are not simple and a regular review is recommended and was undertaken with support of Watson Buckle VAT experts in early 2022. VAT submissions since have adhered to the recommendations from that VAT review, including increased payments to HMRC in SDC VAT submissions.

Membership income was effectively static in 2017 after several years of gradual decline. Partly due to membership subscription price rises, membership income was £41,156 in 2018 and in 2019 £45,042. In 2020 it rose marginally to £46,039 but in 2021 membership income fell to £39,706, largely due to companies not renewing memberships. The Society's Board also made the price for Individual Non-Voting and Individual Voting membership identical to encourage members to upgrade at no additional cost. Membership income in 2022 amounted to £39,639 and in 2023 rose only marginally to £40,097. Hence, 2023 membership income was up annually by only 1% and was at a level 12% below the 2020 peak of recent years. As the chart below shows though the overall trend is therefore now one of arresting the decline in membership income, despite the harmonisation of Voting and Non-Voting individual membership subscription rates.





Membership renewals are now enabled via the SDC website and members can pay by debit or with credit card and set payments to auto-renew. Each membership subscription also has monthly, annual and every three-year option for payment. It has been very promising to see that many members are renewing with auto-renewal enabled.

Books sales income in 2023 was largely supported by Malcolm the Weaver book sale income which was up slightly at £4,340. The aged SDC textbook stock is now a very small income stream to the SDC, and the new titles are all produced and sold via Wiley Publishing. By 2023 many SDC books were made available via the SDC website as [eBooks](#), reducing the price for them (and reduced further for current SDC Members) and also permitting immediate access to the eBook. This has made this aged book stock available at lower prices to those interested in accessing their content.

Salary costs of the charity (including social security costs and pensions) rose only marginally (<0.5%) in 2023 when Charity costs amounted to £370,994 (see note 13 of the Accounts). Whilst salaries and pension costs rose through annual pay rises, social security costs fell with changes in Government policies. Charity staff numbers remained unchanged throughout 2023.

In 2020 the global pandemic hit SDC Enterprises Group Ltd sales. Consequently, the SDC parent charity received zero Gift Aid in 2021. In 2022 the trading activities of the SDC Enterprises Group Ltd rose income by half a million to £6,148,251, falling again by almost 1% in 2023 to £6,100,943. Associated trading costs rose in 2023 by almost 12% to £4,880,886. In 2023 SDC Enterprises Group Ltd assimilated into the Group fully the acquisition of Northern Dyers on its Spinksmire site. This also changed a tenant in Northern Dyers into a part of the Group, hence the reclassification of Group fixed assets in Note 16 of the Accounts.

## Environmental, Social and Governance Report

### Energy Usage and Emissions

In 2023 Perkin House consumed 56,699 kWh of electricity – this included the SDC and all Perkin House tenants. The supply of electricity in 2023 was via 3 different energy companies: Valda Energy (8% of annual consumption); Opus Energy (9% of annual consumption) and Drax Power Station (83% of annual consumption).

In September 2023 a Resource Efficiency Audit was undertaken of Perkin House via the West Yorkshire Combined Authority Sustainability Support Service. That report was based on data that extended back



beyond January 2023 and placed the electricity consumption of Perkin House at 50,316 kWh, so 11% lower than just 2023 data. The predicted annual CO<sub>2</sub> generation from that level of electricity usage was 10.2 tonnes.

Electricity in 2023 supplied through Drax Power Station, Selby was, according to a Drax statement, 92.1% from renewable resources (cf an average for all UK suppliers of 40.8%) with 6.6% being of the supply mix from natural gas, 0.6% from coal, 0.2% from nuclear and 0.5% from other fuels. Drax electricity supply generated 34g of CO<sub>2</sub> per kWh cf the average of 186g CO<sub>2</sub> per kWh for all UK suppliers. The Drax energy usage alone (which is 83% of Perkin House consumption) therefore would produce just 1.6 tonnes of CO<sub>2</sub> annually. The result is a much lower CO<sub>2</sub> generation figure (84% lower) than predicted.

Gas consumption in 2023 from actual gas invoices amounted to 56,699 kWh leading to 10.4 tonnes of CO<sub>2</sub> emissions. Gas use is entirely connected to Perkin House heating via two gas boilers. Measures to reduce gas consumption and hence related CO<sub>2</sub> are under evaluation.

The CO<sub>2</sub> survey suggested that 5,820 kWh pa of gas generated heat could be saved from improved insulation on the roof-based air handling system on Perkin House and this work has just been completed in Q1 of 2024. This kWh reduction of course also saved heating costs and reduces CO<sub>2</sub> emissions. The installation of a solar power system is also being scoped now that solar panels have improved, and electricity costs have risen dramatically.

### **Waste & Recycling**

The Perkin House waste is collected weekly, and cardboard is separated and sent for recycling. Other waste is sent as mixed waste but sorted and graded by the collection service providers.

### **Resource Consumption**

The SDC has largely reduced the consumption of many of the resources historically used. Integral to this has been the move to digital provision of many aspects of the SDCs activities. This has, for example, hugely reduced the need for photocopier paper and ink, as well as a huge reduction in travel to meetings. Post Covid the level of online meetings continues to be high and is often the preference of those with whom we are meeting. A consequence of this has been a huge reduction in travel and subsistence costs. In 2023 efforts were made to travel more and meet more people face to face, but, even with the ITMA exhibition in Italy in June 2023, travel was at a much lower level than in pre-pandemic years. SDC Committee meetings are also now attended online by most participants whereas pre-pandemic most would attend in person.

Travel costs in 2023 were 16% higher than in 2022 at £16,621. However, this is historically low with 2019 travel costs being £41,025. Travel via public transport is used whenever practically possible and now online meetings, thus reducing time, cost and pollution from travel, are sometimes even the first option as opposed to an alternative option.

### **Reserves Policy**

The SDC Finance Committee reviews the Reserves Policy detail at regular intervals, in line with the SDC strategy and financial compendium. The SDC aims to hold between 12 and 15 months of budgeted total costs in its free Reserves. In accordance with Charity Commission guidance this is to: protect and safeguard the assets of their charity; permit the Society's Board to act with reasonable care and skill; and ensure the charity is accountable.

In establishing this Reserves Policy, the SDC Finance Committee assessed: why reserves might be needed for the charity to be effective and how much was needed in Reserves. An impact and risk assessment were undertaken to arrive at the Reserves Policy for the SDC in its current form.

The Group reserves are represented by the Group funds of £10,021,215 on 31<sup>st</sup> December (2022 - £9,564,319). Group cash at bank and in hand, on 31<sup>st</sup> December 2023, amounted to £3,433,387 (2022 - £3,750,454) whilst the cash at bank and in hand for the Charity alone was £260,502 on 31<sup>st</sup> December 2023 (£353,492 on 31<sup>st</sup> December 2022). Total resources expended by the charity alone in 2023 were up 14% at £955,879 (2022 £840,208), although removing expenditure undertaken from restricted funds from this figure shows an underlying rise of 12%.

The SDC had free cash at bank and in hand (not designated for current or future PEG Projects), plus Brewin Dolphin managed investments, and taking into account debtors and creditors, on December 31<sup>st</sup>, 2023, that amounted to 10 months of 2023 expenditure and thus slightly below the reserves policy above.

Where funds held are restricted these are shown in the Annual Accounts (See Note 26 Funds) where permanent endowment funds are also detailed. A substantial amount is held in the Unfunded Projects Reserve which is actively managed by the Project Evaluation Group that in turn reports to the Society's Board regularly. The Unfunded Projects Reserve had few allocated projects in 2023 although has projects that will incur expenditure in 2024.

### Project development 2023

It became possible in late 2017 / early 2018 to consider and evaluate specific SDC development projects. Following a strategy set out in prior years for such events, the Society's Board identified a Project Evaluation Group (PEG), which has assessed development projects and prioritised them. The Board have identified and designated total funds for these projects to ensure they can be concluded. The projects are key to SDC impact and delivery over the future years, ensuring delivery of charitable objectives and growth in sustainable income.

In 2022 a thorough re-write of the SDC websites (including Governance and Blog sub-sites) was concluded after some delays to bring the sites up to date to ensure data security and enable up to date functionality including key developments of the Members area Continuing Professional Development capabilities and a Digital Archive section. This went live in late 2022/early 2023 and incorporated also linkages to Mailchimp to effectively replace the membership database, thus reducing costs and increasing functionality simultaneously. During 2023 there was still much work that was done on the 'new' website ensuring membership subscriptions were in place for all members and renewal reminders and dates correct. As the Society moves on into 2024 the website is now operating much more effectively, and content is being added and expanded.

In 2023 the PEG Group agreed to progress several projects to enhance SDC Membership, Early Career Mentoring, the SDC Archive, a UK Technical Conference and an International Conference in mid-2024. A further project is to examine the potential and interest in further development of the Design Coloration Certificate course.

Membership promotion events were held in Birmingham in October 2023 and a similar London event was not possible until mid-March 2024. Both events saw individuals who were either lapsed members or never members attend with some success of new memberships. Both events however also experienced poor attendance of those registered as the events were provided free of charge to

attendees and hence not attending was at no cost to those who had registered. The events therefore did produce new/renewed memberships but at a cost of time and money.

The Early Career Mentoring Project has now been shelved as whilst it was approved by PEG getting a group to take ownership of the project and take it forward proved an issue. The Design Coloration Certificate Course further development was also mothballed as interest in looking at further developments waned. The one module developed already is now to be offered to members free of charge as a membership benefit.

A UK Technical Conference was held in Bradford in November 2023 and will be held again in October 2024 at the same location. The PEG funds ensured the conference was under pinned financially and sponsorships ensured it was delivered at minimal cost to the Society.

The Textile Collection in Perkin House is being catalogued and made available for others to access via procurement of an archive database and a fixed term appointment of a SDC Archivist. This work is predominately underway in 2024.

## Review of Activities

### Bursaries

The SDC Bursary scheme has two funding streams:

- A. Main Bursary (Up to £500) For undergraduate and postgraduate students on a relevant course (e.g. Colour Chemistry, Fashion & Design, Textiles)
- B. ASDC Bursary (Up to £250) For students registered for the ASDC examinations.

The SDC Bursary scheme is managed overall by the SDC Education, Qualification and Accreditation Board (EQAB). In 2021 no bursaries were awarded as the pandemic prevented activity by applicants – indeed one bursary was refunded to the Society due to the recipient not being able to undertake the planned activity. In 2022 there was an increase but still only 3 bursaries were awarded as activity once again resumed. In 2023 there was strong specific marketing promotion of the bursaries to grow the number of applications, but the number of bursaries in 2023 was only 4 as follows:

- Caroline Coyne of Leeds University Textile Design (BA Hons) was supported in her project on thermal waste energy in the knitwear industry.<sup>1 2</sup>
- Monika Dolbniak studying for a Masters at the Royal College of Art was supported in a sensory storytelling project exploring the sensory preferences of people with autism in classroom environments.<sup>1 2</sup>
- Gail Jones was supported on her Masters course at Manchester Metropolitan University in purchasing specialist yarns and dyes to explore ways to create 3D pieces of knitwear
- Caroline Douglas at Douglas Royal College of Art was supported in her PhD work to undertake new practice led research on Mary Somerville's *Experiments on Light* of 1845 adding new

<sup>1</sup> See page 15 of the December 2023 edition of The Colourist for more details. The Colourist Magazine can be accessed by current SDC Members on the SDC website in the Digital Archive section.

<sup>2</sup> See [Bursary Catch-up! Monika Dolbniak and Caroline Coyne](#) - SDC W35 by Monika Dolbniak and Caroline Coyne and the related [Blog on the SDC Website](#)

knowledge on early colour photography which occurred some 67 years before James Clerk Maxwell's invention of colour photography.

These bursaries support colour science education of the recipients. The sharing of their activity and reports at events and through *The Colourist* magazine and Blogs on the SDC website ensures that several of the Royal Charter Objectives are addressed more widely, especially the dissemination of knowledge about colour.

