

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 2022**

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

# **OIL AND COLOUR CHEMISTS ASSOCIATION**

## **CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

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	<b>Page</b>
Reference and Administrative Details	1
Report of the Trustees (Including Directors' Report)	2 – 7
Report of the Independent Auditors	8 - 10
Statement of Financial Activities (Including Income and Expenditure Account)	11
Balance Sheet	12
Notes to the Financial Statements	13 - 21
Detailed Statement of Financial Activities	22 - 23

## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2022**

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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 Mr D McCaul (Resigned 23 June 2023) Dr L Merritt Mr P Sheppard Ms A Bullock Ms Z Cunliffe Mr P Knowles Ms E Humphrey
<b>PRESIDENT</b>	Mr P Sheppard
<b>IMMEDIATE PAST PRESIDENT</b>	Mr G Armstrong
<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>	Virgin Money 3 Eastgates Leicester LE1 5BL

# **OIL AND COLOUR CHEMISTS ASSOCIATION**

## **REPORT OF THE TRUSTEES (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022**

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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 2022. 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 through 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 and hold SURFEX trade exhibition at Coventry Building Society Arena
- 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 Develop the Surfex & Ellinger Gardonyi bursaries aimed specifically at the education and development of chemists in academia and industry.
  - o Start preparations for Surcon 2023 (academic conference)

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

- To expand and further 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 2022, to achieve sufficient net incoming resources to finance the Charity's activities; (SURFEX was subsequently re-scheduled initially for Oct 2020, then June 2021, and most ultimately to June 2022).
- To engage and partner with additional Universities throughout the country.
- To increase the number of corporate sponsoring companies.
- To establish links with new associations/professional bodies to source bursary partners, promote and award.



# **OIL AND COLOUR CHEMISTS ASSOCIATION**

## **REPORT OF THE TRUSTEES (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022**

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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 the 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.

The public benefit is enhanced through independent recognition of the professional competence of members, and a formal procedure for investigating complaints relating to members.

#### **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 conduct 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 Charity generated a surplus of £30,760 (2021 – Deficit of £66,005) during the year ended 31 December 2022. The surplus generated increased total funds brought forward of £103,808 to £134,568 at 31 December 2022

The Association aims to generate a surplus in each "Surfex year" to enable re-investment into members' benefits and further the objectives of the Association for the ensuing two-year period. Funds are set aside to cover both the Surfex and Ellinger-Gordonyi Bursaries.

SURFEX 2022 generated less overall income compared to SURFEX 2018, however, the exhibition was a success and over 50% of exhibitors signed up to exhibit at SURFEX 2024 during the event. We now start preparations and promotion of the next exhibition scheduled to take place in June 2024.

# **OIL AND COLOUR CHEMISTS ASSOCIATION**

## **REPORT OF THE TRUSTEES (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022**

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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 the 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. At 31 December 2022 the charity held total reserves of £134,568 (2021 - £103,808).

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 2024.

### **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
- collaboration with other associations to provide members with training resources
- exhibitions
- webinars
- seminars

Objectives for 2023 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 2024.

### **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 the 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 license 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 (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022**

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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 conducted 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.

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.

The Council conducts 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.

The Council reviews and updates its insurance policy on an annual basis, by assessing the market and sourcing the most suitable and cost-effective insurance provider and policy to cover our legal obligations, cyber liability, professional & public liability, and to mitigate certain financial risks.

### **PRESIDENT'S REPORT - OCCA AGM 2022**

**At the Association's General Meeting held in September 2022, President Paul Sheppard delivered the following report:**

I was filled with immense pride last year and extremely honoured when I took over the presidency of our esteemed Association, and I would like to thank our Immediate Past President, Graham Armstrong for the tremendous job he has done in his stewardship of OCCA since 2018. I have very large shoes to fill and if I can do the job half as well as Graham, I would consider my presidency as a success. I can't believe I have been President for a year – where has the time gone? Time flies when you're having fun, and it also passes quickly when you are busy, and the OCCA Council and volunteers have had a very busy twelve months.

