

The Leathersellers' Foundation

England & Wales · Charity number 278072

Details

Other names	THE LEATHERSELLERS' COMPANY CHARITABLE FUND, The Leathersellers' Foundation
Status	Registered
Legal form	Other
Registered	1979-07-12
Register	View on the Charity Commission register

Contact

Address Leathersellers Co
7 St. Helen's Place
London
EC3A 6AB

Phone 02073301444

Email clerk@leathersellers.co.uk

Website www.leathersellers.co.uk

Activities

Objects: FOR SUCH PURPOSES AND OBJECTS BEING CHARITABLE AT LAW AS THE TRUSTEES IN THEIR ABSOLUTE AND UNCONTROLLED DISCRETION SHALL DETERMINE FROM TIME TO TIME.

Activities: The policy of the trustees is to provide support to a broad range of registered charities or educational establishments.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£7,777,000	£4,404,000	£82,657,000	4
2024-07-31	£1,862,000	£4,052,000	£73,915,000	4
2023-07-31	£1,659,000	£3,839,000	£67,627,000	4
2022-07-31	£1,937,000	£3,872,000	£69,474,000	3
2021-07-31	£1,659,000	£3,732,000	£72,911,000	3
2020-07-31	£2,033,000	£3,866,000	£62,207,000	2

Trustees

Name	Role	Appointed
Matthew Edward Lawrence		2021-03-10
THE LEATHERSELLERS COMPANY		1979-02-07

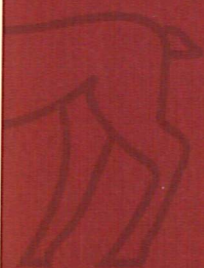
The Leathersellers' Foundation

England & Wales - Charity number 278072

Accounts

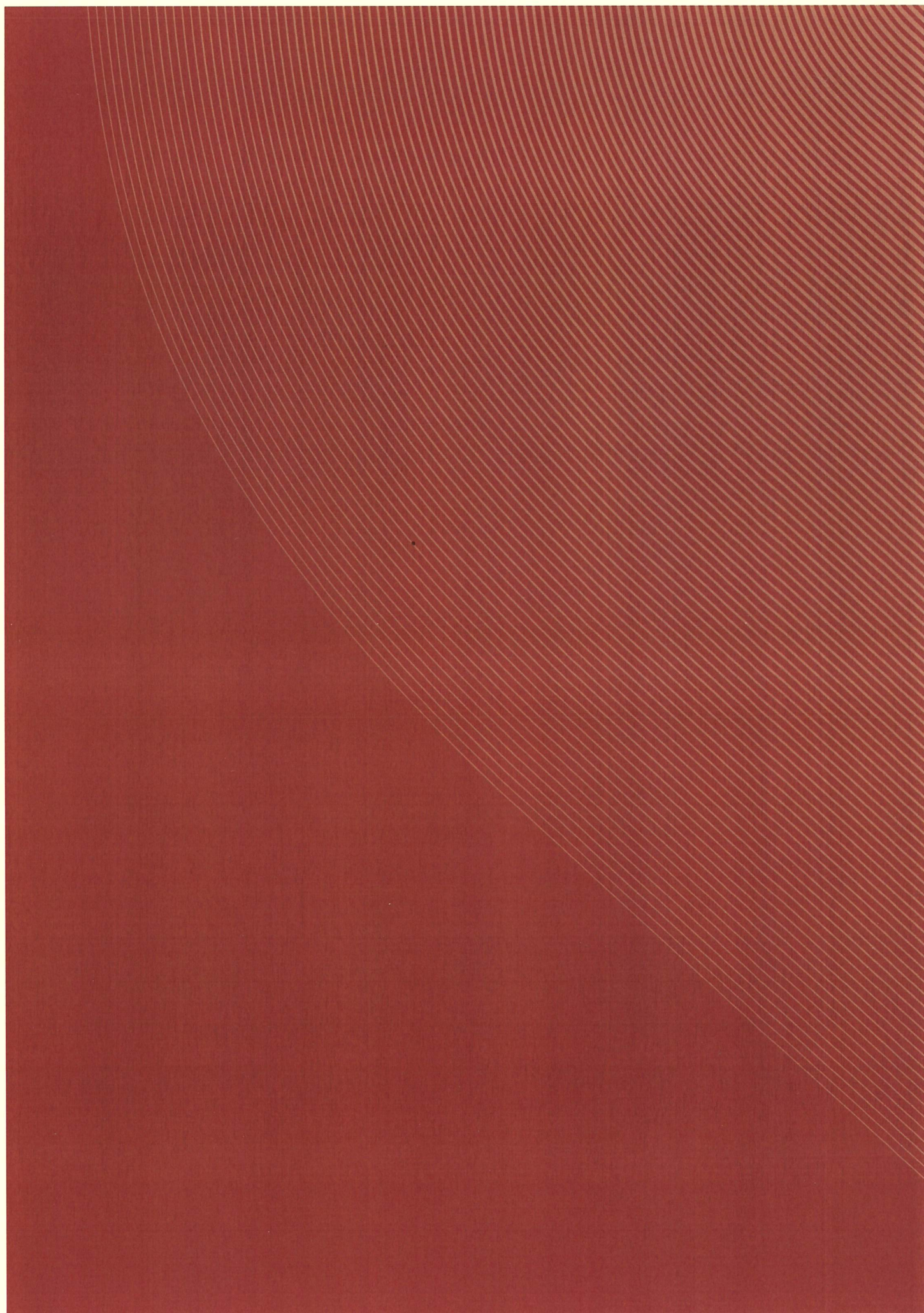


THE
LEATHERSELLERS'
FOUNDATION



ANNUAL REPORT & ACCOUNTS

31 July 2025



Contents

Report

Legal and administrative information	2
Trustees' report	4
Independent auditor's report	14

Accounts

Statement of financial activities	16
Balance sheet	18
Statement of cash flows	19
Principal accounting policies	20
Notes to the accounts	23

Legal and administrative information

Trustees	<p>The Wardens and Society of the Mystery or Art of the Leathersellers of the City of London ('the Leathersellers' Company'). The management of the Leathersellers' Company and its function as Trustee is carried out through its Court of Assistants. Members of the Court of Assistants are listed on page 3.</p> <p>M E Lawrence (Chief Executive & Clerk to the Leathersellers' Company).</p>
Address	<p>7 St Helen's Place London EC3A 6AB</p>
Auditor	<p>Buzzacott Audit LLP 130 Wood Street London EC2V 6DL</p>
Principal Banker	<p>HSBC Bank plc 1-3 Bishopsgate London EC2N 3AQ</p>
Investment Manager	<p>Cazenove Capital Schroder & Co. Ltd 1 London Wall Place London EC2Y 5AU</p>
Solicitor	<p>Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 3LH</p>

Members of the Court of Assistants

To 23 July 2025

R N Tusting MA Cantab	Master
MD J Dove * + ~	Second Warden
R T Preston * ~	Third Warden^
S Cheng KC +	Fourth Warden^

M G Williams
 C J Lennon *~
 G G Bacon
 C P Barrow
 J A M Muirhead OBE DL ~
 C C Barrow +
 M J Bradly Russell FCA
 A A Barrow *
 D H Barrow
 M W Pebody BA
 M P E Pellereau BSc FRICS +
 W J C Lang
 R J Chard *
 Dr T J C Fooks FRCGP +
 H G Williams
 S M G Williams
 C T G Williams *
 W R J Cock
 A E Tusting ~
 M T Berman *
 J S Holmes *
 J D G Curtis

From 4 December 2024

A B Brueggemann
 C J V Williams

From 23 July 2025

M D J Dove	Master
D H Barrow * + ~	Second Warden
C J Curtis ~	Third Warden^
E A W Dove *	Fourth Warden^

R N Tusting MA Cantab MBA
 M G Williams
 C J Lennon*
 G G Bacon
 J A M Muirhead OBE DL ~
 C C Barrow
 M J Bradly Russell FCA *
 A A Barrow *
 M W Pebody BA
 M P E Pellereau BSc FRICS +
 W J C Lang
 R J Chard *
 Dr T J C Fooks FRCGP +
 H G Williams
 S M G Williams
 C T G Williams *+~
 W R J Cock
 A E Tusting ~
 M T Berman *
 J S Holmes *+
 J D G Curtis
 A B Brueggemann
 C J V Williams

From 15 October 2025

A P Rothery

^The Third and Fourth Wardens are Ex-Officio Members of the Court.

* Members of the Charity Committee.

+ Members of the Education Committee.

- Members of the Leather Trade Committee.

~ Chair Student Grants.

Trustees' Report

The trustees present their annual report and the accounts of The Leathersellers' Foundation ("the Foundation") for the year ended 31 July 2025. The accounts have been prepared in accordance with the accounting policies set out on pages 20 to 22 of the attached accounts and comply with the Foundation's trust deed, 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 Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Objectives and activities for the public benefit, including grant making policy

The Leathersellers' Foundation's Declaration of Trust states that the "Trustees shall apply the Trust Fund and the income thereof for such purposes and objects being charitable at law as they in their absolute and uncontrolled discretion shall determine from time to time". The trustees and executive team undertook a strategic review in summer 2023, resulting in an update of the wording regarding the Foundation's aims and objectives as below. The trustees confirm that they have considered the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives.

The overarching aim of The Foundation is:

To enable individuals and communities by working with organisations; to foster opportunity through education; and to support the leather industry.

The objectives of The Foundation are:

- 1 To be a best practice funder, demonstrating trust, transparency and flexibility, to create the most added value for our grantees
- 2 To provide sound financial stewardship
- 3 To drive impact and long-term change in our funded areas
- 4 To leverage the added value of the Leathersellers' community

Grants are awarded by the trustees on the recommendation of its Charity, Education and Leather Trade Committees. The trustees set a budget for charitable giving at the start of the financial year, following a yearly review of each grant-making Committee and consideration of the Foundation's investment assets.

Charitable grants are made to registered charities, charitable incorporated organisations, other incorporated organisations and institutions as well as to individuals, and are one of two types: a single grant or a multi-year grant. All multi-year

grants are subject to annual review. Of grants awarded in 2024-2025, 93% by value were to organisations and 7% were direct to individuals.

Each of our three core funding areas – Charity, Education, and Leather – is guided by its own strategy, rooted in shared values and aligned with our overarching aims and objectives.

Charity

Our five-year Charity Strategy (2022–2027) commits 80% of new main grant funding to addressing and preventing Adverse Childhood Experiences (ACEs). Underpinned by a Theory of Change and with its own Monitoring and Evaluation Framework alongside, this programme supports funded organisations that demonstrate evidence-based approaches, incorporate lived experience, and respond to local needs and demographics. The remaining 20% is allocated to a Responsive Fund for single-year grants, targeting emerging needs or crisis situations.

Education

Education funding centres on social mobility, supported by a clear definition, a comprehensive Theory of Change, and an Impact Framework. Significant grants are delivered through long-term partnerships with Colfe's School, the Leathersellers' Federation of Schools, and our historic Student Grants Programme, which dates back to 1603.

Additional priorities include:

- Access to university and postgraduate study
- Early years education (ages 0–5), focused on reducing developmental gaps for children from low-income households in Lewisham
- A short-term programme to improve educational outcomes for care-experienced children and young adults

Leather

2024–25 marked the first year of our refreshed Leather Strategy, bringing renewed clarity and momentum despite wider challenges in higher education and the leather industry. Our ambition is to support a thriving, sustainable, and connected leather industry sector, offering opportunities to tanners, designers, makers, and conservators.

We champion leather as a sustainable, versatile material, used across fashion, furniture, automotive, aerospace, footwear, orthopaedics, and equine industries. As a by-product of the meat industry, tanning transforms waste into a durable, luxurious material that would otherwise go to landfill.

Achievements in 2024-25

This year marked a major milestone, with the combined total of grants from both the Leathersellers' Foundation and Leathersellers' Company exceeding £4 million for the first time. A reflection on strong relationships with trusted partners and new collaborations enabled by co-funding and careful asset stewardship.

Across all areas, several cross-cutting themes emerged:

- **Building on Learning and Heritage**
All programmes are informed by past experience, with evaluation and reflection embedded throughout – from planning to reporting. Measurement is proportionate and aims to benefit both funder and grantee.
- **Transparency and Openness**
Our interactive "Who We Fund" map and table recently became available on the Leathersellers.org website. In line with 360Giving data publication this will be updated twice yearly, showcasing the Foundation's grant distribution across the UK and by grant programme. Source data is available also on 360Giving highlighting our commitment to transparency.
- **Equity, Diversity and Inclusion (EDI)**
We actively support the Leathersellers' Company's efforts to diversify membership and ensure inclusivity. Our new website improves accessibility, and grant forms are available in Word format. Data collection, anonymised perception surveys and built in reflection at every stage of the grants process help us identify and address barriers to access.
- **Safeguarding**
Although not a frontline provider, we have developed a comprehensive Safeguarding Policy and Procedures, now published and shared with the Company's members and staff. Our membership of the Funders Safeguarding Collaborative supports ongoing learning and best practice. An update with reflections from the previous year will be provided in the accounts annually hereon.
- **Best Practice: Flexible Funders Commitments**
As a signatory to IVAR's Open and Trusting Funder initiative since 2021, we embed its eight commitments across our work and participate in regular external reviews.

- **Collaboration with Other Funders**

We continue to engage across the funding landscape, including funding partnerships with the Merchant Taylors' Foundation, Jack Petchey Foundation, and Genia Marzec Trust Fund. In February 2025, we hosted a Grant Funders Network event and contributed throughout the year to collaborative groups such as London Funders, Livery Education Network, and the Leathery Livery.

Guided by strategy and shared values, our commitment to creating opportunity and fostering connection remains at the heart of our work. The updates that follow offer a snapshot of the diverse and impactful activities across our portfolio that were furthered in the 2024-25 year.

Trustees' Report

Grants, analysed by type, as defined above, are as follows:

	2025		2024	
	£'000	No.	£'000	No.
To organisations				
Single	671	102	476	122
Multi-year	2,755	110	2,622	116
Organisations sub-total	3,426	212	3,098	238
To individuals	264	64	270	73
Total grants awarded in year	3,690	276	3,368	311

Grants analysed by Grants Programme are as follows:

	2025		2024	
	£'000	%	£'000	%
Grants Programme				
Charity ACE – Main Grants	1,495	41	1,005	30
Charity – Main Grants	471	13	775	23
Charity – Responsive Grants	122	3	106	3
Charity	2,088	57	1,886	56
Associated Schools – Colfe's School	187	5	239	7
Associated Schools – LFS (Leathersellers' Federation of Schools)	278	8	234	7
Associated Schools – Match Funding	16	—	13	—
Education – Early Years (joint with Merchant Taylors' Foundation)	120	3	100	3
Education – Main Grants	137	4	22	—
Education – Higher Education Partnerships	63	2	63	2
Education – Student grants	261	7	240	7
Education	1,062	29	911	26
Leather – Conservation & Heritage	30	1	60	2
Leather – Education Partnerships	149	4	93	3
Leather – Leatherworking Apprenticeships	4	—	28	1
Leather – Makers Support	44	1	27	1
Leather – Students	3	—	—	—
Leather – Tannery Apprenticeships	—	—	9	—
Leather	230	6	217	7
Charity – Small Grants	200	5	220	7
City of London Partners	—	—	55	2
Discretionary Fund (MW)	32	1	30	1
Personal Giving Appeal	78	2	49	1
Total	3,690	100	3,368	100

Charity Update

Charity Main Grants – Adverse Childhood Experiences

2024–25 marked the third year of our five-year strategy addressing Adverse Childhood Experiences (ACEs), a globally researched area with strong evidence of long-term harm. Traumatic experiences in childhood can significantly impact mental and physical health, education, and career outcomes. Individuals with six or more ACEs face a life expectancy up to 20 years shorter than average. Tackling ACEs aligns directly with our Foundation's mission to provide opportunity for people to reach their potential.

In 2024–25 we received 489 expressions of interest, invited 50 charities to submit full applications, and awarded 17 new four-year unrestricted grants – resulting in a 1-in-3 success rate at the full application stage.

Tailored Support

The 17 funded charities expanded our geographic reach, including new grantees in Wales, Scotland, and our first ACEs grant in Northern Ireland. They work across diverse areas such as domestic abuse, education, homelessness, parental imprisonment, mental health, and criminal justice. Their approaches range from talk, play, and art therapy to outdoor residentials and wraparound practical support.

Understanding Our Impact

Conversational reports remained our primary source of learning, supplemented by impact reports, events, and shared publications. Given the diversity of services, we assess impact collectively against the ACEs Strategy's 10 outcomes rather than by individual activities. A full impact report is available at leathersellers.org.

We also shared our insights with other funders, including the James Tudor Foundation, which launched its own ACEs-focused grants programme in early summer 2025.

Responsive Grants – Support for Ex-Offenders

While multi-year unrestricted funding remains central to our approach, trustees allocate a portion of funds for single-year grants to address emerging needs. In 2024–25, we responded to the fallout from the early release scheme that saw over 16,000 prisoners in England and Wales released on licence in autumn 2024.

Focusing on young men aged 18–24 leaving custody, an area with limited funding, we awarded four grants of just over £30,000 each to charities with proven track records in effective

intervention in this area. These services provide support pre-release, at the gate, and post-release in the community.

Small Grants Programme

We awarded £200,000 to 46 small charities across the UK, with an average grant of £4,444. The programme's broad eligibility criteria support a wide range of community needs and offer one-off, accessible funding for charities with incomes under £200,000. The Young Livery, meaning members of the Company aged 40 or under, continued to play a key role, with 16 members under 40 actively involved in the Small Grants Committee.

Education Update

Colfe's School

Colfe's, one of London's oldest schools, has been linked to the Leathersellers' Company since the 17th century, when founder Abraham Colfe entrusted it to the Company. Now an independent school with around 1,300 pupils, the Company remains its sole corporate member and appoints members of the livery to the governing board to uphold strong governance and educational standards.

In 2024–25, a grant of £187,000 funded some of the **Leathersellers' Scholarships**, enabling talented students from local state schools to study A-levels at Colfe's and benefit from its facilities, extracurriculars, and career support. Testimonials and further details are available at colfes.com.

Leathersellers' Federation of Schools

The Federation continues the vision of Joseph Prendergast, who founded Lewisham's first girls' secondary school in 1890 on land provided by the Company. Now a multi-academy trust, it includes three secondary schools, two primaries, and a sixth form—serving over 3,000 pupils in South-East London.

Our relationship remains strong, with Company members and community specialists involved in governance and regular events hosted at Leathersellers' Hall. This year's Personal Giving Appeal raised significant funds for the Literacy and Life Chances campaign, supported by match funding from the Company.

In 2024–25, overall support totalled £278,000 and we increased our unrestricted annual grant to £100,000 to support additional activity across all school levels. The Scholarship Programme, providing learning mentors, extra-curricular activities and tutoring support for a cohort from Year 8 and 9 completed its

Trustees' Report

third year. Evaluation has shown a transformative impact for students at risk of disengagement with a further four years of funding for the programme granted.

Other grants supported initiatives such as a school readiness programme, special recognition awards for leavers, and universal breakfast club provision.

Match Funding

Both Colfe's and the Federation benefit from match funding to encourage pupil and staff fundraising. In 2024–25, nearly £16,500 was raised and matched through various challenges – an increase on the previous year. With up to £20,000 available annually, trustees hope this momentum continues.

Student Grants – University Exhibitions Scheme

Our flagship Student Grants Programme, dating back to 1603, supported 64 students at 44 UK universities in 2024–25. While the number of students supported slightly declined, the average grant increased. We prioritised care-experienced students and those alumni from our schools in greatest financial need.

Following two years of outreach and network building in line with the new priority focus area, spring 2025 saw nearly 200 applications for 2025–26 grants, most from care-experienced individuals.

We remain committed to expanding this vital programme and deepening connections with students and alumni.

Blackbullion Scholarships Event

In autumn 2024, we co-hosted a corporate event at Leathersellers' Hall focused on social mobility through scholarships. Our contribution included speakers and alumni stories. Ticket revenue enabled a donation of £1,000 to the 2025 student grants programme.

Jack Petchey Foundation Partnership

In 2024–25, five students received joint scholarships through our new partnership with the Jack Petchey Foundation, supporting those who attended state schools or colleges for sixth form in London or Essex. Encouraged by the impact and calibre of candidates, the Foundation pledged support for seven more students in 2025–26, meaning there will be twelve joint scholarships in the coming year.

Genia Marzec Trust Fund

Following the death of Genia Marzec in early 2025, a generous donation of £81,000 enabled additional scholarships for six students

through our programme, from 2025–26 for up to four years. This restricted funding expands our cohort and honours her legacy.

Added Value for Students

To enhance the mentoring provision offered, we partnered with ACE grantee charity Power2 to deliver a six-month programme combining group learning, skills workshops, and 1:1 mentoring. This allowed for tailored matches, including a medical profession subgroup, and offered both online and in-person engagement.

Related Single-Year Main Grants

To broaden our educational impact, we funded seven charities supporting children in care and care leavers through tutoring, mentoring, creative learning, and career development. These vary in size and approach, and we plan to convene them in late 2025 to share insights and offer volunteering opportunities to the Livery and Alumni Network.

Early Years Education Joint Programme

Year 1 of our joint programme with five charity partners was successfully delivered in 2024–25, supporting children under five, their families, and early years practitioners. Two roundtables in Lewisham fostered collaboration, leading to shared resources, cross-referrals, and initiatives like free book distribution.

The partnership with Merchant Taylors has remained strong through relationships at both staff and Livery levels keeping momentum high. As the programme enters its second year, discussions are underway about the potential to extend collaboration beyond this initial pilot.

Leather Update

Surplus Leather and Leather Education Partners launched to provide opportunity for students unaware or unfamiliar with working with leather to experiment, this project gives a platform for students to develop making skills and explore the material properties of a range of leathers in different colours and finishes at no cost. Following a successful two-year pilot with six universities, we aimed for modest growth in 2024–25. However, outreach efforts led to a surge in interest, expanding the programme to 18 education partners across the UK by early 2025.

Five new partners provide Furniture and Product Design courses, with two spanning both fashion and design disciplines. We gratefully acknowledge donations from Scottish Leather Group, C.F. Stead, Sedgwick & Co, Tusting, GH Leathers, and Waltham Tannery.

Leather Educational Resources

To complement material donations, we offer free downloadable teaching resources via the Leathersellers' Learn About Leather webpage. These include the popular *Guide to Modern Leather Making toolkit* by Leather Naturally. Since November 2024, the page has received over 500 visits and 111 downloads, helping raise awareness of leather as a sustainable and ethical material for future designers and makers.

Masterclasses, Awards & Industry Visits

Our approach to supporting leatherworking skills through masterclasses, awards, and industry visits continues to thrive. Key partners include De Montfort University and London College of Fashion, with Birmingham City University and the Jimmy Choo Academy joining in 2024–25.

In June 2025, we hosted a Leather Education Partners Roundtable, fostering collaboration and sharing best practices. The success of this event has inspired plans to replicate the model at other institutions.

Tanning & Leatherworking Apprenticeships

Apprenticeship support remains central to our strategy. One apprentice completed their training and was retained by their tannery, while four others progressed into their final year. Willingstone Tannery in Dorset joined the programme in 2024–25, welcoming a new apprentice into their environmentally focused, teaching-led tannery.

Leather Conservation

A major milestone was the relocation of the Leather Conservation Centre to Leicester in spring 2025. The new, larger, and more public-facing space is already generating new opportunities. A close to £250,000 grant from the Heritage Lottery is supporting outreach and development, while the Company and Foundation have provided substantial relocation and core funding to ensure sustainability.

Tanning Education

2025 brought the sad news of the closure of the Institute for Creative Leather Technologies (ICLT) at the University of Northampton, with its training tannery closing in July. A small group of students remain and are expected to complete their condensed final year in early 2026. We continue to support them with scholarships, industry engagement, and hosted events. We are actively exploring future tanning education models with industry and education providers. One promising new partner is Cotmarsh Tannery, a CIC building a micro-tannery and classroom

in the Cotswolds. Funding has been provided towards its setup and student visits focused on natural materials.

Support for Makers

Support for independent makers continues through programmes at Cockpit Studios in Deptford and the Leather Hub, alongside training bursaries via Heritage Crafts. We also sponsored the Young Leatherworker of the Year Award, celebrating emerging talent.

Other Giving

Leathersellers' Personal Giving Appeal

In 2024–25, Company members, staff, family, and friends gave generously, unlocking matched charitable funding from the Leathersellers' Company. A total of £78,000 was raised including match funding, a significant increase from the previous year. This was driven by a core of increased regular donations as well as strong participation in the Chase the Moon 5km and 10km run at Battersea Park in March, which alone contributed £10,000 before matching.

Funds will support the Literacy and Life Chances initiative across the Leathersellers' Federation of Schools, allowing for investment in physical and digital literacy resources and targeted engagement programmes for pupils of varying abilities and interests.

City of London Partnerships

Following the strategic review in 2023–24, the City of London Partnerships funding programme encompassing long-standing support for five organisations moved to the Leathersellers' Company. This was in recognition of the special connection between Livery Companies and the City institutions. Grants in 2024–25 continued to be provided to City Harvest, City University, Guildhall School of Music and Drama, Mansion House Scholarship Scheme and St Paul's Cathedral Chorister Trust.

Military Affiliations

The Leathersellers are signatories to the Armed Forces Covenant and have three formal military affiliations, which the Company and Foundation support through regular awards and one-off grants relating to identified needs. These are: 1st The Queen's Dragoon Guards; 230 Squadron RAF; and HMS Audacious. On an annual basis the Leathersellers' Foundation provides grants for the Leathersellers' Award for Outstanding Leadership, which recognises examples of outstanding leadership and professionalism.

Trustees' Report

Financial Review

Total income for the year was £7,777,000 (2024: £1,862,000). This includes a donation of shares of £5,961,000 from the Leathersellers' Company. The total income represents donations of £6,142,000 (2024: £380,000) and income from investments of £1,635,000 (2024: £1,482,000). Grants awarded in the year totalled £3,690,000 (2024: £3,368,000), support costs were £436,000 (2024: £403,000), including governance costs of £15,000 (2024: £15,000); investment management costs were £278,000 (2024: £281,000). Net income for the year, before realised and unrealised investment gains, was £3,373,000 (2024: £2,190,000 net expenditure).

Any gains and losses incurred on the investment property and the investment portfolios are retained within the endowment funds. For the investment portfolios, net realised and unrealised gains were £1,802,000 (2024: £8,478,000).

The trustees confirm that the cash balances and investment funds were managed and invested in accordance with the trust deed, throughout the year.

Financing of grants

Grants are financed from income derived from rents, dividends and interest, and withdrawals from the investment portfolio. The trustees consider the Foundation has sufficient assets to fulfil its obligations.

Fundraising statement

The Foundation only fundraises with members of the Leathersellers' Company and Leathersellers' Alumni Network and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. When donations from individuals are received, the Foundation aims to protect personal data and never sells data or swaps data with other organisations. The Foundation manages its own fundraising activities. The Foundation undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2025, the Foundation received no complaints about fundraising activities.

Reserves Policy

The balance sheet shows total funds of £82,657,000 (2024: £76,982,000) comprising permanent endowment funds of £551,000 (2024: £550,000), expendable endowment funds of £80,981,000 (2024: £75,573,000), restricted funds of £10,000 (2024: £10,000), and general funds or 'free' reserves of £1,115,000 (2024: £849,000).

Although the expendable endowment is a capital fund by nature, it is held on terms which allow the trustees to draw on it to provide additional resources to fund charitable spending which cannot be fully met from income. It is anticipated that capital growth of the expendable endowment will, over the long term, exceed that required to protect it from the effects of inflation. On that basis, it will be appropriate to continue to allocate some of that growth to support expenditure without reducing the impact of the fund for future generations. There is, therefore, no strategic need to hold significant reserves and the general funds are considered sufficient to cover the day to day needs of the Foundation for liquid funds.

Investment Policy and performance

The Foundation's commitment is to continue long-term charitable giving. The investment strategy is to maximise total return over the long term in order to sustain this objective.

The leasehold land held as investment property is shown at market value as estimated by the trustees as at 31 July 2025 based on professional advice. It is the trustees' long held policy to retain an interest in property within the City of London. This provides a minimum rental income sufficient to provide approximately one fifth of the present commitment to charitable giving.

The equity investment portfolios are independently professionally managed to generate the maximum total return over the long term, consistent with prudent levels of risk. The equity investment portfolio managed by Cazenove Capital, the charity brand of Schroder & Co, with a mandate of:

- A global equity mandate with an ESG focus (meaning they utilise the Environmental, Social and Governance framework to evaluate performance on sustainability and ethical issues).
- The aim of the portfolio is "to provide capital growth by investing globally in shares of companies that are managed for the long term and account for their impact on stakeholders".
- The overall objective of the portfolio is to provide £2-3m, in addition to dividends, for grant giving (4-6% p.a. plus dividends).

The portfolio is run on a segregated basis and is managed by the same team that run the Schroder Global Sustainable Growth fund.

In the 12 months to 31st July 2025 the total return for the equity portfolio was 4.8% compared with a benchmark of 12.5% (MSCI AC World NR).

Budget allocations, Grant Making Policy and Responsibilities

The grant making policy, established in 2019-2020, provides a defined allocation of the Foundation budget for each year between the three giving Committees: Charity, Education and Leather Trade. Each of these Committees holds a defined remit with common grant making principles agreed that over-arch each area's strategy and work plan. These Committees receive reports on the funds they distribute and consider the impact those have in each area to ensure best use of funds. Each Committee is responsible for setting strategic aims for the year ahead and measuring success against those. The trustees receive recommendations and reports from each Committee and provide final approval for any funding decisions. This approach has yielded some excellent new initiatives as described above, whilst maintaining long-term, stable funding relationships at its core. The development of this approach will be reported on annually in the accounts.

Future plans

A budget has been set for Charitable giving of £4m for the year to 31 July 2026.

Impact Measurement Development

Alongside the development of the Impact Measurement Framework for our Education Portfolio, 2024-25 saw development of a Framework for the Charity Portfolio. In the year ahead a framework will be developed for Leather with the aim of providing stronger information to share with other funders and charities, and to inform future decision making.

Environmental, Social and Governance (ESG)

The Leathersellers' continues to identify ways in which the Foundation and the Leathersellers' Company can adapt and drive change in this area.

A review of our environmental impact identified actions already taken and what further steps were required to reduce our carbon emissions. Most significantly, the Leathersellers' Foundation's investment portfolio was moved to new fund managers with a specific ESG mandate. The result of this, as shown in a subsequent carbon audit covering three years of activity, was that emissions from investments decreased by 84%. The audit found an overall decrease in the Leathersellers' scopes 1, 2, and 3 emissions of 58% between 2021 and 2023 – largely driven by the change in the Foundation's investment portfolio.

As part of this commitment to decarbonisation, in January 2025 the Leathersellers' Company joined The Leathersellers' Foundation in moving investments to fund managers with a specific ESG mandate, thus avoiding companies and activities that create significant environmental harm. This represents the bulk of decarbonisation in Scope 3 emissions. The full effect of this action on carbon emissions will be included in the 2025 SBTi reporting year.

With both Corporate and Foundation investment portfolios now under active ESG management, short and longer-term strategies are being explored for reducing Scope 1 and Scope 2 emissions, such as 100% renewable and biogas electricity tariffs across the property portfolio.

Work to realise and reinforce our historic purpose as a platform for opportunity continues at pace, including our charitable ambition as a funder. Our Added Value Programme is a particular area of strength as we seek to offer support beyond grant funding. This year we were again able to offer use of Leathersellers' Hall for the benefit of partners and grantees by hosting events, from panel discussions and training days for grantees working to prevent and tackle the consequences of Adverse Childhood Experiences (ACEs) to organisations with similar ambitions, such as Black Talent Charter who held their first C-suite readiness conference at the Hall in partnership with corporate signatories and the Clothworkers' Company. The Leathersellers also supported attendance at the event by two grantee alumni, a governance partner from the Leathersellers' Federation of Schools and a member of the staff team.

Efforts have also been made to connect our alumni and education partners to opportunities to help advance social mobility. Recipients of the Foundation's undergraduate Student Grants Programme and Sixth Form students from the Leathersellers' Federation of Schools were introduced to our property advisors, Capital Generation Partners, resulting in three work experience placements.

Through our leather related grant making and partners, we aim to celebrate the sustainability of UK produced leather as an ethical material choice. Previous research has shown that out of 2,000 adults only 24% were aware that leather is made from hides or skin that is a by-product of the food industry that could otherwise end up in landfill, and half of the respondents wrongly assumed that animals were raised to produce leather from their hide.

Trustees' Report

As a Flexible Funder, we will continue to demonstrate transparency in our grant making through publication of our grants on 360Giving. In addition, we will share learnings and details of the impact of our unrestricted, multi-year funding model at pan-livery events and remain open to collaboration that may benefit our grantees.

The Leathersellers' Foundation took part in the Foundation Practice Rating, a project initiated to enhance the approach of all UK charitable foundations. Following detailed desktop review foundations are scored on diversity, accountability, and transparency and given an overall rating from A-D. The Leathersellers' Foundation received an overall B as part of the 2023/24 cohort. We will opt-in to the assessment in future years as part of a wider framework of continuous improvement.

The Leathersellers' Foundation was also awarded Highly Commended in the Grant Making Charity Foundations and Trusts Benchmarking Survey 2025, which is part of the Charity Excellence Framework.

Trustees of the Foundation sit on each of the three main Committees, which oversee the strategic delivery of our grant-giving. In the coming year we will continue to ensure Committee Chairs are aware of initiatives across the Foundation and ensure overarching cohesion of priorities and values.

Structure, governance and management

The Leathersellers' Foundation is an unincorporated trust, constituted under a trust deed dated 7 February 1979 and is registered with the Charity Commission, number 278072.

The Leathersellers' Company fulfils its role as trustee by way of its Court of Assistants (see page 3) and various working committees drawn from members of the Company. The decisions of the trustees are put into effect by the staff of the Foundation and the staff of the Leathersellers' Company. Day-to-day management is the responsibility of the Chief Executive & Clerk to the Company who is also a trustee.

The Leathersellers' Company keeps the skill requirements for the Trustee Body under review. In the event that a Court member retires, new members are elected from the Livery in accordance with the constitution of the Leathersellers' Company.

Following their election, newly appointed Court Members are briefed by the executive team on their role and responsibilities as members of the Trustee Body of the Leathersellers' Foundation. In addition, trustees receive a welcome pack which includes a copy of the trust deed, last year's annual report and accounts, and a copy of the Charity Commission's guidance to being a trustee. Periodic briefings and courses are also provided for trustees.

Key management personnel

The key management personnel of the Foundation in charge of directing and controlling the Foundation and running and operating the Foundation on a day-to-day basis are the trustees, the Head of Grants and the Head of Charity Grants. No trustee remuneration was paid in the year by the Foundation. The Chief Executive & Clerk is remunerated by the Leathersellers' Company. The remuneration of the Head of Grants and Head of Charity Grants is reviewed annually by the remuneration sub-committee of the Leathersellers' Company.

Risk management

The trustees have reviewed the major risks to which the Foundation is exposed relating to the operations of the organisation, its investments and its finances. The trustees believe that by examining the specific and general business and operational risks faced by the Foundation, by ensuring controls exist over the financial systems and safe custody of its assets and investments, and by monitoring its reserves, they have established effective means to mitigate those risks. The trustees are aware of the Foundation's continued reliance on services provided by the Leathersellers' Company and have sought and received assurance of their continuance.

The principal risk faced by the Foundation lies in the performance of investments. The trustees consider the variability of investment returns on the endowment funds to constitute the Foundation's major financial risk. This is mitigated by retaining expert investment managers and having a diversified investment portfolio.

Connected organisations

The Foundation is connected to other registered charities by virtue of common control and/or shared management. Details of connected organisations and transactions between the Foundation and its trustees and connected charities are given in Note 15 to the accounts.

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Foundation and of the income and expenditure of the Foundation for that period.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in 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);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and which enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 3 December 2025 and signed on their behalf by:

M D J Dove
Master
The Leathersellers' Company
(as Trustee)

M E Lawrence (as Trustee)
Chief Executive & Clerk
The Leathersellers' Company

Independent Auditor's Report to the Trustees of the Leathersellers' Foundation

Opinion

We have audited the accounts of The Leathersellers' Foundation (the 'Foundation') for the year ended 31 July 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the Foundation's affairs as at 31 July 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the Financial Reporting Council'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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 Foundation's ability to continue as a going concern for a period of at least twelve months from when the accounts 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 other information comprises the information included in the annual report and accounts, including the trustees' report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained

within the annual report. Our opinion on the accounts does not cover the other information and 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 accounts 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 accounts 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Foundation and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the Foundation'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 Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Foundation through discussions with those charged with governance and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the Foundation, including the Charities Act 2011 and the financial reporting framework referred to above; and
- we understood how the Foundation is complying with those legal and regulatory frameworks by making enquiries of management. We corroborated our enquiries through our review of the minutes of meetings of those charged with governance.