## Training

SDC Training courses continue to be delivered by external partner companies. In 2023 Colour Training Courses were provided to one company in the UK, and to 5 individuals and one company in China, as well as three individuals in Pakistan. It should be noted that SDC International India pvt Ltd also provided similar training to many individuals in India and Sri Lanka.

In 2020 due to the pandemic effects on physical meetings the Society started a Webinar programme in April 2020 with the first live webinar airing in May 2020. There now stands a collection 38 SDC Webinar Recordings on the SDC website which are available free of charge to current SDC Members and at a nominal £20+VAT charge to non-members. The eight SDC Webinars first aired live in 2023 are listed below:

- [Vicki Walker – Coloration of Cosmetics](#) – SDC W38 by Vicki Walker
- [Amelia Twine – Sustainable Fashion Week](#) – SDC W37 by Amelia Twine
- [Meriel Chamberlin – From Mud to Marle](#) – SDC W36 by Meriel Chamberlin
- [Bursary Catch-up! Monika Dolbniak and Caroline Coyne](#) – SDC W35 by Monika Dolbniak and Caroline Coyne
- [ColourQ – Colour and its Relationship within Film Production](#) – SDC W34 by Daniel Mulligan, Founder ColourQ
- [COLOURizd Quantum Colour for Yarn: A Deep Dive into the Process, Benefits and Limitations](#) SDC-W33 by Jennifer Thompson – CEO and Co-Founder of COLOURizd
- [Fibre 52 – The Future of Sustainable Cotton](#) – SDC-W32 by Graham Stewart – EVP, Fibre 52
- [Schutzen Chemical Group – Next Generation Bio-based, Bio-degradable Textile Chemicals](#) SDC-W31 by Raj Mahendra – Founder and Managing Director of SCHUTZEN Chemical Group

## Foundation Textile Coloration Certificate (FTCC) & Textile Coloration Certificate (TCC)

These two courses form the first year (FTCC) and second and third years (FTCC) of a restructured 3-year course.

Eleven students studied the first year (FTCC) course for the academic year 2022 – 2023, completing in June 2023. Five of these were from England, two from Scotland, two from Northern Ireland, one from the Republic of Ireland and one from Thailand. Four students were studying the TCC Course, including one from New Zealand, one from Zimbabwe and two from England.

This spread of numbers supports the theory that the market is still interested in such qualifications but is cautious about longer term commitment (financially and in terms of their staffs time) unless prior engagement has proven some merit to the qualification. This is further reflected in the ASDC qualification take up (see below) where caution by industry has seen a fall in numbers.

## **ASDC Qualification**

Textile Coloration Science and Technology (Level 6) – leading to Associateship of the Society of Dyers and Colourists (ASDC) - is a three-year (minimum) distance learning course, leading to a benchmarked honour's degree level qualification. The programme has received the Ecctis benchmarking assessment that it is a Level 6 qualification (equivalent to a good honours degree, as defined within the Framework for Higher Education Qualifications). Ecctis introduced a time limit on such benchmarking, such that the benchmarking of the ASDC would expire at the end of 2022. However, hard work by the Education, Qualifications and Accreditation Board of the SDC, along with SDC staff, ensured the benchmarking of the ASDC was renewed successfully for another five years. Ultimately gaining this qualification allows students to apply to be a Chartered Colourist (CCol).

The online course covers the fundamental textile coloration principles and processes and is made up of 6 modules that are designed to meet the needs of the students and their chosen industry: Dyeing of Natural Fibres, Dyeing Theory, Textile Printing, Dyeing of Synthetic Fibres, Chemistry of Colourants and Colour Physics.

The cost of the degree equivalent ASDC is much lower than a university degree, plus students typically 'earn as they learn' in employment and their employer therefore also reaps immediate benefits from their studies. However, the impact on industry from pandemic recovery is considered to be behind the lower uptake of the ASDC currently until confidence in business resumes.

Five students graduated from the ASDC Course in 2021 which reduced to two students graduating in 2022 (one with ASDC and one with LSDC). These graduates of the ASDC Course all have more senior roles within their companies. In the first half of 2023 just one student was enrolled on the ASDC Course but was joined by a second course participant in October 2023. This was the first recipient of a Maurice Tordoff bursary to undertake the ASDC and was an outstanding graduate of the TCC course.

## **Publications**

Four issues of *The Colourist*, an SDC member benefit, are produced per year, with production now outsourced to an external marketing company. The external team work closely with all SDC staff in the content collation and even undertake interviews and photography on behalf of the SDC to make production happen. In 2022 the 4 editions of the *Colourist* amounted to 76 pages in total whereas in 2023 this was increased very marginally to 77 pages in the usual 4 editions.

Availability of *The Colourist* is communicated to members via email and so the SDC has measures of the open rates and click through activity to *The Colourist*. Members were also provided with free access in the Members area of the website to *International Dyer* and *Science in Parliament*, both of which receive a great deal of interest. However, WTiN no longer produce *International Dyer* and so new editions are not available.

*Coloration Technology*, the SDC academic journal published in conjunction with Wiley, covers many aspects of coloration with a detailed overview available on the [Wiley's website](#) for the journal. The Wiley's goals for *Coloration Technology* have been to grow readership of the journal, ensure the right authors submit papers and enhance the Society's reputation.





Coloration Technology moved to Institutional Print Only from 2023. Institutions access Coloration Technology via a specific subscription or, more commonly, through a license that allows the institute to access a whole host of Wiley's titles, which includes Coloration Technology.

Individual subscribers are very much in the minority and will only be provided with electronic access, as is commonplace for the vast majority of Wiley's journals today. Wiley do offer a Print-on-Demand option however where hard copies of issues or articles can be obtained.

The Coloration Technology Impact Factor has been an important publishing metric and one that has seen positive growth over the years. In 2022 (latest data) the Impact Factor was 1.8 vs 2.049 in 2021. Wiley is now a *Declaration on Research Assessment* (DORA) signatory whose guiding principles involve moving away from journal-based metrics and specifically the Journal Impact Factor. Article level metrics and individual author contribution are now the metrics of choice.

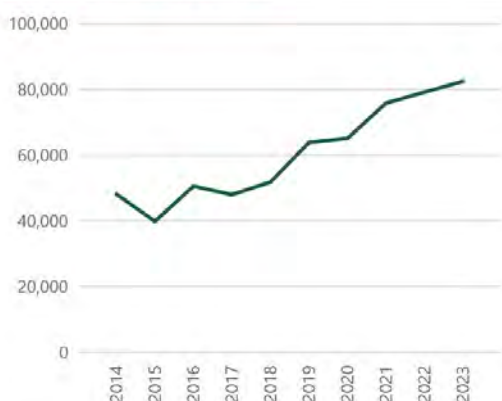
Articles in Coloration Technology were available in 2023 to 6,803 institutions offered access, an increase of 1% on 2022. It can also be seen that access via an 'All Journals license' and Transformational Agreements rose whilst other licence access fell – a scenario seen in many publications. The reach by region had some slight changes but remained relatively constant.

Reach by region			
Region	2021	2022	2023
Australia & NZ	165	167	167
Canada	85	88	90
China	196	192	231
Europe	3,085	2,910	2,978
Japan	168	184	178
Rest of World	2,522	2,213	2,141
UK	183	187	189
USA	695	778	829
<b>Grand Total</b>	<b>7,099</b>	<b>6,719</b>	<b>6,803</b>

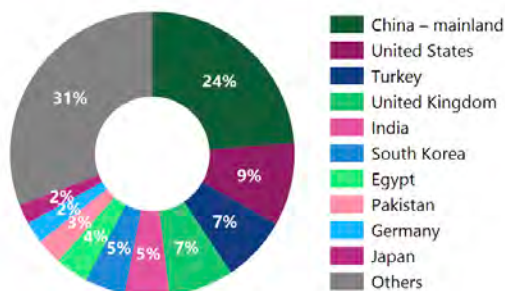
Reach by access type			
Sales Model	2021	2022	2023
<b>Institutions with access via a Wiley license</b>	<b>7,077</b>	<b>6,700</b>	<b>6,783</b>
All Journals license	2,347	1,340	1,738
Transformational agreements	1,398	2,825	3,297
Other licenses	3,332	2,535	1,748
<b>Institutions with access via traditional subscriptions</b>	<b>22</b>	<b>19</b>	<b>20</b>
Online	3	3	3
Print and online	19	16	17
Print	0	0	0
<b>Total</b>	<b>7,099</b>	<b>6,719</b>	<b>6,803</b>

The trend of Article views of Coloration Technology articles continues to grow, as can be seen in the chart below. The countries around the globe who access Coloration Technology continues to be large with a similar annual profile as shown for 2023 below.

### Article views trend



### Top 10 usage countries/regions

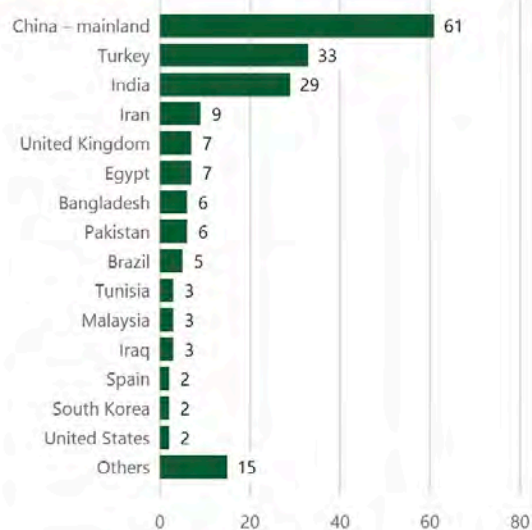


The number of accepted articles continues to grow steadily with the number rejected without review decreasing in 2023. China, Turkey and India were the three top countries where submissions arose.

### Accepted and rejected articles



### Country/region of submissions



The SDC is very grateful to Wiley for its assistance in terms of both resources and expertise. Wiley has a marketing plan in place for Coloration Technology. In 2023 the number of pages in Coloration Technology across the year rose from 678 in 2022 to 732, a rise of 8%.



### Colour Index™

The Colour Index™ is known worldwide and is used by many companies, research institutes, universities and government bodies. Many Colour Index™ users are, significantly, outside the traditional textile manufacturing and dye houses SDC sectors.

The decision was taken in late 2018, by the Society's Board, to transfer the Colour Index™ sales and marketing to SDC Enterprises Ltd. This took some time to complete for several reasons, including appropriate HR consultations and processes, but the transfer took place from 1<sup>st</sup> June 2019. The Colour Index Pigment and Solvent Dyes Board continues to meet under the auspices of the Society to maintain independence from the marketing and sales function.

### Standards

SDC's active involvement with BSI standards ensured their continued relevance, accuracy and usability, based on sound scientific knowledge for the benefit of the supply chain. The areas covered chemical, physical and flammability testing of textiles, textile cleansing and care labelling, and apparel and interior textile (product specification). The SDC provided the Secretariat to the BSI technical committee TCI 81 for colour fastness of textiles and colour communication thus supporting all UK industries for colour and textiles.

The SDC, as required by our contract with ISO, has the secretariat of TC38 SC1 Coloured textiles and Colorants, with partners in China. Brian Woolley continued as secretary to this committee although has now retired at the end of 2022.

The SDC's Technical Director Andrew Filarowski is the secretary for TCI 81 as stated above and representation on the following committees is as indicated:

- TCI/100 Co-ordination of activities in textiles and clothing A Filarowski
  - TCI/24 Physical Testing of Textiles Jonathan Foister (SDC Enterprises)
  - TCI/80 Chemical Testing of Textiles A Filarowski/ S Bolton/ Jonathan Foister (SDC Enterprises)
- TCI/066/0-/08 Burning behaviour A Filarowski
- TCI/81 Colour Fastness & Colour Measurement of Textiles Jonathan Foister (SDC Enterprises)
- TCI/082 Textiles care labelling, dry cleaning, domestic laundering and drying A Filarowski/ Jonathan Foister (SDC Enterprises)
- British Standards Institution Technical Committees – A Filarowski as SDC representative
- CW/15 Safety of Toys S Bolton
- STI/14 Colour Measurement & Schedules M R Luo

The SDC would like to thank all the above individuals for all their work on behalf of the SDC on these committees.

