



THE INSTITUTE OF CONSERVATION

Annual Report and Accounts

For the Year Ended 31 March 2022

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INSTITUTE OF CONSERVATION

Report of the Board of Trustees for the year ended 31st March 2022

REGISTERED COMPANY NUMBER: 05201058
REGISTERED CHARITY NUMBER (England and Wales): 1108380
REGISTERED CHARITY NUMBER (Scotland): SC039336

BOARD OF DIRECTORS: Duygu Çamurcuoğlu ACR
Richard Bruce
Diana Davis ACR (elected 27.10.2021)
Louise Davison (elected 27.10.2021)
Lorraine Finch ACR
Claire Fry ACR
Frances Graupner
James Grierson, Chair
Hannah Clare Harte ACR (term ended 27.10.2021)
Melanie Houston ACR
Martin Kirke
Adam Klups FIIC
Peter Martindale ACR (term ended 27.10.2021)
Lucie Mascord ACR (term ended 27.10.2021)
Fiona McLees ACR (term ended 27.10.2021)
James Murphy
Sophie Rowe ACR, Vice-Chair
Michelle Stoddart (elected 27.10.2021)
Pierrette Squires ACR

EXECUTIVE OFFICERS: Sara Crofts, Chief Executive
Simon Green, Company Secretary

REGISTERED OFFICE: 106-109 Saffron Hill **WEBSITE:** www.icon.org.uk
London EC1N 8QS

BANKERS: Unity Trust Bank plc
4 Brindleyplace
Birmingham
B1 2JB

SOLICITORS: Mills & Reeve LLP **AUDITORS:** Haysmacintyre LLP
1 City Square 10 Queen Street Place
Leeds LS1 2ES London EC4R 1AG

ACCOUNTANTS: JS2 Limited
One Crown Square
Church Street East
Woking
GU21 6HR

INSTITUTE OF CONSERVATION

Report of the Board of Trustees (Continued) for the year ended 31st March 2022

The Board of Trustees presents its report and audited financial statements for the year ended 31st March 2022.

Icon's vision

Icon's vision is for cultural heritage to be valued and accessible and for its future to be enhanced and safeguarded by excellence in conservation.

Icon's mission is to support

Advocacy – through influencing our partners and the public

Excellence – through building knowledge, high standards and valuing the profession

Engagement – through encouraging public awareness and participation

These values underpin all our activities:

- Work with integrity: we are open and honest and do what we believe is best for our shared cultural heritage, the public and our members
- Be inclusive: we value diversity and ensure that opportunities are open to all those who want to care for our heritage
- Be forward and outward-looking: we keep our eyes on the horizon and on the world around us
- Be ambitious advocates: both for our organisation and the things we believe in
- Be collaborative and generous: we work with our members and partners to achieve the best results together
- Uphold high standards: we value, support and promote the expertise and professionalism of our members and partners

OBJECTS AND ACTIVITIES FOR PUBLIC BENEFIT

The Charitable Objects of Icon are:

- To advance the education of the public by research into and the promotion of the conservation of items and collections of items of cultural, aesthetic, historic and scientific value and
- To preserve and conserve items and collections of items of cultural, aesthetic, historic and scientific value.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in planning Icon's future activities.

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Report of the Board of Trustees (Continued) for the year ended 31st March 2022

STRATEGIC OBJECTIVES 2021-2022

Icon delivered the final year of [Strategy 2017-2022](#) with the annual Strategic Objectives being agreed by the Trustees at the beginning of the financial year.