We assessed the susceptibility of the Foundation's accounts to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- performed analytical procedures to identify any unusual or unexpected financial relationships;
- tested journal entries to identify unusual transactions;
- performed substantive testing of expenditure including

testing the authorisation thereof; and

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

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

- reading the minutes of meetings of those charged with governance; and enquiring of those charged with governance and management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at 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 Foundation's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Foundation's trustees those matters we are required to state to them in an auditor's 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 Foundation and the Foundation's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott Audit LLP

Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date 5 December 2025

Buzzacott Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activities

Year to 31 July 2025

	Notes	General fund £'000	Restricted funds £'000	Expendable endowment funds £'000	Permanent endowment funds £'000	Total funds 2025 £'000	Restated Total funds 2024 £'000
Income							
Donations	15	418	219	5,505	—	6142	380
Investment income	1	1,611	24	—	—	1,635	1,482
Total income		2,029	243	5,505	—	7,777	1,862
Expenditure:							
Cost of raising funds							
Investment management costs		—	—	278	—	278	281
Expenditure on charitable activities							
Charitable grant making	2	3,883	243	—	—	4,126	3,771
Total expenditure		3,883	243	278	—	4,404	4,052
Net (expenditure) / income before transfers		(1,854)	—	5,227	—	3,373	(2,190)
Transfer between funds	10	2,120	—	(2,120)	—	—	—
Net (expenditure) / income before gains on investments		266	—	3,107	—	3,373	(2,190)
Unrealised gain/(loss) on investment property							
	5	—	—	500	—	500	(500)
Net realised and unrealised gains on investment portfolios							
	6	—	—	1,801	1	1,802	8,478
Net income and net movement in funds		266	—	5,408	1	5,675	5,788
Reconciliation of funds:							
Funds brought forward as at 1 August 2024 as previously stated							
	5	849	10	72,506	550	73,915	67,627
Prior year adjustments							
		—	—	3,067	—	3,067	3,567
Funds brought forward as at 1 August 2024 restated							
		849	10	75,573	550	76,982	71,194
Total funds carried forward as at 31 July 2025		1,115	10	80,981	551	82,657	76,982

Continuing operations

None of the Foundation's activities were permanently acquired or discontinued during the above two financial years.

Total recognised gains and losses

All recognised gains and losses are included within the Statement of Financial Activities.

Statement of Financial Activities

Year to 31 July 2024

	Notes	General fund £'000	Restricted funds £'000	Expendable endowment funds £'000	Permanent endowment funds £'000	Restated Total funds 2024 £'000
Income						
Donations	15	209	171	—	—	380
Investment income	1	1,460	22	—	—	1,482
Total income		1,669	193	—	—	1,862
Expenditure:						
Cost of raising funds						
Investment management costs		—	—	281	—	281
Expenditure on charitable activities						
Charitable grant making	2	3,583	188	—	—	3,771
Total expenditure		3,583	188	281	—	4,052
Net income/(expenditure) before transfers		(1,914)	5	(281)	—	(2,190)
Transfer between funds	10	2,124	—	(2,124)	—	—
Net (expenditure) /income before gains on investments		210	5	(2,405)	—	(2,190)
Unrealised losses on investment property	5	—	—	(500)	—	(500)
Net realised and unrealised gains on investment portfolios	6	—	—	8,435	43	8,478
Net income and net movement in funds		210	5	5,530	43	5,788
Reconciliation of funds:						
Funds brought forward as at 1 August 2023 as previously stated		639	5	66,476	507	67,627
Prior year adjustments	5	—	—	3,567	—	3,567
Funds brought forward as at 1 August 2023 restated		639	5	70,043	507	71,194
Total funds carried forward as at 31 July 2024		849	10	75,573	550	76,982

Balance Sheet

Year to 31 July 2025

	Notes	2025 £'000	2025 £'000	Restated 2024 £'000	Restated 2024 £'000
Fixed assets					
Investment property at market value	5		20,000		19,500
Investment portfolios at market value	6		62,504		57,138
			82,504		76,638
Current assets					
Debtors	7	192		304	
Cash at bank and in hand		224		318	
		416		622	
Liabilities					
Creditors: amounts falling due within one year	8	(263)		(278)	
Net current assets			153		344
Total assets less current liabilities			82,657		76,982
The funds of the Foundation					
Permanent endowment funds	9		551		550
Expendable endowment funds	10		80,981		75,573
Restricted funds	11		10		10
Unrestricted funds					
General fund			1,115		849
Total Foundation funds			82,657		76,982

Approved by the trustees on 3 December 2025 and signed on their behalf by:

M D J Dove
Master
The Leathersellers' Company
(as Trustee)

M E Lawrence (as Trustee)
Chief Executive & Clerk
The Leathersellers' Company

Statement of Cash Flows

Year to 31 July 2025

	Notes	2025 £'000	2024 £'000
Cash flows from operating activities:			
Net cash used in operating activities	A	(4,126)	(3,924)
Cash flows from investing activities:			
Investment income		1,635	1,482
Proceeds from the disposal of investments		23,811	15,516
Purchase of investments		(21,147)	(12,669)
Net cash provided by investing activities		4,299	4,329
Change in cash and cash equivalents in the year		173	405
Cash and cash equivalents at 1 August 2024	B	878	473
Cash and cash equivalents at 31 July 2025	B	1,051	878

Notes to the statement of cash flows for the year to 31 July 2025.

A Reconciliation of net movement in funds to net cash used in operating activities

	Notes	2025 £'000	Restated 2024 £'000
Net movement in funds (as per the statement of financial activities)		5,675	5,788
Adjustments for:			
Donation of Shares from the Company		(5,961)	—
Net gains on investments		(2,302)	(7,978)
Investment income		(1,635)	(1,482)
Decrease/(Increase) in debtors		112	(184)
Decrease in creditors		(15)	(68)
Net cash used in operating activities		(4,126)	(3,924)

B Analysis of cash and cash equivalents and reconciliation of net funds¹

	August 2024 £'000	Cash flows £'000	31 July 2025 £'000
Cash at bank and in hand	318	(94)	224
Cash held by investment managers	560	267	827
Total cash and cash equivalents	878	173	1,051

Principal Accounting Policies

Year to 31 July 2025

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 July 2025 with comparatives presented for the year ended 31 July 2024.

The comparatives have been restated as explained in note 5 to the accounts.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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 (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Foundation constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The only material item in the accounts where such judgements and estimates have been made is in respect to estimating the market value of the investment property based on professional advice.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect of a period of at least one year from the date of approval of these accounts.

The trustees of the Foundation have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Foundation to continue as a going concern. The trustees are of the opinion that the Foundation will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 July 2026, the

most significant areas that affect the carrying value of the assets held by the Foundation are the level of investment return and the performance of the investment and property markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

Income is recognised in the period in which the Foundation has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations and investment income, including rental income and income from listed investments.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Rental income is recognised on the accruals basis.

Donations are recognised when the Foundation has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the Foundation is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Foundation and it is probable that those conditions will be fulfilled in the reporting period.

Interest on bonds and funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation committing the Foundation to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds includes investment management fees based on a percentage of funds under management.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Foundation through the provision of its charitable activities. Such costs include charitable grants and support costs, including governance costs.

All expenditure is stated inclusive of irrecoverable VAT.

Charitable grants are made to registered charities and individuals and are one of two types; a single grant or a multi-year grant. All multi-year grants are subject to annual review.

Grants are charged in the year that the trustees approve them and they are communicated to recipients except for the portion of any multi-year grants which are subject to annual review. Provision is made for those grants which are unpaid at the period end. Grants which are subject to review in the year in which they are to be paid are disclosed as financial commitments (see note 13).

Allocation of support and governance costs

Support costs represent the general management and governance costs which are attributable to the selection of grant recipients, continuing liaison with them on the use of funds, their further needs and, in some cases, maintenance of staged payments.

Governance costs comprise the costs involving the public accountability of the Foundation (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs, including governance costs, are allocated in proportion to the grants payable.

Fixed asset investments

The Foundation's investment portfolios comprise basic financial instruments which are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date which for listed investments is the closing quoted market price.

As noted above the main form of financial risk faced by the Foundation is that of volatility in equity and other investment markets due to wider economic conditions, the attitude of

Principal Accounting Policies

Year to 31 July 2025

investors to investment risk, and changes in sentiment concerning investments and within particular sectors or sub sectors.

Properties held for investment purposes are included in these accounts at open market value. The valuation has been determined by the trustees, with professional assistance.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Foundation anticipates it will pay to settle the debt.

Fund structure

Endowment funds

Endowment funds comprise monies which must be held as capital. Permanent endowment funds must be permanently retained by the trustees and cannot be spent as if they were income. Where the trustees have a power of discretion to convert endowed capital into income, the fund is known as an expendable endowment. Income arising from endowment funds is credited to general funds and applied for general purposes, except where the terms of the endowment state that it must be used for specific purposes, when the income is credited to restricted funds.

Restricted funds

Restricted funds comprise monies which were raised for, or where their use is restricted to, a specific purpose, or contributions subject to donor imposed conditions.

General fund

The general fund comprises unrestricted accumulated surpluses and deficits on continuing activities. It is available for use at the discretion of the trustees in furtherance of the Foundation's objectives.

Pension costs

Contributions in respect of the defined contribution scheme are charged to the statement of financial activities in the year in which they are payable to the scheme.

Contributions in respect of the defined benefit scheme are charged to the statement of financial activities in the year in which they are payable to the scheme, as the scheme is a multi-employer scheme and it is not possible to identify, on a consistent and reasonable basis, the Foundation's share of the underlying assets and liabilities of the scheme.

Taxation

The Leathersellers' Foundation is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable and investing activities, as they fall within the various exemptions available to registered charities.

Notes to the accounts

Year to 31 July 2025

1 Investment income	General	Restricted	Total	General	Restricted	Total
	fund	funds	2025	fund	funds	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Rents from UK investment property	702	—	702	679	—	679
Income from investment portfolios	884	24	908	769	22	791
Bank deposit interest	—	—	—	2	—	2
Investment Interest	25	—	25	10	—	10
	1,611	24	1,635	1,460	22	1,482

2 Expenditure on charitable activities: charitable grant making

	Grants	Support	Total	Grants	Support	Total
	funds	funds	2025	fund	funds	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Grants Programme						
Charity – ACE Main Grants	1,495	177	1,672	1,005	120	1,125
Charity – Main Grants	471	56	527	775	93	868
Charity – Responsive Grants	122	14	136	106	12	118
Charity	2,088	247	2,335	1,886	225	2,111
Associated Schools – Colfe's School	187	22	209	239	29	268
Associated Schools – LFS (Leathersellers' Federation of Schools)	278	33	311	234	28	262
Associated Schools – Match Funding	16	2	18	13	2	15
Education – Early Years (joint with Merchant Taylors' Foundation)	120	14	134	100	12	112
Education Main Grants	137	16	153	22	3	25
Education – Higher Education Partnerships	63	7	70	63	8	71
Education – Student grants	261	31	292	240	29	269
Education	1,062	125	1,187	911	111	1,022
Leather – Conservation & Heritage	30	4	34	60	7	67
Leather – Education Partnerships	149	18	167	93	11	104
Leather – Leatherworking Apprenticeships	4	—	4	28	3	31
Leather – Makers Support	44	5	49	27	3	30
Leather – Students	3	—	3	—	—	—
Leather – Tannery Apprenticeships	—	—	—	9	1	10
Leather	230	27	257	217	25	242
Charity – Small Grants	200	24	224	220	25	245
City of London Partners	—	—	—	55	7	62
Discretionary Fund (MW)	32	4	36	30	4	34
Personal Giving Appeal	78	9	87	49	6	55
Total	3,690	436	4,126	3,368	403	3,771

Notes to the accounts

Year to 31 July 2025

2 Expenditure on charitable activities: charitable grant making (continued)

Analysis of grants payable	No.	2025 £'000	No.	2024 £'000
Grants Programme				
Charity – ACE Main Grants	62	1,495	45	1,005
Charity – Main Grants	23	471	45	775
Charity – Responsive Grants	5	122	13	106
Charity	90	2,088	103	1,886
Associated Schools – Colfe's School	1	187	1	239
Associated Schools – LFS (Leathersellers' Federation of Schools)	6	278	4	234
Associated Schools – Match Funding	25	16	29	13
Education – Early Years (joint with Merchant Taylors' Foundation)	5	120	5	100
Education Main Grants	8	137	2	22
Education – Higher Education Partnerships	2	63	8	63
Education	47	801	49	671
Leather – Conservation & Heritage	1	30	1	30
Leather – Education Partnerships	12	149	8	93
Leather – Leatherworking Apprenticeships	2	4	3	28
Leather – Makers Support	4	44	3	27
Leather – Tannery Apprenticeships	–	–	1	9
Leather	19	227	16	187
Personal Giving Appeal	1	78	4	49
Charity – Small Grants	46	200	52	220
City of London Partners	–	–	4	55
Discretionary Fund (MW)	9	32	16	30
Grants to institutions – total	212	3,426	238	3,098
Grants to individuals: Education	63	261	65	240
Grants to individuals: Leather Education	1	3	8	30
Total	276	3,690	311	3,368

Grants payable to individuals within Education include restricted expenditure of £67,000 (2024: £58,000) in respect of the University Exhibitions fund and £33,000 (2024: £32,000) in respect of the Relief of the Poor fund. Other restricted expenditure is £60,000 (2024: £50,000) for the Education Early Years programme run jointly with Merchant Taylors' Foundation, Jack Petchy Foundation £5,000 (2024: nil) and £78,000 (2024: £48,000) from the Leathersellers' Personal Giving Appeal. (See note 11).

2 Expenditure on charitable activities: charitable grant making (continued)

	2025	2024
Grants payable include the following grants of £20,000 or more.	£'000	£'000
Charity – ACE Main Grants		
Nottingham Central Women's Aid	28	25
With Kids	28	25
Open Door Young People's Consultation Service	28	25
Pandora Project	22	20
Yellow Brick Road Projects	28	25
Beyond the Horizon Charity	28	25
Dens Ltd	22	20
Children Heard and Seen	28	25
Support After Rape and Sexual Violence Leeds (SARSVL)	28	25
Young Roots	22	20
Trelya	28	25
CLEAR Emotional Trauma and Therapy Specialists	28	25
The Southmead Project	28	25
Tender Education and Arts	28	25
Baobab Centre for Young Survivors in Exile	28	25
Rising Sun Domestic Violence and Abuse Service	28	25
The Kids Network	28	25
Sheffield Womens' Counselling & Therapy Service	28	25
Harrow Club	28	25
Home-Start Wessex	28	25
A Way Out Limited	28	25
Body & Soul	28	25
Sister System	28	25
Kids Inspire	28	25
SAFE Foundation	22	20
MYTIME	22	20
Wilderness Foundation UK	22	20
The Green House	22	20
Dandelion Time	22	20
Power2 Ltd	22	20
Rape and Sexual Abuse Service Highland	22	20
Safety Net (UK)	22	20
Blue Cabin CIO	22	20
Solidarity Sports	22	20
South London Refugee Association	22	20
Moving On (Durham) Limited	22	20
R.O.S.A.	22	20
Knights Youth Centre	22	20
Swansea Women's Aid	22	20
MumsAid Maternal Mental Health	22	20
The KidsAid Foundation	22	20
Young Women's Outreach Project	22	20
Cambridge Acorn Project	22	20

Notes to the accounts

Year to 31 July 2025

2 Expenditure on charitable activities: charitable grant making (continued)

	2025	2024
	£'000	£'000
Grants payable include the following grants of £20,000 or more.		
St Mary's Centre Community Trust	22	20
We Stand	22	20
Impact Family Services	23	—
Carmarthen Domestic Abuse Services Ltd	23	—
Jigsaw	23	—
The Wish Centre	23	—
Changing Tunes	23	—
Imara CIO	23	—
Edinburgh Young Carers	23	—
Isle of Wight Youth Trust	23	—
Herts Young Homeless	23	—
Pure Insight	23	—
We Are Survivors	23	—
Families Outside	23	—
Free to Be Kids	23	—
The Churches Trust	23	—
CRASAC	23	—
Eye to Eye Counselling Service	23	—
Haven House Project	23	—
Charity – Main Grants		
The Bond Board	—	20
Fermanagh Women's Aid	—	20
Latin American Women's Aid Refuge	—	20
My Sister's Place	—	20
Port Talbot and Afan Women's Aid (Thrive Womens Aid)	—	20
Youth Adventure Trust	23	23
TGP Cymru (Tros Gynnal Plant)	25	25
The Big House Theatre Company	20	20
Street Teams	20	20
Moira Anderson Foundation	20	20
Leeds Women's Counselling and Therapy Service	25	25
Noa Girls	23	23
Insight Counselling	20	20
Manchester Action on Street Health	25	25
Football Beyond Borders	25	25
Valleys Kids	25	25
Blue Smile Project	20	20
Khulisa	20	20
Abandofbrothers	20	20
The Violence Intervention Project	20	20
Safeline Warwick	25	25
The National House Project	25	25
Safe and Sound Group	23	—
Burton Upon Trent & District YMCA	25	25

2 Expenditure on charitable activities: charitable grant making (continued)

	2025	2024
Grants payable include the following grants of £20,000 or more.	£'000	£'000
Shoreditch Trust	20	20
The Enthusiasm Trust	—	23
Responsive Grants		
Spark Inside Reintegration Grant	30	—
Key4Life CIO Reintegration Grant	30	—
The Switchback Initiative Reintegration Grant	30	—
Beating Time Reintegration Grant	30	—
Associated Schools – Colfe's School		
Colfe's School*	187	239
Associated Schools – LFS		
Leathersellers' Federation of Schools *	264	219
Education Early Years (joint with Merchant Taylors Foundation)		
Parent Village +	24	20
Early Years Alliance +	24	20
MammaKind +	24	20
National Literacy Trust +	24	20
Home Start Southwark +	24	20
Education Main Grants		
Power2Prevail Community	20	—
RISE UP (Talent RISE)	20	—
St Catherine's College, University of Oxford	32	32
Fitzwilliam College, University of Cambridge	32	32
Leather Conservation & Heritage		
The Leather Conservation Centre	30	30
Leather Education Partnerships		
London College of Fashion	27	27
De Montfort University	24	20
Cotmarsh Tannery CIC	23	—
Leather Makers Support		
Cockpit Arts	25	25
City of London Partners		
The Guildhall School Trust	—	25
Personal Giving Appeal		
Leathersellers' Federation of Schools *	78	—
Total of aggregate grants £20,000 and over	2,958	2,303
Other aggregate grants under £20,000	468	795
Grants to individuals under the Education Student Grants Programme	261	240
Grants to individuals under the Leather Education Programme	3	30
Total	3,690	3,368

Organisations marked * are 'connected organisations' as defined by the Charities SORP FRS 102.

Organisations marked + are grants made as part of the Early Years Education grant programme jointly run with the Merchant Taylors' Foundation.

Notes to the accounts

Year to 31 July 2025

3 Support costs	2025	2024
	£'000	£'000
Staff costs (note 4)	316	286
Leathersellers' Company management charge	45	42
Governance costs – Auditor's remuneration	15	15
Other costs	60	60
	436	403

4 Staff costs and remuneration of key management personnel	2025	2024
	£'000	£'000
Staff costs were:		
Salaries (including agency costs)	231	206
Social security costs	26	20
Pension contributions	53	54
Medical insurance	6	6
	316	286

The average number of employees during the year was 4 (2024: 4). One employee earned between £60,000 and £70,000 and one employee earned between £70,000 and £80,000 in the year (2024: 2 employees between £60,000 and £70,000) including taxable benefits but excluding employer's pension contributions and employer's national insurance contributions.

The key management personnel of the Foundation in charge of directing and controlling, running and operating the Foundation on a day to day basis comprise the trustees (including the Clerk to the Leathersellers' Company), the Head of Grants and the Head of Charity Grants.

No trustees received any remuneration or reimbursement of expenses from the Foundation for their services as a trustee. The Clerk is remunerated by the Leathersellers' Company. The employment costs of key management personnel, including taxable benefits, employer's pension contributions, employer's national insurance contributions, payable by the Foundation were £186,651 (2024: £173,612).

5 Investment property	2025	Restated 2024
	£'000	£'000
UK long leasehold land and buildings		
Market value at 1 August 2024 as previously stated	16,433	16,433
Prior year adjustment	3,067	3,567
Market value at 1 August 2024 as restated	19,500	20,000
Unrealised gain/(loss)	500	(500)
Market value at 31 July 2025	20,000	19,500
Historic cost of investment properties at 31 July 2025	4,977	4,977

The investment property was valued at its estimated market value by the trustees at 31 July 2025 based on professional advice. A prior year adjustment was made to reflect information that was available at the time and had not been taken into account. This has resulted in an increase in the unrealised loss of £500,000 and a decrease in the net income for the year ended 31 July 2024, of £500,000. The net assets and reserves as at 1 August 2023 have increased by £3,567,000.

6 Investment portfolios	2025	2024
	£'000	£'000
Investments		
Market value at 1 August 2024	56,578	50,947
Donation of shares from the Leathersellers' Company	5,961	—
Add: Purchases at cost	21,147	12,669
Less: Proceeds from sales	(23,811)	(15,516)
Net realised and unrealised gains	1,802	8,478
Market value of investments at 31 July 2025	61,677	56,578
Cash held by managers at 31 July 2025	827	560
Total market value at 31 July 2025	62,504	57,138
Total historic cost of investments at 31 July 2025	50,427	45,291
The investment portfolios at market value comprises:		
UK investments listed on a recognised stock exchange (Cazenove & M&G)	7,348	9,901
Overseas investments listed on a recognised stock exchange (Cazenove & CCLA)	54,303	46,626
Unquoted investments (Goldman Sachs)	26	51
Total investments	61,677	56,578
Cash	827	560
	62,504	57,138
The quoted investments are held:		
Directly	61,100	55,977
Indirectly, through unit and investment trusts	551	550
	61,651	56,527

6 Investment portfolios (continued)

The following investment holdings were material in the context of the investment portfolios as at 31 July 2025:

	2025 £'000	2025 %	2024 £'000	2024 %
Microsoft Corp	5,100	8.3	4,074	7.2
Alphabet Inc	3,292	5.4	2,891	5.1

7 Debtors	2025 £'000	2024 £'000
Amounts owed by the Leathersellers' Company	15	15
Prepayments and accrued income	177	56
Other debtors- Shares in specie	—	233
	192	304

8 Creditors: amounts falling due within one year	2025 £'000	2024 £'000
Accruals for grants payable	—	1
Amounts owed from tenant	21	21
Accruals and deferred income	193	227
Taxation and social security	14	3
Other creditors	35	26
	263	278

9 Permanent endowment funds	Balance at 1 August 2024 £'000	Gains and losses £'000	Balance at 31 July 2025 £'000
Ann Elliott and Others Trust	550	1	551
	Balance at 1 August 2023 £'000	Gains and losses £'000	Balance at 31 July 2024 £'000
Ann Elliott and Others Trust	507	43	550

The permanent endowment fund represents 41% of the endowments of the Ann Elliott and Others Trust, transferred under a Charity Commission Scheme dated 6 November 2006. Income arising on the endowment fund is to be used for educational grants to individuals and is therefore credited to restricted funds.

10 Expendable endowment funds

	As previously Stated 1 Aug 2024 £'000	Prior Year Adjustment £'000	Restated Balance at 1 Aug 2024 £'000	Income £'000	Expenditure, gains and losses £'000	Transfers £'000	Balance at 31 July 2025 £'000
The Leathersellers' Foundation Funds	72,506	3,067	75,573	5,505	2,023	(2,120)	80,981

	As previously Stated 1 Aug 2023 £'000	Prior Year Adjustment £'000	Restated Balance at 1 Aug 2023 £'000	Income £'000	Expenditure, gains and losses £'000	Transfers £'000	Balance at 31 July 2024 £'000
The Leathersellers' Foundation Funds	66,476	3,567	70,043	—	7,654	(2,124)	75,573

The expendable endowment funds represent an original amount of £15,170,000 enhanced by an additional amount of £500,000 and the current year donation of £5,505,000, together with realised and unrealised gains. The trustees have the power to spend the capital; income arising on the funds is credited to unrestricted funds. The costs of running the portfolio comprises the investment management costs of £278,000 (2024: £281,000). The transfer of £2,120,000 (2024: £2,124,000) from the expendable endowment funds to the general fund represents a withdrawal of £2,100,000 (2024: £2,100,000) from the quoted investment portfolio and realisations of £20,000 (2024: £24,000) from the unquoted portfolio.

Notes to the accounts

Year to 31 July 2025

11 Restricted funds	Balance at 1 August 2025 £'000	Income £'000	Expenditure £'000	Balance at 31 July 2025 £'000
University Exhibitions fund	5	62	(67)	—
Relief of the Poor fund	—	33	(33)	—
Leathersellers' Personal Giving Appeal	—	78	(78)	—
Merchant Taylors' Foundation Early Years Joint Programme	—	60	(60)	—
Jack Petchey Foundation student funding	5	10	(5)	10
	10	243	(243)	10

	Balance at 1 August 2023 £'000	Income £'000	Expenditure £'000	Balance at 31 July 2024 £'000
University Exhibitions fund	5	58	(58)	5
Relief of the Poor fund	—	32	(32)	—
Leathersellers' Personal Giving fund	—	48	(48)	—
Merchant Taylors' Foundation Early Years Joint Programme	—	50	(50)	—
Jack Petchey Foundation student funding	—	5	—	5
	5	193	(188)	10

The University Exhibitions fund represents income from the Robert Rogers Educational Foundation and income arising from the endowments of the Ann Elliott and Others Trust.

The Relief of the Poor fund represents income arising from the Robert Rogers and Elizabeth Grasvenor Trust. These funds are to be expended in the form of grants to individuals as specified in the original trust deeds.

The Leathersellers' Personal Giving fund represents donations from liverymen and freemen and match funding from The Leathersellers' Company which is expended on specific charities as voted by the livery.

The Leathersellers' Company received £60,000 towards the Early Years Education grant programme from the Merchant Taylors' Foundation, with whom this programme is being jointly run. This money was spent in the year as part of the £120,000 Education Early Years grants shown in Note 2.

12 Analysis of net assets between funds

	Permanent endowment funds £'000	Expendable endowment funds £'000	Restricted funds £'000	General fund £'000	Total 2025 £'000
Investment property	—	20,000	—	—	20,000
Investment portfolios	551	60,981	—	972	62,504
Debtors	—	—	—	192	192
Cash at bank and in hand	—	—	10	214	224
Creditors	—	—	—	(263)	(263)
	551	80,981	10	1,115	82,657

	Permanent endowment funds £'000	Expendable endowment funds £'000	Restricted funds £'000	General fund £'000	Total 2024 £'000
Investment property	—	19,500	—	—	19,500
Investment portfolios	550	56,073	—	515	57,138
Debtors	—	—	—	304	304
Cash at bank and in hand	—	—	10	308	318
Creditors	—	—	—	(278)	(278)
	550	75,573	10	849	76,982

13 Financial commitments

As at 31 July 2025, grant commitments payable from future income are as follows:

	2025 £'000	2024 £'000
Payable in the year ending 31 July:		
2025	—	2,533
2026	2,718	1,525
2027	1,766	755
2028	897	80
2029	229	—
	5,610	4,893

Notes to the accounts

Year to 31 July 2025

14 Pension scheme

The Leathersellers' Company operates a defined benefit scheme, "The Leathersellers' Company (1973) Pension Fund", for its former employees, and for the former employees of its associated charities, including the Foundation. The scheme was closed to new members with effect from 31 December 2002 and has been closed to future accrual from 31 July 2019. New employees are able to join a defined contribution scheme. Accordingly, there were no active members of the defined benefit pension scheme as at 31 July 2025 (2024: none).

This scheme is a multi-employer scheme. It is not possible to identify the Foundation's share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The scheme has therefore been accounted for as a defined contribution scheme. Two former employees of the Foundation are pensioner members of the scheme but the Foundation has made no contributions to the scheme in the year (2024: £nil).

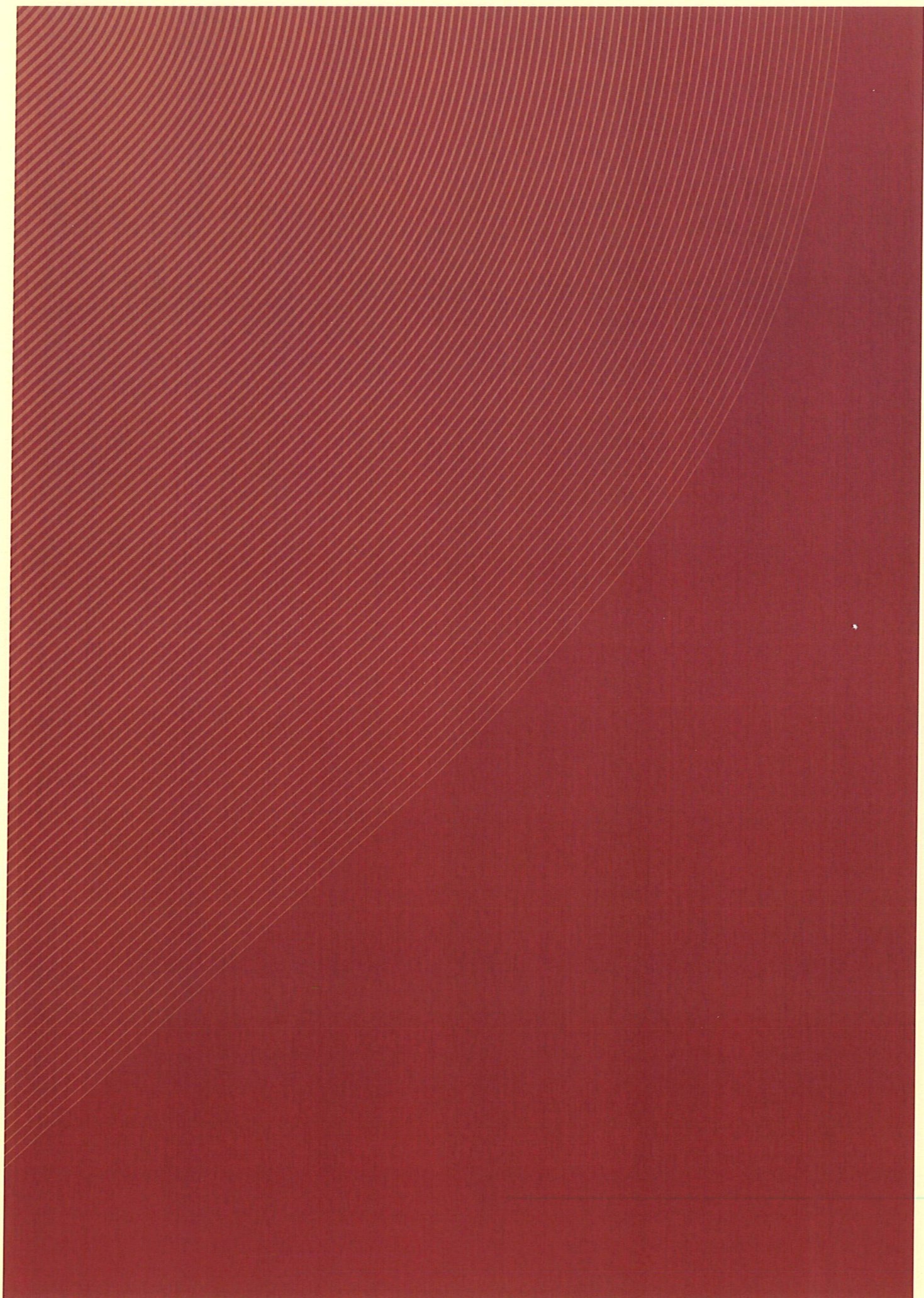
15 Related party transactions

There are two leases between the Leathersellers' Company and the Foundation which have been in place throughout the year. The rent payable to the Company under these leases is a proportion of rents received by the Foundation in the year. The rent receivable is shown net of the rent payable as both relate to the same property. During the year, the rent payable by the Foundation to the Company was £123,814 (2024: £119,823) and the Foundation was charged a management charge of £45,000 (2024: £42,000) by the Company. At the year end, rent prepaid to the Company totalled £15,000 (2024: £15,000).

During the year, the Foundation received donations from the Leathersellers' Company in the form of listed shares with a total value of £5,961,000 (2024: £233,000). This included £5,505,000 (2024: nil) expendable endowment donation, a general grant from the Company of £311,000 (2024: £114,000), restricted matched funds of £39,000 (2024: £24,000), and a contribution towards operational costs of £95,000 (2024: £95,000). All donations were recognised at fair value on the date of transfer. Donations from members of the Court of Assistants totalled £11,765.

There were two connected charities (2024: two) which received grants during the year. Colfe's School was awarded grants of £187,000 (2024: £239,000). The Leathersellers' Federation of Schools was awarded grants of £356,000 in 2025 (2024: £234,000).

Income for the year of £38,000 (2024: £35,000) was received for the University Exhibitions fund from The Robert Rogers Educational Foundation (for which the Leathersellers' Company is the sole trustee) and £33,000 (2024: £32,000) from the Robert Rogers and Elizabeth Grasvenor Trust (for which the Leathersellers' Company is the sole trustee). There were no other related party transactions in the year or prior year.





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The Leathersellers' Foundation

England & Wales - Charity number 278072

Accounts

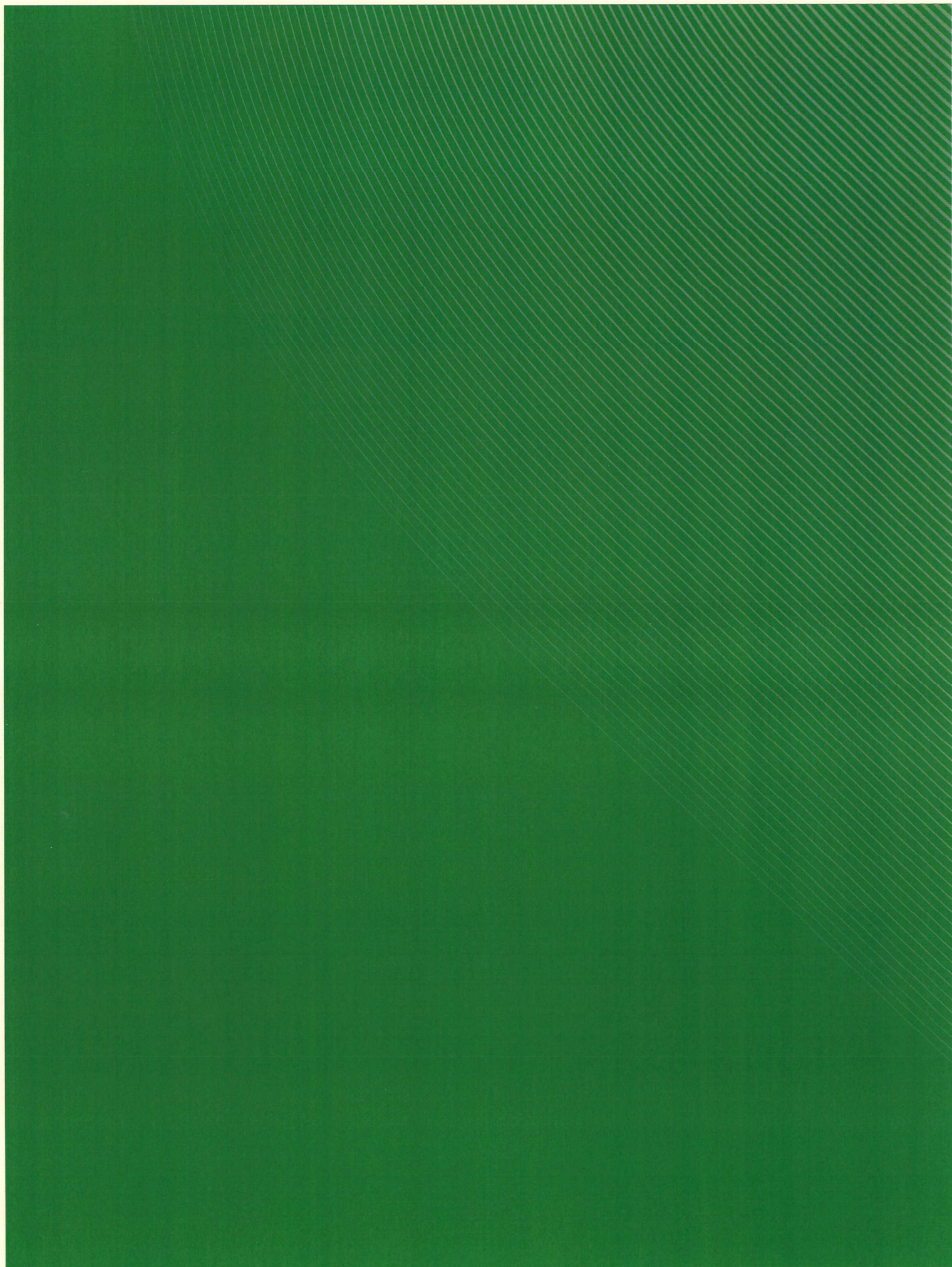


THE
LEATHERSELLERS'
FOUNDATION



ANNUAL REPORT & ACCOUNTS

31 July 2024



Contents

Report

Legal and administrative information	2
Members of the Court of Assistants	3
Trustees' report	4
Independent auditor's report	15

Accounts

Statement of financial activities	18
Balance sheet	20
Statement of cash flows	21
Principal accounting policies	22
Notes to the accounts	25

Legal and Administrative Information

Trustees The Wardens and Society of the Mistery or Art of the Leathersellers of the City of London ('the Leathersellers' Company'). The management of the Leathersellers' Company and its function as Trustee is carried out through its Court of Assistants. Members of the Court of Assistants are listed on page 3.

M E Lawrence (Chief Executive & Clerk to the Leathersellers' Company).