### Events

The SDC events showcase research and best practice in coloration. They also provide education, inspiration and networking opportunities. SDC events are regional, national and international, with wide ranging topics and diverse audiences. Many are free to attend, especially for members, with a strong focus on supporting students and young professionals. The SDC also jointly organises events and participates in events organised by others, thereby spreading SDC's educational reach and profile. Such events very much align with the Objects of the SDC Royal Charter also. That Governing document describes events in a language of its time to "*hold meetings for the reading of papers and giving of*

*lectures on coloration and colouring matters and for discussion of the same*". In 2023 this Object in the Royal Charter was delivered partly online via SDC Webinars which are listed in the above in this Annual Report.

Details of all SDC events can be found on the SDC website and many have featured reports after the event in editions of The Colourist which SDC Members can access via the SDC website Members area. In 2023 events were held: 'Chemical Compliance and Biobased Solutions in Ludhiana, India in February 2023; ITMA Textile Colourants & Chemicals Forum Conference, at ITMA Milan, Italy in June 2023; 'DyeChem World Exhibition – Tiruppur Edition' in July 2023 organised in conjunction with SDC International Ltd; in Hong Kong with the SDC Hong Kong Region 'Minds to Markets: From Coloration to Business Applications in the ESG World' December 2023. Other 2023 SDC involved events included sponsorship of the July Colour 2023 conference at the University of Leeds and the Hong Kong Fashion Summit 2023 on 11 & 12 October 2023.

In 2024 it is the Society's 140<sup>th</sup> year and the Colour Index™ sees its centenary. There will be several SDC connected events including:

- Items from the SDC textile collection feature in 'Colours Uncovered' exhibition at Harewood House, Yorkshire, UK from 22 March - 9 June 2024 with coverage also in local media
- A presentation on 'Weaving Voices - Back Home and Reimagined' at Sunny Bank Mills Archive, Yorkshire in April 2024
- International SDC Conference on 'Sustainability & Circularity in Coloration – Innovations in sustainably supplying the needs of 8+ billion people' in Manchester, UK in June 2024
- The 43<sup>rd</sup> International Conference on Dyes in History and Archaeology in Leeds, UK in October 2024
- The Second UK coloration and finishing Conference in Bradford, UK in October 2024
- The SDC Annual Awards Ceremony at The Merchant Adventurers' Hall, York in November 2024
- The SDC Day of Celebration Dinner at The Merchant Adventurers' Hall, York in November 2024
- The SDC International organized C3M-Expo (Colorants Chemicals Compliance & Machinery) Exhibition in Dhaka Bangladesh in November 2024

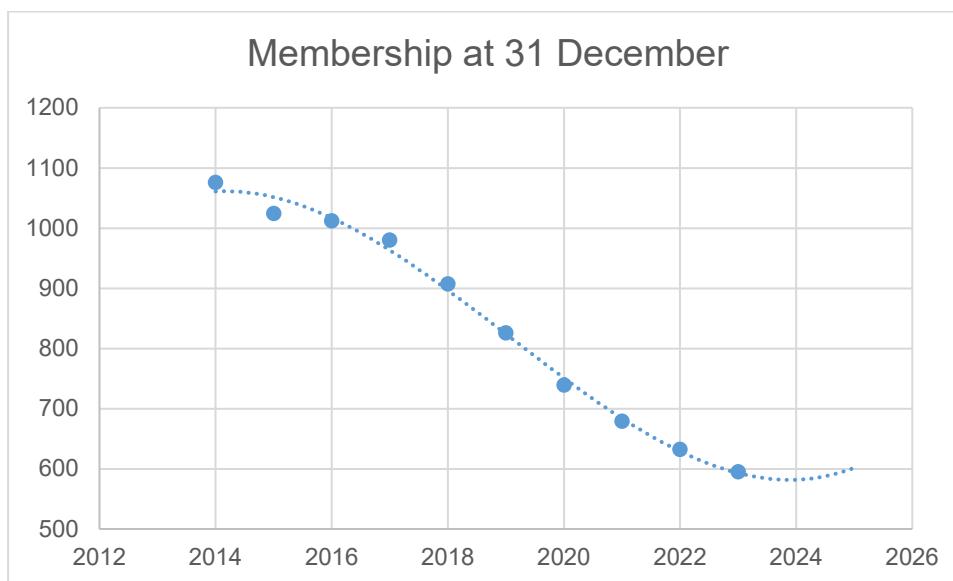
Other SDC involved events in 2023 included regional meetings in the UK and overseas, notably a resurgence of activity in the Sri Lanka Region in late 2023 from which it hoped the Region can once again become active.

## **Membership**

The SDC membership has continued its decrease, as prior Annual Reports have shown, albeit with some signs in the data of a plateau in numbers. The SDC gained 84 (88 in 2022) new individual SDC Members in 2023 this experiencing member recruitment levels of pre-2020. The total number of individual Members over time can be seen in the plot below – over 50 memberships decline per year up to and including 2022, reducing to an overall decline of 37 in 2023. The Chartered status individual memberships have also fallen in number, at a rate of over 20 per year in the last decade and comprised 34 of the overall 37 decline in 2023.

Work on Membership profiles now held on the SDC website has improved data quality also. All members have been contacted when their membership comes round for renewal and after it has lapsed with a series of communications encouraging them to renew. This has also been applied to

those whose membership lapsed in recent years and a number have come back into membership in the last 12 months.



In the recent past the case for taking up SDC membership has arguably been weak, and work has been put into strengthening that offer. The Colourist Magazine is now only available to members, and some have rejoined to regain access to that once again. Webinars are available free of charge to members, but non-members and lapsed members now need to pay for access – again increasing membership renewals. Privileges of membership are now relinquished on the day the membership lapses which is driving members to renew and auto-renew to retain access to their benefits.

A SDC Membership Committee was proposed in late 2020 and came into being in 2021, many years after such last existed. In late 2020 a Governance Task Group of the SDC Audit Committee was also put in place to update and re-draft the Society's Rules, By-Laws and Royal Charter clauses to put to the SDC Membership at a General Meeting for approval. This was to include the re-structure and naming of some membership categories. That work continues and Audit Committee and the Society's Board are aiming to see that concluded and passed to the SDC Membership as soon as possible. The need for this has also been raised due to the sad passing of Queen Elizabeth II, since the Royal Charter is awarded from a specific monarch. As with all Royal Charter bodies the SDC therefore needs to apply for a new Royal Charter from King Charles III and to incorporate desired changes at that time would be optimal.

That review of the SDC Governance documents is nearing completion with the Governance Working Party having reported to Audit Committee in early 2024. Those proposed changes have now (April 2024) been reviewed by external charity lawyers and are being checked and proofread before being presented to the Society's Board and from there to a General Meeting of the SDC Voting Members. Before that meeting members will have plenty of time to review the revised documents and will be briefed in detail on changes made.

One change the Society's Board made in 2022, was that the fee differential for Voting Members and Non-Voting Members be abolished. All Voting Members now pay the same membership fee as Non-Voting Members, unless they possess a CCol whereby they pay the same level of fee as they did previously as Voting Members. This has increased applications to be regraded from Non-Voting Membership to Voting Membership and the system for such has been further accelerated such that some re-gradings have now been approved within 24 hours. All new Voting Members names are

reported to the next meeting of the Society's Board. It is important to note that the threshold to become a Voting Member has not been changed but the drive to have Non-Voting Members apply for upgrading their membership, and the turnaround time to evaluate such applications, has been greatly improved. The number of non-voting members is therefore declining.

### **Membership value for money**

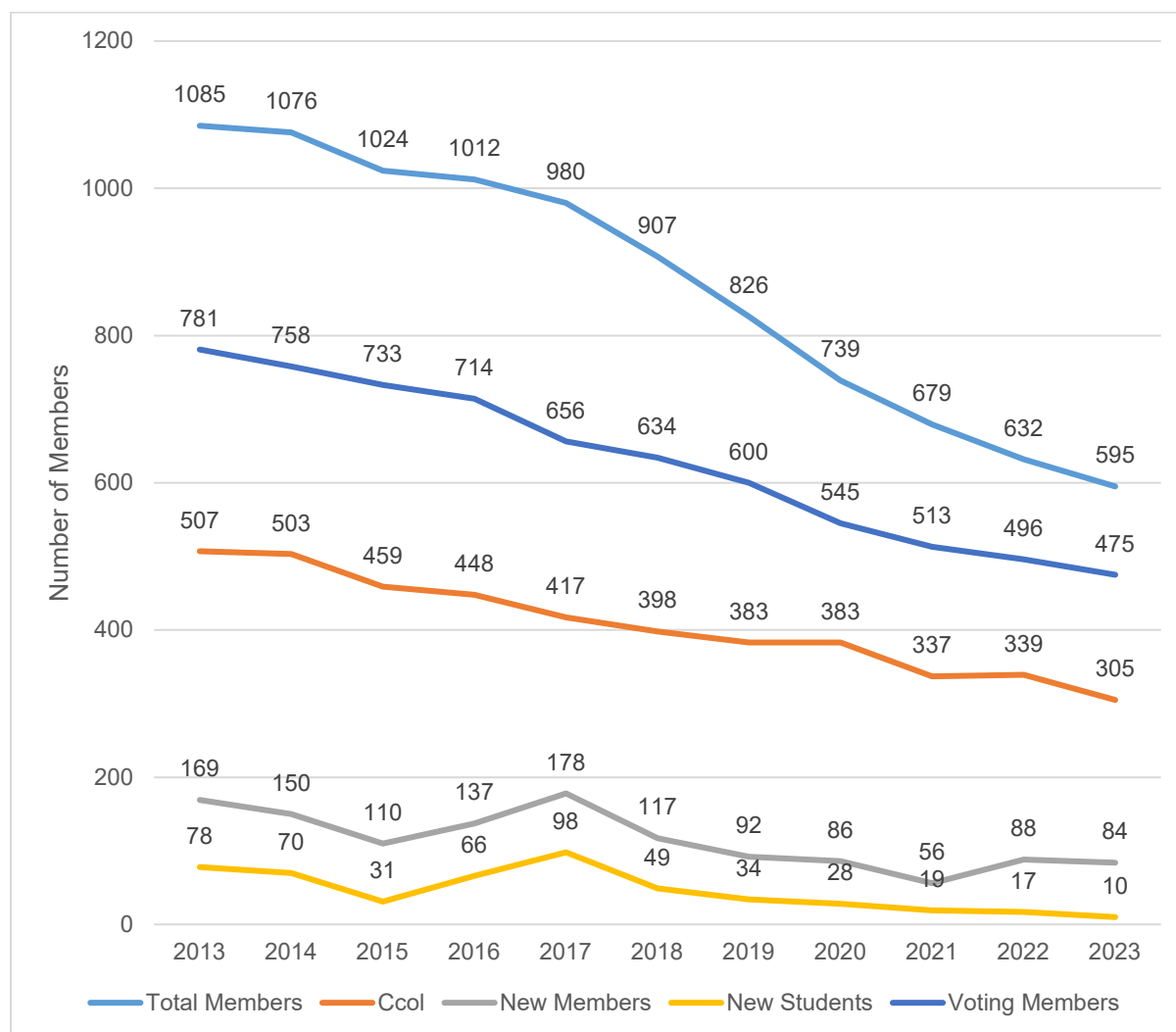
Going forward more is being made of the membership benefits and their value for money, as evidence exists to demonstrate these are ill-understood by members and prospective members alike.

