

**Company Registration no. 00745621 (England and Wales)**  
**Registered Charity no. 259095**

**OIL AND COLOUR CHEMISTS ASSOCIATION**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES AND**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**PIERCE C.A. LIMITED**  
**MENTOR HOUSE**  
**AINSWORTH STREET**  
**BLACKBURN**  
**LANCASHIRE**  
**BB1 6AY**

## **OIL AND COLOUR CHEMISTS ASSOCIATION**

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## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2020**

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<b>TRUSTEES</b>	Mr J A Bury Ms B Peters Mr D P Williams Mr G Armstrong Ms D Coombs Ms N Cosgrove Professor L Lin Mr D McCaul Dr L Merritt Mr P Sheppard
<b>PRESIDENT</b>	Mr G Armstrong
<b>PRESIDENT ELECT</b>	Mr P Sheppard
<b>COMPANY SECRETARY</b>	Ms B Peters
<b>REGISTERED OFFICE</b>	4 <sup>th</sup> Floor Clayton House 59 Piccadilly Manchester M1 2AQ
<b>REGISTERED COMPANY NUMBER</b>	00745621 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	259095
<b>ACCOUNTANTS</b>	Pierce C.A. Limited Mentor House Ainsworth Street Blackburn Lancashire BB1 6AY
<b>AUDITORS</b>	DonnellyBentley Limited Chartered Accountants Hazlemere 70-72 Chorley New Road Bolton Lancashire BL1 4BY
<b>BANKERS</b>	Yorkshire Bank plc 29 Horsefair Street Leicester LE1 5BL

## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31 December 2020. The Trustees have adopted the provisions of Accounting and Reporting by Charities Statement of Recommended Practice- applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, Companies Act 2006, Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019 (Charities SORP 2019).

In this report, references are made to "the Council" and "Trustees". These terms refer to the Board of Trustees/ Directors.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and Aims**

The Association has continued in its work as an educational charity for the development of the science and technology of the coatings and allied industries and to facilitate the exchange of information and ideas thereon.

The principal objectives of the Association are to provide a platform for exposure, to interested parties, of scientific and technological developments in the surface coatings and allied industries.

These objectives are achieved by the publication of journals and other publications; the organisation of conferences, symposia and exhibitions.

The main objectives for the year under review were:

- To promote SURFEX trade exhibition at Ricoh Arena Coventry (pre-pandemic)
- To identify and implement further cost savings and pursue options to sustain the Charity over the longer term, in particular to:
  - o Build up the membership, reaching the next generation of chemists and technologists
  - o Improve financial viability
  - o Enable refreshment of the image and identity to support the above.
  - o Launch the Surfex bursary aimed specifically at the education and development of chemists in academia and industry

The strategies employed to achieve the Charity's objectives were:

- To develop web-based resources to provide efficient communications to a world-wide membership;
- To require Surfex Limited, the trading arm of the Charity, to work with Step Exhibitions in organising SURFEX 2020, to achieve sufficient net incoming resources to finance the Charity's activities; (SURFEX was subsequently re-scheduled initially for October 2020, then June 2021, and most recently to June 2022).
- To form ongoing partnerships with universities, and
- To increase the number of corporate sponsoring companies.

## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **OBJECTIVES AND ACTIVITIES**

##### **Public Benefit**

The overriding objective of the Charity Commission is that the Charity should act for the benefit of the public.

The Council, comprised of the Trustees of the Oil and Colour Chemists' Association (the Association), has referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning the Association's future activities in the development of the science and technology of coatings.

The Association achieves this overriding objective by:

- The publication of technical and scientific information including Surface Coatings International Journal
- The provision of continuing professional development in the form of conferences, symposia and, more recently, Weekly Webinars.
- The provision of professional qualifications
- A Code of Professional Conduct and ethical guidance
- The public benefit is enhanced through independent recognition of the professional competence of members, and a formal procedure for investigating complaints relating to members.

The public benefit is served by the Association's educational activities and by members ensuring that coatings and associated products are produced safely, that the public is protected in the use of coatings and that coatings are designed and produced to enhance everyday lifestyle.

##### **Volunteers**

Although Trustees and members do not receive any remuneration for their contributions to the governance and development of the Charity, the part played by volunteers in achieving the Charity's objectives is highly significant. Without the Trustees and the many volunteers that serve on committees, the Charity would not be able to carry out the wide variety of activities that our members and the international coatings community have come to rely on.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable Activities**

The Charity sets annual budgets and measures performance on a regular basis, meeting to review at least three times per year. Financial information has been made available to all Trustees.