Address 7 St Helen's Place, London EC3A 6AB

Auditor Buzzacott LLP
130 Wood Street, London EC2V 6DL

Principal Banker HSBC Bank plc
1-3 Bishopsgate, London EC2N 3AQ

Investment Manager Cazenove Capital / Schroder & Co. Ltd
1 London Wall Place, London EC2Y 5AU

Solicitor Farrer & Co LLP
66 Lincoln's Inn Fields, London WC2A 3LH

Members of the Court of Assistants

To 24 July 2024

M G Williams	Master
R N Tusting MA Cantab **‡	Second Warden
J P K Russell **†	Third Warden ^
N O Preston †	Fourth Warden ^

C J Lennon ‡
 C P Barrow
 M L B Emley
 M P E Pellereau BSc FRICS †
 M W Pebody BA
 I A Russell MBE ‡ (resigned 4 January 2024)
 A A Barrow *
 M J Bradly Russell FCA
 C C Barrow †
 J A M Muirhead OBE DL ‡
 G G Bacon
 M D J Dove BA FCA AKC
 D H Barrow
 W J C Lang †
 R J Chard *
 Dr T J C Fooks FRCGP
 H G Williams
 S M G Williams
 C T G Williams *
 W R J Cock
 A E Tusting †
 M T Berman *

From 6 March 2024

J S Holmes *
 J D G Curtis

From 24 July 2024

R N Tusting MA Cantab	Master
M D J Dove BA FCA AKC * † ‡	Second Warden
R T Preston **†	Third Warden ^
S Cheng KC †	Fourth Warden ^

M G Williams
 C J Lennon *-
 C P Barrow
 M P E Pellereau BSc FRICS †
 M W Pebody BA
 A A Barrow *
 M J Bradly Russell FCA
 C C Barrow †
 J A M Muirhead OBE DL ‡
 G G Bacon
 D H Barrow
 W J C Lang
 R J Chard *
 Dr T J C Fooks FRCGP †
 H G Williams
 S M G Williams
 C T G Williams *
 W R J Cock
 A E Tusting †
 M T Berman *
 J S Holmes *
 J D G Curtis

From 4 December 2024

A B Brueggemann
 C J V Williams

^ The Third and Fourth Wardens are Ex-Officio Members of the Court

* Members of the Charity Committee

† Members of the Education Committee

‡ Members of the Leather Trade Committee

‡ Chair Student Grants

Trustees' Report

The trustees present their annual report and accounts of The Leathersellers' Foundation ("the Foundation") for the year ended 31 July 2024. The accounts have been prepared in accordance with the accounting policies set out on pages 22 to 24 of the attached accounts and comply with the Foundation's trust deed, 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 Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Objectives and activities for the public benefit, including grant making policy

The Leathersellers' Foundation's Declaration of Trust states that the "Trustees shall apply the Trust Fund and the income thereof for such purposes and objects being charitable at law as they in their absolute and uncontrolled discretion shall determine from time to time". The trustees and executive team undertook a strategic review in summer 2023 resulting in an update of the wording regarding the Foundation's aims and objectives as below. The trustees confirm that they have considered the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives.

The overarching aim of The Foundation is:

To enable individuals and communities by working with charities; to foster opportunity through education; and to support the UK leather trade.

The objectives of The Foundation are:

1. To be a best practice funder, demonstrating trust, transparency and flexibility, to create the most added value for our grantees
2. To provide sound financial stewardship
3. To drive impact and long-term change in our funded areas
4. To leverage the added value of the Leathersellers' community

Grants are awarded by the trustees on the recommendation of its Charity, Education and Leather Trade Committees, which include a number of trustees. The trustees set a budget for charitable giving at the start of the financial year, following a yearly review of each grant-making Committee and consideration of the Foundation's investment assets.

Charitable grants are made to registered charities, charitable incorporated organisations, other incorporated organisations and institutions as well as to individuals, and are one of two

types: a single grant or a multi-year grant. All multi-year grants are subject to annual review. Of grants awarded in 2023-2024, 92% by value were to organisations and 8% were to individuals. Each of the main giving areas (Charity, Education and Leather) has their own strategy, grounded on shared values and all contributing to the overarching aim and objectives listed above.

Charity giving is led by a five-year strategy from 2022-2027. This commits 80% of new main charity grant funding to the alleviation of suffering due to, or the prevention of, multiple Adverse Childhood Experiences (ACEs). Successful applicants are able to demonstrate evidence of the effectiveness of their approach, how lived experience informs and improves their work, and how the need for support is affected by location and demographics. The remaining 20% is allocated to a Responsive Fund for single year grants with a new focus decided each year dependant on emerging needs or crisis situations where one-off, single year support can be of assistance. In 2023-2024 Responsive Grants focused on supporting charities through offering training to understand practical ways to reduce their carbon footprint and associated costs, as well as capital grants in support of some of the improvements then identified.

Education giving is focused on a core objective of social mobility, with work undertaken in recent years to clarify the Leathersellers' definition of that and build a comprehensive Theory of Change and Impact Framework. The majority of funds being distributed in this area are through programmes with long-term partners including Colfe's School and the Leathersellers' Federation of Schools, as well as the flag-ship Student Grants programme that pre-dates the Foundation and has been running since 1604. Additional areas of interest continue to be access to university and post-graduate studies, as well as a new targeted programme for early years education, assisting to reduce developmental gaps for young children (0-5) from low-income households.

Leather giving is newly refocused following a pivotal time of reflection in 2023-24 with some significant changes in the wider landscape coinciding with a strategic review of our work in leather. Whilst leather production and working has been central to the Leathersellers since 1444, what that looks like in the modern world and how best the Leathersellers' support could be channelled warranted time and effort to be invested. The Leathersellers' ambition is to support a thriving, sustainable and connected leather industry offering opportunity to tanners, designers, makers and conservators. Underpinning the strategy

is the fact that leather is a sustainable and versatile material with a multitude of uses in the fashion, automotive, furniture, aerospace, footwear, orthopaedic, equine and other industries. Created from a by-product of the meat industry, the tanning industry provides a vital function in producing a luxurious and durable material from a waste product that would otherwise be sent to landfill.

Achievements during the year

2023-24 was a year of growth and development for the Leathersellers' Foundation with a renewed momentum in existing as well as newer areas of work. Having grown the staff team in summer 2023 a number of new initiatives were undertaken alongside delving deeper into existing programmes. With an overarching strategy setting the scene, and then each of three grant making areas having their own strategic aims, the ambition of the Foundation to make a difference through philanthropy and connection is clear. A small snapshot of the range of activities undertaken is below and it is hoped provides an insight into the complex and interesting fields of focus.

Looking at the bigger picture, across all areas of work some cross-cutting themes were:

Building on key strengths and heritage of learning

All programmes and approaches are based on learning from what came before, and this year saw this develop further, with opportunities for evaluation and reflection at every stage of the process – planning, application, assessment, delivery and reporting. Whilst this has included greater measurement in some areas, it is carefully considered to minimise the impact on our grantee partners, remain proportional and be useful to both parties.

Best practice: Flexible Funders 8 Commitments

Since 2021, the ambition to achieve best practice in process and procedure for grantees is monitored practically through the application of the IVAR eight Flexible Funder Commitments. The principles and practice are now embedded across all areas of work and with regular external reviews.

Transparency and Openness

Developing a new Leathersellers' website enabled improved communication regarding the Foundation's giving through the frame of the grants programmes (now uniformly used across

the accounts, annual review, on 360 Giving and on the website). A map highlighting geographic spread and a table of giving for the last year will be available online in the coming months. The Foundation's grant making data is accessible and transparent via 360Giving, updated every six months meaning the information is available both to the public, but also for charities, researchers and other funders. Transparency was noted as an area of strength in the external and independent review undertaken by the Foundation Practice Rating.

EDI – Equity, Diversity and Inclusion

The Foundation's work continues to support the Leathersellers' Company in its effort to be an open, engaged and responsive organisation. The new website has vastly improved accessibility for grantees and applicants, with the majority of content fully accessible including to screen readers and those using assistive technology. Tested independently, it is fully compliant with the Web Content Accessibility Guidelines (WCAG) version 2.0 AA standard and is partially compliant with the WCAG version 2.0 AAA standard. The website text has been written to be simple to understand and adaptations made in response to feedback from applicants during our grants process. To ensure continued learning and identification of any areas where groups may be unintentionally excluded from applying, data collection has been improved and reflection is embedded in each of the Grants Committees' practice.

Collaboration with other Funders

Representatives of the Foundation continue to actively engage in a number of collaborative groups from London Funders or special interest initiatives to pan-livery groups. A number of formal and informal joint ventures, such as the work with the Merchant Taylors' Foundation on Early Years as explained below, have originated through these and the exchange of knowledge and ideas proven useful, and so time is given as and when possible. Hosting events at Leathersellers' Hall for the wider sectors within which the Foundation operates, also provides networking opportunities with venue and catering costs donated in-kind by the Leathersellers' Company. The benefit of raising awareness of the Foundation's programmes to a range of stakeholders through these events has proven beneficial, enabling the recent involvement of the Jack Petchey Foundation with the Student Grants Programme.

Sustainability

The Leathersellers' Company and Foundation continue to review all aspects of their work including both physical

Trustees' Report

operations and investment assets with regard to various environmental, social and governance criteria to achieve a sustainable and responsible operation. The Foundation has further supported the drive to encourage environmental sustainability through the responsive grants programme and a broader learning session with experts at Link and Learn 2024.

Overview of 2023-24 Grant Funding

Highlights from each of the three core funding areas; Charity, Education and Leather are below with detail of the most significant grant funding programmes provided. The trustees hope is that these show the continuing evolution and progress in the Foundation's work, as well as an exciting range of activity. Rooted in tradition, supported by a wealth of experience and knowledge from Livery members and partners, the Foundation has sought to add value across the UK for all communities in 2023-24.

Grants, analysed by type, as defined on the previous page, are as follows:

	2024		2023	
	£'000	No.	£'000	No.
To organisations				
Single	476	122	599	113
Multi-year	2,622	116	2,324	117
Organisations sub-total	3,098	238	2,923	230
To individuals	270	73	273	80
Total grants awarded in year	3,368	311	3,196	310

Grants analysed by Grants Programme are as follows:

	2024		2023	
	£'000	%	£'000	%
Grants Programme				
ACE Charity Main Grants	1,005	30	585	18
Associated Schools - Colfes School	239	7	246	8
Associated Schools - LFS	234	7	293	9
Associated Schools – Match Funding	13	-	5	-
Charity Main Grants	775	23	1,051	33
City of London Partners	55	2	50	2
Pastmasters Nominations	-	-	24	1
Education Early Years (joint with Merchant Taylors' Livery Company)	100	3	-	-
Education Main Grants	22	-	-	-
Education Partnerships	63	2	83	3
Education – Student grants	240	7	242	8
Discretionary Fund (MW)	30	1	7	-
Leather Conservation & Heritage	60	2	51	2
Leather Education Partnerships	93	3	73	2
Leather Makers Support	27	1	55	2
Leather Tannery Apprenticeships	9	-	9	-
Leatherworking Apprenticeships	28	1	28	-
Personal Giving Appeal	49	1	43	1
Responsive Grants	106	3	150	5
Small Grants	220	7	201	6
Total	3,368	100	3,196	100

Charity Main Grants – Adverse Childhood Experiences

2023–24 saw the delivery of the second year of the five-year Adverse Childhood Experiences (ACE) strategy. ACE is a research-informed area of work with a global body of evidence. Research demonstrates widely the lasting impact that traumatic experiences have on children or young people for the rest of their lives, not simply affecting their future behaviour or emotions, but with considerable negative effects on their mental and physical health and educational and career success. People who have experienced six or more ACEs have a life expectancy that is 20 years lower than that of the average population. Multiple ACEs prevent individuals from achieving their potential, in opposition to a core aim of our Foundation's work.

Following learning from the initial year of the programme, with a number of applicants failing due to not having ACEs as their core focus a new approach incorporating a shorter expression of interest stage was trialled. On receiving 377 expressions of interest within a two-week period, 46 organisations were then invited to make full applications. Requiring additional resource from the team, the potential time saved for charities far outweighed the burden. Of those 46, following in-depth assessments and visits involving both Committee members and the Grants team, 21 new multi-year grants were recommended and approved by the Foundation's Trustees.

As the first year of reporting for the 24 organisations successfully funded in 2022-23, clear outcomes and measures for the ACE strategy were codified and through conversational reporting a better understanding of the impact of the target funds is being built.

Charity Responsive Fund – Sustainability

Whilst the value of multi-year, unrestricted funds is greatly appreciated at the Foundation, recent years have demonstrated challenges and priorities can change in an instant. For this reason, the trustees set aside a proportion of giving for single-year grants in response to emerging need. Steered by feedback from grantees, as well as understanding the broader funder landscape in this area, in 2023-24 this was directed at the challenge of sustainability, enabling charity grantees to benefit from a three pronged offering:

- upskilling teams from 20 organisations on energy efficiency and environmental impact knowledge through carbon literacy training and certification
- help to identify potential savings and improvements through providing 15 energy audits
- capital improvement grants totalling over £90,000 in 11 awards

Small Grants Programme

2023-24 saw £220,000 of funding awarded to 52 small charities working across the four nations of the UK, with an average grant of £4,230. The programme recognises the crucial difference small charities make to communities in supporting their most vulnerable members. In line with the approach in recent years, groups with an income of less than £200,000 supporting vulnerable people in areas of high deprivation were eligible to apply for one-year grants. Members of the Young Livery continued to play a significant role on this Committee, with both Liverymen and Freemen under the age of 40 involved.

Education – Colfe's School

Based in South-East London, Colfe's is one of London's oldest schools and has been closely linked with the Leathersellers' Company since the 17th century when the Founder of the school, Abraham Colfe, entrusted the school to the Company in his will. Now an independent school with around 1,300 pupils, the Company remains the sole member and appoints a number of Liverymen to the school's governing board to support good governance and ensure the high standards of education are maintained. The grant of £239,000 supports the provision of 'Leathersellers' Scholarships' which enables able pupils from local state schools to study for their A-levels at Colfe's and utilise the facilities, extra-curricular activities and careers support during those two years. More information and testimonials are available on the school's website at <https://www.colfes.com/why-colfes/leathersellers-scholarships/>

Leathersellers' Federation of Schools

The Leathersellers' Federation of Schools develops the vision of Joseph Prendergast who founded Lewisham's first girls' secondary school in 1890, on a site provided by the

Trustees' Report

Leathersellers' Company. The Federation now consists of three secondaries, two primary and one sixth form, drawn together under three schools: Prendergast School, Prendergast Ladywell School and Prendergast Vale School, based in South-East London. All state-funded schools, they share a common set of goals and values, and provide excellent academic education and personal support to over 3,000 pupils.

The Federation schools continue to thrive with each year bringing fresh challenges and opportunities, with our strong collaborative relationship allowing for a range of formal and informal initiatives. Only at early consultation stage at the time of last year's accounts, the process of considering becoming a Multi-Academy Trust (MAT) came to fruition in January 2024 with the new governance structure involving Leathersellers' Company members across a range of positions, and with the Company as joint corporate member. The opportunities presented by the new structure, allowing for a greater degree of independence, development and improvements in systems etc mostly will remain unseen as with much of the important ongoing management of the schools, with remarkably little disruption to ongoing day-to-day activities. Considerable efforts were made to ensure the recruitment of a diverse group of high-quality members for each level of the new governance structure which have now almost all been filled.

The Foundation's funding enabled the schools to continue the crucial support work provided through the unrestricted grants, the intensive academic and confidence building scholarships providing access to a range of extra-curricular activities as well as continued provision of the breakfast club, ensuring physical and mental readiness at the start of each school day to begin learning. Complementary to, but distinct from the Early Years programme described below, Prendergast Ladywell Primary also proposed and received two -year funding towards a new, evidence-based initiative to improve school readiness supporting families with incoming reception pupils from the term before they start, throughout that first year. Gathering evidence and learning from that project will be crucial to understanding which elements make a difference and should be prioritised into the future.

Match funding

Funds are made available to both Colfe's School and the Leathersellers' Federation of Schools to provide 'match funding' to encourage the fundraising efforts of pupils and teachers throughout each academic year. In 2023-24 almost £13,000 was raised (and therefore matched) for a variety of causes by pupils at the schools through a range of physical, mental, group and individual challenges. This is a substantial increase on the year before and with up to £20,000 available annually, the Trustees hope the schools will be able to continue to increase their activities and maximise this opportunity in years to come.

Student Grants or Under-Graduate Scholarships also known as the 'University Exhibitions Scheme'

This programme of funding begun in 1604 by the Leathersellers' Company and there is a historical record of recipients dating up to 1950 available on the Leathersellers' website. With the ever-increasing cost of living impacting students considerably, the Foundation's support in 2023-24 was needed more than ever, with the number of students reducing slightly in reflection of the increased financial support needed. 67 students were supported at various stages of undergraduate study across a variety of courses at 46 different universities across the UK. As before the cohort represents a wide range of life experience, motivation and demographics, with some insight to this given by the charts provided in the Leathersellers' Review 23-24 (available at www.leathersellers.co.uk)

Considering both the level and complexity of need, as well as the evidence of impact, the Committee committed to continuing the focus on prioritising care-leavers when assessing new applicants (alongside school alumni) for the next three years of under-graduate scholarships. Building on the foundations created in the initial focus year in 2023 enabled the support element of the programme for care experienced young people to expand to include offering a bespoke pre-application webinar and some wraparound support through Become (a new charity partner). Whilst a myriad of challenges face those who have spent a period of their childhood in the care of the local authority, the focus of study for many is the ways to give back and support others facing hardship be that through social work, public policy or health/social care.

A new partnership was also built with the Jack Petchey Foundation. Having been inspired by stories of the individual grant recipients' challenges and achievements, their trustees chose to contribute a further £5,000 towards the overall Leathersellers' Foundation budget of £240,000 budget per year for the next three years. This is to contribute £1,000 each towards five students, selected as part of the Leathersellers' process, giving those students the additional recognition of becoming a joint Jack Petchey and Leathersellers' scholar. Focused on their area of charitable work (working with state school pupils in London and Essex) the initial grants have been awarded for 2024-25 and the trustees are keen to develop this collaborative work further. The Jack Petchey Foundation is a charity that was set up to inspire and celebrate young people and their achievements. Sadly the founder, Jack Petchey CBE passed away in July 2024; however the work of the Jack Petchey Foundation continues, having invested over £170million in young people since 1999.

Early Years Education Joint Programme

Founded on the knowledge gathered by the social mobility landscape review and resulting portfolio analysis in previous years, 2023-24 saw the Education Committee considering how best to support Early Years Education (up to 5 years old). With strong evidence of the lasting impact and importance of supporting parents/carers and infants during this rapid period of brain development, the trustees of both the Leathersellers' Foundation and the Merchant Taylors' Foundation recognised the need for a targeted funding programme. Staff and members of both Liveries worked closely together to design and implement a well-received open application process considering almost 30 proposals for projects to provide educational opportunities to young children from low income families in Lewisham. Both companies have a legacy of supporting the Lewisham community with a growing network in the education and charity community there, so the strategic geographical focus enabled local context to be taken into account alongside evidence-based plans for activities to reduce developmental gaps.

Following thorough assessment and joint visits, five charity partners were identified and provided with a minimum of two years funding to support a range of activities and approaches,

from more direct play-based provision to indirect enabling of access to opportunities e.g. via provision of essential items including prams, books and toys to the most disadvantaged children, as well as inclusive SEN focused support. The Foundation is looking forward to working with these partners over the next two years, learning of their challenges and successes, and sharing that learning both to improve what charities provide and development of future funding programmes.

City Education Partners

In recognition of the long-standing commitment by the Leathersellers to contributing to the City of London, working with partners to support a shared charitable, civic and cultural landscape, there has been a considered shift in how the Foundation consider grants for City based initiatives. From 2024-25 these will be funded by the Leathersellers' Company, rather than under the Education strand of the Foundation, allowing for wider contextual considerations beyond those of the social mobility strategy. Current grant agreements stand with the last year having seen the Foundation support be used to enable City University to provide emergency accommodation for students, five Guildhall School of Music scholarships to be utilised, a Leathersellers' Chorister to study at St Paul's Cathedral and to provide opportunities for finance and business leaders of the future via the Mansion House Scholarship programme.

Leather Education Partnerships

In relation to grants given, the successful formula of combining support for leatherworking skills and understanding by fashion and design students through masterclasses alongside awards to celebrate innovative and exceptional use of leather in student work continues at pace at both De Montfort University and London College of Fashion, alongside Masters scholarships being provided through the RCA (Royal College of Art) for those facing hardship and working with leather as part of their studies. A new partnership began with the Designer Bookbinders to support their efforts over the last five years in re-introducing leatherworking skills connected to bookbinding to students and tutors of art and design courses in three key universities including Glasgow School of Art. Continuing to be supported by the Clothworkers' Company, the Foundation is now funding an expansion of the scheme to include four new education partners, all keen to ensure their students have access to these skills and understanding.

Trustees' Report

With both funds and in-kind support provided, the next phase of a Surplus Leather project began at the end of 2023-24 to provide donated leather, produced sustainably in the UK, for the exploration of students at the existing six university partners, as well as aspirations to expand to an additional number. Distribution and expansion will be undertaken in 2024-25 and further details provided in next year's accounts.

Leather Conservation and Heritage

The planned relocation of the Leather Conservation Centre continues to build momentum, with plans having altered over time, now focused on a move to Leicester. Alongside the opportunities presented by the workspace identified (currently being developed) a range of business opportunities were identified for the Centre and supportive partnership discussions held with education and local authority representatives. A generous grant towards the relocation costs has been committed from the Leathersellers' Company (with ongoing core costs support from a grant from the Foundation) to aid this strategic step-change, which will come into play in the following financial year.

Leathersellers' Personal Giving Awards

Members of the Leathersellers' Company and staff again gave generously in the Livery Year of 2023-24, unlocking additional charitable giving from the Leathersellers' Company through a match funding initiative. Overall, a total of £48,800 was raised and matched, a pleasing increase from the year before, resulting in grants of £12,200 to four frontline charities working across the UK: Sunflowers Liverpool, ADHD Embrace, Colchester Korban Project and Autism Voice.

As well as the direct appeals for support, this year saw the addition of a sponsored challenge event opportunity to the appeal with a team of three joining other ambitious riders to cycle a 177 mile section of La Véloodyssée from La Rochelle to Bordeaux over three days. The Leathersellers' team raised an initial £600 for the charity LHTBI (Leather and Hide Trade Benevolent Institution) and then a further £1,448 included in the appeal and award totals above. The trustees thank the LHTBI board for permitting the inclusion of a Leathersellers' fundraising team and to the cyclists for their efforts.

Added value and collaboration

The Foundation recognises the need and responsibility to champion the work of our grantees, both in helping to raise awareness of their impact with external stakeholders, and through our 'funder plus' offerings. 2023-24 saw a continued increase of in-kind donations from the Leathersellers' Company in hosting events for grantee partners, welcoming recipients of our student grants to Leathersellers' Hall to make use of the Leathersellers' facilities during their revision periods and developing a Mentoring Programme involving both members of the Company and grants programme alumni. Working collaboratively with others can be evidenced across all areas of the Foundation's work as a key priority for us to add greater value to our focus areas beyond funding.

Leathersellers' Mentoring Programme

Following a successful career and skills focused mentoring pilot in 2022-23, the Grants team again offered the opportunity of becoming a mentee to currently supported students, and of being a mentor to both members of the Livery and Leathersellers' alumni. The ever-growing alumni network and success of the programme presented a range of challenges with over 100 individuals seeking to be involved. The majority of these were trained and matched with suitable pairings, however the popularity of the programme has reached a level where additional support is likely to be needed. Options are being considered and we are hopeful that 2024-25's mentoring cohort will be offered the opportunity to gain from the experience and networks of others with a new and improved approach.

Equity, Diversity and Inclusion

Each year, the trustees are required to review each grant-making Committee to ensure their work is founded on principles of diversity, equity and inclusion, at strategic and policy level, and in practical terms. Each Committee continues to review established and new funding programmes to ensure that they are accessible to disproportionately impacted groups and communities.

The Foundation has demonstrated open and trusting grant making through the provision of multi-year unrestricted grants and remains publicly committed to the IVAR Flexible Funders

initiative. Our progress against the eight areas of good funding practice is monitored by each of the giving Committees', with IVAR providing an external audit of this during 2023/24 which commended our approach and progress to date. We aim to ensure transparency of our grant-giving through publication of our awards on 360Giving.

Measured and objective assessment criteria are in place across our grant programmes to ensure robust and equitable application processes. We analyse the geographical spread of our applications to determine areas where we may need to increase awareness of our grants, and we invite our student grantees to complete an anonymised survey relating to protected characteristics, to inform steps to increase reach and inclusion. As well as the improvements in accessibility described above due to the new website, all grant application forms are also available in downloadable Word documents to improve accessibility.

Trustees' Report

Financial Review

Total income for the year was £1,862,000 (2023: £1,659,000). This includes donations of £380,000 (2023: £206,000) and restricted income from investments of £22,000 (2023: £20,000). Grants awarded in the year totalled £3,368,000 (2023: £3,196,000), support costs were £403,000 (2023: £387,000), including governance costs of £15,000 (2023: £16,000); investment management costs were £281,000 (2023: £256,000). Net expenditure for the year, before realised and unrealised investment gains, was £2,190,000 (2023: £2,180,000).

Any gains and losses incurred on the investment property and the investment portfolios are retained within the endowment funds. For the investment portfolios, net realised and unrealised gains were £8,478,000 (2023: £2,855,000). There was no change in the value of the investment property in the year (2023: unrealised loss of £2,522,000).

The trustees confirm that the cash balances and investment funds were managed and invested in accordance with the trust deed, throughout the year.

Financing of grants

Grants are financed from income derived from rents, dividends and interest, and withdrawals from the investment portfolio. The trustees consider the Foundation has sufficient assets to fulfil its obligations.

Fundraising statement

The Foundation only fundraises with members of the Leathersellers' Company and grant alumni and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. When donations from individuals are received, the Foundation aims to protect personal data and never sells data or swaps data with other organisations. The Foundation manages its own fundraising activities. The Foundation undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2024, the Foundation received no complaints about fundraising activities.

Reserves Policy

The balance sheet shows total funds of £73,915,000 (2023: £67,627,000) comprising permanent endowment funds of £550,000 (2023: £507,000), expendable endowment funds of £72,506,000 (2023: £66,476,000), restricted funds of £10,000 (2023: £5,000), and general funds or 'free' reserves of £849,000 (2023: £639,000).

Although the expendable endowment is a capital fund by nature, it is held on terms which allow the trustees to draw on it to provide additional resources to fund charitable spending which cannot be fully met from income. It is anticipated that capital growth of the expendable endowment will, over the long term, exceed that required to protect it from the effects of inflation. On that basis, it will be appropriate to continue to allocate some of that growth to support expenditure without reducing the impact of the fund for future generations. There is, therefore, no strategic need to hold significant reserves and the general funds are considered sufficient to cover the day to day needs of the Foundation for liquid funds.

Investment Policy and performance

The Foundation's commitment is to continue long term charitable giving. The investment strategy is to maximise total return over the long term in order to sustain this objective.

The leasehold land held as investment property is shown at market value as estimated by the trustees as at 31 July 2024 based on professional advice. It is the trustees' long held policy to retain an interest in property within the City of London. This provides a minimum rental income sufficient to provide approximately one fifth of the present commitment to charitable giving.

The equity investment portfolios are independently professionally managed to generate the maximum total return over the long term, consistent with prudent levels of risk. The equity investment portfolio managed by Cazenove Capital, the charity brand of Schroder & Co, with a mandate of:-

- A global equity mandate with an ESG focus.
- The aim of the portfolio is "to provide capital growth by investing globally in shares of companies that are managed for the long term and account for their impact on stakeholders".
- The overall objective of the portfolio is to provide £2-3m, in addition to dividends, for grant giving (4-6% p.a. plus dividends).

The portfolio is run on a segregated basis and is managed by the same team that run the Schroder Global Sustainable Growth fund.

In the 12 months to 31st July 2024 the total return for the equity portfolio was 18.2% compared with a benchmark of 17.8% (MSCI AC World NR).

Future plans

A budget has been set for Charitable giving of £3.7m for the year to 31 July 2025.

Budget allocations, Grant Making Policy and Responsibilities

The grant making policy, established in 2019-2020, continues to provide a defined allocation of the Foundation budget for 2024-25 between the three giving Committees: Charity, Education and Leather Trade. Each of these Committees holds a defined remit with common grant making principles agreed that over-arch each area's strategy and work plan. These Committees receive reports on the funds they distribute and consider the impact those have in each area to ensure best use of funds. Each Committee is responsible for setting strategic aims for the year ahead and measuring success against those. The trustees receive recommendations and reports from each Committee and provide final approval for any funding decisions. This approach has yielded some excellent new initiatives as described above, whilst maintaining long-term, stable funding relationships at its core. The development of this approach will be reported on annually in the accounts.

Impact Measurement Development

Alongside development of the Impact Measurement Framework for our Education Portfolio, 2023-24 saw development of a Framework for the Charity Portfolio. In the year ahead a framework is aimed to be developed for Leather with the aim of providing stronger information to share with other funders and charities, and to inform future decision making.

Environmental, social and governance

The Leathersellers' Company and Foundation continue to identify ways in which they can adapt and drive change in this area.

Through our leather related grant making and partners, we aim to celebrate the sustainability of UK produced leather as an ethical material choice. Previous research has shown that out of 2,000 adults only 24% were aware that leather is made from hides or skin that is a by-product of the food industry that could otherwise end up in landfill, and half of the respondents wrongly assumed that animals were raised to produce leather from their hide.

As a Flexible Funder, we will continue to demonstrate transparency in our grant making through publication of our grants on 360Giving. In addition, we will share learnings and details of the impact of our unrestricted, multi-year funding model at pan-livery events and remain open to collaboration that may benefit our grantees. A fourth annual Link & Learn event is scheduled for March 2025, which will bring together charities, funders and others to identify key concerns and explore solutions, and our fourth annual Alumni Networking event in July 2025 will provide further networking opportunities for our past and present individual grantees.

Trustees of the Foundation sit on each of the three main Committees, which oversee the strategic delivery of our grant-giving. In the coming year we will continue to ensure Committee Chairs are aware of initiatives across the Foundation and ensure overarching cohesion of priorities and values.

Structure, governance and management

The Trust is an unincorporated trust, constituted under a trust deed dated 7 February 1979 and is registered with the Charity Commission, number 278072.

The Leathersellers' Company fulfils its role as trustee by way of its Court of Assistants (see page 3) and various working committees drawn from members of the Company. The decisions of the trustees are put into effect by the staff of the Foundation and the staff of the Leathersellers' Company. Day-to-day management is the responsibility of the Chief Executive & Clerk to the Company who is also a trustee.

The Leathersellers' Company keeps the skill requirements for the Trustee Body under review. In the event that a Court member retires, new members are elected from the Livery in accordance with the constitution of the Leathersellers' Company.

Trustees' Report

Following their election, newly appointed Court Members are briefed by the executive team on their role and responsibilities as members of the Trustee Body of the Leathersellers' Foundation. In addition, trustees receive a welcome pack which includes a copy of the trust deed, last year's annual report and accounts, and a copy of the Charity Commission's guidance to being a trustee. Periodic briefings and courses are also provided for trustees.

Key management personnel

The key management personnel of the Foundation in charge of directing and controlling the Foundation and running and operating the Foundation on a day to day basis are the trustees, the Head of Grants and the Head of Charity Grants. No trustee remuneration was paid in the year by the Foundation. The Chief Executive & Clerk is remunerated by the Leathersellers' Company. The remuneration of the Head of Grants is reviewed annually by the remuneration sub-committee of the Leathersellers' Company.

Risk management

The trustees have reviewed the major risks to which the Foundation is exposed relating to the operations of the organisation, its investments and its finances. The trustees believe that by examining the specific and general business and operational risks faced by the Foundation, by ensuring controls exist over the financial systems and safe custody of its assets and investments, and by monitoring its reserves, they have established effective means to mitigate those risks. The trustees are aware of the Foundation's continued reliance on services provided by the Leathersellers' Company and have sought and received assurance of their continuance.

The principal risk faced by the Foundation lies in the performance of investments. The trustees consider the variability of investment returns on the endowment funds to constitute the Foundation's major financial risk. This is mitigated by retaining expert investment managers and having a diversified investment portfolio.

Connected charities

The Foundation is connected to other registered charities by virtue of common control and/or shared management. Details of connected charities and transactions between the Foundation and its trustees and connected charities are given in Note 15 to the accounts.

Statement of trustees' responsibilities

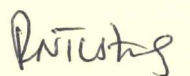
The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Foundation and of the income and expenditure of the Foundation for that period. In preparing these accounts, the trustees are required to:


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in 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);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and which enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 4 December 2024 and signed on their behalf by:



R N Tusting
Master
The Leathersellers' Company
(as Trustee)



M E Lawrence (as Trustee)
Chief Executive & Clerk
The Leathersellers' Company

Independent Auditor's Report

Independent auditor's report to the Trustees of the Leathersellers' Foundation

Opinion

We have audited the accounts of the Leathersellers' Foundation (the 'Foundation') for the year ended 31 July 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the Foundation's affairs as at 31 July 2024 and of 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 Foundation's ability to continue as a going concern for a period of at least twelve months from when the accounts 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 other information comprises the information included in the Annual report and accounts other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts does not cover the other information and 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 accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Foundation and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Independent Auditor's Report

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the Foundation'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 Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the Foundation through discussions with those charged with governance and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the Foundation, including the Charities Act 2011 and the financial reporting framework referred to above; and
- we understood how the Foundation is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the minutes of meetings of those charged with governance.

We assessed the susceptibility of the Foundation's accounts to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- performed analytical procedures to identify any unusual or unexpected financial relationships;
- tested journal entries to identify unusual transactions;
- performed substantive testing of expenditure including testing the authorisation thereof; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

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

- reading the minutes of meetings of those charged with governance; and
- enquiring of those charged with governance and management as to actual and potential litigation and claims.

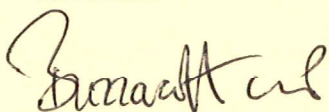
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at 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 Foundation's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Foundation's trustees those matters we are required to state to them in an auditor's 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 Foundation and the Foundation's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 5 December 2024

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of financial activities

Year to 31 July 2024

	Notes	General fund £'000	Restricted funds £'000	Expendable endowment funds £'000	Permanent endowment funds £'000	Total funds 2024 £'000	Total funds 2023 £'000
Income:							
Donations		209	171	-	-	380	206
Investment income	1	1,460	22	-	-	1,482	1,453
Total income		1,669	193	-	-	1,862	1,659
Expenditure:							
Cost of raising funds							
Investment management costs		-	-	281	-	281	256
Expenditure on charitable activities							
Charitable grant making	2	3,583	188	-	-	3,771	3,583
Total expenditure		3,583	188	281	-	4,052	3,839
Net expenditure before transfers		(1,914)	5	(281)	-	(2,190)	(2,180)
Transfer between funds	10	2,124	-	(2,124)	-	-	-
Net income / (expenditure) before gains on investments		210	5	(2,405)	-	(2,190)	(2,180)
Unrealised losses on investment property	5	-	-	-	-	-	(2,522)
Net realised and unrealised gains on investment portfolios	6	-	-	8,435	43	8,478	2,855
Net income / (expenditure) and net movement in funds		210	5	6,030	43	6,288	(1,847)
Reconciliation of funds:							
Total funds brought forward as at 1 August 2023		639	5	66,476	507	67,627	69,474
Total funds carried forward as at 31 July 2024		849	10	72,506	550	73,915	67,627

Continuing operations

None of the Foundation's activities were permanently acquired or discontinued during the above two financial years.

Total recognised gains and losses

All recognised gains and losses are included within the Statement of Financial Activities.

Statement of financial activities

Prior Year to 31 July 2023

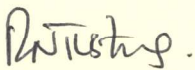
	Notes	General fund £'000	Restricted funds £'000	Expendable endowment funds £'000	Permanent endowment funds £'000	Total funds 2023 £'000
Income:						
Donations		100	106	-	-	206
Investment income	1	1,433	20	-	-	1,453
Total income		1,533	126	-	-	1,659
Expenditure:						
Cost of raising funds						
Investment management costs		-	-	256	-	256
Expenditure on charitable activities						
Charitable grant making	2	3,457	126	-	-	3,583
Total expenditure		3,457	126	256	-	3,839
Net expenditure before transfers		(1,924)	-	(256)	-	(2,180)
Transfer between funds	10	1,111	-	(1,111)	-	-
Net expenditure before gains and losses on investments		(813)	-	(1,367)	-	(2,180)
Unrealised losses on investment property	5	-	-	(2,522)	-	(2,522)
Net realised and unrealised gains/(losses) on investment portfolios	6	-	-	2,870	(15)	2,855
Net expenditure and net movement in funds		(813)	-	(1,019)	(15)	(1,847)
Reconciliation of funds:						
Total funds brought forward as at 1 August 2022		1,452	5	67,495	522	69,474
Total funds carried forward as at 31 July 2023		639	5	66,476	507	67,627

Balance Sheet

Year to 31 July 2024

	Notes	2024 £'000	2024 £'000	2023 £'000	2023 £'000
Fixed assets					
Investment property at market value	5		16,433		16,433
Investment portfolios at market value	6		57,138		51,056
			73,571		67,489
Current assets					
Debtors	7	304		120	
Cash at bank and in hand		318		364	
		622		484	
Liabilities					
Creditors: amounts falling due within one year	8	(278)		(346)	
Net current assets			344		138
Total assets less current liabilities			73,915		67,627
The funds of the Foundation					
Permanent endowment funds	9	550		507	
Expendable endowment funds	10	72,506		66,476	
Restricted funds	11	10		5	
Unrestricted funds					
General fund		849		639	
Total Foundation funds			73,915		67,627

Approved by the trustees on 4 December 2024 and signed on their behalf by:



R N Tusting
Master
The Leathersellers' Company
(as Trustee)



M E Lawrence (as Trustee)
Chief Executive & Clerk
The Leathersellers' Company

Statement of Cash Flows

Year to 31 July 2024

	Notes	2024 £'000	2023 £'000
Cash flows from operating activities:			
Net cash used in operating activities	A	(3,930)	(3,487)
Cash flows from investing activities:			
Investment income		1,488	1,453
Proceeds from the disposal of investments		15,516	15,668
Purchase of investments		(12,669)	(18,616)
Net cash provided / (used) by investing activities		4,335	(1,495)
Change in cash and cash equivalents in the year		405	(4,982)
Cash and cash equivalents at 1 August 2023	B	473	5,455
Cash and cash equivalents at 31 July 2024	B	878	473

Notes to the statement of cash flows for the year to 31 July 2024

A Reconciliation of net movement in funds to net cash used in operating activities	2024 £'000	2023 £'000
Net movement in funds (as per the statement of financial activities)	6,288	(1,847)
Adjustments for:		
Net Gains on investments	(8,478)	(333)
Investment income	(1,488)	(1,453)
Decrease/(increase) in debtors	(184)	111
Decrease/(increase) in creditors	(68)	35
Net cash used in operating activities	(3,930)	(3,487)

B Analysis of cash and cash equivalents and reconciliation of net funds	1 August 2023 £'000	Cash flows £'000	31 July 2024 £'000
Cash at bank and in hand	364	(46)	318
Cash held by investment managers	109	451	560
Total cash and cash equivalents	473	405	878

Principal Accounting Policies

Year to 31 July 2024

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 July 2024 with comparatives presented for the year ended 31 July 2023.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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 (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Foundation constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The only material item in the accounts where such judgements and estimates have been made is in respect to estimating the market value of the investment property.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect of a period of at least one year from the date of approval of these accounts.