We have hopefully seen the last of Covid restrictions, which has meant we were finally able to hold our bi-annual exhibition – SURFEX, so our Council and other volunteers have been working tirelessly to organise and promote the event. We have not finalised figures yet, but the event looks to be as successful, if not better compared to our previous exhibition in 2018 in terms of total turnover, number of exhibitors and quality of attendees. I had the honour of presenting attending Corporate Sponsors with a certificate, as a small token of thanks for their support, so not only were my feet sore, my face was too, through posing for marketing photos over the two days. I tried to visit most stands during the event and everyone I talked to was impressed with the venue, organisation, and overall quality of the exhibition, and we would like to continue in this vein for our next SURFEX in 2024. The revenue generated by SURFEX is vital to ensure the existence of our association and I would like to thank everyone involved for their support and efforts, from the exhibiting companies and attendees to our SURFEX Board, chaired by Laura Merritt, our volunteers, and last but not least, our exhibition partner – Step Exhibitions.

The OCCA Networking Charity Dinner was also a great success. Everyone in attendance let their hair down after a busy day and enjoyed a great meal and perhaps a beverage or two. Thanks to the support of exhibiting companies, dinner guests, and kind prize donations, the event managed to raise £10,000 for our four nominated charities Alzheimer's Society, British Heart Foundation, Kidscan, and The Princess Alexandra Hospital NHS Trust for Breast Cancer Care.

## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **REPORT OF THE TRUSTEES (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022**

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I have also been fortunate to preside over our technical conference, SURCON, which took place in early November 2021. Unfortunately, we were not able to hold the event face to face, and I was slightly dreading viewing the presentations on Zoom over two days. My fears were unfounded as I enjoyed every informative presentation. Again, the time flew by and I would like to thank all the presenters and our Technical Team, for such an excellent conference. The Technical Team Chairperson, Nikki Cosgrove, has created a rod for her and the team's back, as I will expect our next SURCON to be of equivalent quality!

The Publications Team have not rested on their laurels after last year's Tabbies Awards success, by producing yet another superb set of six journals over the past year. A lot of effort goes into every issue from our dedicated and talented team to produce such an informative and professional publication, so again I would like to thank the whole team, our Editor-in-Chief, David Williams, Technical Editor, Richard Kennedy, and our print partners, Print Plus, for yet another excellent job well done. The team are always on the look-out for interesting articles and technical papers, so I would invite members that would like to be published in SCI to contact us.

Our extremely successful weekly webinar program goes from strength to strength, as our team is now preparing for the eighth series that will commence soon and take us up to Christmas. I personally believe the weekly webinars have really put OCCA on the map and have been a critical factor in the success we have enjoyed over the past couple of years. Each week upwards of 100 people view the webinars live, and we now have a queue of companies wishing to participate, it can be quite a struggle to fit everything in! The seven series so far have seen over 6,600 registrations with over 4,300 attendances, and over 1,500 unique attendees, so we are reaching a very wide industry audience. We have also seen an influx of 40 new members in no small part due to the weekly webinars, so they really have put us in a win-win situation. I would like to remind all our members that all previous sessions are available on our website, so why not browse the archive, as I'm sure everyone could find something of interest. All this does not happen by chance so I would like to thank the team responsible and especially Ann-Marie Etherington and Mark Hutton for their hard work and expertise.

The Registrations and Awards Team have deliberated and awarded several professional grades over the past year but would also like to receive nominations from our membership to reward some of our members that go over and above for the association, so I invite our membership to get in touch if they know of people that deserve our recognition.