Improvements in the management of membership administration have been made.

The Association will seek to collaborate with selected associated Institutes within the Surface Engineering disciplines and/or academia on an independent basis for the greater good of the coatings industry.

#### **FINANCIAL REVIEW**

##### **Financial Position**

The results for the year are set out in the Statement of Financial Activities.

The Association aims to generate a surplus to enable re-investment into members' benefits and further the objectives of the Association. Funds are set aside to cover both SURFEX Bursaries and the Ellinger-Gordonyi Award.

Surfex Ltd achieved a successful result following SURFEX 2018 and plans for SURFEX 2022 are underway and forecast to generate improved financial results.

## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **FINANCIAL REVIEW**

##### **Investment Policy and Objectives**

The Association's powers of investment are set out in the Memorandum of Association of the company. The members of the Council have power to invest in any manner they wish, subject to the best interests of the Association being served. Council has adopted a conservative approach to investment in maintaining substantial cash balances in interest-bearing deposits. This dovetails into the approach to risk and reserves policy.

##### **Reserves Policy**

It is the policy of the Association to maintain unrestricted funds at a level which, when supporting activities during the 'non-SURFEX' exhibition year(s), gives it adequate cover such that if incoming resources from this source were to fall due to economic slowdown, then its activities could be continued for a minimum period of twenty-four months.

The Association relies upon its wholly-owned subsidiary, Surfex Limited, to generate sufficient funds every two years from its exhibition activities. Due to the 'cancellation' of SURFEX 2020, the Association has continued to closely monitor the financial position and is confident that activities will still be able to continue until SURFEX 2022.

#### **FUTURE PLANS**

The Council is ever mindful of the rapidity of scientific and technological change and continues to strive to ensure that the coatings industry is kept abreast of developments through:

- scientific and technical publications
- technical meetings & symposia
- enhanced professional qualifications
- exhibitions
- webinars
- Surcon 2021 (academic conference previously held in 2018)

Objectives for 2021 will continue to focus on the main objectives stated above. Most importantly, preparations will be made, in conjunction with Step Exhibitions, for a successful SURFEX 2022.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing Document**

The Association is a company limited by guarantee and incorporated in England. The governing instrument under which the Association operates is the Memorandum and Articles of Association.

##### **Recruitment and Appointment of New Trustees**

Following the changes to the governance of the Charity, implemented in 2005, the Trustees are elected for a period of two years.

##### **Organisational Structure**

The Association is organised as follows: The Council of Management, whose members are directly or indirectly elected to serve for a period of two years. All Trustees are Members of the Association. Trustees are offered guidance on their duties and responsibilities. Day to day operations are managed by Trustees and through outsourcing arrangements. The Council is accountable to the membership, which in turn comprises individuals connected with the coatings industry. All policy proposals are submitted to the Council for approval.

The Trustees acknowledge that OCCA South Africa has a formal approved independence, by way of a new licence agreed in 2020, and now runs autonomously of the UK, with the exception of Professional Membership approval and administration.

## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Trustees of OCCA UK, have no control or influence over the administration, resources and expenditure of OCCA South Africa and for this reason the assets, income and expenditure of OCCA South Africa have not been recognised within these accounts since 2012.

##### **Induction and Training of New Trustees**

Induction is carried out by officers setting aside time to instruct the potential trustee covering aspects such as governance, duties and responsibilities.

##### **Risk Management**

The Council have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error, and appropriate insurance policies sourced.

The Council undertakes regular reviews of the sources of its incoming resources and the requirements on outgoing resources to maintain its charitable activities. The Council recognises the importance of the SURFEX exhibitions in the maintenance of incoming resources. It also recognises the requirement to develop policies to ensure that the Association will continue to provide charitable activities in future years, which may include the establishment of more formal arrangements with other relevant organisations.

Council carries out regular reviews of the risks inherent in the organisation. The major risks identified are the ability to generate sufficient income to continue activities; the ability to increase membership and the control of publication & other operational costs.

#### **PRESIDENT'S REPORT - OCCA AGM 2020**

The current Council has a younger demographic and is a good mix representing academia, industry, technology, sales and recruitment. This new dynamic brings new ideas from fresh eyes to carry OCCA forward into its next Century.