The trustees of the Foundation have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Foundation to continue as a going concern. The trustees are of the opinion that the Foundation will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year

ending 31 July 2025, the most significant areas that affect the carrying value of the assets held by the Foundation are the level of investment return and the performance of the investment and property markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

Income is recognised in the period in which the Foundation has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations and investment income, including rental income and income from listed investments.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Rental income is recognised on the accruals basis.

Donations are recognised when the Foundation has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the Foundation is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Foundation and it is probable that those conditions will be fulfilled in the reporting period.

Interest on bonds and funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation committing the Foundation to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds includes investment management fees based on a percentage of funds under management.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Foundation through the provision of its charitable activities. Such costs include charitable grants and support costs, including governance costs.

All expenditure is stated inclusive of irrecoverable VAT.

Charitable grants are made to registered charities and individuals and are one of two types; a single grant or a multi-year grant. All multi-year grants are subject to annual review.

Grants are charged in the year that the trustees approve them and they are communicated to recipients except for the portion of any multi-year grants which are subject to annual review. Provision is made for those grants which are unpaid at the period end. Grants which are subject to review in the year in which they are to be paid are disclosed as financial commitments (see note 13).

Allocation of support and governance costs

Support costs represent the general management and governance costs which are attributable to the selection of grant recipients, continuing liaison with them on the use of funds, their further needs and, in some cases, maintenance of staged payments.

Governance costs comprise the costs involving the public accountability of the Foundation (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs, including governance costs, are allocated in proportion to the grants payable.

Fixed asset investments

The Foundation's investment portfolios comprise basic financial instruments which are initially recognised at their transaction value and subsequently measured at their fair value as at the

Principal Accounting Policies

Year to 31 July 2024

balance sheet date which for listed investments is the closing quoted market price.

As noted above the main form of financial risk faced by the Foundation is that of volatility in equity and other investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning investments and within particular sectors or sub sectors.

Properties held for investment purposes are included in these accounts at open market value. The valuation has been determined by the trustees, with professional assistance.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Foundation anticipates it will pay to settle the debt.

Fund structure

Endowment funds

Endowment funds comprise monies which must be held as capital. Permanent endowment funds must be permanently retained by the trustees and cannot be spent as if they were income. Where the trustees have a power of discretion to convert endowed capital into income, the fund is known as an expendable endowment. Income arising from endowment funds is credited to general funds and applied for general purposes, except where the terms of the endowment state that it must be used for specific purposes, when the income is credited to restricted funds.

Restricted funds

Restricted funds comprise monies which were raised for, or where their use is restricted to, a specific purpose, or contributions subject to donor imposed conditions.

General fund

The general fund comprises unrestricted accumulated surpluses and deficits on continuing activities. It is available for use at the discretion of the trustees in furtherance of the Foundation's objectives.

Pension costs

Contributions in respect of the defined contribution scheme are charged to the statement of financial activities in the year in which they are payable to the scheme.

Contributions in respect of the defined benefit scheme are charged to the statement of financial activities in the year in which they are payable to the scheme, as the scheme is a multi-employer scheme and it is not possible to identify, on a consistent and reasonable basis, the Foundation's share of the underlying assets and liabilities of the scheme.

Taxation

The Leathersellers' Foundation is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable and investing activities, as they fall within the various exemptions available to registered charities.

Notes to the accounts

Year to 31 July 2024

1. Investment income

	General fund £'000	Restricted funds £'000	Total 2024 £'000	General fund £'000	Restricted funds £'000	Total 2023 £'000
Rents from UK investment property	679	-	679	676	-	676
Income from investment portfolios	769	22	791	738	20	758
Bank deposit interest	2	-	2	6	-	6
Investment Interest	10	-	10	13	-	13
	1,460	22	1,482	1,433	20	1,453

2. Expenditure on charitable activities: charitable grant making

	Grants payable £'000	Support costs £'000	Total 2024 £'000	Grants payable £'000	Support costs £'000	Total 2023 £'000
ACE Charity Main Grants	1,005	120	1,125	585	71	656
Associated Schools - Colfes School	239	29	268	246	30	276
Associated Schools - LFS	234	28	262	293	36	329
Associated Schools - Match Funding	13	2	15	5	1	6
Charity Main Grants	775	93	868	1,051	128	1,179
City of London Partners	55	7	62	50	6	56
Past Masters' Nominations	-	-	-	24	3	27
Education Early Years (joint with Merchant Taylors)	100	12	112	-	-	-
Education Main Grants	22	3	25	-	-	-
Education Partnerships	63	8	71	83	10	93
Education – Student Grants	240	29	269	242	29	271
Discretionary Fund (MW)	30	4	34	7	1	8
Leather Conservation & Heritage	60	7	67	51	6	57
Leather Education Partnerships	93	11	104	73	9	82
Leather Makers Support	27	3	30	55	6	61
Leather Tannery Apprenticeships	9	1	10	9	1	10
Leatherworking Apprenticeships	28	3	31	28	3	31
Personal Giving Appeal	49	6	55	43	5	48
Responsive Grants	106	12	118	150	18	168
Small Grants	220	25	245	201	24	225
	3,368	403	3,771	3,196	387	3,583

Notes to the accounts

Year to 31 July 2024

2. Expenditure on charitable activities: charitable grant making (continued)

Analysis of grants payable	2024 No.	2024 £'000	2023 No.	2023 £'000
Grants to institutions:				
ACE Charity Main Grants	45	1,005	24	585
Associated Schools - Colfes School	1	239	2	246
Associated Schools - LFS	4	234	6	293
Associated Schools - Match Funding	29	13	1	5
Charity Main Grants	45	775	75	1,051
City of London Partners	4	55	4	50
Past Masters' Nominations	-	-	14	24
Education Early Years (joint with Merchant Taylors)	5	100	-	-
Education Main Grants	2	22	-	-
Education Partnerships	2	63	5	83
Discretionary Fund (MW)	16	30	4	7
Leather Conservation & Heritage	1	30	2	38
Leather Education Partnerships	8	93	8	73
Leather Makers Support	3	27	2	37
Leather Tannery Apprenticeships	1	9	1	9
Leatherworking Apprenticeships	3	28	3	28
Personal Giving Appeal	4	49	5	43
Responsive Grants	13	106	10	150
Small Grants	52	220	64	201
Grants to institutions - total	238	3,098	230	2,923
Grants to individuals: Education	65	240	72	242
Grants to individuals: Leather Education	8	30	8	31
	311	3,368	310	3,196

Grants payable to individuals within Education include restricted expenditure of £58,000 (2023: £54,000) in respect of the University Exhibitions fund and £32,000 (2023: £29,000) in respect of the Relief of the Poor fund. Other restricted expenditure is £50,000 (2023: £nil) for the Education Early Years programme run jointly with Merchant Taylors' Foundation and £48,000 (2023: £43,000) for the Leathersellers' Personal Giving fund. (See note 11).

2. Expenditure on charitable activities: charitable grant making (continued)

2024
£'000

2023
£'000

Grants payable include the following grants of £20,000 or more

ACE Charity Main Grants

Nottingham Central Women's Aid	25	25
With Kids	25	25
Open Door Young People's Consultation Service	25	25
Pandora Project	20	20
Yellow Brick Road Projects	25	25
Beyond the Horizon Charity	25	25
Dens Ltd	20	20
Children Heard and Seen	25	25
Support After Rape and Sexual Violence Leeds (SARSVL)	25	25
Young Roots	20	20
Trelya	25	25
CLEAR Emotional Trauma and Therapy Specialists	25	25
The Southmead Project	25	25
Tender Education and Arts	25	25
Baobab Centre for Young Survivors in Exile	25	25
Rising Sun Domestic Violence and Abuse Service	25	25
The Kids Network	25	25
Sheffield Womens' Counselling & Therapy Service	25	25
Harrow Club	25	25
Home-Start Wessex	25	25
A Way Out Limited	25	25
Body & Soul	25	25
Sister System	25	25
Kids Inspire	25	25
SAFE Foundation	20	-
MYTIME	20	-
Wilderness Foundation UK	20	-
The Green House	20	-
Dandelion Time	20	-
Power2 Ltd	20	-
Rape and Sexual Abuse Service Highland	20	-
Safety Net (UK)	20	-
Blue Cabin CIO	20	-
Solidarity Sports	20	-
South London Refugee Association	20	-
Moving On (Durham) Limited	20	-
R.O.S.A.	20	-
Knights Youth Centre	20	-
Swansea Women's Aid	20	-
MumsAid Maternal Mental Health	20	-
The KidsAid Foundation	20	-
Young Women's Outreach Project	20	-
Cambridge Acorn Project	20	-
St Mary's Centre Community Trust	20	-
We Stand	20	-

Notes to the accounts

Year to 31 July 2024

2. Expenditure on charitable activities: charitable grant making (continued)

	2024	2023
	£'000	£'000
Grants payable include the following grants of £20,000 or more		
Associated Schools - Colfes School		
Colfe's School *	239	240
Associated Schools - LFS		
Leathersellers' Federation of Schools *	219	265
Charity Main Grants		
Bigkid Foundation	-	20
Community Solutions North West Ltd	-	20
The Bond Board	20	20
Fermanagh Women's Aid	20	20
Latin American Women's Aid Refuge	20	20
My Sister's Place	20	20
Port Talbot and Afan Women's Aid(Thrive Womens Aid)	20	20
Youth Adventure Trust	23	23
TGP Cymru (Tros Gynnal Plant)	25	25
The Big House Theatre Company	20	20
Street Teams	20	20
The Listening Place	-	20
Moira Anderson Foundation	20	20
Leeds Women's Counselling and Therapy Service	25	25
Noa Girls	23	23
Insight Counselling	20	20
Manchester Action on Street Health	25	25
Football Beyond Borders	25	25
Valleys Kids	25	25
Blue Smile Project	20	20
Khulisa	20	35
Abandofbrothers	20	20
The Violence Intervention Project	20	20
Safeline Warwick	25	25
City of London Partners		
The Guildhall School Trust	25	25

2. Expenditure on charitable activities: charitable grant making (continued)

	2024	2023
	£'000	£'000
Grants payable include the following grants of £20,000 or more		
Education Early Years (joint with Merchant Taylors Foundation)		
Parent Village +	20	-
Early Years Alliance +	20	-
MammaKind +	20	-
National Literacy Trust +	20	-
Home Start Southwark +	20	-
Education Partnerships		
St Catherine's College - Oxford	32	-
Fitzwilliam College - Cambridge	32	-
RCN Foundation	-	20
Leather Conservation & Heritage		
The Leather Conservation Centre	30	30
Leather Education Partnerships		
London College of Fashion	27	27
De Montfort University	20	-
Leather Makers Support		
Cockpit Arts	25	25
Burton Upon Trent & District YMCA	25	25
Shoreditch Trust	20	20
The National House Project	25	25
The Enthusiasm Trust	23	23
Total of aggregate grants £20,000 and over	2,303	1,841
Other aggregate grants under £20,000	795	1,082
Grants to individuals under the Education Student Grants Programme	240	242
Grants to individuals under the Leather Education Programme	30	31
	3,368	3,196

Charities marked * above are 'connected charities' as defined by the Charities SORP FRS 102.

Charities marked + above are grants made as part of the Early Years Education grant programme jointly run with the Merchant Taylors' Livery Company.

Notes to the accounts

Year to 31 July 2024

3. Support costs	2024 £'000	2023 £'000
Staff costs (note 4)	286	263
Leathersellers' Company management charge	42	45
Governance costs – Auditor's remuneration	15	16
Other costs	60	63
	403	387

4 Staff costs and remuneration of key management personnel	2024 £'000	2023 £'000
Staff costs were:		
Salaries (including agency costs)	206	184
Social security costs	20	22
Pension contributions	54	52
Medical insurance	6	5
	286	263

The average number of employees during the year was 4 (2023: 4). Two employees earned between £60,000 and £70,000 in the year (2023: Two employees between £60,000 and £70,000) including taxable benefits but excluding employer's pension contributions and employer's national insurance contributions.

The key management personnel of the Foundation in charge of directing and controlling, running and operating the Foundation on a day to day basis comprise the trustees (including the Clerk to the Leathersellers' Company), the Head of Grants and the Head of Charity Grants.

No trustees received any remuneration or reimbursement of expenses from the Foundation for their services as a trustee. The Clerk is remunerated by the Leathersellers' Company. The employment costs of key management personnel, including taxable benefits, employer's pension contributions, employer's national insurance contributions and net of statutory maternity recovery, payable by the Foundation were £166,377 (2023: £153,773).

5. Investment property	2024 £'000	2023 £'000
UK long leasehold land and buildings		
Market value at 1 August 2023	16,433	18,955
Unrealised loss	–	(2,522)
Market value at 31 July 2024	16,433	16,433
Historic cost of investment properties at 31 July 2024	4,977	4,977

The investment property was valued at its estimated market value by the trustees at 31 July 2024 based on professional advice.

6. Investment portfolio	2024 £'000	2023 £'000
Investments		
Market value at 1 August 2023	50,947	45,144
Add: Purchases at cost	12,669	18,616
Less: Proceeds from sales	(15,516)	(15,668)
Net realised and unrealised gains	8,478	2,855
Market value of investments at 31 July 2024	56,578	50,947
Cash held by managers at 31 July 2024	560	109
Total market value at 31 July 2024	57,138	51,056
Total historic cost of investments at 31 July 2024	45,291	45,632
The investment portfolios at market value comprises:		
UK investments listed on a recognised stock exchange (Cazenove, CCLA & M&G)	9,901	8,153
Overseas investments listed on a recognised stock exchange (Cazenove)	46,626	42,719
Unquoted investments (Goldman Sachs)	51	75
Total investments	56,578	50,947
Cash	560	109
	57,138	51,056
The quoted investments are held:		
Directly	55,977	50,365
Indirectly, through unit and investment trusts	550	507
	56,527	50,872

Notes to the accounts

Year to 31 July 2024

6. Investment portfolio (continued)

The following investment holdings were material in the context of the investment portfolios as at 31 July 2024:

	2024 £'000	2024 %	2023 £'000	2023 %
Microsoft Corp	4,074	7.2	4,072	8.0
Alphabet Inc.	2,891	5.1	2,581	5.1

7. Debtors	2024 £'000	2023 £'000
Amounts owed to group and associated undertakings	15	37
Prepayments and accrued income	56	83
Donation from the Leathersellers' Company	233	-
	304	120

8. Creditors: amounts falling due within one year	2024 £'000	2023 £'000
Accruals for Grants payable	1	62
Amounts owed to the Leathersellers' Company	21	19
Accruals and deferred income	227	210
Taxation and social security	3	29
Other creditors	26	26
	278	346

9. Permanent endowment funds	Balance at 1 August 2023 £'000	Gains and losses £'000	Balance at 31 July 2024 £'000
Ann Elliott and Others Trust	507	43	550

	Balance at 1 August 2022 £'000	Gains and losses £'000	Balance at 31 July 2023 £'000
Ann Elliott and Others Trust	522	(15)	507

The above permanent endowment fund represents 41% of the endowments of the Ann Elliott and Others Trust, transferred under a Charity Commission Scheme dated 6 November 2006. Income arising on the endowment fund is to be used for educational grants to individuals and is therefore credited to restricted funds.

10. Expendable endowment funds	Balance at 1 August 2023 £'000	Expenditure, gains and losses £'000	Transfers £'000	Balance at 31 July 2024 £'000
The Leathersellers' Foundation Funds	66,476	8,154	(2,124)	72,506

	Balance at 1 August 2022 £'000	Expenditure, gains and losses £'000	Transfers £'000	Balance at 31 July 2023 £'000
<i>The Leathersellers' Foundation Funds</i>	67,495	92	(1,111)	66,476

The above funds represent an original amount of £15,170,000 enhanced by an additional amount of £500,000, together with realised and unrealised gains. The trustees have the power to spend the capital; income arising on the funds is credited to unrestricted funds. The expenditure recognised in the fund represents the investment management costs of £245,000 (2023: £256,000). The transfer of £2,124,000 (2023: £1,111,000) from the expendable endowment fund to the general fund represents a withdrawal of £2,100,000 (2023: £1,050,000) from the quoted investment portfolio and realisations of £24,000 (2023: £61,000) from the unquoted portfolio.

11. Restricted funds	Balance at 1 August 2023 £'000	Income £'000	Expenditure £'000	Balance at 31 July 2024 £'000
University Exhibitions fund	5	58	(58)	5
Relief of the Poor fund	-	32	(32)	-
Leathersellers' Personal Giving fund	-	48	(48)	-
Merchant Taylors' Foundation Early Years Joint Programme	-	50	(50)	-
Jack Petchey Foundation student funding	-	5	-	5
	5	193	(188)	10

	Balance at 1 August 2022 £'000	Income £'000	Expenditure £'000	Balance at 31 July 2023 £'000
<i>University Exhibitions fund</i>	5	54	(54)	5
<i>Relief of the Poor fund</i>	-	29	(29)	-
<i>Leathersellers' Personal Giving fund</i>	-	43	(43)	-
	5	126	(126)	5

Notes to the accounts

Year to 31 July 2024

11. Restricted funds (continued)

The University Exhibitions fund represents income from the Robert Rogers Educational Foundation and income arising from the endowments of the Ann Elliott and Others Trust.

The Relief of the Poor fund represents income arising from the Robert Rogers and Elizabeth Grasvenor Trust. These funds are to be expended in the form of grants to individuals as specified in the original trust deeds.

The Leathersellers' Personal Giving fund represents donations from liverymen and freemen and match funding from The Leathersellers' Company which is expended on specific charities as voted by the livery.

The Leathersellers' Company received £50,000 towards the Early Years Education grant programme from the Merchant Taylors' Livery Company, with whom this programme is being jointly run. This money was spent in the year as part of the £100,000 Education Early Years grants shown in Note 2.

The Leathersellers' Company received £5,000 in July 2024 from Jack Petchey Foundation for Student Grants with set criteria. The related grants will be made during the year ended 31 July 2025.

12. Analysis of net assets between funds	Permanent endowment funds £'000	Expendable endowment funds £'000	Restricted funds £'000	General fund £'000	Total 2024 £'000
Investment property	-	16,433	-	-	16,433
Investment portfolios	550	56,073	-	515	57,138
Debtors	-	-	-	304	304
Cash at bank and in hand	-	-	10	308	318
Creditors	-	-	-	(278)	(278)
	550	72,506	10	849	73,915

	Permanent endowment funds £'000	Expendable endowment funds £'000	Restricted funds £'000	General fund £'000	Total 2023 £'000
<i>Investment property</i>	-	16,433	-	-	16,433
<i>Investment portfolios</i>	507	50,043	-	506	51,056
<i>Debtors</i>	-	-	-	120	120
<i>Cash at bank and in hand</i>	-	-	5	359	364
<i>Creditors</i>	-	-	-	(346)	(346)
	507	66,476	5	639	67,627

13. Financial commitments	2024 £'000	2023 £'000
As at 31 July 2024, grant commitments payable from future income are as follows:		
2024	-	2,449
2025	2,533	1,647
2026	1,525	859
2027	755	119
2028	80	-
	4,893	5,074

Notes to the accounts

Year to 31 July 2024

14 Pension scheme

The Leathersellers' Company operates a defined benefit scheme, "The Leathersellers' Company (1973) Pension Fund", for its former employees, and for the former employees of its associated charities, including the Foundation. The Scheme was closed to new members with effect from 31 December 2002 and has been closed to future accrual from 31 July 2019. New employees are able to join a defined contribution scheme. Accordingly, there were no active members of the defined benefit pension scheme as at 31 July 2024 (2023: none).

This scheme is a multi-employer scheme. It is not possible to identify the Foundation's share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The scheme has therefore been accounted for as a defined contribution scheme. Two former employees of the Foundation are pensioner members of the scheme but the Foundation has made no contributions to the scheme in the year (2023: £nil).

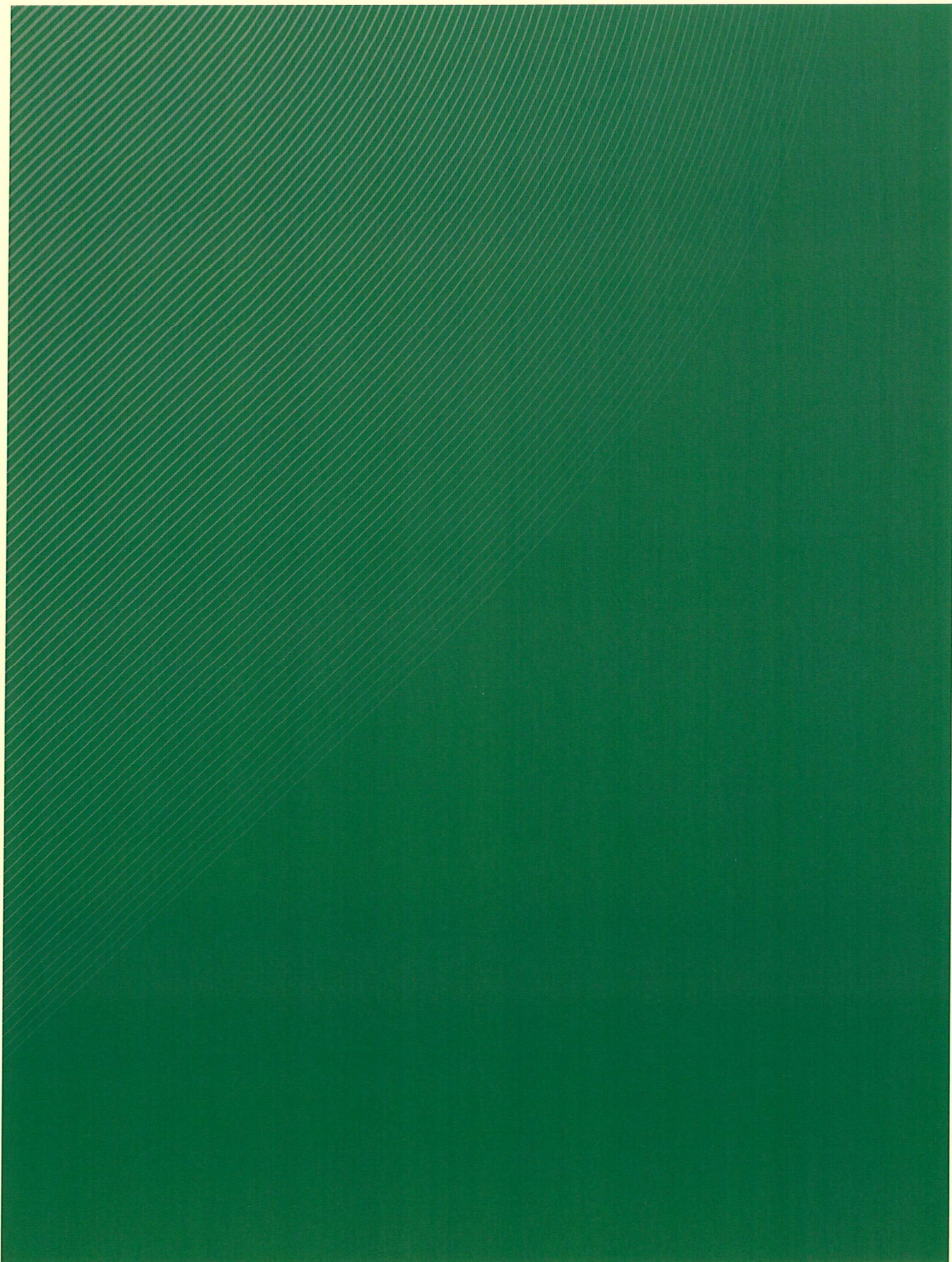
15 Related party transactions

There are two leases between the Leathersellers' Company and the Foundation which have been in place throughout the year. The rent payable to the Company under these leases is a proportion of rents received by the Foundation in the year. The rent receivable is shown net of the rent payable as both relate to the same property. During the year, the rent payable by the Foundation to the Company was £119,823 (2023: £113,000) and the Foundation was charged a management charge of £42,000 (2023: £42,000) by the Company. At the year end, rent prepaid to the Company totalled £15,000 (2023: £15,000).

The Leathersellers' Foundation received a donation from the Leathersellers' Company in 2024 of £233,000. This was in respect of a grant from the Leathersellers' Company for a matched funding donation of £24,000 (2023: £22,000) and the remainder £209,000 was in respect of a general grant (2023: £100,000).

There were two connected charities (2023: one) which received grants during the year. Colfe's School was awarded grants of £244,000 (2023: £240,000). The Leathersellers' Federation of Schools became a connected charity when it became a multi-academy trust in January 2024; it was awarded grants of £267,756 in 2024 (2023: £293,000).

Income for the year of £35,000 (2023: £34,000) was receivable for the University Exhibitions fund from The Robert Rogers Educational Foundation (for which the Leathersellers' Company is the sole trustee) and £32,000 (2023: £29,000) from the Robert Rogers and Elizabeth Grasvenor Trust (for which the Leathersellers' Company is the sole trustee). There were no other related party transactions in the year or prior year.





The Leathersellers' Foundation
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London EC3A 6AB

T: 020 7330 1444
leathersellers.co.uk

Designed by Turnbull Grey

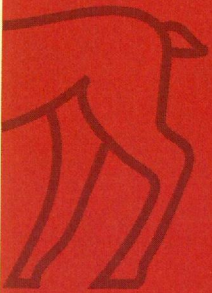
The Leathersellers' Foundation

England & Wales - Charity number 278072

Accounts

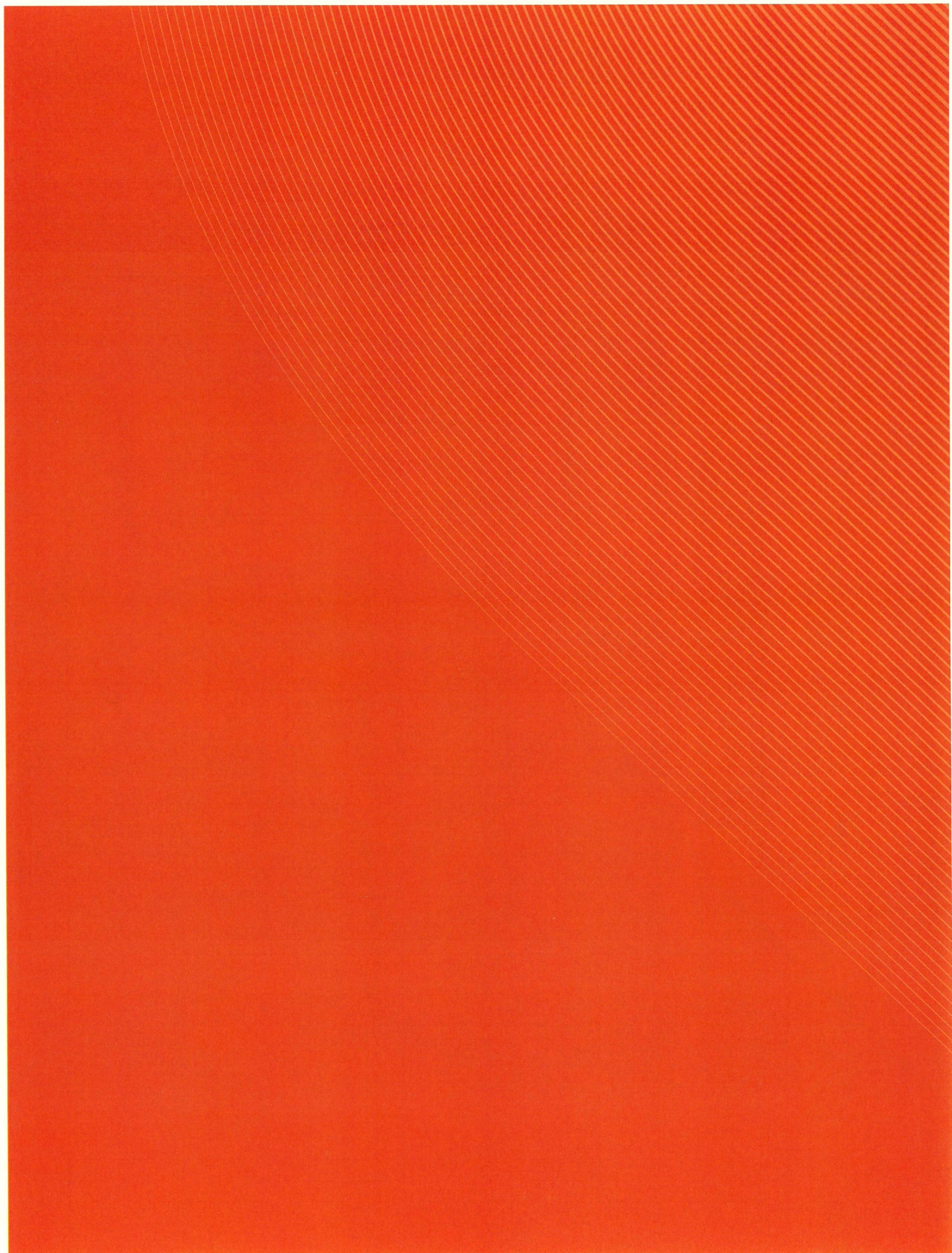


THE
LEATHERSELLERS'
FOUNDATION



ANNUAL REPORT & ACCOUNTS

31 July 2023



Contents

Report

Legal and administrative information	2
Members of the Court of Assistants	3
Trustees' report	4
Independent auditor's report	13

Accounts

Statement of financial activities	16
Balance sheet	18
Statement of cash flows	19
Principal accounting policies	20
Notes to the accounts	23

Legal and Administrative Information

Name	The trustees changed the name of the charity from "The Leathersellers' Company Charitable Fund" to "The Leathersellers' Foundation" on 20 June 2022.
Trustees	<p>The Wardens and Society of the Mystery or Art of the Leathersellers of the City of London ('the Leathersellers' Company'). The management of the Leathersellers' Company and its function as Trustee is carried out through its Court of Assistants. Members of the Court of Assistants are listed on page 3.</p> <p>M E Lawrence (Chief Executive & Clerk to the Leathersellers' Company).</p>
Address	7 St Helen's Place, London EC3A 6AB
Auditor	Buzzacott LLP 130 Wood Street, London EC2V 6DL
Principal Banker	HSBC Bank plc 1-3 Bishopsgate, London EC2N 3AQ
Investment Manager	Cazenove Capital / Schroder & Co. Ltd 1 London Wall Place, London EC2Y 5AU
Solicitor	Farrer & Co LLP 66 Lincoln's Inn Fields, London WC2A 3LH

Members of the Court of Assistants

To 19 July 2023

C J Lennon
M G Williams **†
Prof. A B Brueggemann **
A P Rothery ††

Master
Second Warden
Third Warden ^
Fourth Warden ^

G G Bacon *
C P Barrow
M L B Emley
M P E Pellereau BSc FRICS †
M W Pebody BA ‡
His Honour A C L Thornton KC
I A Russell MBE ††
A A Barrow *
M J Bradly Russell FCA
C C Barrow †
J A M Muirhead OBE DL ‡
M D J Dove BA FCA AKC
R N Tusting MA Cantab
P G Williams
D H Barrow ‡
W J C Lang ‡
R J Chard *
Dr T J C Fooks FRCGP †
H G Williams
S M G Williams
C T G Williams
W R J Cock *
A E Tusting
M T Berman (from 7 December 2022)

From 19 July 2023

M G Williams
R N Tusting MA Cantab **†
J P K Russell **
N O Preston †

Master
Second Warden
Third Warden ^
Fourth Warden ^

C J Lennon ‡
C P Barrow
M L B Emley
M P E Pellereau BSc FRICS †
M W Pebody BA
I A Russell MBE ‡
A A Barrow *
M J Bradly Russell FCA
C C Barrow †
J A M Muirhead OBE DL ‡
G G Bacon
M D J Dove BA FCA AKC
D H Barrow
W J C Lang ‡
R J Chard *
Dr T J C Fooks FRCGP
H G Williams
S M G Williams
C T G Williams *
W R J Cock
A E Tusting ‡
M T Berman *

^ The Third and Fourth Wardens are Ex-Officio Members of the Court

* Members of the Charity Committee

† Members of the Education Committee

‡ Members of the Leather Trade Committee

‡ Member of the Student Grants Committee

Trustees' Report

The trustees present their annual report and accounts of The Leathersellers' Foundation ("the Foundation") for the year ended 31 July 2023. The accounts have been prepared in accordance with the accounting policies set out on pages 20 to 22 of the attached accounts and comply with the Foundation's trust deed, 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 Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Objectives and activities for the public benefit, including grant making policy

The Leathersellers' Foundation's Declaration of Trust states that the trustees "shall apply the Trust Fund and the income thereof for such purposes and objects being charitable at law as they in their absolute and uncontrolled discretion shall determine from time to time". The trustees confirm that they have considered the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives.

The objectives of The Foundation are to:

1. Enable individuals and communities by working with charity partners.
2. Foster opportunity and realise potential through education.
3. Support the UK leather trade.

Grants are awarded by the trustees on the recommendation of its Charity, Education and Leather Trade Committees, which include a number of trustees. The trustees set a budget for charitable giving at the start of the financial year, following a yearly review of each grant-making Committee and consideration of the Foundation's investment assets.

Charitable grants are made to registered charities, charitable incorporated organisations, educational institutions and individuals, and are one of two types: a single grant or a multi-year grant. All multi-year grants are subject to annual review.

Of grants awarded in 2022–2023, 92% by value were to registered charities or educational establishments and 8% were to individuals.

Each of the giving areas (Charity, Education and Leather Trade) has their own strategy, with work underway to align and bring these into an overarching structure.

Charity giving is led by a five-year strategy from 2022–2027. This commits 80% of new main grant funding to the alleviation of suffering due to, or the prevention of, multiple Adverse Childhood Experiences (ACEs). Successful applicants are able to demonstrate evidence of the effectiveness of their approach, how lived experience informs and improves their work, and how the need for support is affected by location and demographics. The remaining 20% is allocated to a Responsive Fund for single year grants with a new focus decided each year dependant on emerging needs or crisis situations. In 2022–2023 Responsive Grants focused on supporting charities in need of additional support due to the cost-of-living crisis.

Education giving is focused on a core objective of social mobility, with work undertaken since 2021 to clarify the Leathersellers' definition of that term, and build a comprehensive Theory of Change and Impact Framework from that. The majority of funds being distributed in this area are through programmes with long-term partners including Colfe's School and the Leathersellers' Federation of Schools, as well as the flag-ship Student Grants programme that pre-dates the Foundation and has been running since 1604. As such this strategic work has been about ensuring consistency and clarity of objectives and developing areas of focus within the portfolio. This work is ongoing as of year-end 2022–2023, and we hope to complete and share more detail in 2023–2024.

The Foundation's leather strategy considers how best to support both its historic industry and those who use leather as a material. Grant making is ordered into five pillars: Celebrating leather (partnerships and collaborations), business/maker support, leather education, leather industry, and heritage and conservation. This approach is being reviewed for consideration of impact and effectiveness in 2023–24, with a new strategy planned to be shared by summer 2024.

Achievements during the year

2022–2023 saw renewed difficulties for many individuals, families and the organisations working to support them as the cost-of-living dramatically increased across the UK. Once again charities, schools, universities and other partners we work closely with rallied their staff, volunteers and supporters to continue their work in the face of this rising need, despite the diminished value and availability of funding, increased pressure and job insecurity.

With multi-year core funding at its heart, the Foundation continued to help charities and other organisations supporting the most disadvantaged, to ensure that hope, respect and positive change for the future continued across a broad range of approaches. From counselling and crisis interventions to arts and outdoor activity-based means of addressing trauma under the ACE programme; from raising aspirations and confidence through various scholarship and bursary provision, to providing apprenticeship opportunities at tanneries and with skilled leatherworkers, the Foundation's funding programmes honoured our long-term giving principles and we continued our efforts to improve our own approach and processes.

Grants to charities connected to The Leathersellers' Foundation totalled £240,000 (2021-2022: £300,000). Grants to charities or individuals associated with the Leather Trades totalled £217,000 (2021-2022: £187,000).

Further details of main and small grants awarded to organisations can be found both online at www.threesixtygiving.org and via 360giving and the linked tools 360GrantNav and 360Insights.

Grants, analysed by type, as defined on the previous page, are as follows:

	2023		2022	
	£'000	No.	£'000	No.
To charities				
Single	599	113	1,110	207
Multi-year	2,324	117	1,935	143
Charities sub-total	2,923	230	3,045	350
To individuals	273	80	294	91
Total grants awarded in year	3,196	310	3,339	441

Grants analysed by charitable sector are as follows:

	2023		2022	
	£'000	%	£'000	%
Charitable Sector				
Education	956	30	1,024	31
Leather Associated	217	7	187	6
Advice	24	1	150	4
Community Support	373	12	288	9
Creative Arts	70	2	103	3
Criminal Justice & Rehabilitation	43	1	104	3
Disability	66	2	142	4
Domestic & Sexual Abuse	601	19	460	14
Employability	24	1	43	1
Food & Essential Provisions	8	0	62	2
Heritage & Environment	7	0	51	1
Homelessness	224	7	226	7
Health	413	13	241	7
Recreational & Out of School Activities	151	5	224	7
Services Support & Rehabilitation	19	0	34	1
Total	3,196	100	3,339	100

Trustees' Report

Charity Main Grants – Adverse Childhood Experiences

In 2022–2023 the first year of the five-year Adverse Childhood Experiences (ACE) strategy came into play, following a single year pilot in 2021–2022. ACE is a research-informed area of work with a global body of evidence. Research demonstrates widely the lasting impact that traumatic experiences have on children or young people for the rest of their lives, not simply affecting their future behaviour or emotions, but with considerable negative effects on their mental and physical health and educational and career success. People who have experienced six or more ACEs have a life expectancy that is 20 years lower than that of the average population. Multiple ACEs prevent individuals from achieving their potential, in opposition to a core aim of our Foundation's work.