Both the Membership and Marketing Team and the Academics Links Team have done a brilliant job in recruiting seven new Corporate Sponsors and an additional Educational Partner over the past year, as we now have twenty-six Corporate Sponsors and six Educational Partners, with plans afoot to swell these numbers further in the coming months. The funds raised all help us in continuing to offer our members excellent benefits and value, and our academic links also help us promote our industry in academia and this year has led to industry experts presenting to final-year undergraduates. I was honoured to take part in a teaching module at the University of Salford, together with other industry experts such as Tony Heslop (BASF), Matthew Aaby (X-rite), and Mike Serene (Retired) to help with our practical session and present subjects such as colour chemistry, regulations, the future of chemistry and our industry's path to net zero. The four-part module started with an industry insight day, where our industry experts, including new Council member, Zara Cunliffe, and recently qualified graduates from BASF talked about their experiences and told their story of how they started in our industry. The module culminated in a practical session where students colour-matched to a standard panel and then created their own colour and presented to our panel of experts, in a Dragon's Den meets the Apprentice style competition to find the best team. We are now planning to extend this concept to other universities, and we are also aiming to expand the module at the University of Salford to eight sessions. These activities should enable us to reach a wider audience and promote our two bursaries, as uptake has been pretty quiet, which is strange when you think about combining students and free money!

My final comments turn to our Finance Team, headed by Honorary Treasurer, Danny McCaul, as they have kept OCCA solvent over the past twelve months. This has been no mean feat, especially given the four-year period since we benefitted from the surplus generated by SURFEX 2018. The team has streamlined the administration of our finances by consolidating various un-used bank accounts and obtaining a company credit card for small value purchases that would normally require purchase orders raising and arranging bank transfers. The team has also negotiated savings on our insurance premium and have sought better value from our statutory auditors. The good ship OCCA has managed to stay afloat during the past four years, but we are still aware there may be choppy waters ahead as we all face rising prices and an economy starting to enter recessionary times. I am confident in our financial governance, and we will weather the storm ahead, and look forward to a more optimistic outlook heading towards SURFEX 2024.

## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **REPORT OF THE TRUSTEES (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022**

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Finally, I must give my thanks to everyone involved with OCCA, unfortunately, I can't name everyone in this report, and all I can do is praise and say a big thank you to our membership, corporate sponsors, subscribers, and educational partners for your support and to all our teams, volunteers, contractors and Council members for your hard work, determination and going above and beyond for our beloved Association.

Paul Sheppard

President

September 2022

#### **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.

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, Donnelly Bentley 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 15/08/2023 and signed on its behalf by:



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**Mr P K Sheppard – President**



# **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 2022 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 2022 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; 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report 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 directors' report.

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' exemptions in preparing the directors' report and 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 obtained an understanding of the legal and regulatory framework applicable to the charitable company and the sector in which it operates and considered the risk of non-compliance with applicable laws or regulations.

## OIL AND COLOUR CHEMISTS ASSOCIATION

### REPORT OF THE INDEPENDENT AUDITORS

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We determined that the following laws and regulations were most significant to the charitable company: the Companies Act 2006, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial and Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS102). We designed audit procedures to respond to the risk, recognizing 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, for example, forgery or intentional misrepresentations, or through collusion.

We obtained an understanding of how the charitable company is complying with those legal and regulatory frameworks by making enquiries of the management. We corroborated our enquiries through our review of trustee minutes.

Our tests also included agreeing the financial statements disclosures to underlying supporting documentation. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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

C. Cole

**Catherine Cole FCA (Senior Statutory Auditor)**  
**For on behalf of DonnellyBentley Limited**  
**Chartered Accountants**