Following the very successful Surfex Exhibition at the RICOH Arena Coventry in May 2018, plans for a further conference and exhibition to take place during 2020, to be held at the same venue and again with organisation by Step Exhibitions Ltd, were underway. **NOTE:** This was dependent on Government regulations relating to the COVID-19 pandemic and was subsequently cancelled in line with said Government guidelines. We look forward to a highly successful SURFEX in June 2022.

As is traditional, can I give my personal thanks to all Council members (and indeed all committee members around the country) for the time and effort they have given on a voluntary basis to ensure the continuation of the Association. In addition, I would also like to express my gratitude to the three contractors, without whom management of the Association would be difficult.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also the directors of Oil and Colour Chemists' Association for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **AUDITORS**

The auditors, DonnellyBentley Limited will seek re-election.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of Trustees on 29.7.21 and signed on its behalf by:



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**Mr G J Armstrong – President**



## **OIL AND COLOUR CHEMISTS' ASSOCIATION**

### **ADDENDUM TO THE REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Coronavirus Covid-19 and its effect on the Oil & Colour Chemists' Association**

Like most if not all companies, Institutes and Associations, the Covid-19 pandemic has had an effect on the management and operations of OCCA.

All "face to face" meetings and conferences have been cancelled until further notice, being replaced by video conferencing using the Zoom platform.

A new initiative has been the launch of Weekly Webinar presentations, which started in June 2020, and are planned to run weekly, in blocks of ten or fifteen weeks, throughout the year. This initiative is set to continue for the foreseeable future. A benefit has been the attraction of both lapsed and new members joining the Association with a resultant increased income stream.

The major effect has been the postponement of the SURFEX 2020 exhibition and conference, originally scheduled for June 2020, postponed initially by four months until October 2020, and subsequently to June 2021, but now further postponed until June 2022, following extensive consultation with Government advisers, venue staff and exhibitors.

This postponement will have an effect on income for OCCA in 2021. The Trustees are, however, happy to report that this loss of income will not impact the financial viability of the Association, since funds are currently available to fully cover all expected, and unexpected, costs for at least the next 24 months.

## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **REPORT OF THE INDEPENDENT AUDITORS**

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#### **Opinion**

We have audited the financial statements of Oil and Colour Chemists Association (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of 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), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **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 charitable company 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 charitable company'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 auditor's report 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **REPORT OF THE INDEPENDENT AUDITORS**

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#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Trustees' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Our responsibilities for the audit of the financial statements**

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 an auditor's report 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.

- We identified area of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our experience and through discussion with the Officers and Trustees (as required by auditing standards).

## OIL AND COLOUR CHEMISTS ASSOCIATION

### REPORT OF THE INDEPENDENT AUDITORS

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- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
- We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business. Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

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 auditor's report.

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed



**Angela Donohoe FCA (Senior Statutory Auditor)**  
**For on behalf of DonnellyBentley Limited**  
**Chartered Accountants**

**Statutory Auditor**

29/27/2021

Hazlemere  
70-72 Chorley New Road  
Bolton  
Lancashire  
BL1 4BY

# **OIL AND COLOUR CHEMISTS ASSOCIATION**

## **STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Unrestricted Funds £	Restricted Funds £	31.12.20 Total Funds £	31.12.19 Total Funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Sponsorships	2	13,500	-	13,500	12,210
Publications		6,069	-	6,069	9,844
Membership subscriptions	3	31,586	-	31,586	35,327
Licence fee income	3	2,500	-	2,500	-
Events		3,858	-	3,858	973
Other trading activities	4	178	-	178	2,247
Investment income	5	402	-	402	1,006
<b>Total</b>		<b>58,093</b>	<b>-</b>	<b>58,093</b>	<b>61,607</b>
<b>EXPENDITURE ON</b>					
Raising funds	6	178	-	178	6,037
Publications	7	52,813	-	52,813	48,180
Events	7	1,224	-	1,224	849
Donations	7	2,395	-	2,395	-
Other	8	63,501	-	63,501	54,355
<b>Total</b>		<b>120,111</b>	<b>-</b>	<b>120,111</b>	<b>109,421</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(62,018)</b>	<b>-</b>	<b>(62,018)</b>	<b>(47,814)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>106,182</b>	<b>125,649</b>	<b>231,831</b>	<b>279,645</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>44,164</b>	<b>125,649</b>	<b>169,813</b>	<b>231,831</b>

The notes form part of these financial statements.