Once again demand for these grants far outstripped supply with 211 applications received in summer 2022 for consideration during the Livery year. Following in-depth assessments and visits involving both Committee members and the Grants team, 24 new multi-year grants were recommended and approved by the Foundation's trustees. The successful charities were able to evidence both the effectiveness of their approach and how lived experience informed and improved their work, as well as the geographic or demographic need for their support. We look forward to supporting them for the next four years, linking them to relevant partners where possible and learning and sharing more about their inspirational work.

Responsive Fund – Cost of Living Crisis

As the cost-of-living crisis forced an estimated 6.6m UK households into fuel poverty, charities fought to keep their doors open, balancing rising costs with increasing demand for their services. Informed by evidence provided by our grantees, the Leathersellers' Foundation launched a Responsive Grants Programme in October 2022, supporting ten of our current grantees with an additional grant of £15,000 each to help address increasing financial strains and growing levels of demand. In line with our IVAR Flexible Funder commitments, we provided funds on an unrestricted basis, empowering charities to use the funds where they knew they would make the most difference for those they support and to improve the sustainability of their teams and organisations.

Small Grants Programme

Our Small Grants Programme recognises the crucial services small charities provide to local communities throughout the UK. This year, we allocated just over £200,000 to support a

broad range of activities delivered by small charities, working to enable individuals and communities. A total of 64 one-off grants were awarded to small charities and Charitable Incorporated Organisations. In line with the approach in recent years, groups with an income of less than £200,000 supporting vulnerable people in areas of high deprivation were eligible to apply for one-year grants. The quantum of these changed however, with the maximum single award amount available increasing from £3,000 to £5,000 based on feedback and understanding that this increase would make a more significant difference to small charities. It was accepted that this would result in fewer but more meaningful grants. Members of the Young Livery continued to play a significant role on this Committee, with both Liverymen and Freemen under the age of 40 involved.

Leathersellers' Personal Giving Awards

The Leathersellers' Company held its fifth annual Personal Giving Appeal, offering match funding from the Leathersellers' Company for any donations made by members of the Livery or staff throughout the year. The Small Grants Committee, made up of Young Livery members, identified five charities through a voting process: Bright Futures UK, Leeds Baby Bank, The Homeless Support Project, The POD and Hope and Vision Communities. Allocation of funds to the five charities was made equally, with a total of £42,500 being raised and matched, resulting in grants of £8,500 to each of the frontline charities working across the UK.

Major grants 2022–23 (over £100,000)

In keeping with previous years, in 2022–23 the majority of funding provided from the Foundation was awarded in grants of between £10,000 – £20,000 to charitable organisations. There are, however, three long-standing and notable exceptions where a much greater level of support has been provided, all in the field of Education, and so the trustees wish to provide further detail.

Colfe's School – £240,000

Based in South-East London, Colfe's is one of London's oldest schools and has been closely linked with the Leathersellers' Company since the 17th century when the Founder of the school, Abraham Colfe, entrusted the school to the Company in his will. Now an independent school, the Company remains the sole member and appoints a number of Liverymen to the school's governing board to support good governance and ensure the high standards of education are maintained. The grant of £240,000 supports the provision of 'Leathersellers' Scholarships' which enable pupils from local state schools

to study for their A-levels at Colfe's and utilise the facilities, extra-curricular activities and careers support during those two years. More information and testimonials are available on the school's website at <https://www.colfes.com/why-colfes/leathersellers-scholarships/>

Leathersellers' Federation of Schools – £265,000 (total of a range of grants)

The Leathersellers' Federation of Schools develops the vision of Joseph Prendergast who founded Lewisham's first girls' secondary school in 1890, on a site provided by the Leathersellers' Company. The Federation now consists of five educational entities: Prendergast School, Prendergast Ladywell School, Prendergast Vale School, Prendergast Sixth Form College and Prendergast Primary School all based in South-East London. All state-funded schools, they share a common set of goals and values, and provide excellent academic education and personal support to all pupils. The Leathersellers' Company provides a number of Governors to support good governance of the schools, as well as a range of grants to provide additional opportunities for the approximately 2,700 pupils who attend.

In response to the educational needs locally, and those identified by the schools leadership, 2022–23 saw the bold step by the governing board of LFS to consult on making the Federation a Multi-Academy Trust. Their purpose in doing so was clear: ensuring sustainable governance for the schools; strengthening education provision by growing the size of the primary phase in coming years to allow for greater collaboration; and providing greater financial autonomy. As the currently agreed proposal stands, the proposed change would involve the Leathersellers' governance support evolving from providing school governors, to the Leathersellers' Company having a role as the Corporate Member of the Trust, and being able to nominate a number of trustees. Whilst there has been regrettable disruption to the work of the schools over the last term, the executive team and governing board demonstrated exceptional professionalism, clarity of focus and purpose in their mission to ensure the best educational outcomes for the children and young people of Lewisham and the surrounding areas. We continue to work closely with them on a range of projects, some of which are featured in depth in the Leathersellers' Annual Review (2022–23 edition available on our website). A highlight of our collaboration was celebrating the completion of the first year of the Leathersellers' Scholarship Programme by welcoming Year 8 students to the Hall in July, where Leathersellers' members and LFS staff joined to congratulate the students and their families.

The transformation in confidence, aspiration and positivity made by these inspiring young people was remarkable.

Match funding

Funds are made available to both Colfe's School and the Leathersellers' Federation of Schools to provide 'match funding' to encourage the fundraising efforts of pupils and teachers throughout each academic year. In 2022–2023 almost £10,000 was raised (and therefore matched) for a variety of causes by pupils at the schools through a range of physical, mental, group and individual challenges. This match funding appears separately to the main grants to the schools as the majority is donated directly to the charities involved. Up to £20,000 is made available annually, so the trustees hope the schools will be able to increase their activities and maximise this opportunity in years to come.

Student Grants also known as the 'University Exhibitions Scheme' – £273,000

This programme of funding begun in 1602 by the Leathersellers' Company and there is a historical record of recipients dating up to 1950 available on the Leathersellers' website. Our flagship Student Grants programme continued into 2022–2023, supporting 79 undergraduate students across a range of courses at 42 different universities across the UK. From school leavers to mature students, those who have yearned for a particular career from an early age, to those transferring skills from another path to a new passion, each and every individual brings their own mix of ambition, determination and tenacity in overcoming a range of challenges to reach where they are now. At a time of rising costs and increasing pressure on individual finances, these grants offer opportunity and accessibility for this exceptional group.

The annual round of recruitment for new students for 2023–2024 looked a little different this year, with the Education Committee choosing to focus on the need amongst care experienced students as our priority for new funding, as well as current/former students of LFS or Colfe's School scholars. Whilst this had the intended effect of improving the efficiency and manageability of the process, demand still outstripped supply with 81 eligible applications submitted, providing a much improved 1 in 3 chance of success. These undergraduate students applied from across the country where their personal circumstances may otherwise curtail their ambitions to study at university and desire to contribute to society globally. With this more targeted approach came a greater knowledge of the

Trustees' Report

particular challenges faced, supported by including external expertise (including lived experience) from barrister and City Councillor Ruby Sayed. Exceptional candidates were again identified, and a review of what can be learned from the new approach trialled is underway. This understanding will enable the Education Committee to decide on continuation or variation of this focus for next year's new applicants.

Added value and collaboration

The Foundation recognises the need and responsibility to champion the work of our grantees, both in helping to raise awareness of their impact with external stakeholders, and through our 'funder plus' offerings. 2022–2023 saw a continued increase of in-kind donations from the Leathersellers' Company in hosting events for grantee partners, welcoming recipients of our student grants to Leathersellers' Hall to make use of our facilities during their revision periods and developing a Mentoring Programme involving both members of the Company and grants programme alumni.

Leathersellers' Mentoring Programme

The career and skills focused mentoring programme pilot ran throughout 2022–2023 with training having been offered for both parties in advance. Our cohort of around 30 mentors comprised both members of the Livery and student grants alumni, and were paired with current students in receipt of grants. One of the successful pairings is featured in the Leathersellers' Annual Review (available on our website).

Equity, Diversity and Inclusion

Each year, the trustees are required to review each grant-making Committee to ensure their work is founded on principles of diversity, equity and inclusion, at strategic and policy level, and in practical terms. Each Committee continues to review established and new funding programmes to ensure that they are accessible to disproportionately impacted groups and communities.

The Foundation has demonstrated open and trusting grant making through the provision of multi-year unrestricted grants and remains publicly committed to the IVAR Flexible Funders initiative. Our progress against the eight areas of good funding practice is monitored by each of the giving Committees', with IVAR providing an external audit of this during 2022–23 which commended our approach and progress to date. We aim to ensure transparency of our grant-giving through publication of our awards on 360Giving.

Measured and objective assessment criteria are in place across our grant programmes to ensure robust and equitable application processes. We analyse the geographical spread of our applications to determine areas where we may need to increase awareness of our grants, and we invite our student grantees to complete an anonymised survey relating to protected characteristics, to inform steps to increase reach and inclusion. All grant application forms are now available in downloadable Word documents to improve accessibility.

Financial Review

Total income for the year was £1,659,000 (2022: £1,937,000). This includes donations of £206,000 (2022: £264,000) and restricted income from investments of £20,000 (2022: £27,000). Grants awarded in the year totalled £3,196,000 (2022: £3,339,000), support costs were £387,000 (2022: £325,000), including governance costs of £16,000 (2022: £12,000); investment management costs were £256,000 (2022: £208,000). Net expenditure for the year, before realised and unrealised investment gains and losses, was £2,180,000 (2022: £1,935,000).

Any gains and losses incurred on the investment property and the investment portfolios are retained within the endowment funds. For the investment portfolios, net realised and unrealised gains were £2,855,000 (2022: losses of £4,647,000). There was an unrealised loss of £2,522,000 in the value of the investment property in the year (2022: £3,145,000).

The trustees confirm that the cash balances and investment funds were managed and invested in accordance with the trust deed, throughout the year.

Financing of grants

Grants are financed from income derived from rents, dividends and interest, and withdrawals from the investment portfolio. The trustees consider the Foundation has sufficient assets to fulfil its obligations.

Fundraising statement

The Foundation only fundraises with members of the Leathersellers' Company and grant alumni and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. When donations from individuals are received, the Foundation aims to protect personal data and never sells data or swaps data with other organisations. The Foundation manages its own fundraising activities. The Foundation undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2023, the Foundation received no complaints about fundraising activities.

Reserves Policy

The balance sheet shows total funds of £67,627,000 (2022: £69,474,000) comprising permanent endowment funds

of £507,000 (2022: £522,000), expendable endowment funds of £66,476,000 (2022: £67,495,000), restricted funds of £5,000 (2022: £5,000), and general funds or 'free' reserves of £639,000 (2022: £1,452,000).

Although the expendable endowment is a capital fund by nature, it is held on terms which allow the trustees to draw on it to provide additional resources to fund charitable spending which cannot be fully met from income. It is anticipated that capital growth of the expendable endowment will, over the long term, exceed that required to protect it from the effects of inflation. On that basis, it will be appropriate to continue to allocate some of that growth to support expenditure without reducing the impact of the fund for future generations. There is, therefore, no strategic need to hold significant reserves and the general funds are considered sufficient to cover the day to day needs of the Foundation for liquid funds.

Investment Policy and performance

The Foundation's commitment is to continue long term charitable giving. In order to sustain this objective, the investment strategy is to maximise total return over the long term.

The leasehold land held as investment property is shown at market value as estimated by the trustees as at 31 July 2023 based on professional advice. It is the trustees' long held policy to retain an interest in property within the City of London. This provides a minimum rental income sufficient to provide approximately one fifth of the present commitment to charitable giving.

The equity investment portfolios are independently professionally managed to generate the maximum total return over the long term, consistent with prudent levels of risk. During July 2022 the trustees changed investment manager to Cazenove Capital, the charity brand of Schroder & Co, and changed the mandate to: –

- A global equity mandate with an ESG focus.
- The aim of the portfolio is "to provide capital growth by investing globally in shares of companies that are managed for the long term and account for their impact on stakeholders".
- The overall objective of the portfolio is to provide £2–3m, in addition to dividends, for grant giving (4–6% p.a. including dividends).

Trustees' Report

The portfolio is run on a segregated basis and will be managed by the same team that run the Schroder Global Sustainable Growth fund.

In the 12 months to 31st July 2023 the total return for the equity portfolio was 7.0% compared with a benchmark of 6.8% (MSCI AC World NR).

Future plans

A budget has been set for Charitable giving of £3.4m for the year to 31 July 2024.

Budget allocations, Grant Making Policy and Responsibilities

The grant making policy, established in 2019–2020, continues to provide a defined allocation of the Foundation budget for 2023–2024 between the three giving Committees: Charity, Education and Leather Trade. Each of these Committees holds a defined remit with common grant making principles agreed that over-arch each area's strategy and work plan. These Committees receive reports on the funds they distribute and consider the impact those have in each area to ensure best use of funds. Each Committee is responsible for setting strategic aims for the year ahead and measuring success against those. The trustees receive recommendations and reports from each Committee and provide final approval for any funding decisions. This approach has yielded some excellent new initiatives as described above, whilst maintaining long-term, stable funding relationships at its core. The development of this approach will be reported on annually in the accounts.

Mentoring Programme

Following a successful pilot in 2022–2023, the Foundation is continuing the Mentoring Programme in 2023–2024 connecting student grantees with members of the Leathersellers' Company and grantee alumni, to provide professional guidance and networking opportunities. The partnerships formed also allow us to learn directly from our beneficiaries and will increase understanding of the various challenges faced as they progress through their studies and into work. Training will be provided by an external expert in the area.

Leathersellers Alumni Network

Leathersellers' alumni are individuals who were, at some stage in their studies, supported through the Leathersellers' Foundation. We are actively reconnecting and maintaining

these relationships to help measure the future impact of our programmes and to expand our network to foster connections and opportunity.

The Alumni Network continues to grow from strength to strength, with 2022–2023 seeing the growth to 440 active members that we are in direct contact with. 212 of those alumni are part of the LinkedIn group to allow a platform for remote connection allowing engagement with alumni across the globe, and currently funded students across the UK. The next planned growth will focus on reaching out to individuals supported directly and through our partner institutions in the last few decades.

Impact Measurement Development

Alongside development of the Impact Measurement Framework for our Education Portfolio, we are simultaneously developing stronger ways to measure and evaluate the Charity and Leather Portfolios against their agreed aims and objectives also. The aim is provide stronger information to share with other funders and charities, and to inform future decision making. We look forward to sharing that as it develops.

New website

As the portal to all of the Foundation's grant funding programmes, the need has arisen for a re-development of the Leathersellers' website. With accessibility and ease of use for current and future applicants at its core, the team are working to ensure information will be readily available, improving transparency and providing a useful function whilst also illustrating the history and rich stories that accompany the work of the Foundation.

Addressing diversity, equity and inclusion

Increasing the accessibility of our grants rounds is a priority for the Foundation. In all our programmes, we are continually acting on feedback and data received to improve the clarity of our criteria and availability of offline forms. We are responsive to potential applicants and offer support wherever possible before submission. In 2021, this included launching our annual round of recruitment to our long-standing undergraduate student programme with open and accessible webinars both for Federation sixth form students and for any interested parties to attend in January 2022 which saw high attendance figures. We will continue to champion social mobility through our grant making. Recent data collected on protected characteristics will be used to inform our promotion of future grants rounds, in order to improve our reach and inclusion of individuals from all

communities and backgrounds. We will also use data collected on the geographical spread of main grant applications to encourage more applications from organisations operating in areas of high deprivation.

Environmental, social and governance

The Leathersellers' Sustainability Working Group continues to identify ways in which the Foundation and the Leathersellers' Company can adapt and drive change in this area.

Through our leather related grant making and partners, we aim to celebrate the sustainability of UK produced leather as an ethical material choice. Previous research has shown that out of 2,000 adults only 24% were aware that leather is made from hides or skin that is a by-product of the food industry that could otherwise end up in landfill, and half of the respondents wrongly assumed that animals were raised to produce leather from their hide.

As a Flexible Funder, we will continue to demonstrate transparency in our grant making through publication of our grants on 360Giving. In addition, we will share learnings and details of the impact of our unrestricted, multi-year funding model at pan-livery events and remain open to collaboration that may benefit our grantees. A third annual Link & Learn event is scheduled for March 2024, which will bring together charities, funders and others to identify key concerns and explore solutions, and our third annual Alumni Networking event in July will provide further networking opportunities for our past and present grantees.

Trustees of the Foundation sit on each of the three main Committees, which oversee the strategic delivery of our grant-giving. In the coming year we will continue to ensure Committee Chairs are aware of initiatives across the Foundation and ensure overarching cohesion of priorities and values.

Structure, governance and management

The Trust is an unincorporated trust, constituted under a trust deed dated 7 February 1979 and is registered with the Charity Commission, number 278072.

The Leathersellers' Company fulfils its role as trustee by way of its Court of Assistants (see page 3) and various working

committees drawn from members of the Company. The decisions of the trustees are put into effect by the staff of the Foundation and the staff of the Leathersellers' Company. Day to day management is the responsibility of the Chief Executive & Clerk to the Company who is also a trustee.

The Leathersellers' Company keeps the skill requirements for the Trustee Body under review. In the event that a Court member retires, new members are elected from the Livery in accordance with the constitution of the Leathersellers' Company.

Following their election, newly appointed Court Members are briefed by the executive team on their role and responsibilities as members of the Trustee Body of the Leathersellers' Foundation. In addition, trustees receive a welcome pack which includes a copy of the trust deed, last year's annual report and accounts, and a copy of the Charity Commission's guidance to being a trustee. Periodic briefings and courses are also provided for trustees.

Key management personnel

The key management personnel of the Foundation in charge of directing and controlling the Foundation and running and operating the Foundation on a day to day basis are the trustees and the Head of Grants. No trustee remuneration was paid in the year by the Foundation. The Chief Executive & Clerk is remunerated by the Leathersellers' Company. The remuneration of the Head of Grants is reviewed annually by the remuneration sub-committee of the Leathersellers' Company.

Risk management

The trustees have reviewed the major risks to which the Foundation is exposed relating to the operations of the organisation, its investments and its finances. The trustees believe that by examining the specific and general business and operational risks faced by the Foundation, by ensuring controls exist over the financial systems and safe custody of its assets and investments, and by monitoring its reserves, they have established effective means to mitigate those risks. The trustees are aware of the Foundation's continued reliance on services provided by the Leathersellers' Company and have sought and received assurance of their continuance.

The principal risk faced by the Foundation lies in the performance of investments. The trustees consider the variability of investment returns on the endowment funds to constitute the Foundation's major financial risk. This is mitigated

Trustees' Report

by retaining expert investment managers and having a diversified investment portfolio.

Connected charities

The Foundation is connected to other registered charities by virtue of common control and/or shared management. Details of connected charities and transactions between the Foundation and its trustees and connected charities are given in Note 14 to the accounts.

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Foundation and of the income and expenditure of the Foundation for that period. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in 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);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and which enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 6 December 2023 and signed on their behalf by:



M G Williams

Master

The Leathersellers' Company

(as Trustee)



M E Lawrence (as Trustee)

Chief Executive & Clerk

The Leathersellers' Company

Independent Auditor's Report

Independent auditor's report to the Trustees of the Leathersellers' Foundation

Opinion

We have audited the accounts of Leathersellers' Foundation (the 'Foundation') for the year ended 31 July 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the Foundation's affairs as at 31 July 2023 and of 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 Foundation's ability to continue as a going concern for a period of at least twelve months from when the accounts 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 and accounts other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustees' report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going

Independent Auditor's Report

concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Foundation through discussions with those charged with governance and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the Foundation, including the Charities Act 2011 and the financial reporting framework referred to above; and
- we understood how the Foundation is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the minutes of meetings of those charged with governance.

We assessed the susceptibility of the Foundation's accounts to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the

engagement team included:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- performed analytical procedures to identify any unusual or unexpected financial relationships;
- tested journal entries to identify unusual transactions;
- performed substantive testing of expenditure including testing the authorisation thereof; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

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

- reading the minutes of meetings of those charged with governance; and
- enquiring of those charged with governance and management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at 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 Foundation's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Foundation's trustees those matters we are required to state to them in an auditor's 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 Foundation and the Foundation's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP

Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 5 January 2024

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of financial activities

Year to 31 July 2023

	Notes	General fund £'000	Restricted funds £'000	Expendable endowment funds £'000	Permanent endowment funds £'000	Total funds 2023 £'000	Total funds 2022 £'000
Income:							
Donations		100	106	–	–	206	264
Investment income	1	1,433	20	–	–	1,453	1,673
Total income		1,533	126	–	–	1,659	1,937
Expenditure:							
Cost of raising funds		–	–	256	–	256	208
Investment management costs		–	–	256	–	256	208
Expenditure on charitable activities		–	–	–	–	–	–
Charitable grant making	2	3,457	126	–	–	3,583	3,664
Total expenditure		3,457	126	256	–	3,839	3,872
Net expenditure before transfers		(1,924)	–	(256)	–	(2,180)	(1,935)
Transfer between funds	9	1,111	–	(1,111)	–	–	–
Net expenditure before gains / (losses) on investments		(813)	–	(1,367)	–	(2,180)	(1,935)
Unrealised (losses) / gains on investment property	5	–	–	(2,522)	–	(2,522)	3,145
Net realised and unrealised gains / (losses) on investment portfolios	6	–	–	2,870	(15)	2,855	(4,647)
Net expenditure and net movement in funds		(813)	–	(1,019)	(15)	(1,847)	(3,437)
Reconciliation of funds:							
Total funds brought forward as at 1 August 2022		1,452	5	67,495	522	69,474	72,911
Total funds carried forward as at 31 July 2023		639	5	66,476	507	67,627	69,474

Continuing operations

None of the Foundation's activities were permanently acquired or discontinued during the above two financial years.

Total recognised gains and losses

All recognised gains and losses are included within the Statement of Financial Activities.

Statement of financial activities

Prior Year to 31 July 2022


	Notes	General fund £'000	Restricted funds £'000	Expendable endowment funds £'000	Permanent endowment funds £'000	Total funds 2022 £'000
Income:						
Donations		–	264	–	–	264
Investment income	1	1,646	27	–	–	1,673
Total income		1,646	291	–	–	1,937
Expenditure:						
Cost of raising funds		–	–	208	–	208
Investment management costs		–	–	208	–	208
Expenditure on charitable activities		–	–	–	–	–
Charitable grant making	2	3,372	292	–	–	3,664
Total expenditure		3,372	292	208	–	3,872
Net income / (expenditure) before transfers		(1,726)	(1)	(208)	–	(1,935)
Transfer between funds	9	2,529	–	(2,529)	–	–
Net income / (expenditure) before gains on investments		803	(1)	(2,737)	–	(1,935)
Unrealised gains on investment property	5	–	–	3,145	–	3,145
Net realised and unrealised losses on investment portfolios	6	–	–	(4,637)	(10)	(4,647)
Net income / (expenditure) and net movement in funds		803	(1)	(4,229)	(10)	(3,437)
Reconciliation of funds:						
Total funds brought forward as at 1 August 2021		649	6	71,724	532	72,911
Total funds carried forward as at 31 July 2022		1,452	5	67,495	522	69,474

Balance Sheet

Year to 31 July 2023

	Notes	2023 £'000	2023 £'000	2022 £'000	2022 £'000
Fixed assets					
Investment property at market value	5		16,433		18,955
Investment portfolios at market value	6		51,056		49,520
			67,489		68,475
Current assets					
Debtors	7	120		231	
Cash at bank and in hand		364		1,079	
		484		1,310	
Liabilities					
Creditors: amounts falling due within one year	8	(346)		(311)	
Net current assets			138		999
Total assets less current liabilities			67,627		69,474
The funds of the Foundation					
Permanent endowment funds	9		507		522
Expendable endowment funds	10		66,476		67,495
Restricted funds	11		5		5
Unrestricted funds					
General fund			639		1,452
Total Foundation funds			67,627		69,474

Approved by the trustees on 6 December 2023 and signed on their behalf by:



M G Williams
Master
 The Leathersellers' Company
 (as Trustee)

M E Lawrence (as Trustee)
Chief Executive & Clerk
 The Leathersellers' Company

Statement of Cash Flows

Year to 31 July 2023

	Notes	2023 £'000	2022 £'000
Cash flows from operating activities:			
Net cash used in operating activities	A	(3,487)	(3,658)
Cash flows from investing activities:			
Investment income		1,453	1,673
Proceeds from the disposal of investments		15,668	48,941
Purchase of investments		(18,616)	(42,056)
Net cash (used in) / provided by investing activities		(1,495)	8,558
Change in cash and cash equivalents in the year		(4,982)	4,900
Cash and cash equivalents at 1 August 2022	B	5,455	555
Cash and cash equivalents at 31 July 2023	B	473	5,455

Notes to the statement of cash flows for the year to 31 July 2023

A Reconciliation of net movement in funds to net cash used in operating activities	2023 £'000	2022 £'000
Net movement in funds (as per the statement of financial activities)	(1,847)	(3,437)
Adjustments for:		
(Gains) / losses on investments	(333)	1,502
Investment income	(1,453)	(1,673)
Decrease/(increase) in debtors	111	(163)
Increase in creditors	35	113
Net cash used in operating activities	(3,487)	(3,658)

B Analysis of cash and cash equivalents and reconciliation of net funds	1 August 2022 £'000	Cash flows £'000	31 July 2023 £'000
Cash at bank and in hand	1,079	(715)	364
Cash held by investment managers	4,376	(4,267)	109
Total cash and cash equivalents	5,455	(4,982)	473

Principal Accounting Policies

Year to 31 July 2023

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 July 2023 with comparatives presented for the year ended 31 July 2022.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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 (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. The Foundation constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates. The only material item in the accounts where such judgements and estimates have been made is in respect to estimating the market value of the investment property.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect of a period of at least one year from the date of approval of these accounts.

The trustees of the Foundation have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Foundation to continue as a going concern. The trustees are of the opinion that the Foundation will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 July 2024, the most significant areas that affect the carrying value of the assets held by the Foundation are the level of

investment return and the performance of the investment and property markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

Income is recognised in the period in which the Foundation has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations and investment income, including rental income and income from listed investments.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Rental income is recognised on the accruals basis.

Donations are recognised when the Foundation has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the Foundation is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Foundation and it is probable that those conditions will be fulfilled in the reporting period.

Interest on bonds and funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation committing the Foundation to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds includes investment management fees based on a percentage of funds under management.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Foundation through the provision of its charitable activities. Such costs include charitable grants and support costs, including governance costs.

All expenditure is stated inclusive of irrecoverable VAT. Charitable grants are made to registered charities and individuals and are one of two types; a single grant or a multi-year grant. All multi-year grants are subject to annual review. Grants are charged in the year that the trustees approve them and they are communicated to recipients except for the portion of any multi-year grants which are subject to annual review. Provision is made for those grants which are unpaid at the period end. Grants which are subject to review in the year in which they are to be paid are disclosed as financial commitments (see note 13).

Allocation of support and governance costs

Support costs represent the general management and governance costs which are attributable to the selection of grant recipients, continuing liaison with them on the use of funds, their further needs and, in some cases, maintenance of staged payments.

Governance costs comprise the costs involving the public accountability of the Foundation (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs, including governance costs, are allocated in proportion to the grants payable.

Fixed asset investments

The Foundation's investment portfolios comprise basic financial instruments which are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date which for listed investments is the closing quoted market price.

Principal Accounting Policies

Year to 31 July 2023

As noted above the main form of financial risk faced by the Foundation is that of volatility in equity and other investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning investments and within particular sectors or sub sectors.

Properties held for investment purposes are included in these accounts at open market value. The valuation has been determined by the trustees, with professional assistance. Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Foundation anticipates it will pay to settle the debt.

Fund structure

Endowment funds

Endowment funds comprise monies which must be held as capital. Permanent endowment funds must be permanently retained by the trustees and cannot be spent as if they were income. Where the trustees have a power of discretion to convert endowed capital into income, the fund is known as an expendable endowment. Income arising from endowment funds is credited to general funds and applied for general purposes, except where the terms of the endowment state that it must be used for specific purposes, when the income is credited to restricted funds.

Restricted funds

Restricted funds comprise monies which were raised for, or where their use is restricted to, a specific purpose, or contributions subject to donor imposed conditions.

General fund

The general fund comprises unrestricted accumulated surpluses and deficits on continuing activities. It is available for use at the discretion of the trustees in furtherance of the Foundation's objectives.

Pension costs

Contributions in respect of the defined contribution scheme are charged to the statement of financial activities in the year in which they are payable to the scheme.

Contributions in respect of the defined benefit scheme are charged to the statement of financial activities in the year in which they are payable to the scheme, as the scheme is a multi-employer scheme and it is not possible to identify, on a consistent and reasonable basis, the Foundation's share of the underlying assets and liabilities of the scheme.

Taxation

The Leathersellers' Foundation is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable and investing activities, as they fall within the various exemptions available to registered charities.

Notes to the accounts

Year to 31 July 2023

1. Investment income

	General fund £'000	Restricted funds £'000	Total 2023 £'000	General fund £'000	Restricted funds £'000	Total 2022 £'000
Rents from UK investment property	676	–	676	731	–	731
Income from investment portfolios	738	20	758	914	27	941
Bank deposit interest	6	–	6	1	–	1
Investment Interest	13	–	13	–	–	–
	1,433	20	1,453	1,646	27	1,673

2. Expenditure on charitable activities: charitable grant making

	Grants payable £'000	Support costs £'000	Total 2023 £'000	Grants payable £'000	Support costs £'000	Total 2022 £'000
Education	956	116	1,072	1,024	100	1,124
Leather Associated	217	26	243	187	18	205
Advice	24	3	27	150	15	165
Community Support	373	45	418	288	28	316
Creative Arts	70	9	79	103	10	113
Criminal Justice & Rehabilitation	43	5	48	104	10	114
Disability	66	8	74	142	14	156
Domestic & Sexual Abuse	601	73	674	460	45	505
Employability	24	3	27	43	4	47
Food & Essentials Provision	8	1	9	62	6	68
Heritage & Environment	7	1	8	51	5	56
Homelessness	224	27	251	226	22	248
Health	413	50	463	241	23	264
Recreational & Out of School	151	18	169	224	22	246
Services Support & Rehabilitation	19	2	21	34	3	37
	3,196	387	3,583	3,339	325	3,664

Notes to the accounts

Year to 31 July 2023

2. Expenditure on charitable activities: charitable grant making (continued)

	2023	2023	2022	2022
Analysis of grants payable	No.	£'000	No.	£'000
Grants to institutions:				
Education	29	714	39	750
Leather Associated	16	186	15	167
Advice	6	24	21	150
Community Support	33	373	64	288
Creative Arts	9	70	15	103
Criminal Justice & Rehabilitation	6	43	9	104
Disability	13	66	28	142
Domestic & Sexual Abuse	40	601	40	460
Employability	4	24	9	43
Food & Essentials Provision	2	8	7	62
Heritage & Environment	3	7	4	51
Homelessness	14	224	20	226
Health	33	413	41	241
Recreational & Out of School	18	151	28	224
Services Support & Rehabilitation	4	19	10	34
Grants to institutions – total	230	2,923	350	3,045
Grants to individuals: Education	72	242	86	274
Grants to individuals: Leather hardship	8	31	5	20
	310	3,196	441	3,339

Grants payable to individuals within Education include restricted expenditure of £54,000 (2022: £70,000) in respect of the University Exhibitions fund and £29,000 (2022: £67,000) in respect of the Relief of the Poor fund, detailed in note 11.

2. Expenditure on charitable activities: charitable grant making (continued)	2023	2022
	£'000	£'000
Grants payable include the following grants of £20,000 or more		
Advice		
Womens' Work (Derbyshire)	–	20
Community Support		
Community Solutions North West Ltd	20	20
Valleys Kids	25	25
Tros Gynnal Plant (TGP Cymru)	25	25
Shoreditch Trust	20	20
The Enthusiasm Trust Ltd	22	22
The Violence Intervention Project	20	20
Trelya	25	–
Children Heard and Seen	25	–
The Kids Network	25	–
Young Roots	20	–
Khulisa	35	–
Football Beyond Borders	25	–
Creative Arts		
The Big House	20	20
Criminal Justice & Rehabilitation		
Key4Life	–	20
A band of brothers	20	20
The Hardman Trust	–	39
Domestic and Sexual Abuse		
My Sister's Place	20	20
Port Talbot and Afan Women's Aid	–	20
Fermanagh Women's Aid	20	20
Latin American Women's Aid	20	20
Safeline	25	25
Insight Counselling Coaching and Support	20	20
Moira Anderson Foundation	20	20
Street Teams	20	20
Support After Rape and Sexual Violence Leeds	25	–
Thrive Women's Aid	20	–
Nottingham Central Women's Aid	25	–
CLEAR Emotional Trauma and Therapy Specialists	25	–
The Southmead Project	25	–
A Way Out	25	–
Pandora Project	20	–
Rising Sun Domestic Violence and Abuse Service	25	–
Sister System	25	–
Tender Education and Arts	25	–

Notes to the accounts

Year to 31 July 2023

2. Expenditure on charitable activities: charitable grant making (continued)

	2023	2022
	£'000	£'000
Grants payable include the following grants of £20,000 or more		
Education		
Colfe's School *	240	300
Leathersellers' Federation of Schools	265	145
Khulisa	–	25
Football Beyond Borders	–	25
RCN Foundation	20	20
The Guildhall School Trust	25	25
Food and Essentials Provision		
World Central Kitchen	–	50
Health (including Mental Health)		
The Listening Place	20	20
Blue Smile	20	20
Noa Girls	23	23
Manchester Action on Street Health	–	25
Women Counselling and Therapy Service	25	25
Open Door Young People's Consultation	25	–
With Kids	25	–
Baobab Centre for Young Survivors in Exile	25	–
Beyond the Horizon Charity	25	–
MASH	25	–
Saffron Sheffield	25	–
Body & Soul	25	–
Home-start Wessex	25	–
Kids Inspire	25	–
Heritage and Environment		
Saint Mary the Virgin Parish Church	–	40
Homelessness		
Baron's Court Project	–	20
The Bond Board	20	20
The National House Project	25	25
Burton upon Trent & District	25	25
Yellow Brick Road Projects	25	–
DENS	20	–
Leather Associated		
Cockpit Arts	25	25
London College of Fashion	27	22
The Leather Conservation Centre	30	20
Recreational		
BIGKID Foundation	20	20
Youth Adventure Trust	22	22
Harrow Club	25	–
Total of aggregate grants £20,000 and over	1,839	1,358
Other aggregate grants under £20,000	1,084	1,687
Grants to individuals under the Leathersellers' University Exhibitions Scheme	242	274
Grants to individuals – Leather Associated Student Grants	31	20
	3,196	3,339

Charities marked * above are 'connected charities' as defined by the Charities SORP FRS 102.

3. Support costs	2023	2022
	£'000	£'000
Staff costs (note 4)	263	203
Leathersellers' Company management charge	45	45
Governance costs – Auditor's remuneration	16	12
Other costs	63	65
	387	325

4 Staff costs and remuneration of key management personnel	2023	2022
	£'000	£'000
Staff costs were:		
Salaries (including agency costs)	184	145
Social security costs	22	12
Pension contributions	52	41
Medical insurance	5	5
	263	203

The average number of employees during the year was 4 (2022: 3). 2 employees earned between £60,000 and £70,000 in the year (2022: 1 employee between £60,000 and £70,000) including taxable benefits but excluding employer's pension contributions and employer's national insurance contributions.

The key management personnel of the Foundation in charge of directing and controlling, running and operating the Foundation on a day to day basis comprise the trustees (including the Clerk to the Leathersellers' Company) and the Head of Grants.

No trustees received any remuneration or reimbursement of expenses from the Foundation for their services as a trustee. The Clerk is remunerated by the Leathersellers' Company. The employment costs of key management personnel, including taxable benefits, employer's pension contributions, employer's national insurance contributions and net of statutory maternity recovery, payable by the Foundation were £153,773 (2022: £94,911).

Notes to the accounts

Year to 31 July 2023

5. Investment property	2023 £'000	2022 £'000
UK long leasehold land and buildings		
Market value at 1 August 2022	18,955	15,810
Unrealised (loss) / gain	(2,522)	3,145
Market value at 31 July 2023	16,433	18,955
Historic cost of investment properties at 31 July 2023	4,977	4,977

The investment property was valued at its estimated market value by the trustees at 31 July 2023 based on professional advice.