**Statutory Auditor**

15.8.23

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



# OIL AND COLOUR CHEMISTS ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted Funds £	Restricted Funds £	31.12.22 Total Funds £	31.12.21 Total Funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Sponsorships	2	25,600	-	25,600	16,250
Publications		2,602	-	2,602	3,563
SCI subscriptions	3	10,374	-	10,374	8,844
Membership subscriptions	3	15,715	-	15,715	16,467
Licence fee income	3	2,500	-	2,500	2,500
Events		24,280	-	24,280	5,587
Investment income	4	776	-	776	161
Gift aid receipt		101,471	-	101,471	-
<b>Total</b>		<b>183,318</b>	<b>-</b>	<b>183,318</b>	<b>53,372</b>
<b>EXPENDITURE ON</b>					
Raising funds	5	-	-	-	200
Publications	6	51,774	689	52,463	49,258
Events	6	13,871	-	13,871	1,613
Donations	6	10,000	-	10,000	-
Other	7	74,754	1,470	76,224	68,306
<b>Total</b>		<b>150,399</b>	<b>2,159</b>	<b>152,558</b>	<b>119,377</b>
<b>NET INCOME/(EXPENDITURE) BEFORE TRANSFERS</b>		<b>32,919</b>	<b>(2,159)</b>	<b>30,760</b>	<b>(66,005)</b>
<b>TRANSFERS BETWEEN FUNDS</b>		<b>6,340</b>	<b>(6,340)</b>	<b>-</b>	<b>-</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>39,259</b>	<b>(8,499)</b>	<b>30,760</b>	<b>(66,005)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>(21,441)</b>	<b>125,249</b>	<b>103,808</b>	<b>169,813</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>17,818</b>	<b>116,750</b>	<b>134,568</b>	<b>103,808</b>

The notes form part of these financial statements.

All income and expenditure derives from continuing activities.

The statement of Financial Activities includes all gains and losses recognised during the year.


# OIL AND COLOUR CHEMISTS ASSOCIATION

## BALANCE SHEET AS AT 31 DECEMBER 2022

	Notes	Unrestricted Funds £	Restricted funds £	31.12.22 Total Funds £	31.12.21 Total Funds £
<b>FIXED ASSETS</b>					
Investments	11	100	-	100	100
<b>CURRENT ASSETS</b>					
Debtors	12	12,722	-	12,722	9,892
Cash at bank		34,932	116,750	151,682	146,237
		<u>47,654</u>	<u>116,750</u>	<u>164,404</u>	<u>156,129</u>
<b>CREDITORS</b>					
Amounts falling due within one year	13	(29,936)	-	(29,936)	(52,421)
<b>NET CURRENT (LIABILITIES) / ASSETS</b>		<u>17,718</u>	<u>116,750</u>	<u>134,468</u>	<u>103,708</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>17,818</u>	<u>116,750</u>	<u>134,568</u>	<u>103,808</u>
<b>NET ASSETS</b>		<u>17,818</u>	<u>116,750</u>	<u>134,568</u>	<u>103,808</u>
<b>FUNDS</b>	14				
Unrestricted funds				17,818	(21,441)
Restricted funds				116,750	125,249
				<u>134,568</u>	<u>103,808</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 15/08/2023  
and were signed on its behalf by:



Mr P Sheppard - President

## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

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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 gross income is below £500,000.

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.

Gift aid receipts – donation received from Surfex Limited which is a 100% subsidiary.

## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

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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.

#### **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 2022

#### 2. DONATIONS AND LEGACIES

	Unrestricted funds £	31.12.22 Total funds £	Unrestricted funds £	31.12.21 Total funds £
Sponsorships	25,600	25,600	16,250	16,250

#### 3. SUBSCRIPTIONS

	Unrestricted funds £	31.12.22 Total funds £	Unrestricted funds £	31.12.21 Total funds £
SCI subscriptions	10,374	10,374	8,844	8,844
OCCA memberships	15,715	15,715	16,467	16,467
Licence fee income	2,500	2,500	2,500	2,500
	28,589	28,589	27,811	27,811

The Licence Fee income is in respect of an arrangement with the South African branch.

#### 4. INVESTMENT INCOME

	Unrestricted funds £	31.12.22 Total funds £	Unrestricted funds £	31.12.21 Total funds £
Deposit account interest	776	776	161	161

All income in the year to 31 December 2022 and 2021 related to unrestricted funds.