Key achievements for the year 2021-2022 are summarised below. Further information about our activities and their impact can be found on the Icon website at <https://www.icon.org.uk/about-us/icon-impact.html>.

| Strategic Theme | Priority | Outputs and outcomes |
|-----------------|---|--|
| Advocacy | <i>Promoting the value of conservation</i> | <ul style="list-style-type: none"> • Responses to four consultations submitted • Input into the Historic Environment Forum’s Heritage Resilience Plan and the Government’s Heritage Statement • Promotion of the Value of Conservation research report and An Act of Custodianship / Optimism • Conservation in Action campaign devised and launched • Icon Instagram channel scoped and launched; initial targets exceeded |
| | <i>Championing the care of collections</i> | <ul style="list-style-type: none"> • Number of Icon Newsletter subscribers reached 1,135 thereby exceeding our target • Numbers of followers on all social media channels exceeded all targets • Two conservation grant schemes were delivered; supported by TruVue and the Radcliffe Trust and managed by Icon staff • Successful Pest Odyssey 21 conference delivered by Icon Care of Collections Group in partnership with Icon IPM Network and Pest Odyssey |
| Excellence | <i>Increasing the visibility, recognition and take-up of Icon accreditation</i> | <ul style="list-style-type: none"> • Funding secured from Steps to Sustainability to develop international marketing campaign • Review of Icon Accreditation Assessment process scoped and instigated • Sector roundtable on craft access to accreditation delivered and report published • 32 new ACR members accredited • First Conservation Register Annual Review published to emphasise Icon’s promotion of the ACR standard to the wider public, and encourage applications for Accreditation |
| | <i>Leading action on environmental sustainability</i> | <ul style="list-style-type: none"> • Many new resources added to the Icon Environmental Sustainability Network (ESN) hub on the Icon website • ESN delivered a wide-ranging programme of training events for Icon members • Sustainability themed issue of Icon News published (Issue 96: October 2021) • Conservation and Sustainability updated and republished • Participation in COP26 debates • Active participation in Climate Heritage Network • Partnership with Fit for the Future Network developed |

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Report of the Board of Trustees (Continued)

for the year ended 31st March 2022

| | | |
|---------------------------|--|--|
| Engagement | <i>Taking steps to support diversity and inclusion</i> | <ul style="list-style-type: none"> • Report by the Diversity & Inclusion task and finish group published • Operational action plan agreed and implemented • Emerging Professional seat on the Board of Trustees created • Membership diversity survey instigated • Reinvigorated relationships with Inspiring the Future and Speakers for Schools |
| | <i>Encouraging more people to join Icon as supporters</i> | <ul style="list-style-type: none"> • Post-event marketing strategy delivered • Increased marketing to like-minded groups on Facebook • Donations page created on the Icon website • Plans to revise ‘supporter’ membership offering scoped |
| Effective and sustainable | <i>Delivering steady membership growth</i> | <ul style="list-style-type: none"> • Membership working group instigated • Student Project Gallery launched to support a highly successful new ‘Student Month’ membership marketing campaign • Market research projects delivered, including regular analysis of LinkedIn supporters |
| | <i>Rebuilding Icon’s reserves to ensure greater resilience</i> | <ul style="list-style-type: none"> • Successful application to the Culture Recovery Fund Round 3 • New programme of Business Skills CPD events developed and launched |

STRUCTURE GOVERNANCE AND MANAGEMENT

Governing document

The Institute of Conservation (“Icon”) is registered as a Charity in England and Wales (Number 1108380) and in Scotland (Number SC039336). The Institute of Conservation is a Company Limited by Guarantee, Number 05201058, and is governed by its *Articles & Memorandum of Association* which were approved and adopted by the Members at the Annual General Meeting on 1st December 2014 and amended at a General Meeting held on 27th August 2020.

Recruitment, appointment, induction, and training of Trustees

The Trustees are responsible for setting the strategic direction of Icon and for agreeing and reviewing annual priorities. Trustees also take decisions on all strategic matters and are responsible for the sound financial management of the charity, although they have delegated the day-to-day running of the Charity to the Chief Executive, supported by the Management Team. All Trustees are also Directors of the Limited Company.

The Trustees held five meetings during the year including an online “away day” in January 2022.

The Trustees are volunteers and receive no remuneration apart from travel and subsistence expenses associated with the activities they undertake for Icon. Most Trustees are elected from and by Icon’s membership, serving a term of three years. The Board can also co-opt Trustees to fill gaps in the Board’s skills, knowledge and experience.