- *The Colourist* member magazine was re-launched in 2021 as an electronic only publication (thus addressing production costs but also environmental impacts of paper production and international postage, a task made more difficult and costly by the pandemic and Brexit). *The Colourist* features more company member news and profiles and is being produced by outsourced marketing specialists. The cost of *The Colourist* amounts to approx. 25% of SDC Membership fee income.
- Many members also welcome the free access to SDC webinars (usually charged at £20 per Webinar for non-members) including access to recordings of past webinars. For Non-Voting and Voting Members the annual membership fee is the equivalent of just 3 live or recorded webinar accesses per year, whilst for Chartered Colourists the number is 5 live or recorded webinars per year.
- The *Science in Parliament* publication, also available in the members area of the SDC website, is a wide-ranging publication available free of charge as part of the SDC membership subscription.
- Members also receive generous discounts on: SDC books; *Coloration Technology* subscriptions; and SDC short courses. The website has made book purchases much easier, and members will see discount offers on SDC books after they are logged into their members area.
- From time-to-time SDC Membership also entitles access to webinars and events of other organisation free of charge or at reduced cost, plus (to support internet access to SDC webinars, committees, and meetings) members can access discounts on Dell computer and accessory purchases (with some country limitations applied by Dell).
- Members often have opportunity to provide presentations via the SDC Webinar series, of which the marketing and promotional value of their company and personal brand far exceeds annual membership subscription rates.
- Members of the SDC are also part of the regional activity where sufficient members exist to make regional activity viable. These regional networks have always been core to SDC membership benefits and their value is hard to estimate. Members who engage with regional activity however value them both very highly and for a long duration, often counted in decades. In 2024 members will soon be able to control the Regions they receive details from and indeed register interest in new Regions being formed.

Before the discounts above are taken into consideration, the cost of individual membership to the SDC is ca £39 pa before any staff time at all is taken into consideration. Student membership is priced at less than this, so many members support our student members through their membership subscriptions. For all other membership types, once staff time is added, the cost of membership exceeds the subscription price. SDC membership subscriptions do deliver value for money when the features and benefits are considered and, like all memberships, the more one engages with the organisation, the greater your value for money from your SDC membership.

Company memberships numbered 24 at the end of 2023 (22 at end of 2021) and Educational Provider (College / University) memberships numbered 23 (12 at the end of 2022). The movements in these

memberships were notable in that companies were the first not to renew during the pandemic and the first to start to re-join or join as the pandemic lifted. The Educational Provider memberships were slower to not-renew and are only just starting to come back. The latter is also influenced by a need for Educational Providers to now be SDC Members in order to submit entries to the International Design Competition.



## Sponsorship

The Worshipful Company of Dyers have generously sponsored the Society over many years. This demonstrates the ongoing commitment of both organisations to the skills development in the coloration sector and the SDC is very grateful and encouraged by their generous support. It should also be added that their keen interest in the developments is very much expressed and is as welcome as their funding. In 2020 the Worshipful Company commenced support of the SDC in setting up the 'Future Dyers Fund' to help financially anyone from England applying for our FTCC and TCC courses. This was an excellent initiative that turned into an even better one as the pandemic impacted individuals and through the Fund the SDC can ensure students continue their studies and skills development to assist them in securing future employment also. Seven such students were supported in 2023 (six in 2022) and the fund now sits at £17,801 (down from £27,752 in 2022, but still with

sufficient resource to support UK based applicants). Applicants living in England can receive up to 60% of their fees paid and in the case of those unemployed have all their fees paid.

### Partner and Affiliate organisations

The SDC Charitable Objectives from the Royal Charter includes *“To co-operate with other scientific organisations and bodies in relation to colour and its application and use”*. To this end the SDC is an active member of The Science Council and The Parliamentary and Scientific Committee. Other active network links to partner organisations include the AATCC, ASBCI, several universities, and The Society of Leather Technologists and Chemists.

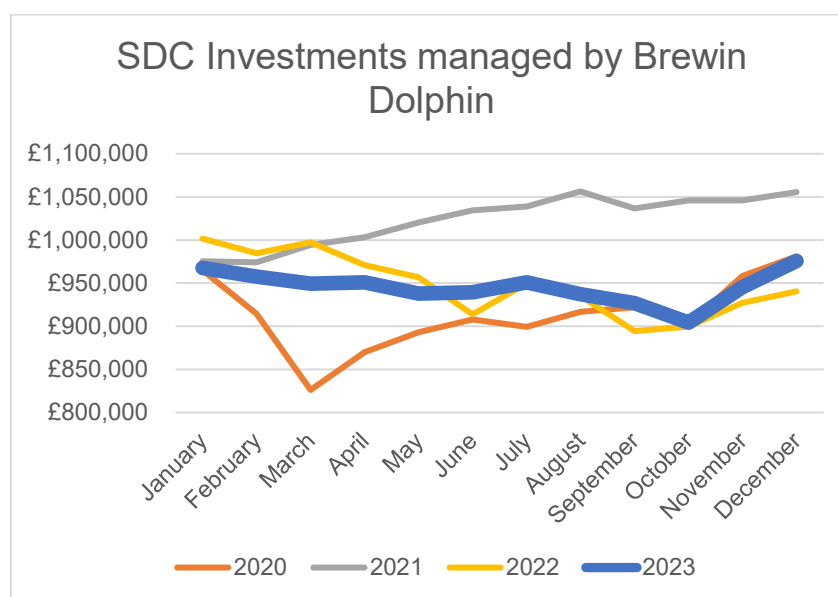
The SDC also has long-standing affiliate relationships with the Society of Dyers and Colourists of Australia and New Zealand (see <http://www.sdcanz.com>) and The South African Dyers’ and Finishers’ Association (SADFA) (see [www.sadfa.org.za](http://www.sadfa.org.za)).

In 2024 onwards as part of the SDC Strategic Plan, the relationships with partner and affiliate bodies will be clarified and expanded to ensure this Royal Charter Object is further adhered to and also that the work of the Society can be expanded.

### Investment Policy

The SDC funds include equities held in a managed portfolio at medium risk and cash held on term deposit accounts not required for current activities. Equities are held in fixed interest, ordinary shares and government stocks. The portfolio value on 31<sup>st</sup> December 2022 was £940,637 and by the end of 2023 this had risen 3.7% to £975,697. In addition, during 2023 £26,624 was received into general funds from dividends arising from these investments (£25,285 in 2022). Including this income the return on investments in 2023 was 6.6% in 2023 (whereas 2022 was a loss of 8.5%).

The SDC investments are intended for the long term. In recent years there have been huge international impacts on investments (the Corona virus pandemic, wars in Ukraine and the Middle East and associated international higher interest rates and their consequences on economies) but in late 2023 some recovery was seen in the markets.





### Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fund raising as “soliciting or otherwise procuring money or other property for charitable purposes.” Such amounts receivable is presented in our accounts as “voluntary income” and include legacies and grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day-to-day management of all income generation is delegated to the executive team, who are accountable to the Society’s Board.

The charity is not bound by any undertaking or bound by any regulatory scheme and the charity does not consider it necessary to comply with any voluntary code of practice.

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times; as we do not approach individuals for funds, we do not have to particularise this to fundraising activities nor do we consider it necessary to design specific procedures to monitor such activities.

### Risk Assessment

The risk situation is reviewed by the Society’s Board who judge that over the next three years the SDC has a low to medium risk that charitable activities may be less because of a reduction of available funds. Insurances are held wherever possible to cover for external events and internal management is used to minimise potential occurrence and impact. In 2023 Gift Aid was received and this assisted in smoothening the SDC finances and lowering risk once again, although the UK and international economies were not without financial pressures and turbulence.

### Human Resources and Equality, Diversity and Discrimination Policy

The SDC is an equal opportunities employer and encourages diversity. It is non-discriminatory on age, disability, ethnicity, gender reassignment, marriage and civil partnership, race and religion, sex and sexual orientation in all operations and in all membership matters.

The SDC now has to account each year in financial terms to our Auditors for the annual leave and flexitime carried forward. Hence, through a time management system linked to the Building Security System, the SDC can now manage the staff time delivery.

HR support and expert advice is provided by an external HR company. This includes remote and on-site support for staff and managers, as well as a web based secure HR portal for HR records, and holiday and sick leave monitoring.

### Data security

Data security has been, and will continue to be, a very important issue and the SDC will ensure that user information is protected and IT systems secure. In addition to protecting such information the SDC does not supply any individual’s information to others unless it is for a specific SDC purpose (e.g. management of the call for nominations and related voting for trustees and other positions on committees). No issues arose from any breaches of data security in the year.

### GDPR

The EU General Data Protection Regulations (GDPR) came into force in May 2018. The SDC prepared for this new data regulation for many months. The data managed by the Society remains to be held and used under GDPR regulations.



### Health and Safety

The Health & Safety policy of the SDC is to ensure as far as reasonably practical public, staff and the environment are protected and that all legal requirements are met. Each year the SDC has two risk assessment reports produced by external experts on Perkin House Health and Safety and Perkin House Fire Risk. These reports highlight a few actions to be taken based on Low-Medium-High risk prioritisation. In 2016 this resulted in a renewed asbestos survey of the building, which established small amounts of asbestos has been used but were in little used areas and in safe condition. In April 2024 some internal building work uncovered some potential asbestos, which is in the process of being tested by an accredited body. 2021 saw the Building Manager post outsourced to Entire FM, still with a Building Manager present in Perkin House Monday-Thursday mornings. In early 2024 this post has been migrated to a SDC post as Entire FM went into administration and the company set up in its place, Alkota, was not paying staff wages on time and still owes its staff some wages in April 2024.

### UK Pension Auto-enrolment

The UK Government phased in auto-enrolment for employee pension schemes over some years. In 2023 all of the SDC staff members were in the SDC Peoples Pension scheme.

### Remuneration Policy

The salaries of all SDC staff are set based on a Finance Committee and Society Board approved overall budget based on itemised lines including staff salaries. The SDC utilises a Remuneration Committee to approve staff salary rises. The SDC Remuneration Committee is comprised of the Honorary Treasurer, Honorary Secretary (and Chair of the Remuneration Committee), Chair of the Society's Board, SDC President, Immediate Past President and President Elect plus the CEO. In 2022, against an environment of inflation and rises wage settlements, a pay benchmarking report was commissioned by Croner and this has also been the case in 2023 and 2024. This has informed the Remuneration Committee of pay positioning of SDC staff (at median and upper/lower quartile pay levels of the UK, Region and Bradford) and lead to a 5% pay rise awarded in 2023.

**The Society of Dyers & Colourists (SDC)**  
**Year ended 31 December 2023**  
**Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the Trustees' Annual Report and the financial statement in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 incoming resources and application of resources of the charity for that period.



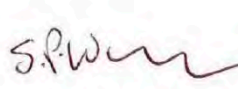
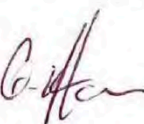
In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the Society's Board on **24 May 2024** and signed on its behalf by:

			
G Thatcher	M Catterall	S Wilkinson	G Clayton
Chair of Society's Board	Honorary Treasurer	Honorary Secretary	CEO

### Opinion

We have audited the financial statements of The Society Of Dyers And Colourists (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31st December 2023 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated statement of cash flows and the related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31st December 2023 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- sufficient accounting records have not been kept; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

### Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the entity and industries in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the application of charitable funds and data protection. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls, and ensuring these controls operated as intended. We determined the principal risks were related to posting journal entries to manipulate profits, and management bias in accounting estimates, especially accrued and deferred income.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships
- Identified and tested journal entries and identified any significant transactions that were unusual or outside the normal course of business.
- Investigated the rationale behind significant or unusual transactions.
- Challenged assumptions and judgements made by management in determining significant accounting estimates, in particular in relation to accrued and deferred income.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed audit procedures which included, but were not limited to:

- Agreeing financial statements disclosures to underlying supporting documentation.
- Discussions with management of known or suspected instances of non-compliance with laws and regulations.
- Reading the minutes of meetings of those charged with governance.
- Reviewing correspondence with HMRC and relevant regulators.

