

COMPANY REGISTRATION NUMBER: 00502705
CHARITY REGISTRATION NUMBER: 262247

**The Society of Leather Technologists and Chemists
Limited**

COMPANY LIMITED BY GUARANTEE

Unaudited Financial Statements

31 December 2020

DAVID KELLAND FCA

Chartered Accountants
Meadows & Co Limited
Headlands House
1 Kings Court
Kettering Parkway
Kettering
NN15 6WJ

The Society of Leather Technologists and Chemists Limited

COMPANY LIMITED BY GUARANTEE

Financial Statements

Year ended 31 December 2020

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Year ended 31 December 2020

Independent examiner Mr David Kelland
Meadows & Co Limited
Headlands House
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The Society of Leather Technologists and Chemists Limited

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Council of Management Annual Report (continued)

Year ended 31 December 2020

Structure, governance and management

The charity is constituted as a company limited by guarantee, and is therefore governed by a memorandum and articles of association.

Objectives and activities

The charity's objective and its principal activity continues to be that of assisting and encouraging the application of science and technology to the manufacture and utilisation of leather and related products and by the publication of journals and the holding of meetings, to further the development of scientific knowledge in the leather industry.

Policies adopted to achieve the society's objectives

1. To set subscription rates for members and subscribers at a level consistent with the ability to fulfil the objectives of the Society and to attract members from industry, organisations and libraries.
2. To publish the Journal of the Society of Leather Technologists and Chemists, a recognised international journal which has been published monthly or bi-monthly since 1917. To originate other publications of a scientific or technological nature where appropriate to further the objectives of the Society.
3. To devise analytical methods for publication as Official Methods of the Society and to collaborate with the other organisations in the formulation of International Methods for the Analysis of Leather and related products.
4. To hold meetings, if possible, on an annual basis, and to encourage and support regional meetings held by local groups and overseas sections.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

The deficit for the year was £11,239 (2019: £32,670 deficit), leaving total funds to be carried forward of £98,459 (2019: £109,698).

The Council of Management does not consider that there have been any important events affecting the Society between the date of the balance sheet and the date that this report was signed.

The Society of Leather Technologists and Chemists Limited

COMPANY LIMITED BY GUARANTEE

Council of Management Annual Report (continued)

Year ended 31 December 2020

Financial review

At the time of writing last years report, I had hoped that the emerging pandemic would be short lived. I think we were prepared for some curtailment of activities, not only in our businesses but also our personal lives but I doubt any of us could have believed exactly what would unfold. The Society has not been in a physical position to undertake much of the project work that had been started at the end of 2019 and decisions were taken to view spends in as cautious a manner as possible. The Heritage project - with the digitalisation of the back journals and abstracts now go back to 1969 and we have also successfully digitised the Official Methods, which are available to purchase on the website. The inability to hold a conference has had an obvious impact on our ability to generate some funds but I feel that the financial position we hold is still very optimistic. The Southern Africa section also face similar issues with their cash flow as the lack of a conference has caused them financial difficulties which hopefully will be resolved once the world get back to some normality and people can travel again. The council have taken to digital committee meetings, much like the rest of the world, and I'm happy to see this method of communication continue even after all travel restrictions and lockdowns are lifted. Preparations for the first ever Digital conference are well underway and we hope the silver lining in all the recent turmoil is to create a truly global event, opening the SLTC conference to those who would have previously been unable to participate. As this is my out-going year, I would like to express my immense gratitude to all the council for their hard work and commitment through what has been a very difficult year. I know the society is in steady and safe hands and I'm sure the incoming President, John Hubbard, will be afforded the same level of support and commitment in his presidency.

The council of management annual report and the strategic report were approved on 12 August 2021 and signed on behalf of the board of trustees by:



Mr M Abbott
President

The Society of Leather Technologists and Chemists Limited

COMPANY LIMITED BY GUARANTEE

Independent Examiner's Report to the Members of The Society of Leather Technologists and Chemists Limited

Year ended 31 December 2020

I report to the members on my examination of the financial statements of The Society of Leather Technologists and Chemists Limited ('the charity') for the year ended 31 December 2020.

Responsibilities and basis of report

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

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006, and
- the accounts do not accord with those records, and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached."