6. Investment portfolio	2023 £'000	2022 £'000
Investments		
Market value at 1 August 2022	45,144	56,676
Add: Purchases at cost	18,616	42,056
Less: Proceeds from sales	(15,668)	(48,941)
Net realised and unrealised gains / (losses)	2,855	(4,647)
Market value of investments at 31 July 2023	50,947	45,144
Cash held by managers at 31 July 2023	109	4,376
Total market value at 31 July 2023	51,056	49,520
Total historic cost of investments at 31 July 2023	45,632	42,098

The investment portfolios at market value comprises:

UK investments listed on a recognised stock exchange (Cazenove, CCLA & M&G)	8,153	9,085
Overseas investments listed on a recognised stock exchange (Cazenove)	42,719	35,912
Unquoted investments (Goldman Sachs)	75	147
Total investments	50,947	45,144
Cash	109	4,376
	51,056	49,520

The quoted investments are held:

Directly	50,365	44,475
Indirectly, through unit and investment trusts	507	522
	50,872	44,997

6. Investment portfolio (continued)

The following investment holdings were material in the context of the investment portfolios as at 31 July 2023:

	2023 £'000	2023 %	2022 £'000	2022 %
Astrazeneca plc	1,541	3.0	2,277	5.0
Microsoft Corp	4,072	8.0	2,908	6.4
Alphabet Inc.	2,581	5.1	–	–

7. Debtors	2023 £'000	2022 £'000
Amounts owed by the Leathersellers' Company	37	57
Prepayments and accrued income	83	174
	120	231

8. Creditors: amounts falling due within one year	2023 £'000	2022 £'000
Accruals for grants payable	62	77
Amounts owed to the Leathersellers' Company	19	44
Accruals and deferred income	210	158
Taxation and social security	29	32
Other creditors	26	–
	346	311

9. Permanent endowment funds	Balance at 1 August 2022 £'000	Gains and losses £'000	Balance at 31 July 2023 £'000
Ann Elliott and Others Trust	522	(15)	507

	Balance at 1 August 2021 £'000	Gains and losses £'000	Balance at 31 July 2022 £'000
Ann Elliott and Others Trust	532	(10)	522

The above permanent endowment fund represents 41% of the endowments of the Ann Elliott and Others Trust, transferred under a Charity Commission Scheme dated 6 November 2006. Income arising on the endowment fund is to be used for educational grants to individuals and is therefore credited to restricted funds.

Notes to the accounts

Year to 31 July 2023

10. Expendable endowment funds	Balance at 1 August 2022 £'000	Expenditure, gains and losses £'000	Transfers £'000	Balance at 31 July 2023 £'000
The Leathersellers' Foundation Funds	67,495	92	(1,111)	66,476
	Balance at 1 August 2021 £'000	Expenditure, gains and losses £'000	Transfers £'000	Balance at 31 July 2022 £'000
The Leathersellers' Foundation Funds	71,724	(1,700)	(2,529)	67,495

The above funds represent an original amount of £15,170,000 enhanced by an additional amount of £500,000, together with realised and unrealised gains. The trustees have the power to spend the capital; income arising on the funds is credited to unrestricted funds. The expenditure recognised in the fund represents the investment management costs of £256,000 (2022: £208,000). The transfer of £1,111,000 (2022: £2,529,000) from the expendable endowment fund to the general fund represents a withdrawal of £1,050,000 (2022: £2,500,000) from the quoted investment portfolio and realisations of £61,000 (2022: £29,000) from the unquoted portfolio.

11. Restricted funds	Balance at 1 August 2022 £'000	Income £'000	Expenditure £'000	Balance at 31 July 2023 £'000
University Exhibitions fund	5	54	(54)	5
Relief of the Poor fund	–	29	(29)	–
Leathersellers' Personal Giving fund	–	43	(43)	–
	5	126	(126)	5
	Balance at 1 August 2021 £'000	Income £'000	Expenditure £'000	Balance at 31 July 2022 £'000
University Exhibitions fund	6	69	(70)	5
Relief of the Poor fund	–	67	(67)	–
Leathersellers' Personal Giving fund	–	85	(85)	–
Jubilee fund	–	70	(70)	–
	6	291	(292)	5

The University Exhibitions fund represents income from the Robert Rogers Educational Foundation and income arising from the endowments of the Ann Elliott and Others Trust

The Relief of the Poor fund represents income arising from the Robert Rogers and Elizabeth Grasvenor Trust. These funds are to be expended in the form of grants to individuals as specified in the original trust deeds.

The Leathersellers' Personal Giving fund represents donations from liverymen and freemen and match funding from The Leathersellers' Company which is expended on specific charities as voted by the livery.

12. Analysis of net assets between funds	Permanent endowment funds £'000	Expendable endowment funds £'000	Restricted funds £'000	General fund £'000	Total 2023 £'000
Investment property	–	16,433	–	–	16,433
Investment portfolios	507	50,043	–	506	51,056
Debtors	–	–	–	120	120
Cash at bank and in hand	–	–	5	359	364
Creditors	–	–	–	(346)	(346)
	507	66,476	5	639	67,627

	Permanent endowment funds £'000	Expendable endowment funds £'000	Restricted funds £'000	General fund £'000	Total 2022 £'000
Investment property	–	18,955	–	–	18,955
Investment portfolios	522	48,540	–	458	49,520
Debtors	–	–	–	231	231
Cash at bank and in hand	–	–	5	1,074	1,079
Creditors	–	–	–	(311)	(311)
	522	67,495	5	1,452	69,474

13. Financial commitments	2023 £'000	2022 £'000
Payable in the year ending 31 July:		
2023	–	2,083
2024	2,449	1,288
2025	1,647	802
2026	859	72
2027	119	–
	5,074	4,245

Notes to the accounts

Year to 31 July 2023

13 Pension scheme

The Leathersellers' Company operates a defined benefit scheme, "The Leathersellers' Company (1973) Pension Fund", for its former employees, and for the former employees of its associated charities, including the Foundation. The Scheme was closed to new members with effect from 31 December 2002 and has been closed to future accrual from 31 July 2019. New employees are able to join a defined contribution scheme. Accordingly, there were no active members of the defined benefit pension scheme as at 31 July 2023 (2022: none).

This scheme is a multi-employer scheme. It is not possible to identify the Foundation's share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The scheme has therefore been accounted for as a defined contribution scheme. Two former employees of the Foundation are pensioner members of the scheme but the Foundation has made no contributions to the scheme in the year (2022: £nil).

14 Related party transactions

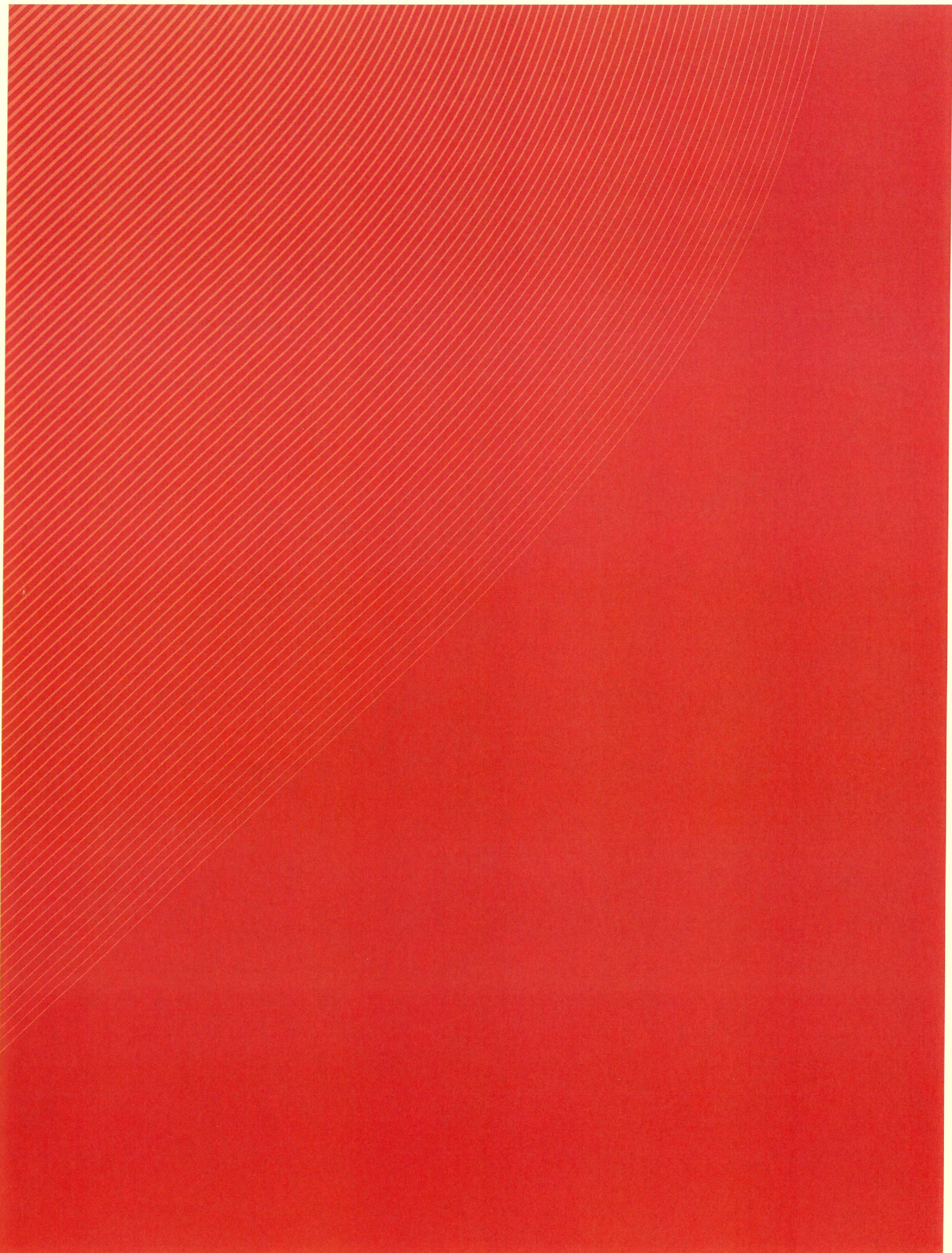
There are two leases between the Leathersellers' Company and the Foundation which have been in place throughout the year. The rent payable to the Company under these leases is a proportion of rents received by the Foundation in the year. The rent receivable is shown net of the rent payable as both relate to the same property. During the year, the rent payable by the Foundation to the Company was £113,000 (2022: £129,000) and the Foundation was charged a management charge of £42,000 (2022: £46,000) by the Company. At the year end, rent prepaid to the Company totalled £15,000 (2022: £15,000).

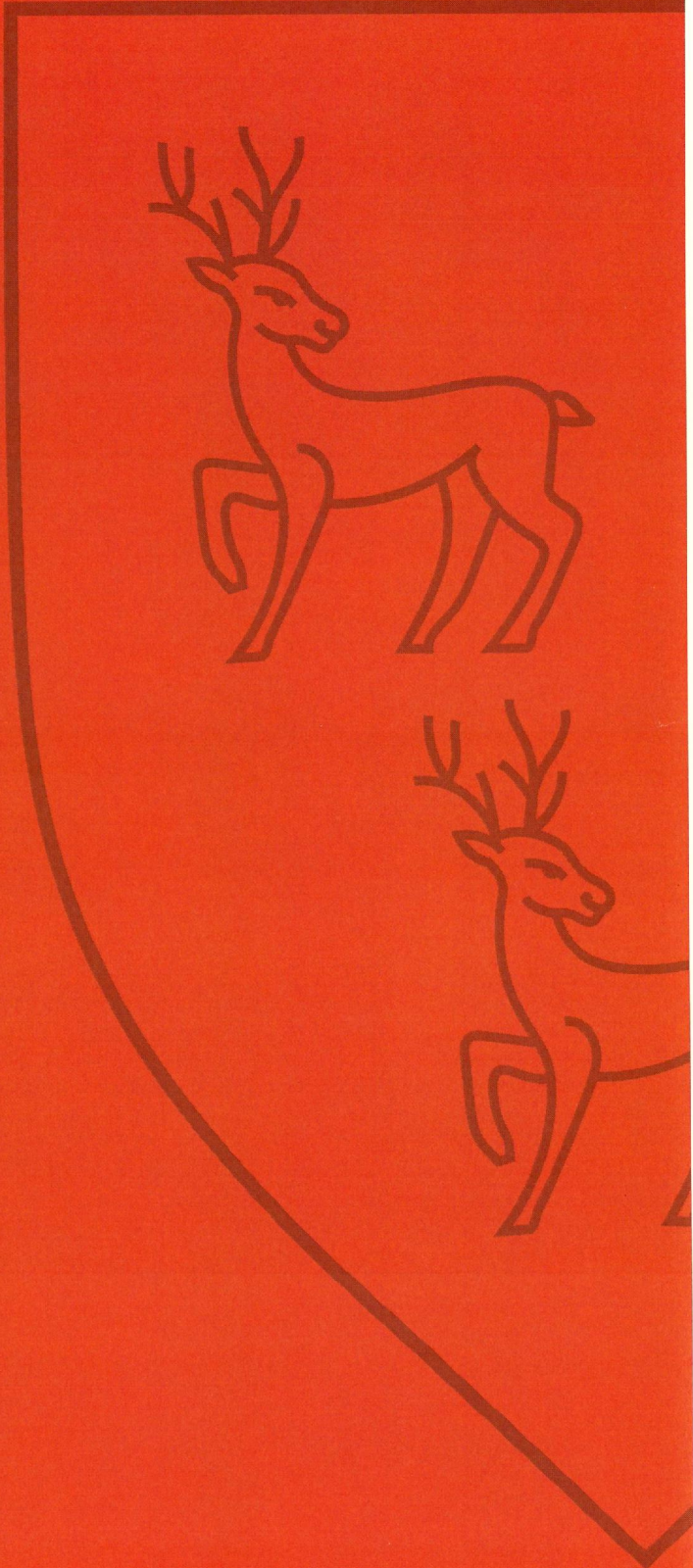
The Leathersellers' Company paid two grants to the Foundation in the year: a matched funding donation of £22,000 (2022: £43,000) and a general grant of £100,000. (In 2022 a donation related to the Jubilee fund of £70,000 was provided to the Foundation which was not repeated in 2023).

There was one connected charity (2022: one) which received a grant during the year: a grant of £240,000 (2022: £300,000) was awarded to Colfe's School.

Income for the year of £34,000 (2022: £53,000) was receivable for the University Exhibitions fund from The Robert Rogers Educational Foundation (for which the Leathersellers' Company is the sole trustee) and £29,000 (2022: £67,000) from the Robert Rogers and Elizabeth Grasvenor Trust (for which the Leathersellers' Company is the sole trustee).

There were no other related party transactions in the year or prior year.





The Leathersellers' Foundation
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Designed by Turnbull Grey

The Leathersellers' Foundation

England & Wales - Charity number 278072

Accounts



The Leathersellers' Foundation

ANNUAL REPORT AND ACCOUNTS
31 JULY 2022

CHARITY COMMISSION
REGISTRATION NUMBER
278072

Contents

Legal and administrative information	2
Members of the Court of Assistants	3
Trustees' report	4
Independent auditor's report	13
Accounts	
Statement of financial activities	16
Balance sheet	18
Statement of cash flows	19
Principal accounting policies	20
Notes to the accounts	23

Legal and Administrative Information

Name	The Trustees changed the name of the charity from “The Leathersellers’ Company Charitable Fund” to “ The Leathersellers’ Foundation ” on 20 June 2022.
Trustees	<p>The Wardens and Society of the Mistery or Art of the Leathersellers of the City of London (‘the Leathersellers’ Company’).</p> <p>The management of the Leathersellers’ Company and its function as Trustee is carried out through its Court of Assistants. Members of the Court of Assistants are listed on page 3.</p> <p>M E Lawrence (Chief Executive & Clerk to the Leathersellers’ Company).</p>
Address	7 St Helen’s Place, London EC3A 6AB
Auditor	Buzzacott LLP 130 Wood Street, London EC2V 6DL
Principal Banker	HSBC Bank plc 1–3 Bishopsgate, London EC2N 3AQ
Investment Manager	Cazenove Capital / Schroder & Co. Ltd 1 London Wall Place, London EC2Y 5AU
Solicitor	Farrer & Co LLP 66 Lincoln’s Inn Fields, London WC2A 3LH

Members of the Court of Assistants

* Members of the Charity Committee

† Members of the Education Committee

‡ Members of the Leather Trade Committee

To 20 July 2022

G G Bacon	Master
C J Lennon *†‡	Second Warden
J D G Curtis *†	Third Warden (ex-officio)
C J V Williams †‡	Fourth Warden (ex-officio)

J A M Muirhead OBE DL ‡
C P Barrow
N R Pullman
M L B Emley
M P E Pellereau BSc FRICS †
M W Pebody BA ‡
His Honour A C L Thornton KC †
I A Russell MBE †
A A Barrow *
M J Bradly Russell FCA *
C C Barrow †
M D J Dove BA FCA AKC
R N Tusting MA Cantab
M G Williams
P G Williams
D H Barrow ‡
W J C Lang ‡
R J Chard *
Dr T J C Fooks FRCGP †
H G Williams
S M G Williams †

From 6 October 2021

C T G Williams ‡
W R J Cock *

From 9 March 2022

A E Tusting ‡

From 20 July 2022

C J Lennon	Master
M G Williams *†‡	Second Warden
Prof. A B Brueggemann *‡	Third Warden (ex-officio)
A P Rothery †‡	Fourth Warden (ex-officio)

G G Bacon *
C P Barrow
M L B Emley
M P E Pellereau BSc FRICS †
M W Pebody BA ‡
His Honour A C L Thornton KC
I A Russell MBE †‡
A A Barrow *
M J Bradly Russell FCA
C C Barrow †
M D J Dove BA FCA AKC
R N Tusting MA Cantab
P G Williams
D H Barrow ‡
W J C Lang ‡
R J Chard *
Dr T J C Fooks FRCGP †
H G Williams
S M G Williams
C T G Williams
W R J Cock *
A E Tusting ‡
J A M Muirhead OBE DL ‡

From 7 December 2022

M T Berman

Trustees' Report

The trustees present their annual report and accounts of The Leathersellers' Foundation ("the Foundation") for the year ended 31 July 2022. Formerly The Leathersellers' Company Charitable Fund, the charity changed name to The Leathersellers' Foundation on 20 June 2022. The accounts have been prepared in accordance with the accounting policies set out on pages 20 to 22 of the attached accounts and comply with the Foundation's trust deed, 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 Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Objectives and activities for the public benefit, including grant making policy

The Leathersellers' Foundation's Declaration of Trust states that the "Trustees shall apply the Trust Fund and the income thereof for such purposes and objects being charitable at law as they in their absolute and uncontrolled discretion shall determine from time to time". The trustees confirm that they have considered the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives.

The objectives of The Foundation are to:

1. Enable individuals and communities through charity partners.
2. Foster opportunity and realise potential through education.
3. Support a sustainable UK leather industry.

Grants are awarded by the trustees on the recommendation of its Charity, Education and Leather Trade Committees, which include a number of trustees. The trustees set a budget for charitable giving at the start of the financial year, following a yearly review of each grant-making Committee.

Charitable grants are made to registered charities, charitable incorporated organisations and individuals, and are one of two types: a single grant or a multi-year grant. All multi-year grants are subject to annual review. If awarded a multi-year grant, a charity cannot then apply for additional funding, unless expressly invited. Of grants awarded in 2022, 91% by value were to registered charities or educational establishments and 9% were to individuals.

The Foundation's charitable giving is led by a five-year strategy. This commits 80% of non-committed main grant funding to the alleviation of suffering caused by Adverse Childhood Experiences (ACEs). Successful applicants are able to demonstrate evidence

of the effectiveness of their approach, how lived experience informs and improves their work, and how the need for support is affected by location and demographics. The remaining 20% is allocated to a Responsive Fund.

The Foundation has a longstanding commitment to supporting education as a means to improve social mobility through: historic relationships and responsibilities to Colfe's School and the Leathersellers' Federation of Schools; the Foundation's flagship Student Grants Programme, the origins of which date back to grants made by the Leathersellers' Company in 1602; and further education partnerships across England. The Foundation will continue to improve understanding and best practice in the field of social mobility, commissioning research and working with other funders to achieve the best possible evidence-based outcomes.

The Foundation's leather strategy considers how best to support both its historic industry and those who use leather as a material. Grant making is ordered into five pillars: Celebrating leather (partnerships and collaborations), business/maker support, leather education, leather industry, and heritage and conservation.

Achievements during the year

2021 – 22 proved another challenging year for charities across the UK as they grappled with the opportunities and challenges of reduced Covid restrictions, whilst trying to balance the continued health risks and ensuring the flexibility and learning gained during the pandemic remained central to their operation. The Leathersellers' Foundation's main charitable funding programmes stayed true to our giving principles of providing and honouring multi-year commitments, supporting charities transforming the lives of those most disadvantaged in their communities and continuing our efforts to improve our own approach and processes.

Total grants made during the year amounted to £3,339,000 (2021: £3,285,000). Grants to charities connected to The Leathersellers' Foundation totalled £300,000 (2021: £420,000). Grants to charities or individuals associated with the Leather Trades totalled £187,000 (2021: £141,000).

Further details of main and small grants awarded to organisations can be found both online at www.threesixtygiving.org and via 360giving and the linked tools 360GrantNav and 360Insights.

Grants, analysed by type, as defined on the previous page, are as follows:

	2022		2021	
	£'000	No.	£'000	No.
To charities:				
Single	1,110	207	656	187
Multi-year	1,935	143	2,368	177
Charities sub-total	3,045	350	3,024	364
To individuals	294	91	261	123
Total grants awarded in year	3,339	441	3,285	487

Grants analysed by charitable sector are as follows:

	2022		2021	
	£'000	%	£'000	%
Charitable Sector				
Education	1,024	31	1,050	32
Leather Associated	187	6	141	4
Advice	150	4	168	5
Community Support	288	9	244	7
Creative Arts	103	3	127	4
Criminal Justice & Rehabilitation	104	3	88	3
Disability	142	4	234	7
Domestic & Sexual Abuse	460	14	343	10
Employability	43	1	92	3
Food & Essential Provisions	62	2	62	2
Heritage & Environment	51	1	21	1
Homelessness	226	7	221	7
Health	241	7	185	6
Recreational & Out of School Activities	224	7	287	8
Services Support & Rehabilitation	34	1	22	1
Total	3,339	100	3,285	100

Trustees' Report

Charity Main Grants – unrestricted multi-year funding

The Foundation recognises that charities are best placed to identify the needs of their local community and we are committed to providing our grantees with the flexibility required to respond at pace. Our unrestricted, multi-year funding model empowers organisations to direct funds where it will make the most difference to the lives of their beneficiaries. In addition, it provides security so that organisations can invest in their teams, supporting staff retention and effective service delivery.

Regular communication and end of year reporting provides assurance that funds are being used responsibly and effectively. Following positive grantee feedback and sector wide conversations, the Foundation will continue to share details of the added value unrestricted, multi-year funding it provides and encourage fellow funders to consider this approach where appropriate.

Charity Main Grants – new funding

Following a strategic review of our approach to charitable giving, the Foundation's Main Grants Programme targeted support to charities preventing and mitigating the impact of Adverse Childhood Experiences (ACEs). This is a research informed area of work with a global body of evidence, showing that the lasting impact of traumatic experiences as a child or young person has a considerable negative effect on mental and physical health, and educational and career success. As well as preventing individuals from achieving their potential, in opposition to a core aim of the Foundation's work, people who have experienced six or more ACEs have a life expectancy of 20 years less than the average population.

This year, 21 new multi-year grants were provided to support charities with ACEs as their core focus, in addition to over £1.1m of pre-committed funding to charities in receipt of multi-year grants. The Foundation's trustees are committed to supporting charities aiming to prevent or mitigate the impact of ACEs for a minimum of five years.

Jubilee Fund

In 2022 Queen Elizabeth II became the first British monarch to celebrate a platinum jubilee following 70 years of service. In recognition of this, the Foundation chose to run a celebratory jubilee funding programme to further support our existing charity partners and highlight the remarkable impact they have on their local communities. The total of £210,000 represented three contributions of £70,000 from the Foundation, the Charity Committee's budget and a donation received from the Leathersellers' Company, to celebrate this historic occasion. 23

new single year grants were provided to existing charity partners who made an excellent case to explain how an additional one-off sum would help them to rebuild, strengthen and/or adapt their services using their learning from the last two years. A dedicated celebratory report is provided on our website.

Small Grants Programme

Our Small Grants Programme re-opened in September 2021 with a budget of £204,000. As in 2020, registered charities with an income of less than £200,000, supporting vulnerable people in areas of high deprivation were eligible to apply for one-year grants of up to £3,000. 14 meetings were held across 10 months, to support timely consideration of applications, with members of the Young Livery playing a significant role in making recommendations to the Foundation's trustees. In total, 117 small grants were awarded across the UK at an average of £1,745. Charities providing community support received 29% of funding, which was deemed reflective of local need following the pandemic.

Leathersellers' Personal Giving Awards

The Leathersellers' Company held its fourth annual Personal Giving Appeal, offering match funding from the Leathersellers' Company for any donations made by Liverymen or Freemen throughout the year. For the first time, staff were also invited to donate to the initiative. The Small Grants Committee, made up of Young Livery members, identified four charities through a voting process, The Hardman Trust, SHE UK, The Feast Youth Project, and Connors Toy Library. Allocation of funds to the four charities was proportionate to the number of votes received. In all, a total of £85,618 was raised, following donations from 73 members of the Livery, Freedom, and staff of the Leathersellers' Company and Foundation.

Leather Grants

In 2021 – 22, the Foundation developed a grant giving strategy for leather related funding, which identified five connecting pillars, namely Celebrating Leather, Business/ Maker Support, Leather Education, The Leather Industry, and Conservation and Heritage. The Foundation provided £187,000 in leather related grants in the year.

Our partnerships continue to support students in learning leather working and tannery related skills through four key partners – University of Northampton, London College of Fashion, De Montfort University and the Royal College of Art. This year, development of a new collaborative initiative to source and redistribute surplus leather was agreed by the Leather Trade

Committee, in line with our support of the leather industry and our commitment to sustainability.

To encourage and support individuals with their training and educational journey, we have established a new Tannery Apprenticeship Programme. This year, two apprentices will have the opportunity to start their professional careers in leather at two UK based tanneries, with the support of our funding. In addition, we will support three individuals with leather apprenticeships in other areas of the leather industry, including bookmaking and saddlery.

Major grants 2021 – 22 (over £100,000)

In keeping with previous years, in 2021 – 22 the majority of funding provided from the Foundation was awarded in grants of between £10,000 – £20,000 to charitable organisations. There are, however, three long-standing and notable exceptions where a much greater level of support has been provided, all in the field of Education, and so the trustees wish to provide further detail.

Colfe's School – £300,000

Based in South-East London, Colfe's is one of London's oldest schools and has been closely linked with the Leathersellers' Company since the 17th century when the Founder of the school, Abraham Colfe, entrusted the school to the Company in his will. Now an independent school, the Company remains the sole member and appoints a number of Liverymen to the school's governing board to support good governance and ensure the high standards of education are maintained. The grant of £300,000 supports the provision of 'Leathersellers' Scholarships' which enable pupils from local state schools to study for their A-levels at Colfe's and utilise the facilities, extra-curricular activities and careers support during those two years. More information and testimonials are available on the school's website at www.colfes.com/why-colfes/leathersellers-scholarships/

Leathersellers' Federation of Schools – £145,000

The Leathersellers' Federation of Schools develops the vision of Joseph Prendergast who founded Lewisham's first girls' secondary school in 1890, on a site provided by the Leathersellers' Company. The Federation now consists of five educational entities: Prendergast School, Prendergast Ladywell School, Prendergast Vale School, Prendergast Sixth Form College and Prendergast Primary School all based in South-East London. All state-funded schools, they share a common set of goals and values, and provide excellent academic education and personal support to all pupils. The Leathersellers' Company provides a number of Governors to support good governance

of the schools, as well as a range of grants to provide additional opportunities for the approximately 2,700 pupils who attend. In 2021 – 22 these extras included raising career awareness and aspirations, improving mental health and wellbeing, broadening opportunities to experience sport and focused mentoring. Awards are also provided to school leavers from Prendergast who have demonstrated exceptional academic achievement and/or progress in sixth form, overcome significant adversity and made an exceptional contribution to the life of the school.

Match funding

Funds are made available to both Colfe's School and the Leathersellers' Federation of Schools to provide 'match funding' to encourage the fundraising efforts of pupils and teachers throughout each academic year. In 2021 – 22 almost £17,000 was raised (and therefore matched) for a variety of causes by pupils at the schools through a range of physical, mental, group and individual challenges. This match funding appears separately to the main grants to the schools as the majority is donated directly to the charities involved. Up to £20,000 is made available annually, so the Trustees hope the schools will be able to increase their activities and maximise this opportunity in years to come.

Student Grants also known as the 'University Exhibitions Scheme' – £274,000

This programme of funding was begun in 1602 by the Leathersellers' Company and there is a historical record of recipients dating up to 1950 available on the Leathersellers' website. Students are invited to apply in an open process, with the possibility of being funded for up to four years of study at university to a maximum of £5,000 per annum. In this year, we supported 86 students undertaking a range of courses at 51 different universities across the UK. The need for these funds continues to grow, with almost 600 applications received from undergraduate students across the country whose personal circumstances may otherwise curtail their ambitions to study at university level and give back to society globally.

Added value and collaboration

The Foundation recognises the need and responsibility to champion the work of our grantees, both in helping to raise awareness of their impact with external stakeholders, and through our 'funder plus' offerings.

In 2021 – 22 we welcomed recipients of our student grants to the Leathersellers' Hall to make use of our facilities during their revision periods and began developing a Mentoring Programme supported by the Liverymen of the Leathersellers' Company.

Trustees' Report

For our charity partners, we delivered a Link and Learn event, which included a bid writing workshop from the Foundation for Social Improvement, and a Funders Panel featuring guest speakers from the Garfield Weston Foundation, Henry Smith Charity and Trusthouse Foundation alongside a well-received 'ask the funder' session.

In 2022, we hosted our first Alumni event at Leathersellers' Hall, bringing together past and present grantees, with members of the Leathersellers' Company and their guests. The event provided an opportunity to network and to discuss potential collaboration, celebrating the work conducted with the Foundation's support and beyond. In addition, we hosted a tailored event for the staff and teachers of the Leathersellers' Federation of Schools, providing the first opportunity since the pandemic to come together to thank all Federation staff for their work during an extremely difficult period, and to underline our ongoing commitment and details of our historic and deep-rooted connection.

Equity, Diversity and Inclusion

Each year, the trustees are required to review each grant-making Committee to ensure their work is founded on principles of diversity, equity and inclusion, at strategic and policy level, and in practical terms. Each Committee continues to review established and new funding programmes to ensure that they are accessible to disproportionately impacted groups and communities.

The Foundation has demonstrated open and trusting grant making through the provision of multi-year unrestricted grants and remains publicly committed to the to the IVAR Flexible Funders initiative. Our progress against the eight areas of good funding practice is monitored by the Foundation's Charity Committee and we ensure transparency of our grant-giving through publication of our awards on 360Giving.

Measured and objective assessment criteria are in place across our grant programmes to ensure robust and equitable application processes. We analyse the geographical spread of our applications to determine areas where we may need to increase awareness of our grants, and we invite our student grantees to complete an anonymised survey relating to protected characteristics, to inform steps to increase reach and inclusion. All grant application forms are now available in downloadable Word documents to improve accessibility.

Social mobility

The grants provided by the Foundation in the area of Education exceeded £1 million in 2021 – 22, with a significant portion dedicated to supporting social mobility for young people who find that their personal circumstances may prevent them from pursuing their academic ambitions. This year, our trustees took steps to better understand how we can best drive social mobility through our grant-giving and support. We increased engagement with our student grantees to learn from their perspectives and feedback, and the Foundation's trustees commissioned a rapid landscape Review by specialist consultants, Better Purpose. The Review provided essential context of different approaches to social mobility and consideration of their varied impact. To encourage collaboration and discussion in this area, the Foundation delivered a Social Mobility Event at the Leathersellers' Hall in June 2022 for grantees, fellow funders and other key stakeholders, where findings of the Review and proposed actions were considered. The Review is available on our website.

Conversational Reporting

With a view to reducing the burden on our multi-year charity grantees, we piloted conversational reporting. This replaces a written report with a one-hour conversation with a senior member of the Foundation's Grants Team. 45 charities commencing year 2 or 3 of their grant period were invited to take part, with 38 accepting. The pilot demonstrated that conversational reporting adequately allowed for necessary checks on impact, expenditure, and operations, whilst adding value in terms of relationship building and achieving a broader understanding of challenges facing the charity. All 38 charities participating in the pilot noted that they preferred this approach to written reporting.

Financial Review

Total income for the year was £1,937,000 (2021: £1,659,000). This includes donations of £264,000 (2021: £172,000) and restricted income from investments of £27,000 (2021: £23,000). Grants awarded in the year totalled £3,339,000 (2021: £3,285,000), support costs were £325,000 (2021: £254,000), including governance costs of £12,000 (2021: £11,000), and investment management costs of £208,000 (2021: £193,000). Net expenditure for the year, before realised and unrealised investment gains, was £1,935,000 (2021: £2,073,000).

Any gains and losses incurred on the investment property and the investment portfolios are retained within the endowment funds. For the investment portfolios, net realised and unrealised losses were £4,647,000 (2021: gains of £12,012,000). There was

an unrealised gain of £3,145,000 in the value of the investment property in the year (2021: £765,000).

The trustees confirm that the cash balances and investment funds were managed and invested in accordance with the trust deed, throughout the year.

Financing of grants

Grants are financed from income derived from rents, dividends and interest, and withdrawals from the investment portfolio. The trustees consider the Foundation has sufficient assets to fulfil its obligations.

Fundraising statement

The Foundation only fundraises with members of the Leathersellers' Company and grant alumni and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. When donations from individuals are received, the Foundation aims to protect personal data and never sells data or swaps data with other organisations. The Foundation manages its own fundraising activities. The Foundation undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2022, the Foundation received no complaints about fundraising activities.

Reserves Policy

The balance sheet shows total funds of £69,474,000 (2021: £72,911,000) comprising permanent endowment funds of £522,000 (2021: £532,000), expendable endowment funds of £67,495,000 (2021: £71,724,000), restricted funds of £5,000 (2021: £6,000), and general funds or 'free' reserves of £1,452,000 (2021: £649,000).

Although the expendable endowment is a capital fund by nature, it is held on terms which allow the trustees to draw on it to provide additional resources to fund charitable spending which cannot be fully met from income. It is anticipated that capital growth of the expendable endowment will, over the long term, exceed that required to protect it from the effects of inflation. On that basis, it will be appropriate to continue to allocate some of that growth to support expenditure without reducing the impact of the fund for future generations. There is, therefore, no strategic need to hold significant reserves and the general funds are considered sufficient to cover the day to day needs of the Foundation for liquid funds.

Investment Policy and performance

The Foundation's commitment is to continue long term charitable giving. In order to sustain this objective, the investment strategy is to maximise total return over the long term.

The leasehold land held as investment property is shown at market value as estimated by the trustees as at 31 July 2022 based on professional advice. It is the trustees' long held policy to retain an interest in property within the City of London. This provides a minimum rental income sufficient to provide approximately one fifth of the present commitment to charitable giving.

The equity investment portfolios are independently professionally managed to generate the maximum total return over the long term, consistent with prudent levels of risk. During July 2022 the trustees changed investment manager to Cazenove Capital, the charity brand of Schroder & Co, and changed the mandate to:-

- > A global equity mandate with an ESG focus.
- > The aim of the portfolio is "to provide capital growth by investing globally in shares of companies that are managed for the long term and account for their impact on stakeholders".
- > The overall objective of the portfolio is to provide £2 – 3m, in addition to dividends, for grant giving (4 – 6% p.a. plus dividends).

The portfolio is to be run on a segregated basis and will be managed by the same team that run the Schroder Global Sustainable Growth fund.

Prior to the change, the total return for the equity portfolio was -9.6% for the twelve months to 30 June 2022 before fees. This compared with a benchmark of -2.4% (30% FTSE All Share, 60% FT World ex UK, 10% FTSE Emerging). Over the three-year period to 30 June 2022 the portfolio returned 177% against a benchmark of 16.5%. As noted above, the portfolio was moved to Cazenove Capital during July 2022 and appropriate performance statistics will be reported from August 2022 in future annual reports.

Trustees' Report

Future plans

A budget has been set for Charitable giving of over £3m for the year to 31 July 2023.

Budget allocations

In developing our five year charitable giving strategy, the need to provide multi-year grants in a focused area was recognised. In addition, following the past two years of the pandemic, the flexibility to respond to emerging need was also crucial. Due to these factors the Leathersellers' Foundation's charitable giving will focus approximately 80% through a Main Grants Programme, 20% through a Responsive Fund, with an additional £200,000 made available for Small Grants of up to £5,000.

Social mobility

The landscape review conducted by Better Purpose, enabled the Foundation to explore and improve the effectiveness of our grant-making. The next step is to examine what difference our grant making in Education is making for individuals. In doing so, we will be able to take an informed approach to our future grant making, and better support our grantees during their funding period, and in preparation for their future.

Mentoring Programme

In 2022 – 23, the Foundation will launch a Mentoring Programme, connecting student grantees with members of the Leathersellers' Company and grantee alumni, to provide professional guidance and networking opportunities. The partnerships formed will also allow us to learn directly from our beneficiaries and will increase understanding of the various challenges our grantees face as they progress through their academic career and into work. Training will be provided by an expert in the area of mentor/ mentee relationships for all taking part.

Supporting the leather industry

In 2022, the Leathersellers' Foundation is launching a collaborative initiative with Abbey England and our funded educational institutions to make use of surplus leather, aiming to increase the use and understanding of working with leather. In addition, members of our Leather Trade Committee will support the development of a 'Leather Toolkit', which will be used to raise awareness of the sustainability and benefit of working with leather, which we aim to make widely available to educational institutions and industry stakeholders.

As a 'funder plus' offering for recipients of leather related grants, we will encourage use of the Leathersellers' Hall to increase the

profile of our past and present grantees and their work, the first of which was the hosting of an event celebrating the work of the Creative Dimensions Trust in September 2022.