On 31st March 2022 there were 15 members of the Board of Trustees. 10 trustees were elected by the membership and 5 were co-opted by the Board, including the Chair. Of the 10 elected seats 1 (Scotland) is a reserved nation seat and 1 is a reserved seat for an emerging professional member. At

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Report of the Board of Trustees (Continued)

for the year ended 31st March 2022

present there is no one in the reserved seat for Northern Ireland or Wales. Elections are held once a year through an online portal.

Icon provides a trustee induction pack which includes information on the role and conduct of charity trustees to all members of the Board when they take office. All new Trustees are also invited to attend an induction workshop. Other training opportunities are provided throughout the year; this year the training included a series of evening workshops on financial governance delivered by Gill Thewlis.

Board Committee Structure and Members

The following table sets out the structure and membership of the four Board committees. Trustees are noted in **bold type**.

| Finance (FC) | Professional Standards and Development (PSD) | Nominations | Remuneration | Conferences |
|---|---|---|---|--|
| Receives quarterly Management Accounts and oversees the preparation of the Trustees' Annual Report, budget setting, the appointment of the Auditors and major project expenditure | Oversees and advises on policy development and implementation of conservation related professional standards, training and education and research | Identifies and interviews candidates for appointment as Co-opted Trustees or as Chair of the Board of Trustees and recommends to the Board which candidates should be appointed | Considers proposals for cost-of-living adjustments and staff remuneration, and makes recommendations to the Board | Considers proposals for and sets guidance to support groups and networks in organising large conferences. Sets and runs the main Icon Conference |
| Richard Bruce FCA (Chair) | Mel Houston ACR (Chair) | Martin Kirke (Chair) | James Grierson (Chair) | Rebecca Ellison ACR (Co-chair) |
| Claire Fry ACR | Duygu Çamurcuoğlu ACR | Helen Ganiaris ACR | Sophie Rowe ACR | Rachel Swift ACR (Co chair) |
| Rebecca Hellen ACR | Lorraine Finch ACR | Hannah Harte ACRⁱⁱⁱ | Richard Bruce FCA | Alexandra Gent ACR |
| Lucie Mascord ACRⁱ | Angus Lawrence ACR ^{iv} | Adam Klups | | Ina Hergert |
| James Murphy | Christine Murray ACR ⁱⁱ | Fiona McLees ACRⁱⁱⁱ | | Ashley Lingle ACR |
| Michelle Stoddart^v | Renata Peters ACR ^{iv} | | | Kim Thuesing |
| | Sophie Rowe ACR | | | |

i until 28th Apr 2021 ii until 12th May 2021 iii until 27th Oct 2021 iv until 3rd Nov 2021 v from 3rd March 2022

The Board and its committees are supported by the following:

- Group and Network Chairs Forum (reporting to the Board via the Chair of Trustees) – chaired by James Grierson
- Accreditation Committee (reporting to PSD) – chaired by Sarah Peek ACR
- Editorial Advisory Panel (reporting to PSD) – chaired by Jonathan Kemp, Editor of the Journal

In addition, the Board sets up working groups to deliver self-contained and time-limited projects as needed. The following groups were active during the year:

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Report of the Board of Trustees (Continued)

for the year ended 31st March 2022

- Diversity and Inclusion Task and Finish Group – chaired by Pierrette Squires ACR
- Membership Working Group – chaired by Michael Nelles
- Chartership Scoping Group – chaired by Simon Cane ACR

Volunteers

Icon's capacity to deliver its objectives is greatly enhanced by the many members who give their time to contribute to the organisation's work. In 2021-22, Icon was supported by more than 475 volunteers. This includes 26 members of the Board of Trustees and Board Committees, plus 19 members of the Accreditation Committee and 14 members of the Editorial Advisory Panel.

Volunteers also support the delivery of Icon's Accreditation framework, acting as CPD readers, Pathway mentors and Accreditation assessors. It would not be possible to deliver Icon's Accreditation programme without their support.

All of Icon's Special Interest Groups and Networks are run entirely by volunteers.