Mr David Kelland
Independent Examiner

Meadows & Co Limited
Headlands House
1 Kings Court
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NN15 6WJ

12 August 2021

The Society of Leather Technologists and Chemists Limited

COMPANY LIMITED BY GUARANTEE

Statement of Financial Activities **(including income and expenditure account)**

Year ended 31 December 2020

		Unrestricted funds	2020 Restricted funds	Total funds	2019 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	17,272	—	17,272	29,700
Other trading activities	6	17,389	—	17,389	29,689
Investment income	7	468	—	468	809
Total income		<u>35,129</u>	<u>—</u>	<u>35,129</u>	<u>60,198</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	8	17,235	—	17,235	34,137
Expenditure on charitable activities	9,10	11,617	17,516	29,133	58,681
Total expenditure		<u>28,852</u>	<u>17,516</u>	<u>46,368</u>	<u>92,818</u>
Transfer		<u>(8,616)</u>	<u>8,616</u>		
Net expenditure and net movement in funds		<u>(2,339)</u>	<u>(9,900)</u>	<u>(11,239)</u>	<u>(32,620)</u>
Reconciliation of funds					
Total funds brought forward		87,038	22,660	109,698	142,318
Total funds carried forward		<u>84,699</u>	<u>13,760</u>	<u>98,459</u>	<u>109,698</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The Society of Leather Technologists and Chemists Limited

COMPANY LIMITED BY GUARANTEE

Statement of Financial Position

31 December 2020

	Note	2020 £	£	2019 £	£
Fixed assets					
Tangible fixed assets	16		601		919
Current assets					
Stocks	17	675		750	
Cash at bank and in hand		102,821		113,348	
		<u>103,496</u>		<u>114,098</u>	
Creditors: amounts falling due within one year	18	<u>5,638</u>		<u>5,319</u>	
Net current assets			<u>97,858</u>		<u>108,779</u>
Total assets less current liabilities			<u>98,459</u>		<u>109,698</u>
Net assets			<u><u>98,459</u></u>		<u><u>109,698</u></u>
Funds of the charity					
Restricted funds			13,760		22,660
Unrestricted funds			84,699		87,038
Total charity funds	19		<u><u>98,459</u></u>		<u><u>109,698</u></u>

For the year ending 31 December 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 12 August 2021, and are signed on behalf of the board by:



Mr M Abbott
President

The notes on pages 7 to 14 form part of these financial statements.

The Society of Leather Technologists and Chemists Limited

COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 8 Copper Leaf Close, Moulton, Northampton, NN3 7HS.

2. Statement of compliance

These 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 issued in October 2019, The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

3. Accounting policies

Public benefit

The Trustees of The Society of Leather Technologists and Chemists Limited understand the need to have regard to the Charity Commission's guidance on public benefit.

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the members for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Society of Leather Technologists and Chemists Limited

COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements (continued)

Year ended 31 December 2020

3. Accounting policies (continued)

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The Society of Leather Technologists and Chemists Limited

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Notes to the Financial Statements (continued)

Year ended 31 December 2020

3. Accounting policies (continued)

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery etc - 20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

4. Limited by guarantee

The Society of Leather Technologists and Chemists Limited is a company limited by guarantee and thus has no share capital.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Amanda Michel fund	—	—	—
Raymond Blakey Fund	—	—	—
Sponsorship			
Members and associates	14,908	—	14,908

The Society of Leather Technologists and Chemists Limited

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Notes to the Financial Statements (continued)

Year ended 31 December 2020

5. Donations and legacies (continued)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Subscriptions			
Subscriptions and application fees	2,364	–	2,364
	<u>17,272</u>	<u>–</u>	<u>17,272</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Amanda Michel fund	–	7,780	7,780
Raymond Blakey Fund	–	1,773	1,773
Sponsorship			
Members and associates	19,488	–	19,488
Subscriptions			
Subscriptions and application fees	659	–	659
	<u>20,147</u>	<u>9,553</u>	<u>29,700</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Sales of publication and sundry receipts	689	689	1,465	1,465
Conference income	4,805	4,805	11,121	11,121
Advertising revenue	–	–	2,376	2,376
Journal income	11,895	11,895	12,967	12,967
Fellows Dinner	–	–	1,760	1,760
	<u>17,389</u>	<u>17,389</u>	<u>29,689</u>	<u>29,689</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Bank interest receivable	468	468	809	809

The Society of Leather Technologists and Chemists Limited

COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements (continued)

Year ended 31 December 2020

8. Costs of raising donations and legacies

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Opening stock	750	750	833	833
Journal printing	9,900	9,900	16,213	16,213
Closing stock	(675)	(675)	(750)	(750)
Honorarium - editor	6,544	6,544	6,353	6,353
Fellows' Dinner	—	—	2,213	2,213
Conference expenditure	343	343	8,905	8,905
Subscription - IULTCS	373	373	370	370
	<u>17,235</u>	<u>17,235</u>	<u>34,137</u>	<u>34,137</u>

9. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Heritage project - archiving	—	11,700	11,700
Payment to Northampton University	—	1,411	1,411
Raymond Blakey Fund	1,746	4,405	6,151
Support costs	9,871	—	9,871
	<u>11,617</u>	<u>17,516</u>	<u>29,133</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2019
	£	£	£
Heritage project - archiving	—	—	—
Payment to Northampton University	—	46,995	46,995
Raymond Blakey Fund	—	1,500	1,500
Support costs	10,186	—	10,186
	<u>10,186</u>	<u>48,495</u>	<u>58,681</u>

10. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2020	Total fund 2019
	£	£	£	£
Heritage project - archiving	11,700	—	11,700	—
Payment to Northampton University	1,411	—	1,411	46,995
Raymond Blakey Fund	6,151	—	6,151	1,500
Governance costs	—	9,871	9,871	10,186
	<u>19,262</u>	<u>9,871</u>	<u>29,133</u>	<u>58,681</u>

The Society of Leather Technologists and Chemists Limited

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Notes to the Financial Statements (continued)

Year ended 31 December 2020

11. Analysis of support costs

	Unrestricted Funds £	Total 2020 £	Total 2019 £
Staff costs	5,163	5,163	5,012
Communications and IT	849	849	1,026
Finance costs	2,512	2,512	2,040
Travelling and meeting	53	53	14
Sundry expenses	133	133	314
Depreciation	318	318	479
Bank charges	301	301	382
Postage and carriage	638	638	769
Other legal and professional	264	264	150
	<u>10,231</u>	<u>10,231</u>	<u>10,186</u>

12. Net expenditure

Net expenditure is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	<u>318</u>	<u>479</u>

13. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>2,372</u>	<u>1,980</u>

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020 £	2019 £
Wages and salaries	<u>11,346</u>	<u>11,365</u>

The average head count of employees during the year was 2 (2019: 2). The average number of full-time equivalent employees during the year is analysed as follows:

	2020 No.	2019 No.
Administration staff	<u>2</u>	<u>2</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

15. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees

The Society of Leather Technologists and Chemists Limited

COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements (continued)

Year ended 31 December 2020

16. Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2020 and 31 December 2020	10,348
Depreciation	
At 1 January 2020	9,429
Charge for the year	318
At 31 December 2020	<u>9,747</u>
Carrying amount	
At 31 December 2020	<u>601</u>
At 31 December 2019	<u>919</u>

17. Stocks

	2020 £	2019 £
Raw materials and consumables	<u>675</u>	<u>750</u>

18. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	312	427
Accruals and deferred income	5,129	4,702
Social security and other taxes	197	190
	<u>5,638</u>	<u>5,319</u>

19. Analysis of charitable funds

Unrestricted funds

	At 1 January 20 20 £	Income £	Expenditure £	Transfers £	At 31 December r 2020 £
General funds	<u>87,038</u>	<u>35,129</u>	<u>(28,852)</u>	<u>(8,616)</u>	<u>84,699</u>

	At 1 January 20 19 £	Income £	Expenditure £	Transfers £	At 31 December 2019 £
General funds	<u>94,716</u>	<u>50,645</u>	<u>(44,323)</u>	<u>(14,000)</u>	<u>87,038</u>

The Society of Leather Technologists and Chemists Limited

COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements (continued)

Year ended 31 December 2020

19. Analysis of charitable funds (continued)

Restricted funds

	At 1 January 20 20	Income	Expenditure	Transfers	At 31 December r 2020
	£	£	£	£	£
Heritage Fund	6,976	—	(11,700)	7,922	3,198
Amanda Michel fund	1,411	—	(1,411)	—	—
Raymond Blakey fund	14,273	—	(4,405)	694	10,562
	<u>22,660</u>	<u>—</u>	<u>(17,516)</u>	<u>8,616</u>	<u>13,760</u>

	At 1 January 20 19	Income	Expenditure	Transfers	At 31 December 2019
	£	£	£	£	£
Heritage Fund	6,976	—	—	—	6,976
Amanda Michel fund	40,626	7,780	(46,995)	—	1,411
Raymond Blakey fund	—	1,773	(1,500)	14,000	14,273
	<u>47,602</u>	<u>9,553</u>	<u>(48,495)</u>	<u>14,000</u>	<u>22,660</u>

Heritage fund

This project was started during 2018 with the objective of archiving SLTC's scientific knowledge for future generations.

Amanda Michel fund

This project was established during the previous year with the objective of training an individual within Amanda's field of expertise.

20. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Tangible fixed assets	601	—	601
Current assets	89,736	13,760	103,496
Creditors less than 1 year	(5,638)	—	(5,638)
Net assets	<u>84,699</u>	<u>13,760</u>	<u>98,459</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2019
	£	£	£
Tangible fixed assets	919	—	919
Current assets	91,438	22,660	114,098
Creditors less than 1 year	(5,319)	—	(5,319)
Net assets	<u>87,038</u>	<u>22,660</u>	<u>109,698</u>