# OIL AND COLOUR CHEMISTS ASSOCIATION

## BALANCE SHEET AS AT 31 DECEMBER 2020

	Notes	Unrestricted Funds £	Restricted funds £	31.12.20 Total Funds £	31.12.19 Total Funds £
<b>FIXED ASSETS</b>					
Investments	11	100	-	100	100
<b>CURRENT ASSETS</b>					
Debtors	12	7,560	-	7,560	5,539
Cash at bank		70,741	125,649	196,390	242,276
		<u>78,301</u>	<u>125,649</u>	<u>203,950</u>	<u>247,915</u>
<b>CREDITORS</b>					
Amounts falling due within one year	13	(34,237)	-	(34,237)	(16,084)
<b>NET CURRENT ASSETS</b>		<u>44,064</u>	<u>125,649</u>	<u>169,713</u>	<u>231,831</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>44,164</u>	<u>125,649</u>	<u>169,813</u>	<u>231,831</u>
<b>NET ASSETS</b>		<u>44,164</u>	<u>125,649</u>	<u>169,813</u>	<u>231,831</u>
<b>FUNDS</b>	14				
Unrestricted funds				44,164	106,182
Restricted funds				125,649	125,649
				<u>169,813</u>	<u>231,831</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 29th JULY 2021 and were signed on its behalf by:

  
Mr G Armstrong - President

## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **1. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The charity is a private company, limited by guarantee, and registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

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.

##### **Preparation of consolidated financial statements**

The financial statements contain information about Oil and Colour Chemists Association as an individual charity and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income is derived from the following sources:

Sponsorships – corporate sponsorships monies received from members

Publications – derived from sale of advertising space in the bimonthly Surface Coatings International journal

Membership subscriptions – annual subscriptions charged to members.

Licence fee income – membership fees charged under a Licence fee arrangement with a group of members.

Events – amounts received from centrally organised events.

Other trading activities – amounts received from regional section events.

Investment income – bank interest received.



## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

#### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

#### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

#### **Investments**

Investments in subsidiaries are measured at cost less impairment.

#### **VAT**

VAT is recovered on expenditure relating to taxable supplies and a partial exemption calculation is prepared to ensure recovery of relevant residual input tax.

#### **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 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.

Whilst the trustees have adopted the going concern basis set out above, the impact of the worldwide Coronavirus pandemic, Covid-19, on all organisations represents an uncertainty and the true impact of this pandemic will only become apparent over time.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **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.



## OIL AND COLOUR CHEMISTS ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### 2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	Unrestricted funds £	Restricted funds £	31.12.19 Total funds £
Sponsorships	13,500	-	13,500	12,210	-	12,210

#### 3. MEMBERSHIP SUBSCRIPTIONS

	Unrestricted funds £	31.12.20 Total funds £	Unrestricted funds £	31.12.19 Total funds £
SCI subscriptions	11,848	11,848	12,628	12,628
OCCA memberships	19,738	19,738	22,699	22,699
Licence fee income	2,500	2,500	-	-
	<u>34,086</u>	<u>34,086</u>	<u>35,327</u>	<u>35,327</u>

Included within OCCA memberships are amounts from South African members of £2,727 (2019: £3,655). The Licence Fee income is in respect of a new arrangement with the South African branch.

#### 4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	31.12.20 Total funds £	Unrestricted funds £	31.12.19 Total funds £
Section activities	178	178	2,247	2,247

#### 5. INVESTMENT INCOME

	Unrestricted funds £	31.12.20 Total funds £	Unrestricted funds £	31.12.19 Total funds £
Deposit account interest	402	402	1,006	1,006

# **OIL AND COLOUR CHEMISTS ASSOCIATION**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

### **6. RAISING FUNDS**

#### **Other trading activities**

	<b>Unrestricted funds £</b>	<b>31.12.20 Total funds £</b>	<b>Unrestricted funds £</b>	<b>31.12.19 Total funds £</b>
Sections expenses	178	178	6,037	6,037

### **7. CHARITABLE ACTIVITIES COSTS**

#### **Direct costs**

	<b>Unrestricted funds £</b>	<b>31.12.20 Total funds £</b>	<b>Unrestricted funds £</b>	<b>31.12.19 Total funds £</b>
Publications	52,813	52,813	48,180	48,180
Events	1,224	1,224	849	849
Donations	2,395	2,395	-	-
	<u>56,432</u>	<u>56,432</u>	<u>49,029</u>	<u>49,029</u>