At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance of laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement relating to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

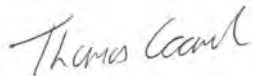
**The Society of Dyers & Colourists (SDC)**

**Year ended 31 December 2023**

**Independent Auditor's Report to the Trustees of The Society of Dryers & Colourists (SDC)**

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Thomas Coombs Limited  
Statutory Auditor  
Chartered Accountants  
3365 The Pentagon  
Century Way  
Thorpe Park  
Leeds  
West Yorkshire  
LS15 8ZB

Date: 24 May 2024

	Notes	Unrestricted funds	Restricted funds	Permanent endowment funds	Revaluation reserve	2023 Total Funds	2022 Total Funds
		£	£	£	£	£	£
<b>Income From:</b>							
Donations	3	22,000	-	-	-	22,000	20,164
Charitable activities	4	118,144	-	-	-	118,144	128,085
Other trading activities	5	6,100,943	-	-	-	6,100,943	6,148,251
Investments	6	225,772	-	-	-	225,772	195,647
Other income	7	9,598	-	-	-	9,598	34,332
<b>Total income</b>		<b>6,476,457</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,476,457</b>	<b>6,526,479</b>
<b>Expenditure on:</b>							
Raising funds	8	4,962,125	-	-	-	4,962,125	4,444,158
Charitable activities	9	871,976	9,951	-	-	881,927	760,076
Taxation	11	222,857	-	-	-	222,857	324,174
<b>Total Expenditure</b>		<b>6,056,958</b>	<b>9,951</b>	<b>-</b>	<b>-</b>	<b>6,066,909</b>	<b>5,528,408</b>
Net gains/losses on investments	12	-	-	-	41,348	41,348	(139,087)
Gains/Losses on revaluation of fixed assets	17	-	-	-	6,000	6,000	24,288
<b>Net income for the year</b>		<b>419,499</b>	<b>(9,951)</b>	<b>-</b>	<b>47,348</b>	<b>456,896</b>	<b>883,272</b>
Transfers between funds	26	-	-	-	-	-	-
<b>Net Movement in funds</b>		<b>419,499</b>	<b>(9,951)</b>	<b>-</b>	<b>47,348</b>	<b>456,896</b>	<b>883,272</b>
<b>Reconciliation of funds:</b>							
<b>Total funds brought forward at 1 January 2023</b>	26	<b>9,332,489</b>	<b>37,992</b>	<b>17,501</b>	<b>176,337</b>	<b>9,564,319</b>	<b>8,681,047</b>
<b>Total funds carried forward at 31 December 2023</b>	26	<b>9,751,988</b>	<b>28,041</b>	<b>17,501</b>	<b>223,685</b>	<b>10,021,215</b>	<b>9,564,319</b>

All amounts relate to continuing operations. The consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 40 to 60 form part of these financial statements.

The Society of Dyers & Colourists (SDC)  
Year ended 31 December 2023  
Charity Statement of Financial Activities for the year ended 31 December 2023  
(including Income and Expenditure Account)

		Unrestricted funds	Restricted funds	Permanent endowment funds	Revaluation reserve	2023 Total Funds	2022 Total Funds
Notes		£	£	£	£	£	£
<b>Income From:</b>							
Donations	3	529,292	-	-	-	529,292	170,164
Charitable activities	4	118,144	-	-	-	118,144	128,085
Investments	6	111,745	-	-	-	111,745	99,460
Other income	7	42,708	-	-	-	42,708	350,000
<b>Total income</b>		<b>801,889</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>801,889</b>	<b>747,709</b>
<b>Expenditure on:</b>							
Raising funds	8	81,239	-	-	-	81,239	80,132
Charitable activities	9	864,689	9,951	-	-	874,640	760,076
<b>Total Expenditure</b>		<b>945,928</b>	<b>9,951</b>	<b>-</b>	<b>-</b>	<b>955,879</b>	<b>840,208</b>
Net gains/losses on investments	12	-	-	-	41,348	41,348	(139,087)
Gains/Losses on revaluation of fixed assets	17	-	-	-	6,000	6,000	24,288
<b>Net income for the year</b>		<b>(144,039)</b>	<b>(9,951)</b>	<b>-</b>	<b>47,348</b>	<b>(106,642)</b>	<b>(207,298)</b>
Transfers between funds	26	-	-	-	-	-	-
<b>Net Movement in funds</b>		<b>(144,039)</b>	<b>(9,951)</b>	<b>-</b>	<b>47,348</b>	<b>(106,642)</b>	<b>(207,298)</b>
<b>Reconciliation of funds:</b>							
<b>Total funds brought forward at 1 January 2023</b>	26	<b>2,730,122</b>	<b>37,992</b>	<b>17,501</b>	<b>176,337</b>	<b>2,961,952</b>	<b>3,169,250</b>
<b>Total funds carried forward at 31 December 2023</b>	26	<b>2,586,083</b>	<b>28,041</b>	<b>17,501</b>	<b>223,685</b>	<b>2,855,310</b>	<b>2,961,952</b>



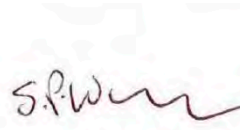

All amounts relate to continuing operations. The consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 40 to 60 form part of these financial statements.



	Notes	£	2023 £	£	2022 £
<b>Fixed Assets</b>					
Intangible Assets	15		43,645		30,083
Tangible Assets	16		3,322,493		1,430,021
Heritage Assets	17		63,500		35,500
Investments	18		975,697		940,637
Investment Property	19		320,866		1,811,243
			<u>4,726,201</u>		<u>4,247,484</u>
<b>Current Assets</b>					
Stock	20	2,496,222		1,958,599	
Debtors	21	1,284,076		1,329,368	
Cash at bank and in hand		<u>3,433,387</u>		<u>3,750,454</u>	
		7,213,685		7,038,421	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	22	<u>(1,101,631)</u>		<u>(878,732)</u>	
<b>Net current assets</b>			6,112,054		6,159,689
<b>Total assets less current liabilities</b>			<u>10,838,255</u>		<u>10,407,173</u>
Creditors: amounts falling due after more than one year	23		(626,426)		(686,854)
<b>Provisions for liabilities</b>					
Deferred tax	25		<u>(190,614)</u>		<u>(156,000)</u>
<b>Total Assets</b>			<u><b>10,021,215</b></u>		<u><b>9,564,319</b></u>
<b>The funds of the charity:</b>	26				
Unrestricted funds					
Accumulated fund			2,180,706		2,315,275
Funds retained in SDC Enterprises Group			7,165,905		6,602,367
Designated funds			405,377		414,847
Revaluation reserve			<u>223,685</u>		<u>176,337</u>
<b>Total unrestricted funds</b>			9,975,673		9,508,826
Restricted funds			28,041		37,992
Permanent endowment funds			<u>17,501</u>		<u>17,501</u>
			45,542		55,493
<b>Total Charity Funds</b>			<u><b>10,021,215</b></u>		<u><b>9,564,319</b></u>



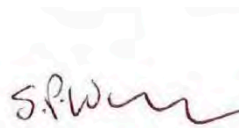

The financial statements were authorised for issue and signed on behalf of the Society's Board on **24 May 2024**.

			
G Thatcher	M Catterall	S Wilkinson	G Clayton
Chair of Society's Board	Honorary Treasurer	Honorary Secretary	CEO

The notes on pages 40 to 60 form part of these financial statements.

	Notes	£	2023 £	£	2022 £
<b>Fixed Assets</b>					
Intangible Assets	15		20,056		30,083
Tangible Assets	16		713,377		668,855
Heritage Assets	17		63,500		35,500
Investments	18		1,421,396		1,386,336
Investment Property	19		320,866		360,000
			<u>2,539,195</u>		<u>2,480,774</u>
<b>Current Assets</b>					
Stock	20	4,257		10,068	
Debtors	21	158,244		222,599	
Cash at bank and in hand		<u>260,502</u>		<u>353,492</u>	
		423,003		586,159	
<b>Liabilities</b>					
Creditors: amounts failing due within one year	22	<u>(106,888)</u>		<u>(104,981)</u>	
<b>Net current assets</b>			<u>316,115</u>		<u>481,178</u>
<b>Net Assets</b>			<u><b>2,855,310</b></u>		<u><b>2,961,952</b></u>
<b>The funds of the charity:</b>					
Unrestricted funds	26				
Accumulated fund			2,180,706		2,315,275
Designated funds			405,377		414,847
Revaluation reserve			<u>223,685</u>		<u>176,337</u>
<b>Total unrestricted funds</b>			<u>2,809,768</u>		<u>2,906,459</u>
Restricted funds			28,041		37,992
Permanent endowment funds			<u>17,501</u>		<u>17,501</u>
			<u>45,542</u>		<u>55,493</u>
<b>Total Charity Funds</b>			<u><b>2,855,310</b></u>		<u><b>2,961,952</b></u>

The financial statements were authorised for issue and signed on behalf of the Society's Board on **24 May 2024**.

			
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**Reconciliation of net income to net cash flow from operating activities**

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>Total funds</b>	<b>Total Funds</b>
	<b>£</b>	<b>£</b>
Net income for the reporting period (as per the statement of financial activities)	456,896	883,272
Adjustments for:		
Revaluation of fixed assets	(28,000)	(24,288)
Revaluation of investment property	-	8,606
Gains(losses) on investments	(41,348)	130,481
(Profit)/Loss on disposal of fixed assets	-	(850)
Finance income	(68,769)	(10,330)
Tax expense	222,857	324,174
Tax paid	(234,220)	(161,458)
Amortisation	11,269	-
Depreciation charge	123,845	100,218
Decrease/(Increase) in stocks	(494,991)	(308,550)
Decrease/(Increase) in debtors	247,813	(193,220)
(Decrease)/increase in creditors	83,892	(52,805)
<b>Net cash provided (used in) operating activities</b>	<b>279,244</b>	<b>695,250</b>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(241,992)	(301,941)
Purchase of intangible assets		(83)
Proceeds from the sale of investments	156,103	74,894
Purchase of subsidiary	(432,699)	-
Cash acquired in purchase of subsidiary	343,101	-
Proceeds from the sale of fixed assets	-	850
Purchase of investments	(147,681)	(90,421)
Purchase of investment property	(280,942)	(45,041)
Interest received	68,769	10,330
Movement in cash held within investments	(2,134)	(117)
<b>Net cash provided by (used in) investing activities</b>	<b>(537,475)</b>	<b>(351,529)</b>
<b>Cash flows from financing activities:</b>		
Repayments of loans	(58,836)	(62,035)
<b>Net cash provided by (used in) financing activities</b>	<b>(58,836)</b>	<b>(62,035)</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>(317,067)</b>	<b>281,686</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>3,750,454</b>	<b>3,468,768</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>3,433,387</b>	<b>3,750,454</b>

The notes on pages 40 to 60 form part of these financial statements.

**1. General Information**

The Society of Dyers & Colourist is a charitable body, incorporated by Royal Charter (RC000576) with the governing documents being the Royal Charter (1963), with Amendments, By-laws (2009) and Rules (2012, 2014, 2015, 2017, 2018 and 2019 as amended). The address of the registered office is shown in the Trustees' Annual Report. The nature of the group's operations and its principal activities are outlined in the Trustees' Annual Report. The presentational currency is sterling and amounts are rounded to the nearest whole £.

**2. Accounting Policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention, with items recognised at cost or transaction values unless otherwise stated in the relevant note to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities' preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity meets the definition of a public benefit entity as defined by FRS 102.

The trustees consider that there are not material uncertainties about the charity's ability to continue as a going concern.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the group's accounting policies.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**Basis of consolidation**

The group financial statements consolidate the accounts of the Society of Dyers and Colourists and its subsidiaries accounts on a line by line basis. Transactions between the group companies are eliminated on consolidation.

The consolidated financial statements include the financial statements of the charity and its subsidiary undertakings made up to 31 December 2023. The acquisitions method of accounting has been adopted. Under this method the group net incoming resources include the results of subsidiaries from the date of acquisition and to the date of sale outside the group in case of disposals and subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

**Fund accounting**

The fund held by the charity are:

- Unrestricted funds - these are general funds which can be used in accordance with the charitable objectives at the discretion of the trustees. Included in unrestricted funds are certain designated funds set aside by the trustees for specific purposes.
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
- Permanent endowment funds - these represent the fixed asset investments which must be held permanently by the charity.

The objectives of the various designated, restricted and permanent endowment funds are set out in note 26.

# Income

All income from membership subscriptions, donations, charitable activities, income from other trading activities, investment income, government and capital grants, are included in the Statement of Financial Activities when the SDC is entitled to the income and the amount can be quantified with reasonable accuracy.