Three major online conferences were organised on an entirely voluntary basis by Icon Groups and Networks this year. The Icon Pest Odyssey IPM Network and Icon Care of Collections Group jointly ran *Pest Odyssey 2021 - The Next Generation* in September 2021 in collaboration with Pest Odyssey UK. The three-day conference was attended by 373 participants. The Icon Book and Paper Group ran *Mod Cons: Modern Conservation. Modern Constraints. Modern Conveniences* from 4th to 7th October with 282 attendees. The Icon Ceramics and Glass Group and Icon Stained Glass Group jointly ran a two-day conference in October with the title *Fragmented Stories: Case Studies in Ceramics, Glass and Stained Glass Conservation* and reached 160 attendees. The successful delivery of these conferences would not have been possible without the strong leadership and tireless dedication of their voluntary organising committees, comprising active Icon members (and non-members in the case of *Pest Odyssey 2021*) in a variety of roles.

It is estimated that Icon's volunteers contribute in excess of £260,000 of in-kind support each year, calculated at a professional day-rate. The Board of Trustees is deeply grateful for the combined efforts of all the Icon members who give their time and talents in support of their profession.

Skills (Internships, Apprenticeships and CPD)

There was a growth in the number of emerging professionals taking part in the Icon Internship Programme this year. Eight interns took part in the programme during the year, including placements at: Bainbridge Conservation (Furniture), Barley Studio (Stained Glass), English Heritage (Heritage Science), National Library of Scotland (Preventive), National Museums Liverpool (Preventive), National Trust for Scotland (Collections Care) and Strawberry Hill House (Preventive). The internship at the Imperial War Museum (Digital Media) was made possible through the support of the Clare Hampson Fund.

The Icon Skills Events programme was expanded, with over 250 members participating in a range of events designed to support the development of work-related professional skills. The training opportunities included presentation skills, leadership skills, academic writing, business skills, media relations, job interview skills, and health and safety for conservators.

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Report of the Board of Trustees (Continued) for the year ended 31st March 2022

Accreditation

Icon Accreditation remained steady, with 32 new applications being received and 31 members being awarded Icon Accreditation over the course of the year. Stimulating greater interest in Icon Accreditation has been a key focus of activity, in particular the opportunity for growth outside of the UK. To support these efforts, £10,000 in funding was secured from the Steps to Sustainability programme to develop a marketing plan to promote Icon Accreditation to professional conservators outside of the UK.

A formal review of the Icon Accreditation Application and Assessment Process was also scoped and launched. Chaired by Dr Mike Flannery ACR, the review panel will consider the process by which accreditation is delivered, while being mindful of the need to ensure fair access to the system as well as to stimulate greater uptake both in the UK and internationally. The review panel is due to report to the Board of Trustees in December 2022.

Publications

Three issues of the peer reviewed [Journal of the Institute of Conservation](#) edited by Dr Jonathan Kemp and published by *Routledge Journals* were produced in June 2021 (Vol 44 no 2), October 2021 (Vol 44 no 3) and February 2022 (Vol 45 no1). The Journals are all available online and in a printed version which is posted to members. Six issues of [Icon News](#) (Nos. 93-98) were published by Icon during the reporting period. They were edited by Lynette Gill. These are all available online and in a printed version posted to Icon members.