### **8. SUPPORT COSTS**

	<b>Management £</b>	<b>Governance costs £</b>	<b>Totals £</b>
Other resources expended	59,251	4,250	63,501

Support costs, included in the above, are as follows:

	<b>Unrestricted funds £</b>	<b>31.12.20 Total funds £</b>	<b>Unrestricted funds £</b>	<b>31.12.19 Total funds £</b>
Administration costs	48,864	48,864	38,327	38,327
Office costs	2,430	2,430	3,491	3,491
Accountancy	6,761	6,761	6,898	6,898
Subscriptions	1,196	1,196	1,639	1,639
Auditors' remuneration	4,250	4,250	4,000	4,000
	<u>63,501</u>	<u>63,501</u>	<u>54,355</u>	<u>54,355</u>

## OIL AND COLOUR CHEMISTS ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### 9. AUDITORS' REMUNERATION

The total fee paid to the auditor for audit services was £4,250 (2019: £4,000).

#### 10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

##### Trustees' expenses

Four trustees (2019: four) were reimbursed expenses totaling £768 (2019: £1,662).

#### 11. FIXED ASSETS

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 January 2020 and 31 December 2020	100
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 December 2020	100
	<hr/>
At 31 December 2019	100
	<hr/>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Surfex Limited - Company Number 02745686  
Nature of business: The organisation of exhibitions

Class of share:	% holding	31.12.20 £	31.12.19 £
Ordinary	100		
Aggregate capital and reserves		2,439	7,197
(Loss)/profit for the year		(4,758)	(1,379)
		<hr/>	<hr/>

# **OIL AND COLOUR CHEMISTS ASSOCIATION**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

### **12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.20 £	31.12.19 £
Trade debtors	6,040	-
Amounts owed by group undertakings	-	5,539
VAT	1,520	-
	<u>7,560</u>	<u>5,539</u>

### **13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.20 £	31.12.19 £
Trade creditors	12,563	3,018
VAT	-	3,191
Amounts owed to group undertakings	812	-
Accruals & deferred income	20,862	9,875
	<u>34,237</u>	<u>16,084</u>

### **14. MOVEMENT IN FUNDS**

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>			
General fund	85,349	(62,018)	23,331
Kekwick Award	11,732	-	11,732
Benevolent Fund	7,530	-	7,530
Jordon Award	1,571	-	1,571
	<u>106,182</u>	<u>(62,018)</u>	<u>44,164</u>
<b>Restricted funds</b>			
Ethel Behrens Fund	6,340	-	6,340
The Ellinger Gardonyi Fund	119,309	-	119,309
	<u>125,649</u>	<u>-</u>	<u>125,649</u>
<b>TOTAL FUNDS</b>	<u>231,831</u>	<u>(62,018)</u>	<u>169,813</u>

# OIL AND COLOUR CHEMISTS ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Net movement in funds, included in the above are as follows:

	Incoming Resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	58,093	120,111	(62,018)
<b>TOTAL FUNDS</b>	58,093	120,111	(62,018)

### MOVEMENT IN FUNDS

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
<b>Unrestricted funds</b>			
General fund	133,163	(47,814)	85,349
Kekwick Award	11,732	-	11,732
Benevolent Fund	7,530	-	7,530
Jordon Award	1,571	-	1,571
	153,996	(47,814)	106,182
<b>Restricted funds</b>			
Ethel Behrens Fund	6,340	-	6,340
The Ellinger Gardonyi Fund	119,309	-	119,309
	125,649	-	125,649
<b>TOTAL FUNDS</b>	279,645	(47,814)	231,831

Net movement in funds, included in the above are as follows:

	Incoming Resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	61,607	109,421	(47,814)
<b>TOTAL FUNDS</b>	61,607	109,421	(47,814)

## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **15. CONTINGENT LIABILITIES**

The Association has indemnified the directors of Surfex Limited for all personal liabilities arising as a consequence of their acting in that capacity.

#### **16. ULTIMATE CONTROLLING PARTY**

The charitable company is under the control of the Trustees.

#### **17. RELATED PARTY DISCLOSURES**

During the year to 31 December 2020, expenditure was incurred from the following parties:

Costs of £27,777 (2019: £23,600) from Kaleidoscope Colours Limited for administration, bookkeeping, consultancy and advertising services.

Ms A M Etherington is a director of Surfex Limited and Kaleidoscope Colours Limited.

At the balance sheet date Oil and Colour Chemists Association owed £2,162 (2019: £1,440) to Kaleidoscope Colours Limited.