Investment income and gains/(losses) are allocated to the appropriate funds.

Income from the sale of goods is recognised when all of the following conditions are satisfied:

- the group has transferred the significant risks and rewards of ownership to the buyer;
- the group retains neither continuing managerial involvement to the degree usually associated with
- the amount of revenue can be measured reliably;
- it is probable that the group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

# Gift aid income

Taxable profits transferred from the subsidiaries are recognised as donations when the subsidiary has made an irrevocable commitment to the charity to pay the Gift Aid donation.

During the year the charity has received Gift Aid from subsidiaries of £507,292 (2022 - £150,000).

# Expenditure

- Raising funds: The following activities - trading costs of the subsidiary, car park lease, cost of managing investments and general marketing - are for the purpose of raising funds.
- Charitable activities: The following activities - colour experience, membership and qualifications, publications, technical, the day to day running of the SDC consisting of staff and administration costs - are of charitable nature and are provided for the benefit of members and the general public.
- Governance Costs include the day to day governance running of the SDC consisting of administration costs including audit and other professional costs, trustee travel, training, meetings and excludes any costs running funds.

All resources expended are on an accrual basis.

Grants payable are charged in the year when the offer is conveyed to the recipient.

Support costs and overheads are allocated in line with the relevant percentage of income receivable for that related activity.

Trading expenses are those of the charity's wholly owned subsidiary and do not include any of charity's overheads. Support costs are those of managing and administering the SDC and represent expenses incurred attributable to the management of charity's assets.

# Tangible fixed assets and depreciation - held at cost less depreciation.

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all the fixed assets except freehold land, over their expected useful lives. It is calculated on the following rates:

Freehold property	- 5% straight line
Freehold land	- not depreciated
Plant & machinery	- 15% - 33.3% straight line
Furnishing and general equipment	- 15% - 33.3% straight line
Leasehold improvements	- over the term of the lease

# Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually. Valuations are based on observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in the income and expenditure account.

#### **Building revaluation - Investment Property and Freehold Property**

The basis of building revaluation was Market Value with vacant possession and existing use. Revaluation is performed in accordance with the RICS Valuation - Professional Standards January 2014 Edition (the "Red Book"), where applicable having due regard to the Practice Statements and Guidance Notes therein for valuations of this nature.

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Consolidated Statement of Comprehensive Income.

#### **Mixed use**

A judgement has been made to split the property value between investment property and freehold property based upon the used by the Group compared to the area rented externally.

#### **Heritage assets**

Heritage assets are initially recognised at cost and carried at historical cost subject to any depreciation or impairment. The charity has adopted a policy of valuation.

#### **Fixed asset investments**

Listed investments are stated at Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

The investment in the SDC's trading subsidiary, SDC Enterprises Limited, is stated at cost, less provision for impairment.

#### **Stock**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method. Work in progress and finished goods include labour and attributable overheads.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### **Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### **Intangible assets**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the group's share of its identifiable assets and liabilities of the acquire at the date of the acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the consolidated statement of comprehensive income over its useful economic life (UEL). Trustees have assessed the UEL of goodwill to be 5 years.

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful life as follows:

Website Development	- 33.3% straight line
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#### **Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

#### **Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to income and expenditure account on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the income and expenditure account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

#### **Foreign currency**

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

#### **Pension costs**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the charitable company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Research and developments**

Research and development costs are written off to the profit and loss account when incurred.

#### **Tax - Charity**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

#### **Tax - Trading subsidiaries**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current Corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

#### **Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from the date of authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

#### **Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:



#### Useful economic lives of tangible assets

The annual depreciation charge for tangible assets and their carrying amount is determined by the estimated useful economic lives and residual value of the assets. The useful economic lives and residual values are re-assessed annually and amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the asset. The carrying amount is £3,322,493 (2022-£1,430,021).

#### Stock provision

The group makes an estimate of the recoverability of the cost of stock. When calculating the stock provision, management consider the nature and condition of the stock, as well as applying assumptions around anticipated saleability of finished goods. The carrying amount is £2,496,222 (2022 - £1,958,599).

#### Impairment of debtors

The group makes an estimate of the recoverable value of trade and other debtors. When assessing the impairment of trade and other debtors management considers factors which include the current credit rating of the debtor, the ageing profile of debtors and historical experience. The carrying amount is £1,284,076 (2022 - £1,329,368).

#### Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

#### Financial Instruments

##### Financial assets

Basic financial assets, including trade and other receivables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar asset. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss and any subsequent reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

##### Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

**3. Income from donations**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gifts and donations	22,000	20,164	529,292	170,164

Included within gifts and donations is £Nil (2022 - £Nil) of restricted income.

**4. Income from charitable activities**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Day of Celebration	3,536	3,200	3,536	3,200
Seminars and conferences	10,873	1,054	10,873	1,054
Books and publications:	-	-	-	-
Academic books	709	1,841	709	1,841
Malcolm the Weaver books	4,340	4,019	4,340	4,019
Coloration Technology	31,891	35,543	31,891	35,543
Training	25,663	32,778	25,663	32,778
Membership subscriptions	40,097	39,639	40,097	39,639
UK Government grants	-	9,504	-	9,504
Qualifications	510	100	510	100
Other	525	407	525	407
	<b>118,144</b>	<b>128,085</b>	<b>118,144</b>	<b>128,085</b>

All income from charitable activities was unrestricted in the current and preceding year.

**Analysis of Income by activity (Group and Charity - current and previous year)**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Seminars & conferences	10,873	1,054
Training	25,663	32,778
Qualifications	510	100
Education	<b>37,046</b>	<b>33,932</b>
Day of celebration	3,536	3,200
Membership subscriptions	40,097	39,639
Membership	<b>43,633</b>	<b>42,839</b>
Books academic	709	1,841
Books - Colour experience Malcolm Weaver	4,340	4,019
Coloration technology	31,891	35,543
Publications	<b>36,940</b>	<b>41,403</b>
UK Government grants	-	9,504
Other	525	407
Other	<b>525</b>	<b>9,911</b>
<b>Total</b>	<b>118,144</b>	<b>128,085</b>

**5. Income from other trading activities**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trading income from subsidiaries	6,100,943	6,148,251	-	-

All income from other trading activities was unrestricted in the current and preceding year.

**6. Income from investments**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Rental Income	130,379	160,032	81,741	72,723
Interest received	68,769	8,991	3,380	1,452
Other interest receivable	-	1,339	-	-
Dividends from listed investments	26,624	25,285	26,624	25,285
	<b>225,772</b>	<b>195,647</b>	<b>111,745</b>	<b>99,460</b>

All income from investments was unrestricted in the current and preceding year.

**7. Other income**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
License fee received from subsidiary	-	-	42,708	350,000
Government grants	2,698	27,432	-	-
Other income from subsidiaries	6,900	6,900	-	-
	<b>9,598</b>	<b>34,332</b>	<b>42,708</b>	<b>350,000</b>

All other income was unrestricted in the current and preceding year.

**8. Expenditure on raising funds**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Outsourced general marketing	28,474	38,905	28,474	38,905
Bradford Council car park lease	4,551	4,539	4,551	4,539
Investment property costs	42,479	30,882	42,479	30,882
Broker fees	5,735	5,806	5,735	5,806
Trading by subsidiaries	4,880,886	4,364,026	-	-
	<b>4,962,125</b>	<b>4,444,158</b>	<b>81,239</b>	<b>80,132</b>

All expenditure on raising funds was unrestricted in the current and preceding year.

**9. Expenditure on charitable activities**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Books Colour Experience	-	13,174	-	13,174
Coloration Technology	30,576	31,672	30,576	31,672
Qualifications costs	4,788	9,785	4,788	9,785
Training costs	4,615	4,699	4,615	4,699
Salary costs (including redundancy costs)	378,114	377,073	370,994	377,073
Travel and subsistence	16,621	14,318	16,621	14,318
Operational costs	163,767	115,603	163,767	115,603
Depreciation	25,704	34,161	25,704	34,161
(Profit) on disposal of tangible fixed assets	-	(450)	-	(450)
Governance costs (Note 10)	56,357	28,798	56,357	28,798
Bursaries / Awards	12,559	16,254	12,559	16,254
Seminar and conference costs	32,918	1,793	32,918	1,793
Day of Celebration	36,659	22,548	36,659	22,548
Other SDC committees	2,942	1,317	2,942	1,317
Irrecoverable input VAT	27,231	14,417	27,231	14,417
Outsourced service costs:				
Facilities management services	20,124	19,149	20,124	19,149
External accountancy and consultancy fees	5,737	3,018	5,570	3,018
General admin support	6,302	2,958	6,302	2,958
HR helpline services	3,895	5,609	3,895	5,609
Bookkeeping services	35,098	32,282	35,098	32,282
The Colourist	17,920	11,898	17,920	11,898
	<b>881,927</b>	<b>760,076</b>	<b>874,640</b>	<b>760,076</b>

## 9 Expenditure on charitable activities

### Analysis of expenditure by activity:

#### Group and Charity - current year

	Direct costs	Staff costs	Shared costs	Support costs (Governance)	Total
	£	£	£	£	£
Seminars & conferences	32,918	44,391	49,110	9,003	135,422
Training costs	4,615	91,735	61,206	11,221	168,777
Qualification costs	4,788	15,125	12,649	2,319	34,881
Education	42,321	151,251	122,965	22,543	339,080
					-
Membership Management	-	76,805	42,170	7,731	126,706
Day of Celebration	36,659	20,947	31,629	5,798	95,033
The Colourist	17,920	27,929	25,173	4,615	75,637
Bursaries/awards	12,559	13,964	14,563	2,670	43,756
Membership	67,138	139,645	113,535	20,814	341,132
					-
Books Academic	-	2,093	983	180	3,256
Books Childrens	-	6,279	2,950	541	9,770
Coloration Technology	30,576	33,486	30,097	5,517	99,676
Publications	30,576	41,858	34,030	6,238	112,702
					-
Administrative costs	-	45,361	36,890	6,762	89,013
					-
<b>Total</b>	<b>140,035</b>	<b>378,115</b>	<b>307,420</b>	<b>56,357</b>	<b>881,927</b>

#### Group and Charity - prior year

	Direct costs	Staff costs	Shared costs	Support costs (Governance)	Total
	£	£	£	£	£
Education	11,898	99,893	64,212	7,629	183,632
Membership and Qualifications	55,079	126,115	81,067	9,632	271,893
Publications	44,846	121,887	78,349	9,309	254,391
Administrative costs	-	29,177	18,755	2,228	50,160
	111,823	377,072	242,383	28,798	760,076

Total expenditure on charitable activities was £881,927 (2022 - £760,076) of which £9,951 (2022 - £11,877) was unrestricted.