Code of Conduct and Complaints

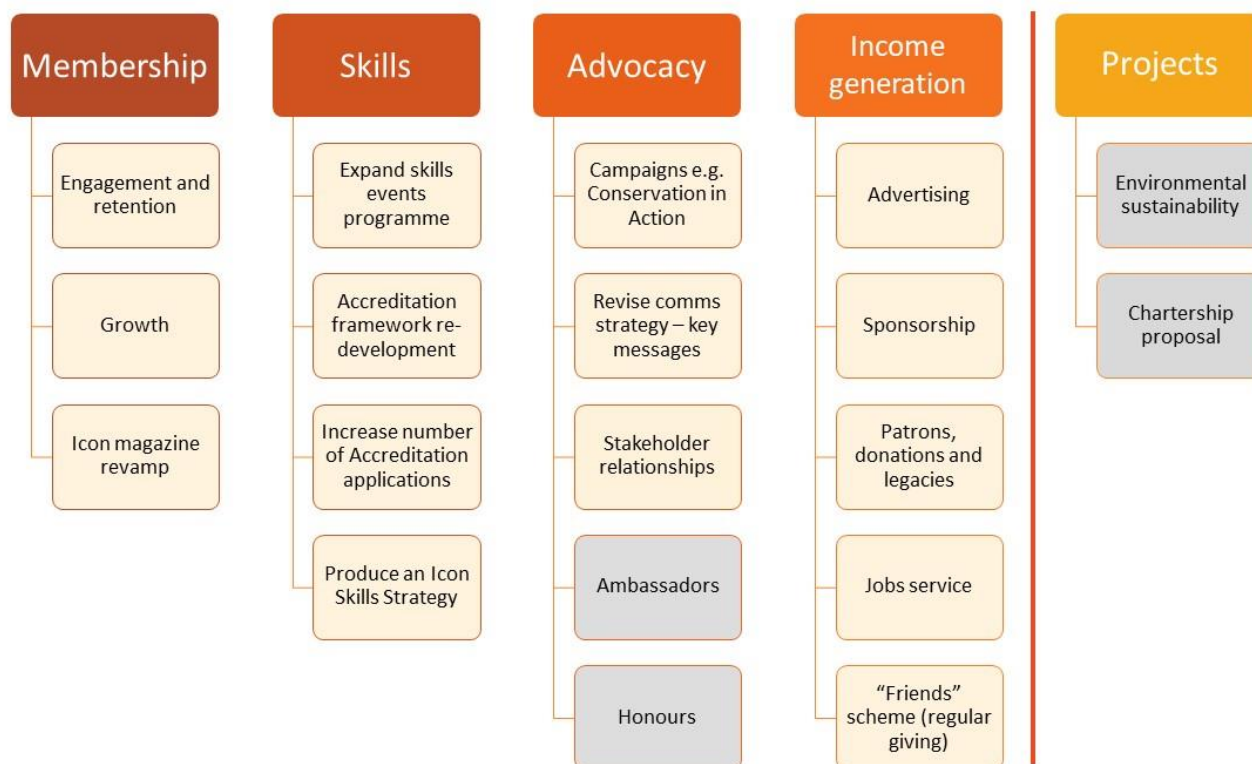
There were no complaints made during the reporting period.

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Report of the Board of Trustees (Continued) for the year ended 31st March 2022

Looking to the future

The new Icon Strategy was launched in April 2022. The following operational priorities for the financial year 2022-2023 were agreed by the Board of Trustees on 14th June 2022.



Principal risks and uncertainties

Icon maintains a detailed risk register which is updated quarterly by the Chief Executive and reviewed by the Board of Trustees. We also have a *Governance Handbook*, which contains Icon’s regulatory and operating policies and a *Staff Handbook*. All policies and procedures are regularly reviewed and updated, and members of the Management Team undertake regular training on relevant governance and compliance-related topics.

At the beginning of the financial year, the greatest operational risk to Icon was ongoing uncertainty about the longer-term consequences of the COVID-19 lockdowns and the unknown impact on the sector in terms of recovery and resilience. We were concerned that the adverse economic conditions would affect Icon’s ability to attract and retain members, resulting in a negative impact on our budget. However, despite the challenging external operating conditions, membership churn remained in line with the 5-year average rate. This was largely due to energetic membership engagement activity during the 2021-22 membership renewals cycle and utilising the marketing tools made available through Icon’s new integrated website and CRM system. Our highly-rated events programme and considerable investment in membership marketing and recruitment campaigns meant that the number of new members joining during the period exceeded the number

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Report of the Board of Trustees (Continued)

for the year ended 31st March 2022

joining in previous years. The overall result was a modest increase in membership numbers compared to the previous year, despite the difficult economic context facing the sector. However, the difficult economic context did have a negative impact on other income streams and the risk of further eroding our unrestricted reserves therefore increased. Swift operational action was taken to review budgets and vacant staff posts were not re-recruited. An application to the Culture Recovery Fund to cover a substantial portion of revenue costs for four months was also successful. In addition a Membership Working Group was set up to support the marketing activities of the membership team and trustees took the decision to implement a higher than usual subscriptions fee rise for 2022-23 recognising that Icon's finances are heavily dependent on membership income.