Grant Making Policy and Responsibilities

The grant making policy, that was established during 2019 – 20, continues to provide a defined allocation of the Foundation budget for 2022 – 23 between the three grant making Committees: Charity, Education and Leather Trade. Each of these Committees holds a defined remit with common grant making criteria and guidelines, each tailored to recognise the bespoke nature of the funding that Committee oversees. These Committees receive reports on the funds they distribute and consider the impact those have in each area to ensure best use of funds. Each Committee is responsible for setting strategic aims for the year ahead and measuring success against those. The trustees receive recommendations and reports from each Committee and provide final approval for any funding decisions. This approach has yielded some excellent new initiatives as described above, whilst maintaining long term, stable funding relationships at its core. The development of this approach will be reported on annually in the accounts.

Addressing diversity, equity and inclusion

Increasing the accessibility of our grants rounds is a priority for the Foundation. In all our programmes, we are continually acting on feedback and data received to improve the clarity of our criteria and availability of offline forms. We are responsive to potential applicants and offer support wherever possible before submission. In 2021, this included launching our annual round of recruitment to our long-standing undergraduate student programme with open and accessible webinars both for Federation sixth form students and for any interested parties to attend in January 2022 which saw high attendance figures.

We will continue to champion social mobility through our grant making. Recent data collected on protected characteristics will be used to inform our promotion of future grants rounds, in order to improve our reach and inclusion of individuals from all communities and backgrounds. We will also use data collected on the geographical spread of main grant applications to encourage more applications from organisations operating in areas of high deprivation.

This year, we were pleased to initiate a programme where our student grantees can access Leathersellers' Hall for revision space during the university holidays. We will seek to review and address barriers to this during the year. The Foundation's Mentoring

Programme will begin with 18 partnerships, the progress of which will be monitored by the Foundation's trustees throughout the year.

Environmental, social and governance

The Foundation has established a Sustainability Working Group, to identify ways in which the Foundation and the Leathersellers' Company can adapt and drive change in this area. The Group will meet regularly throughout the year and make recommendations to the Foundation's respective Committees on improvements and initiatives that may be adopted.

Through our leather related grant making, we aim to dissuade assumptions that UK leather is a negative choice of material as it relates to environmental impact. Out of 2,000 adults only 24% were aware that leather is made from hides or skin that is a by-product of the food industry that could otherwise end up in landfill, and half of the respondents wrongly assumed that animals were raised to produce leather from their hide. The upcoming Leather Toolkit will aim to deliver this information in an effective and accessible way.

As a Flexible Funder, we will continue to demonstrate transparency in our grant making through publication of our grants on 360Giving. In addition, we will share learnings and details of the impact of our unrestricted, multi-year funding model at pan-livery events and remain open to collaboration that may benefit our grantees. A Link and Learn event is scheduled for March 2023, which will bring together charities, funders and others to identify key concerns and explore solutions, and we also aim to host our second alumni event to provide further networking opportunities for our past and present grantees. Trustees of the Foundation sit on each of the three main Committees, which oversee the strategic delivery of our grant-giving. In the coming year we will increase the frequency that Committee Chairs meet to ensure overarching cohesion of priorities and values across these areas.

Structure, governance and management

The Trust is an unincorporated trust, constituted under a trust deed dated 7 February 1979 and is registered with the Charity Commission, number 278072.

The Leathersellers' Company fulfils its role as trustee by way of its Court of Assistants (see page 3) and various working committees drawn from members of the Company. The decisions of the trustees are put into effect by the staff of the Foundation and the staff of the Leathersellers' Company. Day to day

management is the responsibility of the Chief Executive & Clerk to the Company who is also a trustee.

The Leathersellers' Company keeps the skill requirements for the Trustee Body under review. In the event that a Court member retires, new members are elected from the Livery in accordance with the constitution of the Leathersellers' Company.

Following their election, newly appointed Court Members are briefed by the Chief Executive & Clerk on their role and responsibilities as members of the Trustee Body of the Leathersellers' Foundation. In addition, trustees receive a welcome pack which includes a copy of the trust deed, last year's annual report and accounts, and a copy of the Charity Commission's guidance to being a trustee. Periodic briefings and courses are also provided for trustees.

Key management personnel

The key management personnel of the Foundation in charge of directing and controlling the Foundation and running and operating the Foundation on a day to day basis are the trustees and the Head of Grants. No trustee remuneration was paid in the year by the Foundation. The Chief Executive & Clerk is remunerated by the Leathersellers' Company. The remuneration of the Head of Grants is reviewed annually by the remuneration sub-committee of the Leathersellers' Company.

Risk management

The trustees have reviewed the major risks to which the Foundation is exposed relating to the operations of the organisation, its investments and its finances. The trustees believe that by examining the specific and general business and operational risks faced by the Foundation, by ensuring controls exist over the financial systems and safe custody of its assets and investments, and by monitoring its reserves, they have established effective means to mitigate those risks. The trustees are aware of the Foundation's continued reliance on services provided by the Leathersellers' Company and have sought and received assurance of their continuance.

The principal risk faced by the Foundation lies in the performance of investments. The trustees consider the variability of investment returns on the endowment funds to constitute the Foundation's major financial risk. This is mitigated by retaining expert investment managers and having a diversified investment portfolio.

Trustees' Report

Connected charities

The Foundation is connected to other registered charities by virtue of common control and/or shared management.

Details of connected charities and transactions between the Foundation and its trustees and connected charities are given in Note 14 to the accounts.

Statement of trustees' responsibilities

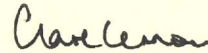
The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Foundation and of the income and expenditure of the Foundation for that period. In preparing these accounts, the trustees are required to:

- > select suitable accounting policies and then apply them consistently;
- > observe the methods and principles in 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);
- > make judgements and estimates that are reasonable and prudent;
- > state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- > prepare the accounts on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and which enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 7 December 2022 and signed on their behalf by:



C J Lennon
Master
The Leathersellers' Company
(as Trustee)



M E Lawrence (as Trustee)
Chief Executive & Clerk
The Leathersellers' Company

Independent Auditor's Report

Independent auditor's report to the Trustees of the Leathersellers' Foundation

Opinion

We have audited the accounts of Leathersellers' Foundation (the 'Foundation') for the year ended 31 July 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- > give a true and fair view of the state of the Foundation's affairs as at 31 July 2022 and of 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 Foundation's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Independent Auditor's Report

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 and accounts other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- > the information given in the Trustees' report is inconsistent in any material respect with the accounts; or
- > sufficient accounting records have not been kept; or
- > the accounts are not in agreement with the accounting records and returns; or
- > we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the Foundation'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 Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- > the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- > we identified the laws and regulations applicable to the Foundation through discussions with those charged with governance and other management, and from our knowledge and experience of the sector;
- > we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the Foundation, including the Charities Act 2011 and the financial reporting framework referred to above; and
- > we understood how the Foundation is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the minutes of meetings of those charged with governance.

We assessed the susceptibility of the Foundation's accounts to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

- > making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- > considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- > performed analytical procedures to identify any unusual or unexpected financial relationships;
- > tested journal entries to identify unusual transactions;
- > performed substantive testing of expenditure including testing the authorisation thereof; and
- > assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

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

- > reading the minutes of meetings of those charged with governance; and
- > enquiring of those charged with governance and management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at 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 Foundation's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Foundation's trustees those matters we are required to state to them in an

auditor's 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 Foundation and the Foundation's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP

Statutory Auditor

130 Wood Street

London

EC2V 6DL

Date: 16/12/22

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of financial activities

Year to 31 July 2022

	Notes	General fund £'000	Restricted funds £'000	Expendable endowment funds £'000	Permanent endowment funds £'000	Total funds 2022 £'000	Total funds 2021 £'000
Income:							
Donations		–	264	–	–	264	172
Investment income	1	1,646	27	–	–	1,673	1,487
Total income		1,646	291	–	–	1,937	1,659
Expenditure:							
<i>Cost of raising funds</i>							
Investment management costs		–	–	208	–	208	193
<i>Expenditure on charitable activities</i>							
Charitable grant making	2	3,372	292	–	–	3,664	3,539
Total expenditure		3,372	292	208	–	3,872	3,732
Net expenditure before transfers		(1,726)	(1)	(208)	–	(1,935)	(2,073)
Transfer between funds	9	2,529	–	2,529	–	–	–
Net income / (expenditure) before gains on investments		803	(1)	(2,737)	–	(1,935)	(2,073)
Unrealised gains on investment property	5	–	–	3,145	–	3,145	765
Net realised and unrealised (losses) / gains on investment portfolios	6	–	–	(4,637)	(10)	(4,647)	12,012
Net income / (expenditure) and net movement in funds		803	(1)	(4,229)	(10)	(3,437)	10,704
Reconciliation of funds:							
Total funds brought forward as at 1 August 2021		649	6	71,724	532	72,911	62,207
Total funds carried forward as at 31 July 2022		1,452	5	67,495	522	69,474	72,911

Continuing operations

None of the Fund's activities were permanently acquired or discontinued during the above two financial years.

Total recognised gains and losses

All recognised gains and losses are included within the Statement of Financial Activities.

Statement of financial activities

Prior Year to 31 July 2021

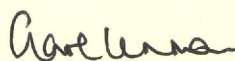
	Notes	General fund £'000	Restricted funds £'000	Expendable endowment funds £'000	Permanent endowment funds £'000	Total funds 2021 £'000
Income:						
Donations		3	169	–	–	172
Investment income	1	1,464	23	–	–	1,487
Total income		1,467	192	–	–	1,659
Expenditure:						
<i>Cost of raising funds</i>						
Investment management costs		–	–	193	–	193
<i>Expenditure on charitable activities</i>						
Charitable grant making	2	3,350	189	–	–	3,539
Total expenditure		3,350	189	193	–	3,732
Net expenditure before transfers		(1,883)	3	(193)	–	(2,073)
Transfer between funds	9	2,076	–	(2,076)	–	–
Net income / (expenditure) before gains on investments		193	3	(2,269)	–	(2,073)
Unrealised gains on investment property	5	–	–	765	–	765
Net realised and unrealised (losses) / gains on investment portfolios	6	–	–	11,910	102	12,012
Net income / (expenditure) and net movement in funds		193	3	10,406	102	10,704
Reconciliation of funds:						
Total funds brought forward as at 1 August 2020		456	3	61,318	430	62,207
Total funds carried forward as at 31 July 2021		649	6	71,724	532	72,911

Balance Sheet

Year to 31 July 2022

	Notes	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Fixed assets					
Investment property at market value	5		18,955		15,810
Investment portfolios at market value	6		49,520		56,798
			68,475		72,608
Current assets					
Debtors		231		68	
Cash at bank and in hand		1,079		433	
		1,310		501	
Liabilities:					
Creditors: amounts falling due within one year	7	(311)		(198)	
Net current assets			999		303
Total assets less current liabilities			69,474		72,911
The funds of the Foundation:					
Permanent endowment funds	8		522		532
Expendable endowment funds	9		67,495		71,724
Restricted funds	10		5		6
Unrestricted funds					
General fund			1,452		649
Total Foundation funds			69,474		72,911

Approved by the trustees on 7 December 2022 and signed on their behalf by:



C J Lennon
Master
The Leathersellers' Company
(as Trustee)



M E Lawrence (as Trustee)
Chief Executive & Clerk
The Leathersellers' Company

Statement of Cash Flows

Year to 31 July 2022

	Notes	2022 £'000	2021 £'000
Cash flows from operating activities:			
Net cash used in operating activities	A	(3,658)	(3,692)
Cash flows from investing activities:			
Investment income		1,673	1,487
Proceeds from the disposal of investments		48,941	13,788
Purchase of investments		(42,056)	(11,543)
Net cash provided by investing activities		8,558	3,732
Change in cash and cash equivalents in the year		4,900	40
Cash and cash equivalents at 1 August 2021	B	555	515
Cash and cash equivalents at 31 July 2022	B	5,455	555

Notes to the statement of cash flows for the year to 31 July 2022.

A Reconciliation of net movement in funds to net cash used in operating activities

	2022 £'000	2021 £'000
Net movement in funds (as per the statement of financial activities)	(3,437)	10,704
Adjustments for:		
Losses / (Gains) on investments	1,502	(12,777)
Investment income	(1,673)	(1,487)
(Increase) in debtors	(163)	(66)
Increase / (decrease) in creditors	113	(66)
Net cash used in operating activities	(3,658)	(3,692)

B Analysis of cash and cash equivalents and reconciliation of net funds

	1 August 2021 £'000	Cash Flows £0,000	31 July 2022 £'000
Cash at bank and in hand	433	646	1,079
Cash held by investment managers	122	4,254	4,376
Total cash and cash equivalents	555	4,900	5,455

Principal Accounting Policies

Year to 31 July 2022

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 July 2022 with comparatives presented for the year ended 31 July 2021. The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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 (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Foundation constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates. The only material item in the accounts where such judgements and estimates have been made is in respect to estimating the market value of the investment property.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The trustees of the Foundation have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Foundation to continue as a going concern. The trustees are of the opinion that the Foundation will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 July 2023, the most significant areas that affect the carrying value of the assets held by the Foundation are the level of investment return and the performance of the investment and property markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

Income is recognised in the period in which the Foundation has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations and investment income, including rental income and income from listed investments.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Rental income is recognised on the accruals basis.

Donations are recognised when the Foundation has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the Foundation is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Foundation and it is probable that those conditions will be fulfilled in the reporting period.

Interest on bonds and funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation committing the Foundation to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- > Expenditure on raising funds includes investment management fees based on a percentage of funds under management.
- > Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the

Foundation through the provision of its charitable activities. Such costs include charitable grants and support costs, including governance costs.

All expenditure is stated inclusive of irrecoverable VAT.

Charitable grants are made to registered charities and individuals and are one of two types; a single grant or a multi-year grant. All multi-year grants are subject to annual review.

Grants are charged in the year that the trustees approve them and they are communicated to recipients except for the portion of any multi-year grants which are subject to annual review. Provision is made for those grants which are unpaid at the period end. Grants which are subject to review in the year in which they are to be paid are disclosed as financial commitments (see note 12).

Allocation of support and governance costs

Support costs represent the general management and governance costs which are attributable to the selection of grant recipients, continuing liaison with them on the use of funds, their further needs and, in some cases, maintenance of staged payments.

Governance costs comprise the costs involving the public accountability of the Foundation (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs, including governance costs, are allocated in proportion to the grants payable.

Fixed asset investments

The Foundation's investment portfolios comprise basic financial instruments which are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date which for listed investments is the closing quoted market price.

As noted above the main form of financial risk faced by the Foundation is that of volatility in equity and other investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning investments and within particular sectors or sub sectors.

Properties held for investment purposes are included in these accounts at open market value. The valuation has been determined by the trustees, with professional assistance.

Principal Accounting Policies

Year to 31 July 2022

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Foundation anticipates it will pay to settle the debt.

Fund structure

Endowment funds

Endowment funds comprise monies which must be held as capital. Permanent endowment funds must be permanently retained by the trustees and cannot be spent as if they were income. Where the trustees have a power of discretion to convert endowed capital into income, the fund is known as an expendable endowment. Income arising from endowment funds is credited to general funds and applied for general purposes, except where the terms of the endowment state that it must be used for specific purposes, when the income is credited to restricted funds.

Restricted funds

Restricted funds comprise monies which were raised for, or where their use is restricted to, a specific purpose, or contributions subject to donor imposed conditions.

General fund

The general fund comprises unrestricted accumulated surpluses and deficits on continuing activities. It is available for use at the discretion of the trustees in furtherance of the Foundation's objectives.

Pension costs

Contributions in respect of the defined contribution scheme are charged to the statement of financial activities in the year in which they are payable to the scheme.

Contributions in respect of the defined benefit scheme are charged to the statement of financial activities in the year in which they are payable to the scheme, as the scheme is a multi-employer scheme and it is not possible to identify, on a consistent and reasonable basis, the Foundation's share of the underlying assets and liabilities of the scheme.

Taxation

The Leathersellers' Foundation is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable and investing activities, as they fall within the various exemptions available to registered charities.

Notes to the accounts

Year to 31 July 2022

1. Investment income

	General fund £'000	Restricted funds £'000	Total 2022 £'000	General fund £'000	Restricted funds £'000	Total 2021 £'000
Rents from UK investment property	731	–	731	592	–	592
Income from investment portfolios	914	27	941	872	23	895
Bank deposit interest	1	–	1	–	–	–
	1,646	27	1,673	1,464	23	1,487

2. Expenditure on charitable activities: charitable grant making

	Grants payable £'000	Support costs £'000	Total 2022 £'000	Grants payable £'000	Support costs £'000	Total 2021 £'000
Education	1,024	100	1,124	1,050	81	1,131
Leather Associated	187	18	205	141	11	152
Advice	150	15	165	168	13	181
Community Support	288	28	316	244	19	263
Creative Arts	103	10	113	127	10	137
Criminal Justice & Rehabilitation	104	10	114	88	7	95
Disability	142	14	156	234	18	252
Domestic & Sexual Abuse	460	45	505	343	27	370
Employability	43	4	47	92	7	99
Food & Essentials Provision	62	6	68	62	5	67
Heritage & Environment	51	5	56	21	1	22
Homelessness	226	22	248	221	17	238
Health	241	23	264	185	14	199
Recreational & Out of School	224	22	246	287	22	309
Services Support & Rehabilitation	34	3	37	22	2	24
	3,339	325	3,664	3,285	254	3,539

Notes to the accounts

Year to 31 July 2022

2. Expenditure on charitable activities: charitable grant making (continued)

Analysis of grants payable	2022 No.	2022 £'000	2021 No.	2021 £'000
Grants to institutions:				
Education	39	750	37	809
Leather Associated	15	167	9	121
Advice	21	150	26	168
Community Support	64	288	53	244
Creative Arts	15	103	20	127
Criminal Justice & Rehabilitation	9	104	10	88
Disability	28	142	35	234
Domestic & Sexual Abuse	40	460	31	343
Employability	9	43	9	92
Food & Essentials Provision	7	62	20	62
Heritage & Environment	4	51	13	21
Homelessness	20	226	33	221
Health	41	241	26	185
Recreational & Out of School	28	224	35	287
Services Support & Rehabilitation	10	34	7	22
Grants to institutions: Total	350	3,045	364	3,024
Grants to individuals: Education	86	274	86	241
Grants to individuals: Leather hardship	5	20	37	20
	441	3,339	487	3,285

Grants payable to individuals within Education include restricted expenditure of £70,000 (2021: £60,000) in respect of the University Exhibitions fund and £67,000 (2021: £40,000) in respect of the Relief of the Poor fund, detailed in note 10.

2. Expenditure on charitable activities: charitable grant making (continued)

Grants payable include the following grants of £20,000 or more.	2022 £'000	2021 £'000
Advice		
Women's Work (Derbyshire)	20	20
Community Support		
Separated Child Foundation	–	34
Be Free Young Carers	–	27
Community Solutions North West Ltd	20	20
Valleys Kids	25	–
Tros Gynnal Plant (TGP Cymru)	25	–
Shoreditch Trust	20	–
The Enthusiasm Trust Ltd	22	–
The Violence Intervention Project	20	–
Creative Arts		
Oily Cart	–	20
The Big House	20	–
Criminal Justice & Rehabilitation		
Key4Life	20	20
A band of brothers	20	–
The Hardman Trust	39	–
Domestic and Sexual Abuse		
Iranian & Kurdish Women's Rights	–	20
My Sister's Place	20	20
Port Talbot and Afan Women's Aid	20	20
Fermanagh Women's Aid	20	20
The River Manchester	–	27
Latin American Women's Aid	20	–
Safeline	25	–
Insight Counselling Coaching and Support	20	–
Moira Anderson Foundation	20	–
Street Teams	20	–
Education		
Guildhall School Trust	–	25
Colfe's School *	300	420
Leathersellers' Federation of Schools	145	174
Khulisa	25	–
Football Beyond Borders	25	–
RCN Foundation	20	–
The Guildhall School Trust	25	–
Food and Essentials Provision		
World Central Kitchen	50	–

Notes to the accounts

Year to 31 July 2022

2. Expenditure on charitable activities: charitable grant making (continued)

Grants payable include the following grants of £20,000 or more.	2022 £'000	2021 £'000
Health		
The Listening Place	20	20
The UK Sepsis Trust Ltd	–	20
Blue Smile	20	–
Noa Girls	23	–
Manchester Action on Street Health	25	–
Women Counselling and Therapy Service	25	–
Heritage and Environment		
Saint Mary the Virgin Parish Church	40	–
Homelessness		
Baron's Court Project	20	20
Park Lodge Project	–	40
The Bond Board	20	20
The National House Project	25	–
Burton upon Trent & District	25	–
Leather Associated		
Cockpit Arts	25	22
University of Northampton	–	40
London College of Fashion	22	–
The Leather Conservation Centre	20	–
Recreational		
BIGKID Foundation	20	20
Youth Adventure Trust	22	–
Total of aggregate grants £20,000 and over	1,358	1,069
Other aggregate grants under £20,000	1,687	1,955
Grants to individuals under the Leathersellers' University Exhibitions Scheme	274	241
Grants to individuals under the Leather Hardship Scheme	20	20
	3,339	3,285

Charities marked * above are 'connected charities' as defined by the Charities SORP FRS 102.

3. Support costs	2022	2021
	£'000	£'000
Staff costs (note 4)	203	179
Leathersellers' Company management charge	45	42
Governance costs – Auditor's remuneration	12	11
Other costs	65	22
	325	254

4 Staff costs and remuneration of key management personnel	2022	2021
	£'000	£'000
Staff costs were:	145	130
Social security costs	12	11
Pension contributions	41	34
Medical insurance	5	4
	203	179

The average number of employees during the year was 3 (2021: 3). 1 employee earned between £70,000 and £80,000 in the year (2021: 1 employee between £60,000 and £70,000) including taxable benefits but excluding employer's pension contributions and employer's national insurance contributions.

The key management personnel of the Foundation in charge of directing and controlling, running and operating the Foundation on a day to day basis comprise the trustees (including the Clerk to the Leathersellers' Company) and the Head of Grants.

No trustees received any remuneration or reimbursement of expenses from the Foundation for their services as a trustee. The Clerk is remunerated by the Leathersellers' Company. The employment costs of key management personnel, including taxable benefits, employer's pension contributions and employer's national insurance contributions, payable by the Foundation were £94,911 (2021: £86,714).

Notes to the accounts

Year to 31 July 2022

5. Investment property	2022	2021
	£'000	£'000
UK long leasehold land and buildings		
Market value at 1 August 2021	15,810	15,045
Unrealised gain	3,145	765
Market value at 31 July 2022	18,955	15,810
Historic cost of investment properties at 31 July 2022	4,977	4,977

The investment property was valued at its estimated market value by the trustees at 31 July 2022 based on professional advice.

6. Investment portfolio	2022	2021
	£'000	£'000
Investments		
Market value at 1 August 2021	56,676	46,909
Add: Purchases at cost	42,056	11,543
Less: Proceeds from sales	(48,941)	(13,788)
Net realised and unrealised (losses) / gains	(4,647)	12,012
Market value of investments at 31 July 2022	45,144	56,676
Cash held by managers at 31 July 2022	4,376	122
Total market value at 31 July 2022	49,520	56,798
Total historic cost of investments at 31 July 2022	42,098	34,535

The investment portfolios at market value comprises:

UK investments listed on a recognised stock exchange (Cazenove & M&G)	9,085	22,205
Overseas investments listed on a recognised stock exchange (Cazenove)	35,912	34,329
Unquoted investments (Goldman Sachs)	147	142
Total investments	45,144	56,676
Cash	4,376	122
	49,520	56,798

The quoted investments are held:

Directly	44,475	34,456
Indirectly, through unit and investment trusts	522	22,078
	44,997	56,534

6. Investment portfolio (continued)

The following investment holdings were material in the context of the investment portfolios as at 31 July 2022:

	2022 £'000	2022 %	2021 £'000	2021 %
Astrazeneca plc	2,277	5.0	–	–
Microsoft Corp	2,908	6.4	–	–
S4 Capital plc	–	–	3,054	5.4
Rathbone Global Opportunities	–	–	6,777	12.0

7. Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Rents received in advance	161	127
VAT payable and other taxes	25	22
Other creditors	125	49
	311	198

8. Permanent endowment funds	Balance at 1 August 2021 £'000	Gains and losses £'000	Balance at 31 July 2022 £'000
Ann Elliott and Others Trust	532	(10)	522
	Balance at 1 August 2020 £'000	Gains and losses £'000	Balance at 31 July 2021 £'000
Ann Elliott and Others Trust	430	102	532

The above permanent endowment fund represents 41% of the endowments of the Ann Elliott and Others Trust, transferred under a Charity Commission Scheme dated 6 November 2006. Income arising on the endowment fund is to be used for educational grants to individuals and is therefore credited to restricted funds.

Notes to the accounts

Year to 31 July 2022

9. Expendable endowment funds

	Balance at 1 August 2021 £'000	Gains and losses £'000	Transfers £'000	Balance at 31 July 2022 £'000
The Leathersellers' Foundation Funds	71,724	(1,700)	(2,529)	67,495
	Balance at 1 August 2020 £'000	Gains and losses £'000	Transfers £'000	Balance at 31 July 2021 £'000
The Leathersellers' Foundation Funds	61,318	12,482	(2,076)	71,724

The above funds represent an original amount of £15,170,000 enhanced by an additional amount of £500,000, together with realised and unrealised gains. The trustees have the power to spend the capital; income arising on the funds is credited to unrestricted funds. The transfer of £2,529,000 (2021: £2,076,000) from the expendable endowment fund to the general fund represents a withdrawal of £2,500,000 (2021: £2,050,000) from the quoted investment portfolio and realisations of £29,000 (2021: £26,000) from the unquoted portfolio.

10. Restricted funds	Balance at 1 August 2021 £'000	Income £'000	Expenditure £'000	Balance at 31 July 2022 £'000
University Exhibitions fund	6	69	(70)	5
Relief of the Poor fund	–	67	(67)	–
Leathersellers' Personal Giving fund	–	85	(85)	–
Jubilee fund	–	70	(70)	–
	6	291	(292)	5
	Balance at 1 August 2020 £'000	Income £'000	Expenditure £'000	Balance at 31 July 2021 £'000
University Exhibitions fund	3	63	(60)	6
Relief of the Poor fund	–	40	(40)	–
Leathersellers' Personal Giving fund	–	89	(89)	–
	3	192	(189)	6

The University Exhibitions fund represents income from the Robert Rogers Educational Foundation and income arising from the endowments of the Ann Elliott and Others Trust. The Relief of the Poor fund represents income arising from the Robert Rogers and Elizabeth Grasvenor Trust. These funds are to be expended in the form of grants to individuals as specified in the original trust deeds.

The Leathersellers' Personal Giving fund represents donations from liverymen and freemen and match funding from The Leathersellers' Company which is expended on specific charities as voted by the livery.

The Jubilee fund represents a celebratory jubilee funding programme in recognition of Queen Elizabeth's platinum jubilee. The Leathersellers' Company donated £70,000 to the fund which was added to two budgeted amounts of £70,000 from different parts of the Foundation's own resources making a total of £210,000. This money was expended on 23 new single year grants to existing charity partners in the year.

11. Analysis of net assets between funds

	Permanent endowment funds £'000	Expendable endowment funds £'000	Restricted funds £'000	General fund £'000	Total 2022 £'000
Investment property	–	18,955	–	–	18,955
Investment portfolios	522	48,540	–	458	49,520
Debtors	–	–	–	231	231
Cash at bank and in hand	–	–	5	1,074	1,079
Creditors	–	–	–	(311)	(311)
	522	67,495	5	1,452	69,474

	Permanent endowment funds £'000	Expendable endowment funds £'000	Restricted funds £'000	General fund £'000	Total 2021 £'000
Investment property	–	15,810	–	–	15,810
Investment portfolios	532	55,914	–	352	56,798
Debtors	–	–	–	68	68
Cash at bank and in hand	–	–	6	427	433
Creditors	–	–	–	(198)	(198)
	532	71,724	6	649	72,911

12. Financial commitments

	2022 £'000	2021 £'000
Payable in the year ending 31 July:		
2022	–	1,821
2023	2,083	1,063
2024	1,288	640
2025	802	236
2026	72	–
	4,245	3,760

Notes to the accounts

Year to 31 July 2022

13 Pension scheme

The Leathersellers' Company operates a defined benefit scheme, "The Leathersellers' Company (1973) Pension Fund", for its former employees, and for the former employees of its associated charities, including the Foundation. The Scheme was closed to new members with effect from 31 December 2002 and has been closed to future accrual from 31 July 2019. New employees are able to join a defined contribution scheme. Accordingly, there were no active members of the defined benefit pension scheme as at 31 July 2022 (2021: none).

This scheme is a multi-employer scheme. It is not possible to identify the Foundation's share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The scheme has therefore been accounted for as a defined contribution scheme. Two former employees of the Foundation are pensioner members of the scheme but the Foundation has made no contributions to the scheme in the year (2021: £nil).

14 Related party transactions

There are two leases between the Leathersellers' Company and the Foundation which have been in place throughout the year. The rent payable to the Company under these leases is a proportion of rents received by the Foundation in the year. The rent receivable is shown net of the rent payable as both relate to the same property. During the year, the rent payable by the Foundation to the Company was £129,000 (2021: £106,000) and the Foundation was charged a management charge of £46,000 (2021: £42,000) by the Company. At the year end, rent prepaid to the Company totalled £15,000 (2021: £15,000).

The Leathersellers' Company paid two grants to the Foundation in the year: a matched funding donation of £43,000 (2021: £45,000) and a donation related to the Jubilee fund of £70,000 (2021: £nil).

In the year ended 31 July 2022 the Foundation paid suppliers' costs towards the installation of a new general ledger of £9,000 (2021: £nil) which were reimbursed by the Leathersellers' Company after the year end. The Leathersellers' Company paid grants on behalf of the Foundation due to ease of use of its banking facilities, totalling £50,000 (2021: £nil); these were reimbursed by the Foundation and the grants are recorded as usual within these accounts.

There was one connected charity (2021: one) which received a grant during the year. £300,000 (2021: £420,000) was awarded to Colfe's School.

Income for the year of £53,000 (2021: £43,000) was receivable for the University Exhibitions fund from The Robert Rogers Educational Foundation (for which the Leathersellers' Company is the sole trustee) and £68,000 (2021: £40,000) from the Robert Rogers and Elizabeth Grasvenor Trust (for which the Leathersellers' Company is the sole trustee).

There were no other related party transactions in the year or prior year. There was a nil balance due at the year end from the Robert Rogers Educational Foundation as part of the income referred to above (2021: £10,000).



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Designed by Turnbull Grey

The Leathersellers' Foundation

England & Wales - Charity number 278072

Accounts

**The Leathersellers'
Company
Charitable
Fund**

Annual Report and Accounts

31 July 2021

Charity Registration Number
278072

Contents

Legal and administrative information	1
Trustees' report	3
Independent auditor's report	12
Accounts	
Statement of financial activities	16
Balance sheet	18
Statement of cash flows	19
Principal accounting policies	20
Notes to the accounts	24

Legal and administrative information

Trustees:	<p>The Wardens and Society of the Mistery or Art of the Leathersellers of the City of London ('the Leathersellers' Company'). The management of the Leathersellers' Company and its function as Trustee is carried out through its Court of Assistants. Members of the Court of Assistants are listed on page 2.</p> <p>D M Santa-Olalla DSO MC (Clerk to the Leathersellers' Company to 10 March 2021) M E Lawrence (Clerk to the Leathersellers' Company from 10 March 2021)</p>
Address:	<p>7 St Helen's Place London EC3A 6AB</p>
Auditor:	<p>Buzzacott LLP 130 Wood Street London EC2V 6DL</p>
Principal Banker:	<p>HSBC Bank plc 1-3 Bishopsgate London EC2N 3AQ</p>
Investment Manager:	<p>Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ</p>
Solicitor:	<p>Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 3LH</p>

Members of the Court of Assistants

To 21 July 2021

J A M Muirhead OBE DL	Master
G G Bacon *+~	Second Warden
Alderman G Jones QC CC +~	Third Warden^
E Womersley *~	Fourth Warden^

C C Barrow
C P Barrow
N R Pullman
M L B Emley
M P E Pellereau BSc FRICS +
M W Pebody BA ~
His Honour A C L Thornton QC +
I A Russell MBE +
A A Barrow ~
M J Bradly Russell FCA*
A B Strong +
M D J Dove BA FCA AKC *
R N Tusting MA Cantab
M G Williams
P G Williams
D H Barrow ~
C J Lennon
W J C Lang ~
R J Chard *
Dr T J C Fooks FRCGP +
H G Williams
S M G Williams +

From 21 July 2021

G G Bacon	Master
C J Lennon*+~	Second Warden
JDG Curtis ~*	Third Warden^
CJV Williams ~+	Fourth Warden^

J A M Muirhead OBE DL~
C P Barrow
N R Pullman
M L B Emley
M P E Pellereau BSc FRICS +
M W Pebody BA ~
His Honour A C L Thornton QC +
I A Russell MBE +
A A Barrow *
M J Bradly Russell FCA*
C C Barrow+
M D J Dove BA FCA AKC
R N Tusting MA Cantab
M G Williams
P G Williams
D H Barrow ~
W J C Lang ~
R J Chard *
Dr T J C Fooks FRCGP +
H G Williams
S M G Williams +

From 6 October 2021

C T G Williams~
W R J Cock*

^The Third and Fourth Wardens are Ex-Officio Members of the Court.

*Members of the Charity Committee.

+Members of the Education Committee.

~Members of the Leather Trades Committee.

Trustees' report Year to 31 July 2021

The trustees present their annual report and accounts of The Leathersellers' Company Charitable Fund for the year ended 31 July 2021. The accounts have been prepared in accordance with the accounting policies set out on pages 20 to 23 of the attached accounts and comply with the charity's trust deed, 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 Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Objectives and activities for the public benefit, including grant making policy

The charity's Declaration of Trust states that the "Trustees shall apply the Trust Fund and the income thereof for such purposes and objects being charitable at law as they in their absolute and uncontrolled discretion shall determine from time to time".

The charity endeavours to improve our communities, both locally and nationally, by encouraging social mobility through education and training; enriching life experiences through art and culture; preventing violence and social deprivation; and by empowering the disenfranchised through the support of those charities working at the margins of our society.

Grants are awarded by the trustees on the recommendation of its Charity, Education and Leather Trade Committees, which include a number of trustees.

The policy of the trustees is to provide support to a broad range of registered charities or educational establishments. At the same time support is provided to registered charities associated with the Leathersellers' Company, the leather and hide trades, education in leather technology and for the welfare of former workers in the industry and their dependants. Of grants awarded in 2021, 92% by value were to registered charities or educational establishments and 8% were to individuals.

Charitable grants are made to registered charities and individuals and are one of two types; a single grant or a multi-year grant. All multi-year grants are subject to annual review. In addition, the Charitable Fund provides management services free of charge to connected charities.

The trustees receive appeals from a wide range of registered charities and their policy is based upon the principle of making sure that the money goes to those areas most in genuine need and those decisions are based on thorough investigations, including visits to individual charities, coupled with common sense.

The charity relies on members of the Leathersellers' Company volunteering their time to sit on committees, review grant requests, visit applicants, beneficiaries and almshouses, and attend events involving beneficiaries.

The trustees set a budget for charitable giving at the start of the financial year and the objective is to distribute this in an efficient and effective manner within the agreed amount.

The trustees confirm that they have considered the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and believe the broad range and number of charities supported by the charity to be beneficial to the public at large.

Trustees' report Year to 31 July 2021

Achievements during the year

Total grants made during the year amounted to £3,285,000 (2020: £3,463,000). Grants to charities connected to The Leathersellers' Company Charitable Fund totalled £420,000 (2020: £427,500). Grants to charities or individuals associated with the Leather Trades totalled £141,000 (2020: £86,000).

Further details of main and small grants awarded to organisations can be found both online at www.threesixtygiving.org and via 360giving and the linked tools 360GrantNav and 360Insights, and in the Leathersellers' Annual Report 2020-21 which is available on the Leathersellers' Company's website at: <https://leathersellers.co.uk/publications/>

Grants, analysed by type, as defined above, were as follows:

	2021		2020	
	£'000	No.	£'000	No.
To charities:				
Single	656	187	1,285	205
Multi-year	2,368	177	1,940	213
Charity sub-total	<u>3,024</u>	<u>364</u>	<u>3,225</u>	<u>418</u>
To individuals	<u>261</u>	<u>123</u>	<u>238</u>	<u>87</u>
Total grants awarded in year	<u>3,285</u>	<u>487</u>	<u>3,463</u>	<u>505</u>

Grants analysed by charitable sector were as follows:

Charitable Sector	2021		2020	
	£'000	%	£'000	%
Education	1,050	32	1,238	36
Leather Associated	141	4	86	2
Advice	168	5	166	5
Community Support	244	7	164	5
Creative Arts	127	4	134	4
Criminal Justice & Rehabilitation	88	3	114	3
Disability	234	7	298	9
Domestic & Sexual Abuse	343	10	274	8
Employability	92	3	100	3
Food & Essential Provisions	62	2	159	5
Heritage & Environment	21	1	20	0
Homelessness	221	7	266	8
Health	185	6	175	5
Recreational & Out of School Activities	287	8	342	10
Services Support & Rehabilitation	22	1	22	0
Approved grants not paid	-	-	(95)	(3)
Total	<u>3,285</u>	<u>100</u>	<u>3,463</u>	<u>100</u>

Trustees' report Year to 31 July 2021

Covid-19 Stage II Response

2020-21 saw the continued impact of the coronavirus pandemic. Dovetailing with the approach to Stage I of the Covid-19 response, the trustees maintained their efforts to act in a timely though well considered manner to address disadvantage across the UK with the funds available for the 2020-21 Livery Year.

Utilising a combination of existing and innovative funding programmes and approaches allowed the Leathersellers' to both offer much valued stability to long term partners, whilst maintaining agility to award funds to new organisations and individuals where impact was felt to be greatest. With over 70% of the Company's charitable funding pre-allocated in multi-year funding commitments, a strategic approach to the remaining available funds was needed.