#### 5. RAISING FUNDS

##### Other trading activities

	Unrestricted funds £	31.12.22 Total funds £	Unrestricted funds £	31.12.21 Total funds £
Sections expenses	-	-	200	200

## OIL AND COLOUR CHEMISTS ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 6. CHARITABLE ACTIVITIES COSTS

<b>Direct costs</b>						
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>31.12.22 Total Funds</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>31.12.21 Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Publications	51,774	689	52,463	49,258	-	49,258
Events	13,871	-	13,871	1,613	-	1,613
Donations	10,000	-	10,000	-	-	-
	<u>75,645</u>	<u>689</u>	<u>76,334</u>	<u>50,871</u>	<u>-</u>	<u>50,871</u>

#### 7. SUPPORT COSTS

	<b>Management £</b>	<b>Governance costs £</b>	<b>Totals £</b>
Other resources expended	70,224	6,000	76,224
	<u>70,224</u>	<u>6,000</u>	<u>76,224</u>

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

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>31.12.22 Total Funds</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>31.12.21 Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Administration costs	55,968	1,220	57,188	52,973	400	53,373
Awards costs	2,062	250	2,312	1,383	-	1,383
Sundry costs	2,635	-	2,635	1,135	-	1,135
Accountancy	7,333	-	7,333	7,185	-	7,185
Subscriptions	756	-	756	880	-	880
Auditors' remuneration	6,000	-	6,000	4,350	-	4,350
	<u>74,754</u>	<u>1,470</u>	<u>76,224</u>	<u>67,906</u>	<u>400</u>	<u>68,306</u>

#### 8. AUDITORS' REMUNERATION

The total fee paid to the auditor for audit services was £6,000 (2021: £4,350).

#### 9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

##### Trustees' expenses

One trustee (2021: three) was reimbursed expenses totaling £37 (2021: £418).

## OIL AND COLOUR CHEMISTS ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 10. STAFF COSTS

There are no employees who received total employee benefits of more than £60,000 (2021 : £Nil).

There were no employees during the year excluding directors and voluntary staff (2021 : Nil).

#### 11. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 January 2022 and 31 December 2022	100
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 December 2022	100
	<hr/>
At 31 December 2021	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

	% holding	31.12.22 £	31.12.21 £
Class of share:			
Ordinary	100		
Aggregate capital and reserves		100	(604)
Profit/(loss) for the year		102,175	(3,043)
		<hr/>	<hr/>

## OIL AND COLOUR CHEMISTS ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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

	31.12.22 £	31.12.21 £
Trade debtors	2,424	6,182
Amounts owed from group undertakings	8,503	-
VAT	1,795	2,110
Prepayments	-	1,600
	<hr/>	<hr/>
	12,722	9,892
	<hr/>	<hr/>

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

	31.12.22 £	31.12.21 £
Trade creditors	9,563	10,912
Amounts owed to group undertakings	-	19,692
Accruals & deferred income	20,373	21,817
	<hr/>	<hr/>
	29,936	52,421
	<hr/>	<hr/>

Accruals and deferred income includes amounts received by the company in respect of prepaid subscriptions at 31 December 2022 of £10,402 (2021 : £14,817).



# OIL AND COLOUR CHEMISTS ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 14. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
<b>Unrestricted funds</b>			
General fund	(41,911)	39,259	(2,652)
Kekwick Award	11,732	-	11,732
Benevolent Fund	7,530	-	7,530
Jordan Award	1,208	-	1,208
	<u>(21,441)</u>	<u>39,259</u>	<u>17,818</u>
<b>Restricted funds</b>			
Ethel Behrens Fund	6,340	(6,340)	-
The Ellinger Gardonyi Fund	118,909	(2,159)	116,750
	<u>125,249</u>	<u>(8,499)</u>	<u>116,750</u>
<b>TOTAL FUNDS</b>	<u>103,808</u>	<u>30,760</u>	<u>134,568</u>

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

	Incoming Resources £	Resources expended £	Transfers between funds £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	183,318	(150,399)	6,340	39,259
<b>Restricted funds</b>				
Ethel Behrens fund	-	-	(6,340)	(6,340)
The Ellinger Gardonyi Fund	-	(2,159)	-	(2,159)
	<u>183,318</u>	<u>(152,558)</u>	<u>-</u>	<u>30,760</u>

#### Restricted funds

During the year the Ethel Behrens fund was transferred to the general fund, for the purpose of furthering the general activities of the charity.