Towards the end of the year the threat of a potential cyber security incident became the most pressing concern. Members of the Management Team attended relevant training and carried out research to understand best practice on implementing cyber security measures. Advice was also sought from Icon's IT consultants and a new Computer Information Systems Policy was introduced in February 2022 to replace the existing IT Policy. All office-based staff were issued with new laptops with enhanced security features in March 2022. Icon's most vulnerable digital asset is our membership database. If this was compromised the valuable data could be lost, stolen or damaged which would have serious repercussions. To mitigate this, Icon's Head of Membership liaised with Icon's CRM service providers and researched their backup and security protocols, documenting the results. Strict protocols for access to and use of Icon's member database were also implemented. Further projects to enhance data security and reduce the time required to comply with GDPR requirements will be implemented in the 2022-2023 financial year.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The statement of financial activities on page 18 shows a surplus in unrestricted activities after transfers of £82,693 (2021: £56,078 surplus including the new designated capital fund of £92,759), a deficit on the expendable endowment of £22,531 (2021: deficit of £38,412) and a deficit on restricted activities of £15,945 (2021: surplus of £15,221).

Reserves Statement

At the 31st March 2022 Icon had total reserves of £378,191 (2021: £333,974). These included restricted funds which are not available for the general purposes of the charity of £64,598 (2021: £80,543) and an Expendable Endowment of £35,052 (2021: £57,583). This is the Clare Hampson Fund, a bequest set up with the intention of supporting studies in paper conservation. The restricted funds would mostly be expended before 31st March 2023 although they are likely to be replaced at least to some extent. The Endowment is likely to last until mid-2025 but this could vary up or down. Designated funds of £69,073 (2021: £92,759) represent the net book value of the capital database project and will be utilised over the life of the asset. The unrestricted reserves were £209,468 (2021: £103,089) and these can be used at the Trustees' entire discretion. As the reserves are all held in bank accounts, there would be no need to realise tangible assets to release funds.

Icon retains reserves for four main reasons:

- 1 to cover financial risks to which the charity is exposed in the course of its business including income shortfall, cash flow volatility, unplanned expenditure and managed contraction;
- 2 to enable annual planning and budgeting with a degree of flexibility and contingency;

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Report of the Board of Trustees (Continued)

for the year ended 31st March 2022

- 3 to finance future plans and provide capacity for planned growth in line with Icon's strategy and
- 4 to provide the ability to take advantage of change and opportunities, identified and agreed by senior management and Trustees.

The Trustees consider that in order to meet these needs, Icon should hold free reserves equivalent to no less than six months' unrestricted expenditure (approximately £360,000 at 31st March 2022 based on the 2022-23 forecast).

The current level of free reserves, excluding the designated fund and expendable endowment, is £209,468 at 31st March 2022 and is therefore below the overall level set by Trustees. Accordingly, Icon management and Trustees will continue to monitor finances with the aim of achieving an unrestricted fund surplus being generated in each financial year until the six-months' target has been met. The Trustees recognise that this represents a significant challenge in the current economic environment in the heritage sector.

The Board of Trustees will review this policy annually. Any substantial call on, or contribution to, reserves will be reported to Trustees.

Investment Policy

The Trustees consider that it is appropriate that the majority of the funds are invested in interest earning reserve accounts and that no funds are invested in either equities or bonds. The Board of Trustees reviews this policy annually.

Staff Remuneration

The pay of all staff is reviewed annually according to Icon's Pay Policy to determine cost of living adjustments and whether any individual increases are warranted. In view of the nature of the charity, the Trustees benchmark from time to time against pay levels in other similar organisations. The remuneration bench-mark is the median of the range paid for similar roles in similar organisations.

Fundraising Policy

Icon does not engage in large scale public fundraising and does not use professional fundraisers or commercial participators. We are unaware of any non-compliance with any regulations and codes and the charity has received no complaints relating to its fundraising practice during the year nor in any prior year.

Special Thanks

Icon is grateful for all those who have supported the organisation during a challenging year and would like to express its special appreciation to:

- Conservators and others who donated funds in memory of the late Nigel Williams and the late Frederick Bearman.
- Members of the organising committees of the three international conferences held in Autumn 2021.