Small Grants – strengthened programme

The Small Grants programme re-opened in September 2020 with an increased budget, a simplified application process and a broad remit to support charities with an income of under £200,000, supporting vulnerable people in areas of high deprivation. Responsive and swift, holding 14 meetings over 10 months meant applicant charities had a decision (and potentially funds) within a month of applying. With two further national lockdowns in this financial year, additional applications were also considered from the collaborative initiative, the London Community Response Fund. £197,983 was awarded to 116 charities operating across the UK.

Charity Main Grants – Supporting Existing Multi-Year Grantees

Additional unrestricted funding totalling £105,000 was provided to 12 charities in single year grants. These were organisations who had been supported on a multi-year basis but whose funding had ended in this difficult period, when many possible replacement funders had paused grants processes and/or repurposed funds. These were identified from circa 30 charities as those who had adapted to ensure they could continue to meet the ongoing need for their services and could evidence an urgent need for funds in the immediate future.

Charity Main Grants – New funding

With evidence of increasing need and impactful delivery, the two priority areas of homelessness and domestic abuse were chosen as the focus for new grants in 2020/21.

Striving to reduce duplication and save time and effort for the overstretched charities, we formed partnerships with two other charitable funders. In the field of Homelessness, we partnered with Homeless Link, the national membership charity for the sector in England. They work to make services better and campaign for policy change to help end homelessness and had been working with government and other major funders to administer substantial Covid-19 grants across the UK. With permission from applicants, around 200 applications were shared. Prioritising those working to break the cycle of homelessness looking beyond short-term needs, working in geographical areas of deprivation and who were led by those with lived experience allowed us to shortlist and provide new multi-year funding to 8 exceptional new charities.

To identify new best practice in Domestic Violence, we partnered with the Henry Smith Charity, a charitable funder of a considerable heritage (founded in 1628) specialising in social welfare that distributes around £32million per annum. Whilst a considerably larger funder, many of their values aligned with ours, including a focus on small charities and so they agreed to share the applications of their funded domestic violence organisations. From circa 60 applications, we shortlisted, visited, and awarded new multi-year funding to 12 outstanding charities working across all four nations of the UK.

Trustees' report Year to 31 July 2021

Benefits of focusing on particular societal issues were clearly seen, with both staff and Committee members proactively learning about recent developments in best practice and approaches to tackling these systemic problems. Considering how to ensure the shortlisting criteria were inclusive and recognised the need for different approaches allowed for greater understanding of the intersectionality of disadvantage and social welfare challenges. Whilst funds were more targeted than previously, beneficiaries continued to be represented across different age, gender, faith, and ethnic groups, with a mix of rural and urban services being supported, and continued representation of work with ex-offenders, people facing different mental and physical health conditions, varied geographical locations etc.

Leathersellers' Personal Giving Awards

The Leathersellers' Company held its third annual Personal Giving Appeal, offering match funding from the Leathersellers' Company for any donations made by Liverymen or Freemen throughout the year. The Liverymen were able to vote on how the funds were split, with three charities each receiving a percentage share. The Separated Child Foundation, The River Manchester and Be Free Young Carers were shortlisted from those charities who received a small grant from September – December 2020. A total of £89,465 was distributed between them of which 50% was donated to the Charitable Fund by Liverymen and Freemen, and 50% provided in match funding by the Leathersellers Company.

Support for the Leathersellers' Federation of Schools

Aware of the growing economic impact on lower income families, the Company responded quickly to news of the second lockdown, again providing a grant to provide weekly food hampers, to be delivered to 75 of the most vulnerable families for four weeks.

The Master and several of the Pastmasters also chose to nominate their annual donation from the Fund to a Christmas initiative to provide each of the 600+ families that receive free school meals across the Federation schools with an additional food voucher for the festive period.

Hardship Support for Leatherworkers

With the pandemic having a significant financial impact on many sole traders and small businesses in the leather industry over the last year, it became that clear additional support for individuals within the industry was needed. Leather UK acted swiftly following the announcement of another national lockdown in January 2021 and were granted a fund of £20,000 to distribute as hardship payments to individuals. Working collaboratively with the Leathersellers' Grants Department who supported them with administrative processes, 37 individuals from across the UK received assistance within a matter of weeks early in 2021.

Major grants 2020-21 (over £100,000)

In keeping with previous years, the majority of funding provided from the Leathersellers' Company Charitable Fund was awarded in 2020-21 in grants of between £10,000 - £20,000 to charitable organisations. There are however three long-standing and notable exceptions where a much greater level of support has been provided, all in the field of Education, and so the Trustees wish to provide further detail.

Trustees' report Year to 31 July 2021

Colfe's School - £420,000

Based in South-East London, Colfe's is one of London's oldest schools and has been closely linked with the Leathersellers' Company since the 17th century when the Founder of the school, Abraham Colfe, entrusted the school to the Company in his will. Now an independent school, the Company remains the sole member and appoints a number of Liverymen to the school's governing board to support good governance and ensure the high standards of education are maintained. The grant of £420,000 supports the provision of 'Leathersellers' Scholarships' which enable pupils from local state schools to study for their A-levels at Colfe's and utilise the facilities, extra-curricular activities and careers support during those two years. More information and testimonials are available on the school's website at <https://www.colfes.com/why-colfes/leathersellers-scholarships/>

Leathersellers' Federation of Schools - £174,000

The Leathersellers' Federation of Schools develops the vision of Joseph Prendergast who founded Lewisham's first girls' secondary school in 1890, on a site provided by the Leathersellers' Company. The Federation now consists of five educational entities: Prendergast School, Prendergast Ladywell School, Prendergast Vale School, Prendergast Sixth Form College and Prendergast Primary School all based in South-East London. All state-funded schools, they share a common set of goals and values, and provide excellent academic education and personal support to all pupils. The Leathersellers' Company provides a number of Governors to support good governance of the schools, as well as a range of grants to provide additional opportunities for the approximately 2,700 pupils who attend. In 2020-21 these extras included raising career awareness and aspirations, improving mental health and wellbeing, broadening opportunities to experience sport and focused mentoring. Awards are also provided to school leavers from Prendergast who have demonstrated exceptional academic achievement and/or progress in sixth form, overcome significant adversity and made an exceptional contribution to the life of the school.

Match funding

Funds are made available to both Colfe's School and the Leathersellers' Federation of Schools to provide 'match funding' to encourage the fundraising efforts of pupils and teachers throughout each academic year. In 2020-21 almost £10,000 was raised (and therefore matched) for a variety of causes by pupils at the schools through a range of physical, mental, group and individual challenges. This match funding appears separately to the main grants to the schools as the majority is donated directly to the charities involved. Up to £20,000 is made available annually, so the Trustees hope the schools will be able to increase their activities and maximise this opportunity in years to come.

Student Grants also known as the 'University Exhibitions Scheme' - £241,000

This programme of funding began in 1602, with a historical record of recipients dating up to 1950 available on the Leathersellers' website. Students are invited to apply in an open process, with the possibility of being funded for up to four years of study at university to a maximum of £5,000 per annum. The programme is considerably over-subscribed each year, with applicants prioritised who have overcome considerable disadvantage, demonstrate a need for support they are unable to access elsewhere, and whose studies will have a positive impact on society in the future. Previous recipients of a scholarship at Colfe's or students who attended the Leathersellers' Federation of Schools are encouraged to apply and recent years have seen a growing number supported.

Trustees' report Year to 31 July 2021

Financial Review

Total income for the year was £1,659,000 (2020: £2,033,000). This includes donations of £172,000 (2020: £263,000) and £23,000 (2020: £29,000) restricted income from investments. Grants awarded in the year totalled £3,285,000 (2020: £3,463,000), support costs were £254,000 (2020: £238,000), including governance costs of £11,000 (2020: £11,000), and investment management of funds cost £193,000 (2020: £165,000). The net expenditure for the year, before realised and unrealised gains, was £2,073,000 (2020: £1,833,000).

Any gains and losses incurred on the investment property and the investment portfolios are retained within the endowment funds. For the investment portfolios, net realised and unrealised gains were £12,012,000 (2020: losses of £1,922,000). There was also a £765,000 unrealised gain in the value of the investment property in the year (2020: £565,000).

The trustees confirm that the cash balances and investment funds were managed and invested in accordance with the trust deed, throughout the year.

Financing of Grants

Grants are financed from income derived from rents, dividends and interest, and withdrawals from the investment portfolio. The trustees consider the Charitable Fund has sufficient assets to fulfil its obligations.

Fundraising statement

The charity only fundraises with members of the Leathersellers' Company and grant alumni and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. When donations from individuals are received, the charity aims to protect personal data and never sells data or swaps data with other organisations. The charity manages its own fundraising activities. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2021, the charity received no complaints about fundraising activities.

Reserves Policy

The balance sheet shows total funds of £72,911,000 (2020: £62,207,000) comprising permanent endowment funds of £532,000 (2020: £430,000), expendable endowment funds of £71,724,000 (2020: £61,318,000), restricted funds of £6,000 (2020: £3,000), and general funds or 'free' reserves of £649,000 (2020: £456,000).

Although the expendable endowment is a capital fund by nature, it is held on terms which allow the trustees to draw on it to provide additional resources to fund charitable spending which cannot be fully met from income. It is anticipated that capital growth of the expendable endowment will, over the long term, exceed that required to protect it from the effects of inflation. On that basis, it will be appropriate to continue to allocate some of that growth to support expenditure without reducing the impact of the fund for future generations. There is, therefore, no strategic need to hold significant reserves and the general funds are considered sufficient to cover the day to day needs of the charity for liquid funds.

Trustees' report Year to 31 July 2021

Investment Policy and performance

The charity's commitment is to continue long term charitable giving. In order to sustain this objective, the investment strategy is to maximise total return over the long term.

The leasehold land held as investment property is shown at market value as estimated by the trustees as at 31 July 2021 based on professional advice. It is the trustees' long held policy to retain an interest in property within the City of London. This provides a minimum rental income sufficient to provide approximately one fifth of the present commitment to charitable giving.

The equity investment portfolios are independently professionally managed to generate the maximum total return over the long term, consistent with prudent levels of risk. The trustees have agreed an asset allocation benchmark with the investment portfolio manager and investment performance is measured against market indices. The investment portfolio manager's target is to exceed benchmark performance by 1% per annum.

The total return on the equity portfolio, before fees, for the twelve months to 30 June 2021 was 7.1% against a benchmark of 6.8% (30% FTSE All Share, 60% FT World ex UK, 10% FTSE Emerging). Over the three-year period to 30 June 2021 the portfolio returned 34.3% against a benchmark of 25.8%.

Future plans

The charity regularly reviews its support to registered charities through its Charities Grants Committee. Annual reviews with recipients of multi-year grants confirm that the Charitable Fund is assisting organisations in an effective manner.

A budget has been set for Charitable giving of over £3,292,000 for the year to 31 July 2022.

Grant Making Policy and Responsibilities

The recently reviewed grant making policy and the scope and responsibilities of grant making of the Charitable Fund (that took place during 2019-20) continues to provide a defined allocation of the Charitable Fund budget for 2021-22 between the three grant making Committees: Charity, Education and Leather Trade. Each of these Committees holds a defined remit with common grant making criteria and guidelines, each tailored to recognise the bespoke nature of the funding that Committee oversees. These Committees receive reports on the funds they distribute and consider the impact those have in each area to ensure best use of funds. Each Committee is responsible for setting strategic aims for the year ahead and measuring success against those. The trustees receive recommendations and reports from each Committee and provide final approval for any funding decisions. The first year of this approach has yielded some excellent new initiatives as described above, whilst maintaining long term, stable funding relationships at its core. The development of this approach will be reported on annually in the accounts.

Addressing diversity, equality and inclusion

At the close of the 2019-20 financial year, the trustees requested that each grant-making Committee commit to ensuring their work is founded on principles of diversity, equality and inclusion, at strategic and policy level, as well as in practical systems and operations. Each Committee now reviews new funding programmes planned to ensure they are accessible to disproportionately impacted groups and communities, and the Fund recently committed to the IVAR Flexible Funders initiative as a public statement of that intent. The Charity Committee has identified strengths and areas of improvement against the eight areas of good funding practice identified and will report throughout the year on progress against that.

Trustees' report Year to 31 July 2021

Structure, governance and management

The Trust is an unincorporated trust, constituted under a trust deed dated 7 February 1979 and is a registered charity, number 278072.

The Leathersellers' Company fulfils its role as trustee by way of its Court of Assistants (see page 2) and various working committees drawn from members of the Company. The decisions of the trustees are put into effect by the staff of the Charitable Fund and the staff of the Leathersellers' Company. Day to day management is the responsibility of the Clerk to the Company.

The Leathersellers' Company keeps the skill requirements for the Trustee Body under review. In the event that a Court member retires, new members are elected from the Livery in accordance with the constitution of the Leathersellers' Company.

Following their election, newly appointed Court Members are briefed by the Clerk on their role and responsibilities as trustees of the Leathersellers' Company Charitable Fund. In addition, trustees receive a welcome pack which includes a copy of the trust deed, last year's annual report and accounts, and a copy of the Charity Commission's guidance to being a trustee. Periodic briefings and courses are also provided for trustees.

Key management personnel

The key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis are the trustees and the Head of Grants. No trustee remuneration was paid in the year by the charity. The Clerk is remunerated by the Leathersellers' Company. The remuneration of the Head of Grants is reviewed annually by the remuneration sub-committee of the Leathersellers' Company.

Risk management

The trustees have reviewed the major risks to which the charity is exposed relating to the operations of the charity, its investments and its finances. The trustees believe that by examining the specific and general business and operational risks faced by the charity, by ensuring controls exist over the financial systems and safe custody of the charity's assets and investments, and by monitoring the reserves of the charity, they have established effective means to mitigate those risks. The trustees are aware of the charity's continued reliance on services provided by the Leathersellers' Company and have sought and received assurance of their continuance.

The principal risk faced by the charity lies in the performance of investments. The trustees consider the variability of investment returns on the endowment funds to constitute the charity's major financial risk. This is mitigated by retaining expert investment managers and having a diversified investment portfolio.

Connected charities

The charity is connected to other registered charities by virtue of common control and/or shared management. Details of connected charities and transactions between the charity and its trustees and connected charities are given in Note 14 to the accounts.

Trustees' report Year to 31 July 2021

Statement of trustees' responsibilities

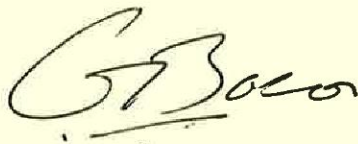
The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these accounts, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 1 December 2021 and signed on their behalf by:



G G Bacon

Master

The Leathersellers' Company (Trustee)

Independent auditor's report 31 July 2021

Independent auditor's report to the Trustees of the Leathersellers' Company Charitable Fund

Opinion

We have audited the accounts of Leathersellers' Company Charitable Fund (the 'charity') for the year ended 31 July 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 July 2021 and of 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 charity's ability to continue as a going concern for a period of at least twelve months from when the accounts 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.

Independent auditor's report 31 July 2021

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual report and accounts other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- ◆ the information given in the Trustees' report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Independent auditor's report 31 July 2021

Auditor's responsibilities for the audit of the accounts (continued)

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charity through discussions with those charged with governance and other management, and from our knowledge and experience of the sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity, including the Charities Act 2011 and the financial reporting framework referred to above; and
- ◆ we understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the minutes of meetings of those charged with governance.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- ◆ performed analytical procedures to identify any unusual or unexpected financial relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ performed substantive testing of expenditure including testing the authorisation thereof; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

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

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

Independent auditor's report 31 July 2021

Auditor's responsibilities for the audit of the accounts (continued)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at 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 charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 3 December 2021

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of financial activities Year to 31 July 2021

	Notes	General fund £'000	Restricted funds £'000	Expendable endowment funds £'000	Permanent endowment funds £'000	Total funds 2021 £'000	Total funds 2020 £'000
Income:							
Donations		3	169	-	-	172	263
Investment income	1	1,464	23	-	-	1,487	1,770
Total income		1,467	192	-	-	1,659	2,033
Expenditure:							
<i>Cost of raising funds</i>							
Investment management costs		-	-	193	-	193	165
<i>Expenditure on charitable activities</i>							
Charitable grant making	2	3,350	189	-	-	3,539	3,701
Total expenditure		3,350	189	193	-	3,732	3,866
Net expenditure before transfers		(1,883)	3	(193)	-	(2,073)	(1,833)
Transfer between funds	9	2,076	-	(2,076)	-	-	-
Net income (expenditure) before gains on investments		193	3	(2,269)	-	(2,073)	(1,833)
Unrealised gains on investment property	5	-	-	765	-	765	565
Net realised and unrealised gains (losses) on investment portfolios	6	-	-	11,910	102	12,012	(1,922)
Net income (expenditure) and net movement in funds		193	3	10,406	102	10,704	(3,190)
Reconciliation of funds:							
Total funds brought forward as at 1 August 2020		456	3	61,318	430	62,207	65,397
Total funds carried forward as at 31 July 2021		649	6	71,724	532	72,911	62,207

Continuing operations

None of the Fund's activities were permanently acquired or discontinued during the above two financial years.

Total recognised gains and losses

All recognised gains and losses are included within the Statement of Financial Activities.

Statement of financial activities Year to 31 July 2020

	Notes	General fund £'000	Restricted funds £'000	Expendable endowment funds £'000	Permanent endowment funds £'000	Total funds 2020 £'000
<i>Income:</i>						
Donations		124	139	-	-	263
Investment income	1	1,741	29	-	-	1,770
Total income		1,865	168	-	-	2,033
<i>Expenditure:</i>						
<i>Cost of raising funds</i>						
Investment management costs		-	-	165	-	165
<i>Expenditure on charitable activities</i>						
Charitable grant making	2	3,529	172	-	-	3,701
Total expenditure		3,529	172	165	-	3,866
<i>Net expenditure before transfers</i>		<i>(1,664)</i>	<i>(4)</i>	<i>(165)</i>	<i>-</i>	<i>(1,833)</i>
<i>Transfer between funds</i>	9	<i>1,879</i>	<i>-</i>	<i>(1,879)</i>	<i>-</i>	<i>-</i>
<i>Net income (expenditure) before gains on investments</i>		<i>215</i>	<i>(4)</i>	<i>(2,044)</i>	<i>-</i>	<i>(1,833)</i>
<i>Unrealised gains on investment property</i>	5	<i>-</i>	<i>-</i>	<i>565</i>	<i>-</i>	<i>565</i>
<i>Net realised and unrealised (losses) gains on investment portfolios</i>	6	<i>-</i>	<i>-</i>	<i>(1,802)</i>	<i>(120)</i>	<i>(1,922)</i>
<i>Net income (expenditure) and net movement in funds</i>		<i>215</i>	<i>(4)</i>	<i>(3,281)</i>	<i>(120)</i>	<i>(3,190)</i>
<i>Reconciliation of funds:</i>						
<i>Total funds brought forward as at 1 August 2019</i>		<i>241</i>	<i>7</i>	<i>64,599</i>	<i>550</i>	<i>65,397</i>
<i>Total funds carried forward as at 31 July 2020</i>		<i>456</i>	<i>3</i>	<i>61,318</i>	<i>430</i>	<i>62,207</i>

Balance sheet 31 July 2021

	Notes	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Fixed assets					
Investment property at market value	5		15,810		15,045
Investment portfolios at market value	6		56,798		47,022
			<u>72,608</u>		<u>62,067</u>
Current assets					
Debtors		68		2	
Cash at bank and in hand		433		402	
		<u>501</u>		<u>404</u>	
Liabilities:					
Creditors: amounts falling due within one year	7	(198)		(264)	
Net current assets			<u>303</u>		<u>140</u>
Total assets less current liabilities			<u><u>72,911</u></u>		<u><u>62,207</u></u>
The funds of the charity:					
Permanent endowment funds	8		532		430
Expendable endowment funds	9		71,724		61,318
Restricted funds	10		6		3
Unrestricted funds					
General fund			649		456
Total charity funds			<u><u>72,911</u></u>		<u><u>62,207</u></u>

Approved by the trustees on 1 December 2021 and signed on their behalf by:



G G Bacon

Master

The Leathersellers' Company (Trustee)

Statement of cash flows 31 July 2021

	Notes	2021 £'000	2020 £'000
Cash flows from operating activities:			
Net cash used in operating activities	A	(3,692)	(3,854)
Cash flows from investing activities:			
Investment income		1,487	1,770
Proceeds from the disposal of investments		13,788	7,127
Purchase of investments		(11,543)	(7,219)
Net cash provided by investing activities		3,732	1,678
Change in cash and cash equivalents in the year		40	(2,176)
Cash and cash equivalents at 1 August 2020	B	515	2,691
Cash and cash equivalents at 31 July 2021	B	555	515

Notes to the statement of cash flows for the year to 31 July 2021.

A Reconciliation of net movement in funds to net cash used in operating activities

	2021 £'000	2020 £'000
Net movement in funds (as per the statement of financial activities)	10,704	(3,190)
Adjustments for:		
(Gains) losses on investments	(12,777)	1,357
Investment income	(1,487)	(1,770)
(Increase) / decrease in debtors	(66)	3
Decrease in creditors	(66)	(254)
Net cash used in operating activities	(3,692)	(3,854)

B Analysis of cash and cash equivalents and reconciliation of net funds

	1 August 2020 £'000	Cash flows £'000	31 July 2021 £'000
Cash at bank and in hand	402	31	433
Cash held by investment managers	113	9	122
Total cash and cash equivalents	515	40	555

Principal accounting policies 31 July 2021

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 July 2021 with comparatives presented for the year ended 31 July 2020.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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 (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The only material item in the accounts where such judgements and estimates have been made is in respect to estimating the market value of the investment property.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts, including consideration of the impact of Covid-19 on the charity's income, expenditure, reserves and beneficiaries. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 July 2022, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment and property markets (see the investment policy and the risk management sections of the trustees' report for more information).

Principal accounting policies 31 July 2021

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations and investment income, including rental income and income from listed investments.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Rental income is recognised on the accruals basis.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on bonds and funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes investment management fees based on a percentage of funds under management.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and support costs, including governance costs.

All expenditure is stated inclusive of irrecoverable VAT.

Charitable grants are made to registered charities and individuals and are one of two types; a single grant or a multi-year grant. All multi-year grants are subject to annual review.

Grants are charged in the year that the trustees approve them and they are communicated to recipients except for the portion of any multi-year grants which are subject to annual review. Provision is made for those grants which are unpaid at the period end. Grants which are subject to review in the year in which they are to be paid are disclosed as financial commitments (see note 12).

Principal accounting policies 31 July 2021

Allocation of support and governance costs

Support costs represent the general management and governance costs which are attributable to the selection of grant recipients, continuing liaison with them on the use of funds, their further needs and, in some cases, maintenance of staged payments.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs, including governance costs, are allocated in proportion to the grants payable.

Fixed asset investments

The charity's investment portfolios comprise basic financial instruments which are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date which for listed investments is the closing quoted market price.

As noted above the main form of financial risk faced by the charity is that of volatility in equity and other investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning investments and within particular sectors or sub sectors.

Properties held for investment purposes are included in these accounts at open market value. The valuation has been determined by the trustees, with professional assistance.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Principal accounting policies 31 July 2021

Fund structure

Endowment funds

Endowment funds comprise monies which must be held as capital. Permanent endowment funds must be permanently retained by the trustees and cannot be spent as if they were income. Where the trustees have a power of discretion to convert endowed capital into income, the fund is known as an expendable endowment. Income arising from endowment funds is credited to general funds and applied for general purposes, except where the terms of the endowment state that it must be used for specific purposes, when the income is credited to restricted funds.

Restricted funds

Restricted funds comprise monies which were raised for, or where their use is restricted to, a specific purpose, or contributions subject to donor imposed conditions.

General fund

The general fund comprises unrestricted accumulated surpluses and deficits on continuing activities. It is available for use at the discretion of the trustees in furtherance of the charity's objectives.

Pension costs

Contributions in respect of the defined contribution scheme are charged to the statement of financial activities in the year in which they are payable to the scheme.

Contributions in respect of the defined benefit scheme are charged to the statement of financial activities in the year in which they are payable to the scheme, as the scheme is a multi-employer scheme and it is not possible to identify, on a consistent and reasonable basis, the charity's share of the underlying assets and liabilities of the scheme.

Taxation

The Leathersellers' Company Charitable Fund is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable and investing activities, as they fall within the various exemptions available to registered charities.

Notes to the accounts 31 July 2021

1 Investment income

	General fund £'000	Restricted funds £'000	Total 2021 £'000	General fund £'000	Restricted funds £'000	Total 2020 £'000
Rents from UK investment property	592	-	592	705	-	705
Income from investment portfolios	872	23	895	1,033	29	1,062
Bank deposit interest	-	-	-	3	-	3
	1,464	23	1,487	1,741	29	1,770

2 Expenditure on charitable activities: charitable grant making

	Grants payable £'000	Support costs £'000	Total 2021 £'000	Grants payable £'000	Support costs £'000	Total 2020 £'000
Education	1,050	81	1,131	1,238	83	1,321
Leather Associated	141	11	152	86	6	92
Advice	168	13	181	166	11	177
Community Support	244	19	263	164	11	175
Creative Arts	127	10	137	134	9	143
Criminal Justice & Rehabilitation	88	7	95	114	7	121
Disability	234	18	252	298	20	318
Domestic & Sexual Abuse	343	27	370	274	18	292
Employability	92	7	99	100	7	107
Food & Essentials Provision	62	5	67	159	11	170
Heritage & Environment	21	1	22	20	1	21
Homelessness	221	17	238	266	18	284
Health	185	14	199	175	12	187
Recreational & Out of School	287	22	309	342	23	365
Services Support & Rehabilitation	22	2	24	22	1	23
Approved grants not paid	-	-	-	(95)	-	(95)
	3,285	254	3,539	3,463	238	3,701

Notes to the accounts 31 July 2021

2 Expenditure on charitable activities: charitable grant making (continued)

Analysis of grants payable

	2021 No.	2021 £'000	2020 No.	2020 £'000
Grants to institutions:				
Education	37	809	54	1,000
Leather Associated	9	121	10	86
Advice	26	168	21	166
Community Support	53	244	26	164
Creative Arts	20	127	22	135
Criminal Justice & Rehabilitation	10	88	13	114
Disability	35	234	38	298
Domestic & Sexual Abuse	31	343	31	274
Employability	9	92	10	100
Food & Essentials Provision	20	62	63	159
Heritage & Environment	13	21	13	20
Homelessness	33	221	34	265
Health	26	185	37	175
Recreational & Out of School	35	287	38	342
Services Support & Rehabilitation	7	22	8	22
Approved grants not paid	-	-	-	(95)
Grants to institutions - total	364	3,024	418	3,225
Grants to individuals: Education	86	241	87	238
Grants to individuals: Leather hardship	37	20	-	-
	487	3,285	505	3,463

Grants payable to individuals within Education include restricted expenditure of £60,000 (2020: £81,000) in respect of the University Exhibitions fund and £40,000 (2020: £39,000) in respect of the Relief of the Poor fund, detailed in note 10.

Notes to the accounts 31 July 2021

2 Expenditure on charitable activities: charitable grant making (continued)

Grants payable include the following grants of £20,000 or more.

	2021 Total £'000	2020 Total £'000
Advice		
Womens' Work (Derbyshire)	20	20
Community Support		
Baytree Centre	-	20
Separated Child Foundation	34	-
Be Free Young Carers	27	-
Community Solutions North West Ltd	20	20
Creative Arts		
Oily Cart	20	20
Criminal Justice & Rehabilitation		
Switchback	-	20
Key4Life	20	20
Domestic and Sexual Abuse		
Iranian & Kurdish Women's Rights	20	20
My Sister's Place	20	-
Port Talbot and Afan Women's Aid	20	-
Fermanagh Women's Aid	20	-
The River Manchester	27	-
TLC: Talk, Listen, Change	-	20
Pankhurst Trust (incorporating Manchester Women's Aid)	-	20
Education		
Guildhall School Trust	25	25
Colfe's School *	420	428
Fitzwilliam College	-	125
Leathersellers' Federation of Schools	174	182
RCN Foundation	-	20
Employability		
House of St Barnabas	-	25
Food and Essentials Provision		
Giving World	-	20
Health		
Well Child	-	20
The Listening Place	20	-
The UK Sepsis Trust Ltd	20	-
Homelessness		
Kingston Churches Action on Homelessness	-	20
The Amber Foundation	-	20
Wintercomfort for the homeless	-	20
Baron's Court Project	20	20
Park Lodge Project	40	-
The Bond Board	20	-
Leather Associated		
Cockpit Arts	22	22

Notes to the accounts 31 July 2021

University of Northampton	40	-
Recreational		
The Chellington Centre	-	20
BIGKID Foundation	20	20
Ebony Horse Club	-	20
Edmonton Eagles Amateur Boxing	-	20
Total of aggregate grants £20,000 and over	1,069	1,207
Other aggregate grants under £20,000	1,955	2,018
Grants to individuals under the Leathersellers' University Exhibitions Scheme	241	238
Grants to individuals under the Leather hardship Scheme	20	-
	3,285	3,463

Charities marked * above are 'connected charities' as defined by the Charities SORP FRS 102.

3 Support costs

	2021 £'000	2020 £'000
Staff costs (note 4)	179	157
Leathersellers' Company management charge	42	45
Governance costs – Auditor's remuneration	11	11
Other costs	22	25
	254	238

4 Staff costs and remuneration of key management personnel

	2021 £'000	2020 £'000
Staff costs were:		
Salaries (including agency costs)	130	123
Social security costs	11	5
Pension contributions	34	23
Medical insurance	4	6
	179	157

The average number of employees during the year was 3 (2020: 2). 1 employee earned between £60,000 and £70,000 in the year (2020: none) including taxable benefits but excluding employer's pension contributions and employer's national insurance contributions.

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees (including the Clerk to the Leathersellers' Company) and the Head of Grants.

No trustees received any remuneration or reimbursement of expenses from the charity for their services as a trustee. The Clerk is remunerated by the Leathersellers' Company. The employment costs of key management personnel, including taxable benefits, employer's pension contributions and employer's national insurance contributions, payable by the charity were £86,714 (2020: £48,146).

Notes to the accounts 31 July 2021

5 Investment property

	2021 £'000	2020 £'000
UK long leasehold land and buildings		
Market value at 1 August 2020	15,045	14,480
Unrealised gain	765	565
Market value at 31 July 2021	<u>15,810</u>	<u>15,045</u>
Historic cost of investment properties at 31 July 2021	<u>4,977</u>	<u>4,977</u>

The investment property was valued at its estimated market value by the trustees at 31 July 2021 based on professional advice.

6 Investment portfolios

	2021 £'000	2020 £'000
Investments		
Market value at 1 August 2020	46,909	48,739
Add: Purchases at cost	11,543	7,219
Less: Proceeds from sales	(13,788)	(7,127)
Net realised and unrealised gains (losses)	12,012	(1,922)
Market value of investments at 31 July 2021	<u>56,676</u>	<u>46,909</u>
Cash held by managers at 31 July 2021	122	113
Total market value at 31 July 2021	<u>56,798</u>	<u>47,022</u>
Total historic cost of investments at 31 July 2021	<u>34,535</u>	<u>31,275</u>

The investment portfolios at market value comprises:

UK investments listed on a recognised stock exchange (Rathbones & M&G)	22,205	21,338
Overseas investments listed on a recognised stock exchange (Rathbones)	34,329	25,432
Unquoted investments (Goldman Sachs)	142	139
	<u>56,676</u>	<u>46,909</u>
Cash	122	113
	<u>56,798</u>	<u>47,022</u>

The quoted investments are held:

Directly	34,456	25,036
Indirectly, through unit and investment trusts	22,078	21,734
	<u>56,534</u>	<u>46,770</u>

Notes to the accounts 31 July 2021

6 Investment portfolios (continued)

The following investment holdings were material in the context of the investment portfolios as at 31 July 2021:

	2021 £'000	2021 %	2020 £'000	2020 %
Findlay Park America Fund (Sterling Hedged & Unhedged)	754	1.3	4,138	8.8
S4 Capital plc)	3,054	5.4	2,295	4.9
Rathbone Global Opportunities	6,777	12.0	5,340	11.4

7 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Rents received in advance	127	118
VAT payable and other taxes	22	25
Other creditors	49	121
	198	264

8 Permanent endowment funds

	Balance at 1 August 2020 £'000	Gains and losses £'000	Balance at 31 July 2021 £'000
Ann Elliott and Others Trust	430	102	532

	Balance at 1 August 2019 £'000	Gains and losses £'000	Balance at 31 July 2020 £'000
Ann Elliott and Others Trust	550	(120)	430

The above permanent endowment fund represents 41% of the endowments of the Ann Elliott and Others Trust, transferred under a Charity Commission Scheme dated 6 November 2006. Income arising on the endowment fund is to be used for educational grants to individuals and is therefore credited to restricted funds.

9 Expendable endowment funds

	Balance at 1 August 2020 £'000	Gains and losses £'000	Transfers £'000	Balance at 31 July 2021 £'000
The Leathersellers' Company Funds	61,318	12,482	(2,076)	71,724

Notes to the accounts 31 July 2021

9 Expendable endowment funds (continued)

	<i>Balance at 1 August 2019 £'000</i>	<i>Gains and losses £'000</i>	<i>Transfers £'000</i>	<i>Balance at 31 July 2020 £'000</i>
<i>The Leathersellers' Company Funds</i>	64,599	(1,402)	(1,879)	61,318

The above funds represent an original amount of £15,170, enhanced by an additional amount of £500,000, together with realised and unrealised gains. The trustees have the power to spend the capital; income arising on the funds is credited to unrestricted funds. The transfer of £2,076,000 (2020 - £1,879,000) from the expendable endowment fund to the general fund represents a withdrawal of £2,050,000 (2020 - £1,850,000) from the quoted investment portfolio and realisations of £26,000 (2020 - £29,000) from the unquoted portfolio.

10 Restricted funds

	Balance at 1 August 2020 £'000	Income £'000	Expenditure £'000	Balance at 31 July 2021 £'000
University Exhibitions fund	3	63	(60)	6
Relief of the Poor fund	-	40	(40)	-
Leathersellers' Personal Giving fund	-	89	(89)	-
	3	192	(189)	6

	<i>Balance at 1 August 2019 £'000</i>	<i>Income £'000</i>	<i>Expenditure £'000</i>	<i>Balance at 31 July 2020 £'000</i>
<i>University Exhibitions fund</i>	7	77	(81)	3
<i>Relief of the Poor fund</i>	-	39	(39)	-
<i>Leathersellers' Personal Giving fund</i>	-	52	(52)	-
	7	168	(172)	3

The University Exhibitions fund represents income from the Robert Rogers Educational Foundation and income arising from the endowments of the Ann Elliott and Others Trust. The Relief of the Poor fund represents income arising from the Robert Rogers and Elizabeth Grasvenor Trust. These funds are to be expended in the form of grants to individuals as specified in the original trust deeds.

The Leathersellers' Personal Giving fund represents donations from liverymen and freemen and match funding from The Leathersellers' Company which is expended on specific charities as voted by the livery.

Notes to the accounts 31 July 2021

11 Analysis of net assets between funds

	Permanent endowment funds £'000	Expendable endowment funds £'000	Restricted funds £'000	General fund £'000	Total 2021 £'000
Investment property	-	15,810	-	-	15,810
Investment portfolios	532	55,914	-	352	56,798
Debtors	-	-	-	68	68
Cash at bank and in hand	-	-	6	427	433
Creditors	-	-	-	(198)	(198)
	532	71,724	6	649	72,911

	Permanent endowment funds £'000	Expendable endowment funds £'000	Restricted funds £'000	General fund £'000	Total 2020 £'000
<i>Investment property</i>	-	15,045	-	-	15,045
<i>Investment portfolios</i>	430	46,273	-	319	47,022
<i>Debtors</i>	-	-	-	2	2
<i>Cash at bank and in hand</i>	-	-	3	399	402
<i>Creditors</i>	-	-	-	(264)	(264)
	430	61,318	3	456	62,207

12 Financial commitments

As at 31 July 2021, grant commitments payable from future income are as follows:

	2021 £'000	2020 £'000
Payable in the year ending 31 July:		
2021	-	1,483
2022	1,821	929
2023	1,063	305
2024	640	-
2025	236	-
	3,760	2,717

13 Pension scheme

The Leathersellers' Company operates a defined benefit scheme, "The Leathersellers' Company (1973) Pension Fund", for its former employees, and for the former employees of its associated charities, including the Charitable Fund. The Scheme was closed to new members with effect from 31 December 2002 and has been closed to future accrual from 31 July 2019. New employees are able to join a defined contribution scheme. Accordingly, there were no active members of the defined benefit pension scheme as at 31 July 2021 (2020: none).

This scheme is a multi-employer scheme. It is not possible to identify the charity's share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The scheme has therefore been accounted for as a defined contribution scheme. Two former employees of the charity are pensioner members of the scheme but the charity has made no contributions to the scheme in the year (2020: £nil).

14 Related party transactions

There are two leases between the Leathersellers' Company and the Charitable Fund which have been in place throughout the year. The rent payable to the Company under these leases is a proportion of rents received by the Charitable Fund in the year. The rent receivable is shown net of the rent payable as both relate to the same property. During the year, the rent payable by the Charitable Fund to the Company was £106,000 (2020: £106,000) and the Charitable Fund was charged a management charge of £42,000 (2020: £45,000) by the Company. At the year end, rent prepaid to the Company totalled £15,000 (2020: £15,000).

There was one connected charity (2020: one) which received a grant during the year. £420,000 (2020: £427,500) was awarded to Colfe's School.

Income for the year of £39,000 (2020: £49,000) was receivable for the University Exhibitions fund from The Robert Rogers Educational Foundation (for which the Leathersellers' Company is the sole trustee) and £40,000 (2020: £38,000) from the Robert Rogers and Elizabeth Grasvenor Trust (for which the Leathersellers' Company is the sole trustee).

There were no other related party transactions in the year or prior year. There was a balance due at the year end of £10,000 from the Robert Rogers Educational Foundation as part of the income referred to above (2020: £nil).