The purpose of the Ellinger Gardonyi Fund is to facilitate promotion of the education and support of future chemists.

# OIL AND COLOUR CHEMISTS ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 14. (Continued)

#### MOVEMENT IN FUNDS

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
<b>Unrestricted funds</b>			
General fund	23,331	(62,542)	(41,911)
Kekwick Award	11,732	-	11,732
Benevolent Fund	7,530	-	7,530
Jordan Award	1,571	(363)	1,208
	<hr/>	<hr/>	<hr/>
	44,164	(65,605)	(21,441)
<b>Restricted funds</b>			
Ethel Behrens Fund	6,340	-	6,340
The Ellinger Gardonyi Fund	119,309	(400)	118,909
	<hr/>	<hr/>	<hr/>
	125,649	(400)	125,249
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<hr/> 169,813 <hr/>	<hr/> (66,005) <hr/>	<hr/> 103,808 <hr/>

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

	Incoming Resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	53,372	(119,377)	(66,005)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<hr/> 53,372 <hr/>	<hr/> (119,377) <hr/>	<hr/> (66,005) <hr/>

At 31 December 2021, £125,249 of the cash at bank balance related to restricted funds. All other assets and liabilities related to unrestricted funds.

### 15. ULTIMATE CONTROLLING PARTY

The charitable company is under the control of the Trustees.

## **OIL AND COLOUR CHEMISTS ASSOCIATION**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **16. RELATED PARTY DISCLOSURES**

During the year to 31 December 2022, expenditure was incurred from the following parties:

Ms A M Etherington is a director of Surfex Limited, which is a wholly owned subsidiary of Oil and Colour Chemists Association, and Kaleidoscope Colours Limited.

Costs of £29,430 (2021: £29,040) from Kaleidoscope Colours Limited for administration, bookkeeping, consultancy and advertising services.

At the balance sheet date Oil and Colour Chemists Association owed £1,932 (2021: £2,162) to Kaleidoscope Colours Limited.

# **OIL AND COLOUR CHEMISTS ASSOCIATION**

## **DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>31.12.22</b> <b>£</b>	<b>31.12.21</b> <b>£</b>
<b>INCOME AND ENDOWMENTS</b>		
<b>Sponsorships</b>	25,600	16,250
<b>Investment income</b>		
Deposit account interest	776	161
<b>Charitable activities</b>		
Publications	2,602	3,563
SCI subscriptions	10,374	8,844
Membership subscriptions	15,715	16,467
License fee income	2,500	2,500
Events	24,280	5,587
<b>Other operating income</b>		
Gift aid receipt	101,471	-
	<hr/>	<hr/>
	183,318	53,372
	<hr/>	<hr/>
<b>Total incoming resources</b>	183,318	53,372
<b>EXPENDITURE</b>		
<b>Other trading activities</b>		
Sections expenses	-	200
	<hr/>	<hr/>
	-	200
<b>Charitable activities</b>		
Events	13,871	1,613
Publications	52,463	49,258
Donations	10,000	-
	<hr/>	<hr/>
	76,334	50,871

This page does not form part of the statutory financial statements

## OIL AND COLOUR CHEMISTS ASSOCIATION

### DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	31.12.22 £	31.12.21 £
<b>Support costs</b>		
<b>Management</b>		
Administrative costs	57,188	53,373
Awards costs	2,312	1,383
Sundry costs	2,635	1,135
Accountancy	7,333	7,185
Subscriptions	756	880
	<hr/>	<hr/>
	70,224	63,956
 <b>Governance costs</b>		
Auditors' remuneration	6,000	4,350
	<hr/>	<hr/>
 <b>Total resources expended</b>	 152,558	 119,377
	<hr/>	<hr/>
 <b>Net income/(expenditure)</b>	 30,760	 (66,005)
	<hr/> <hr/>	<hr/> <hr/>

This page does not form part of the statutory financial statements