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Report of the Board of Trustees (Continued)

for the year ended 31st March 2022

Icon would also like to acknowledge the support of the UK Government, as we were fortunate to successfully secure a grant of £83,900 from the third round of the Culture Recovery Fund, disbursed by DCMS through the National Lottery Heritage Fund.

Statement of Trustees' Responsibilities

Company Law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Institute at the end of the financial year and its surplus and deficit for the financial year.

In doing so, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the principles and methods of the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the basis of a going concern unless it is inappropriate to presume that the company will continue in business

The Trustees are responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Each of the Trustees at the date of approval of this report confirms that:

- 1) so far as the Trustee is aware, there is no relevant audit information of which the company's Auditors are unaware; and
- 2) the Trustee has taken all the steps that s/he ought to have taken as a Trustee to make herself/himself aware of any relevant audit information and to establish that the company's Auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the Companies Act 2006.

Auditors

Haysmacintyre LLP have been reappointed to audit the accounts for year ending 31st March 2022. A resolution to appoint Auditors to the Company and to authorise the Directors to fix their remuneration is proposed annually at the Annual General Meeting.

INSTITUTE OF CONSERVATION

Report of the Board of Trustees (Continued)
for the year ended 31st March 2022

This report was approved by the Board of Trustees on 21st September 2022 and signed on their behalf.

James R J Grierson

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James Grierson, Chair

INSTITUTE OF CONSERVATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF INSTITUTE OF CONSERVATION

Independent auditor's report to the members and trustees of Institute of Conservation

Opinion

We have audited the financial statements of Institute of Conservation for the year ended 31 March 2022 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INSTITUTE OF CONSERVATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF INSTITUTE OF CONSERVATION (CONTINUED)

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) require us to report to you if, in our opinion:

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF INSTITUTE OF CONSERVATION (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, Companies Act 2006, Charities and Trustee Investment (Scotland) Act 2005, regulations of the Charity Commission and OSCR and GDPR and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011, Charities Accounts (Scotland) Regulations 2006 and provisions of the Charities SORP.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual or no descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

INSTITUTE OF CONSERVATION

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF INSTITUTE OF
CONSERVATION (CONTINUED)**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kathryn Burton (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London

Date: **5th October 2022**

EC4R 1AG

INSTITUTE OF CONSERVATION

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating the income and expenditure account)
for the year ended 31st March 2022

| | Note | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Expendable Endowment 2022 £ | Total Funds 2022 £ | Total Funds 2021 £ |
|--|------|------------------------------------|----------------------------------|--------------------------------------|-----------------------------|-----------------------------|
| Income from | | | | | | |
| <i>Donations, Legacies & Grants</i> | | | | | | |
| Donations & Grants | 2 | 3,759 | 91,577 | - | 95,336 | - |
| <i>Charitable Activities</i> | | | | | | |
| Advocacy | | 36,574 | - | - | 36,574 | 25,731 |
| Excellence | | 252,553 | - | - | 252,553 | 194,543 |
| Engagement | | - | - | - | - | 25,975 |
| Membership Services | | <u>344,947</u> | <u>-</u> | <u>-</u> | <u>344,947</u> | <u>479,645</u> |
| <i>Other Trading Activities</i> | | | | | | |
| Advertising Income | | 41,490 | - | - | 41,490 | 21,777 |
| Sponsorship | | 9,978 | - | - | 9,978 | 13,468 |
| <i>Investments</i> | | | | | | |
| Bank Interest | | <u>967</u> | <u>-</u> | <u>377</u> | <u>1,344</u> | <u>2,147</u> |
| Total Income | | <u>690,268</u> | <u>91,577</u> | <u>377</u> | <u>782,222</u> | <u>763,286</u> |
| Expenditure on | | | | | | |
| <i>Charitable Activities</i> | | | | | | |
| Advocacy | | 49,911 | 26,931 | - | 76,842 | 44,672 |
| Excellence | | 345,689 | 39,162 | 22,908 | 407,759 | 377,687 |
| Engagement | | 81,576 | 19,455 | - | 101,031 | 185,048 |
| Membership Services | | <u>130,399</u> | <u>21,974</u> | <u>-</u> | <u>152,373</u> | <u>122,992</u> |
| Total Expenditure | 5 | <u>607,575</u> | <u>107,522</u> | <u>22,908</u> | <u>738,005</u> | <u>730,399</u> |
| Net Income (expenditure) | | 82,693 | (15,945) | (22,531) | 44,217 | 32,887 |
| Transfer of Funds | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Movement in Funds | | 82,693 | (15,945) | (22,531) | 44,217 | 32,887 |
| Brought Forward Funds at 1 April 2021 | | <u>195,848</u> | <u>80,543</u> | <u>57,583</u> | <u>333,974</u> | <u>301,087</u> |
| Carried Forward Funds at 31 March 2022 | | <u>278,541</u> | <u>64,598</u> | <u>35,052</u> | <u>378,191</u> | <u>333,974</u> |