## 10. Governance costs

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Committee meetings	2,496	2,705	2,496	2,705
Miscellaneous governance costs	694	2,207	694	2,207
Legal fees and trademark protection	18,002	4,744	18,002	4,744
Trustees liability insurance	1,963	1,707	1,963	1,707
Trustees training	4,173	-	4,173	-
Audit fees	15,448	14,267	15,448	14,267
Bank charges	2,612	2,249	2,612	2,249
PayPal charges	-	17	-	17
Subscriptions & licences (inc data protection)	3,687	2,476	3,687	2,476
Grants in support of SDC regions	225	1,703	225	1,703
Medals & plaques	7,057	(3,277)	7,057	(3,277)
	56,357	28,798	56,357	28,798

## 11. Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
<b>Corporation tax</b>				
Current tax on profits for the year	188,243	240,400	-	-
Adjustments in respect of previous periods	-	(226)	-	-
<b>Deferred tax</b>				
Origination and reversal of timing differences	34,614	84,000	-	-
Adjustments in respect of prior periods	-	-	-	-
<b>Taxation</b>	<b>222,857</b>	<b>324,174</b>	<b>-</b>	<b>-</b>

### Factors affecting tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax (2022 - higher than) in the UK of 25% (2022 - 19%). The differences are explained below:

	2023	2022	2023	2022
	£	£	£	£
<b>Profit on taxable activities before tax</b>	<b>1,301,349</b>	<b>1,589,933</b>	<b>-</b>	<b>-</b>
Profit on taxable activities multiplied by standard rate of corporation tax in the UK of 25% (2022-19%)	325,337	302,087	-	-
<b>Effects of:</b>				
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	929	888	-	-
Difference in accelerated CA's due to non qual dep'n	1,353	645	-	-
Effect of tax rate charges	(10,762)	37,439	-	-
Under/(over) provision in prior year	-	(226)	-	-
Other timing differences leading to an increase (decrease) in taxation	20,326	-	-	-
Super deduction difference	(46)	(16,881)	-	-
Rounding	-	222	-	-
Distribution to parent made in Gift Aid	(126,823)	-	-	-
Losses not provided for	15,982	-	-	-
Goodwill amortisation	311	-	-	-
Capital allowances on investment property additions	(3,750)	-	-	-
<b>Total tax charge for the year</b>	<b>222,857</b>	<b>324,174</b>	<b>-</b>	<b>-</b>

### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

## 12 Net losses on Investments

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Realised gains/(losses)	-	2,470	-	2,470
Unrealised gains/(losses)	41,348	(132,951)	41,348	(132,951)
Gain/(loss) on revaluation of investment property	-	(8,606)	-	(8,606)
	<b>41,348</b>	<b>(139,087)</b>	<b>41,348</b>	<b>(139,087)</b>

**13. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management**

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Salaries and wages	1,579,266	1,334,933	316,154	307,396
Social security costs	150,698	141,750	23,723	34,450
Pension costs	152,738	126,778	31,117	27,827
	<u>1,882,702</u>	<u>1,603,461</u>	<u>370,994</u>	<u>369,673</u>

The group paid £3,886 (2022 - £3,691) in respect of employer's life assurance contributions and £11,880 (2022 - £5,545) in respect of employer's private medical contributions during the year. The charity paid £3,886 (2022 - £3,691) in respect of employer's life assurance contributions and £3,719 (2022 - £2,330) in respect of employer's private medical contributions during the year.

There were 3 employees of the group with employment benefits in excess of £60,000 (2022 - 3).

	Group		Charity	
	2023	2022	2023	2022
	No.	No.	No.	No.
Bands:				
£220,001 - £230,000	-	1	-	-
£190,001 - £220,000	1	-	-	-
£110,001 - £120,000	-	1	-	1
£90,001 - £100,000	1	-	1	-
£70,001 - £80,000	-	1	-	1
£60,001 - £70,000	1	-	1	-
	<u>3</u>	<u>3</u>	<u>2</u>	<u>2</u>

The number of staff who received in excess of £60,000 to whom retirement benefits are accruing under defined contributions schemes was 3 (2022 - 3).

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Employer's pension contrubutions to defined contribution schemes in respect of the employees receiving in excess of £60,000	55,464	50,267	16,094	15,328
	<u>55,464</u>	<u>50,267</u>	<u>16,094</u>	<u>15,328</u>

The key management personnel of the group Includes a director from SDC Enterprises, CEO of SDC Charity and Deputy CEO of Charity. The total employment costs to the group was £453,038 (2022 - £416,076).

None of the Trustees (2022 - None) have been paid any remuneration or received any other benefits from the Charity. During the year 6 Trustees (2022 - 1) were reimbursed for expenses incurred on behalf of the Charity to the sum of £1,784 (2022 - £1,213). During the year 11 Trustees (2022 - 11) were invoiced for subscriptions totalling £506 (2022 - £1,081). At the year end there was £Nil due from Trustees, at the previous year end £Nil was due from Trustees.

**14. Average staff numbers**

	Group		Charity	
	2023	2022	2023	2022
	No.	No.	No.	No.
Charitable activities	6	6	6	6
Management administration	42	33	2	2
	<u>48</u>	<u>39</u>	<u>8</u>	<u>8</u>

**15. Intangible assets**

<b>Group</b>	<b>Goodwill £</b>	<b>Website Development £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2023	209,000	30,083	239,083
Additions	24,831	-	24,831
As at 31 December 2023	<u>233,831</u>	<u>30,083</u>	<u>263,914</u>
<b>Amortisation</b>			
At 1 January 2023	209,000	-	209,000
Charge for the year	1,242	10,027	11,269
As at 31 December 2023	<u>210,242</u>	<u>10,027</u>	<u>220,269</u>
<b>Net book value</b>			
As at 31 December 2023	<u>23,589</u>	<u>20,056</u>	<u>43,645</u>
As at 31 December 2022	<u>-</u>	<u>30,083</u>	<u>30,083</u>

<b>Charity</b>	<b>Website Development £</b>
<b>Cost</b>	
At 1 January 2023	30,083
Additions	-
As at 31 December 2023	<u>30,083</u>
<b>Amortisation</b>	
At 1 January 2023	-
Charge for the year	10,027
As at 31 December 2023	<u>10,027</u>
<b>Net book value</b>	
As at 31 December 2023	<u>20,056</u>
As at 31 December 2022	<u>30,083</u>



16. Tangible fixed assets

	Leasehold improvements £	Freehold property £	Plant, machinery and equipment £	Total £
<b>Group cost or revaluation</b>				
Cost at 1 January 2023	81,925	740,000	2,506,676	3,328,601
Additions	-	-	241,992	241,992
Reclassification/transfer	-	1,771,319	-	1,771,319
Disposals	-	-	(1,200)	(1,200)
Acquired through business combination	-	-	1,302,274	1,302,274
Cost at 31 December 2023	81,925	2,511,319	4,049,742	6,642,986
Depreciation at 1 January 2023	65,186	-	1,833,394	1,898,580
Charge for the year	5,412	-	118,433	123,845
Eliminated on disposal	-	-	(1,200)	(1,200)
Acquired through business combination	-	-	1,299,268	1,299,268
Depreciation at 31 December 2023	70,598	-	3,249,895	3,320,493
Net book value at 31 December 2023	11,327	2,511,319	799,847	3,322,493
Net book value at 31 December 2022	16,739	740,000	673,282	1,430,021

Freehold property was revalued in December 2022 by an external valuer. This was conducted by Walker Singleton Chartered Surveyors, at open market value in accordance with RICS Valuation Practice Statements of the latest edition of the RICS Valuation Professional Standards. Valuations are carried out on the basis of Market Value as defined in Valuation Practice Statements VPS 4.1.2. It was agreed to use the previous year figures as the report was issued in March 2023.

During the year ended 31st December 2023 there was a change in the use of property previously classified as investment property, as a result of 3rd party tenants becoming tenants within the group. As such property previously held as investment property was reclassified as freehold property.

Included within the net book value of land and buildings of subsidiaries consolidated is £1,821,319 in respect of freehold land and buildings. The freehold property was valued at £1,500,000 by Walker Singleton on 27 October 2020 on an open market basis. Since this date there have been additions to the freehold property at a cost of £321,319.

The historical cost of the freehold property above at 31 December 2023 was £2,551,376 (2022 - £653,996).

	Leasehold improvements £	Freehold property £	Furnishings and equipment £	Total £
<b>Charity cost or revaluation</b>				
Cost at 1 January 2023	45,439	640,000	113,278	798,717
Additions	-	-	10,199	10,199
Transfer from investment property	-	50,000	-	50,000
Cost at 31 December 2023	45,439	690,000	123,477	858,916
Depreciation at 1 January 2023	45,439	-	84,423	129,862
Charge for the year	-	-	15,677	15,677
Eliminated on revaluation	-	-	-	-
Depreciation at 31 December 2023	45,439	-	100,100	145,539
Net book value at 31 December 2023	-	690,000	23,377	713,377
Net book value at 31 December 2022	-	640,000	28,855	668,855

Freehold property was revalued in December 2023 by an external valuer. This was conducted by Walker Singleton Chartered Surveyors, at open market value in accordance with RICS Valuation Practice Statements of the latest edition of the RICS Valuation Professional Standards. Valuations are carried out on the basis of Market Value as defined in Valuation Practice Statements VPS 4.1.2.

The historical cost of the freehold property above at 31 December 2023 was £653,996 (2022 - £653,996).

**17. Heritage assets Group and charity**

	<b>Heritage Assets £</b>
Brought forward as 1 January 2023 (as restated)	35,500
Additions	22,000
Disposals	-
Revaluation	6,000
Carried forward 31 December 2023	<u>63,500</u>

Heritage assets include a collection of historical artifacts held by the charity that have been donated over the years and acquired dating back to the inception of the charity.

Heritage assets were revalued in January 2024 by an external valuer for insurance purposes. The valuation was conducted by Gary Don Auctioneers and Valuers.

**Heritage assets not been recognised in the balance sheet**

A collection of heritage assets are not recognised in the balance sheet, information on their valuation is not available and such information cannot be obtained at a cost commensurate with the benefit to the users of the accounts and to the charity. These assets include items of museum exhibits which are uncatalogued and would be extremely difficult to value due to the nature of the collection.

**18. Investments**

	<b>At 1 January 2023 £</b>	<b>Additions £</b>	<b>Disposals £</b>	<b>Realised/ Unrealised gains £</b>	<b>At 31 December 2023 £</b>
Quoted investments at market value	934,073	147,681	(156,103)	41,348	966,999
Cash	6,564	185,859	(183,725)	-	8,698
	<u>940,637</u>	<u>333,540</u>	<u>(339,828)</u>	<u>41,348</u>	<u>975,697</u>
Investment in subsidiaries					
SDC Enterprises Limited	445,600	-	-	-	445,600
SDC International Limited	99	-	-	-	99
	<u>445,699</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>445,699</u>
Quoted investments at cost	<u>854,889</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>853,058</u>

A detailed listing of investments will be available at the AGM and is available to Members on request. The investments are held primarily to provide an investment return.

**Investments in subsidiaries**

SDC owns 100% of the £1 ordinary shares issued in SDC Enterprises Limited, the investment is £445,600 (2022 £445,600). SDC Enterprises Limited (Company number 00433197) owns 100% of the £1 ordinary shares issued in Sam Weller Limited (Company number 00433197), the results of both companies are consolidated in these financial statements.

On 19th July 2023, SDC Enterprises acquired 100% of the £1 ordinary shares issued in Northern Dyers Limited (Company number 02256990). The results of Northern Dyers Limited from the date of acquisition are consolidated in these financial statements.

The SDC's investment in SDC International (Company number - 04309970) represents £99 (2022 - £99) ordinary shares of £1 each which is wholly owned.

All subsidiaries are incorporated and registered in England and Wales.

The consolidated results of the trading subsidiaries for the financial period were as follows:

	2023	2022
	£	£
Turnover	6,100,943	6,148,251
Other Income	123,625	130,519
Expenditure	(5,146,076)	(5,038,576)
Profit for the year	1,078,492	1,240,194
Assets	9,508,211	8,807,075
Liabilities	(1,811,663)	(1,681,727)
Net assets	7,696,548	7,125,348

## 19. Investment Property

Group	Freehold Investment Property £
<b>Valuation</b>	
At 1 January 2023	1,811,243
Additions at cost	280,942
Revaluations	-
Transfers (to)/from freehold property	(1,771,319)
<b>At 31 December 2023</b>	<b>320,866</b>
<b>Charity</b>	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 January 2023	360,000
Additions at cost	10,866
Revaluations	-
Transfers (to)/from freehold property	(50,000)
<b>At 31 December 2023</b>	<b>320,866</b>

### Group and Charity

Investment property was revalued in December 2022 by an external valuer. This was conducted by Walker Singleton Chartered Surveyors, at open market value in accordance with RICS Valuation Practice Statements of the latest edition of the RICS Valuation Professional Standards. Valuations are carried out on the basis of Market Value as defined in Valuation Practice Statements VPS 4.1.2. It was agreed to use the previous year figures as the report was issued in March 2023.

The historical cost of the freehold investment property above at 31 December 2023 was £323,336 (2022 - £1,950,638).

As described in note 16 investment property has been reclassified as freehold property during the year ended 31st December 2023.

## 20. Stock

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Raw materials and consumables	681,517	660,121	-	-
Work in progress	229,937	187,240	-	-
Finished goods for resale	1,584,768	1,111,238	4,257	10,068
	2,496,222	1,958,599	4,257	10,068

Total carrying amount of stocks pledged as security for liabilities was £2,491,965 (2022 - £1,948,531).

**21. Debtors**

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
<b>Amounts falling within one year</b>				
Trade debtors	1,061,470	1,079,072	13,887	12,206
Amounts owed by group undertakings	-	-	85,155	143,097
Other debtors	118,086	154,688	41,633	44,175
Prepayments	104,520	95,608	17,569	23,121
	<b>1,284,076</b>	<b>1,329,368</b>	<b>158,244</b>	<b>222,599</b>

A specific bad debt provision, amounting to £40,052 (2022 - £40,052), has been raised in respect of amounts due from SDC EC. The bad debt recognised within the Statement of Financial Activity for the year was £Nil (2022 -£Nil).

**22. Creditors: amounts falling due within one year**

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
<b>Amounts falling within one year</b>				
Bank loans	60,791	59,199	-	-
Trade creditors	412,178	330,224	22,776	33,173
Taxes and Social Security	143,061	196,922	14,214	28,653
Accruals and deferred income	465,202	273,132	54,074	27,686
Other creditors	20,399	19,255	15,824	15,469
	<b>1,101,631</b>	<b>878,732</b>	<b>106,888</b>	<b>104,981</b>

Deferred income relates to income received for subscription and member fees which is not relatable to the year end 31 December 2023.

**23. Creditors: amounts falling due after more than one year**

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Bank loans	626,426	686,854	-	-
	<b>626,426</b>	<b>686,854</b>	<b>-</b>	<b>-</b>

A debenture is in place which includes a charge over all assets both present and future of the subsidiary SDC Enterprises Limited dated 9 February 2016, in respect of the bank loans held by the Group.

The bank loan above is secured on the property to which it relates to.

**24. Loans**

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
<b>Bank loans:</b>				
Amounts falling due within one year	60,791	59,199	-	-
Amounts falling due 2-5 years	626,426	686,854	-	-
	<b>687,217</b>	<b>746,053</b>	<b>-</b>	<b>-</b>

25. Deferred tax

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
At beginning of year	156,000	72,000	-	-
(Released)/charged during year	34,614	84,000	-	-
At end of year	190,614	156,000	-	-

The provision for deferred taxation is made up as follows:

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Accelerated capital allowances	190,614	159,000	-	-
Other timing differences	-	(2,000)	-	-
Losses c/fwd	-	(1,000)	-	-
Total	190,614	156,000	-	-

26.	Funds - current year	Fund balance 01/01/2023 £	Income £	Expenditure £	Transfer £	Gains and Losses £	Net movement In funds £	Fund balance 31/12/2023 £
	<b>Unrestricted funds</b>							
	Accumulated funds	2,315,275	801,889	(943,359)	6,901	-	(134,569)	2,180,706
	<b>Designated funds</b>							
	Centenary educational trust	63,478	-	(2,569)		-	(2,569)	60,909
	Tordoff memorial	96,385	-	-	(1,500)	-	(1,500)	94,885
	Unfunded projects reserve	254,984	-	-	(5,401)	-	(5,401)	249,583
	<b>Total designated funds</b>	414,847	-	(2,569)	(6,901)	-	(9,470)	405,377
	<b>Revaluation Reserve</b>	176,337	-	-		47,348	47,348	223,685
	<b>Total unrestricted funds - Charity</b>	2,906,459	801,889	(945,928)	-	47,348	(96,691)	2,809,768
	<b>Restricted funds</b>							
	George Douglas Lecture	1,730	-	-	-	-	-	1,730
	Turner Scholefield Award	8,510	-	-	-	-	-	8,510
	Future Textile Dyers Fund	27,752	-	(9,951)		-	(9,951)	17,801
		37,992	-	(9,951)	-	-	(9,951)	28,041
	<b>Permanent endowment funds</b>							
	George Douglas Lecture	2,128	-	-	-	-	-	2,128
	Turner Scholefield Award	2,497	-	-	-	-	-	2,497
	Veronica Bell Award	12,876	-	-	-	-	-	12,876
		17,501	-	-	-	-	-	17,501
	<b>Total funds - Charity</b>	2,961,952	801,889	(955,879)	-	47,348	(106,642)	2,855,310
	Funds retained in trading subsidiaries	6,602,367	5,674,568	(5,111,030)	-	-	563,538	7,165,905
	<b>Total funds - Group</b>	9,564,319	6,476,457	(6,066,909)	-	47,348	456,896	10,021,215

26.	Funds - previous year	Fund balance 01/01/2022 £	Income £	Expenditure £	Transfer £	Gains and Losses £	Net movement In funds £	Fund balance 31/12/2022 £
	<b>Unrestricted funds</b>							
	Accumulated funds	2,396,350	747,709	(823,954)	(31,588)	26,758	(81,075)	2,315,275
	<b>Designated funds</b>							
	Centenary educational trust	67,855	-	(4,377)	-	-	(4,377)	63,478
	Tordoff memorial	96,385	-	-	-	-	-	96,385
	Unfunded projects reserve	236,205	-	-	18,779	-	18,779	254,984
	<b>Total designated funds</b>	400,445	-	(4,377)	18,779	-	14,402	414,847
	<b>Revaluation Reserve</b>	305,085	-	-	12,809	(141,557)	(128,748)	176,337
	<b>Total unrestricted funds - Charity</b>	3,101,880	747,709	(828,331)	-	(139,087)	(195,421)	2,906,459
	<b>Restricted funds</b>							
	George Douglas Lecture	1,730	-	-	-	-	-	1,730
	Turner Scholefield Award	8,510	-	-	-	-	-	8,510
	Future Textile Dyers Fund	39,629	-	(11,877)	-	-	(11,877)	27,752
		49,869	-	(11,877)	-	-	(11,877)	37,992
	<b>Permanent endowment funds</b>							
	George Douglas Lecture	2,128	-	-	-	-	-	2,128
	Turner Scholefield Award	2,497	-	-	-	-	-	2,497
	Veronica Bell Award	12,876	-	-	-	-	-	12,876
		17,501	-	-	-	-	-	17,501
	<b>Total funds - Charity</b>	3,169,250	747,709	(840,208)	-	(139,087)	(207,298)	2,961,952
	Funds retained in trading subsidiaries	5,511,797	5,778,770	(4,688,200)	-	-	1,090,570	6,602,367
	<b>Total funds - Group</b>	8,681,047	6,526,479	(5,528,408)	-	(139,087)	883,272	9,564,319



## 26 Funds (continued)

The specific purpose for which the funds are to be applied are as follows:

### Designated Funds:

#### Centenary Educational Trust Fund

Established in the SDC's Centenary year (1984) to provide finance to stimulate the recruitment of highly talented and well-motivated young people onto full-time courses in colour science and technology.

#### Tordoff Memorial Fund

Established in 1992 in memory of the late Dr Maurice Tordoff, former Chief Executive and General Secretary of the SDC. To provide finance to support students undertaking part-time education in colour science and technology.

### Unfunded projects reserve

This fund is designated for additional Gift Aid received over and above the Society's Board agreed baseline level required for general running of the Society. These reserves are then available via the Project Evaluation Group (PEG) for specific projects to develop the SDC products and services.

### Restricted Funds:

#### George Douglas Lecture

Represents income arising from the George Douglas Lecture permanent endowment fund and the use of that income.

#### Turner Scholefield Award

Represents income arising from the Turner Scholefield Award permanent endowment fund and the use of that income.

#### Future Textile Dyers Fund

To support the apprenticeship program FTCC TCC, this money has been received from Worshipful Company of Dyers.

### Permanent Endowment Funds:

#### George Douglas Lecture

The Lecture was started in 1948 with a fund established by the Bradford Dyers' Association Ltd to finance a biennial memorial lecture. The lecture to be on a subject related to the dyeing and finishing of textiles. The fund now allows for promoting education in colour science and technology by the holding of public lectures.

#### Turner Scholefield Award

A medal, awarded annually, to an Associate of the SDC, under the age of 33 who has made the most notable contribution to the science and technology of colouring matters and their application.

#### Veronica Bell Award

Presented to the winner of the student International Design Competition in memory of the SDC's first lady president, Veronica Bell.

### Revaluation reserve

To record any gains from revaluations of freehold property and investment property.

**27. Analysis of net assets by funds - Group**

	Unrestricted Funds	Restricted Funds	Permanent Endowment Funds	Revaluation Reserve Funds	Total Funds
	£	£	£	£	£
<b>At 31 December 2023</b>					
Intangible fixed assets	43,645	-	-	-	43,645
Heritage assets	63,500	-	-	-	63,500
Tangible fixed assets	3,322,493	-	-	-	3,322,493
Investments	975,697	-	-	-	975,697
Investment property	320,866	-	-	-	320,866
Current assets	7,158,192	37,992	17,501	-	7,213,685
Current liabilities	(1,101,631)	-	-	-	(1,101,631)
Long term liabilities	(626,426)	-	-	-	(626,426)
Provisions for liabilities	(190,614)	-	-	-	(190,614)
	<b>9,965,722</b>	<b>37,992</b>	<b>17,501</b>	<b>-</b>	<b>10,021,215</b>

**Analysis of net assets by funds - Group - previous year**

	Unrestricted Funds	Restricted Funds	Permanent Endowment Funds	Revaluation Reserve Funds	Total Funds
	£	£	£	£	£
<b>At 31 December 2022</b>					
Intangible fixed assets	30,083	-	-	-	30,083
Heritage assets	35,500	-	-	-	35,500
Tangible fixed assets	1,430,021	-	-	-	1,430,021
Investments	940,637	-	-	-	940,637
Investment property	1,811,243	-	-	-	1,811,243
Current assets	6,982,928	37,992	17,501	-	7,038,421
Current liabilities	(878,732)	-	-	-	(878,732)
Long term liabilities	(686,854)	-	-	-	(686,854)
Provisions for liabilities	(156,000)	-	-	-	(156,000)
	<b>9,508,826</b>	<b>37,992</b>	<b>17,501</b>	<b>-</b>	<b>9,564,319</b>

**28. Analysis of changes in net debt**

	Net debt at 1 January 2023	Cash flow	Net debt 31 December 2023
Long term borrowings	686,854	(60,428)	626,426
Short term borrowings	59,199	1,592	60,791
	<b>746,053</b>	<b>(58,836)</b>	<b>687,217</b>

## 29. Commitments under operating leases - lessee

At 31 December 2022 the group and the charity had future minimum lease payments under non-cancellable operating leases as follows:

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Not later than 1 year	156,445	127,873	12,829	12,523
Later than 1 year and not later than 5 years	152,829	120,639	12,829	12,523
Later than five years	46,750	151,146	23,417	35,480
	<b>356,024</b>	<b>399,658</b>	<b>49,075</b>	<b>60,526</b>

The amount of non-cancellable operating lease payments recognised as an expense during the year was Group £228,030 (2022 - £134,393) and Charity £12,680 (2022 - £19,043).

## Commitments under operating leases - lessor

At 31 December 2023 the group and the charity had future minimum lease payments receivable under non-cancellable operating leases as follows:

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Not later than 1 year	11,004	79,607	11,004	15,232
Later than 1 year and not later than 5 years	964	261,405	964	21,155
Later than five years	-	287,375	-	-
	<b>11,968</b>	<b>628,387</b>	<b>11,968</b>	<b>36,387</b>

The amount of contingent rents recognised as income during the year was £81,741 (2022 - £104,167).

Capital commitments £Nil (2022 - £Nil)

## 30. Related party transactions

During the year the Charity entered into the following transactions with related parties:

### Charity

Other than transactions disclosed above, the charity's other related party transactions were wholly owned subsidiaries and so have not been disclosed.

## 31. Ultimate Control

The society of Dyers & Colourists is a Charitable body. SDC Voting Members elect the Trustees to be voting members of the Society's Board, and the trustees ultimately control the charity.