The notes on pages 21 – 35 form an integral part of these financial statements. All transactions are derived from continuing activities. All recognised gains and losses are included in the Statement of Financial Activities. Full comparative figures for the year ended 31st March 2021 are shown in note 14.

INSTITUTE OF CONSERVATION

Company Number: 05201058

BALANCE SHEET
as at 31st March 2022

| | Note | 2022 | 2021 |
|-----------------------------|------|-----------|-----------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Tangible Assets | 6 | 4,443 | 1,088 |
| Intangible Assets | 7 | 106,493 | 114,755 |
| CURRENT ASSETS | | | |
| Debtors | 8 | 78,329 | 105,745 |
| Cash at Bank and in Hand | | 427,622 | 275,635 |
| | | 505,951 | 381,380 |
| CREDITORS - Amounts | | | |
| Falling Due Within One Year | 9 | (238,696) | (163,249) |
| NET CURRENT ASSETS | | 267,255 | 218,131 |
| NET ASSETS | 10 | 378,191 | 333,974 |
| FUNDS | | | |
| Restricted Funds | | 64,598 | 80,543 |
| Unrestricted Funds | | | |
| General Unrestricted Funds | | 209,468 | 103,089 |
| Designated Funds | | 69,073 | 92,759 |
| Expendable Endowment | | 35,052 | 57,583 |
| | | 313,593 | 253,431 |
| | 10 | 378,191 | 333,974 |

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

These Financial Statements were approved and authorised for issue by the Board of Trustees on 21st September 2022 and signed on its behalf by:-

James R J Grierson

.....
James Grierson, Chair

The notes on pages 21 - 35 form an integral part of these financial statements.

INSTITUTE OF CONSERVATION
STATEMENT OF CASH FLOWS
for the year ended 31st March 2022

| | Note | 2022 | | 2021 | |
|---|-------|----------|------------------------------------|-------------------|---|
| | | £ | £ | £ | £ |
| Cash flows from operating activities: | | | | | |
| Net (expenditure) for the year | | 44,217 | | 32,887 | |
| Adjustments for: | | | | | |
| Depreciation and Amortisation charges | 6 & 7 | 29,861 | | 9,304 | |
| Dividends & interest | | (1,344) | | (2,147) | |
| Loss on disposal of fixed assets | | 896 | | - | |
| Decrease in debtors | 8 | 27,416 | | 17,715 | |
| Increase/(decrease) in creditors | 9 | 75,447 | | (44,899) | |
| Net cash provided by operating activities: | | | 176,493 | | 12,860 |
| Cash flows from investing activities: | | | | | |
| Purchase of intangible fixed assets | 6 & 7 | (25,850) | | (101,702) | |
| Dividends & interest | | 1,344 | | 2,147 | |
| Net cash provided by (used in) investing activities: | | | (24,506) | | (99,555) |
| Decrease in cash and cash equivalents in the year | | | 151,987 | | (86,695) |
| Net cash and cash equivalents at the start of the year | | | 275,635 | | 362,330 |
| Net cash and cash equivalents at the end of the year | | | 427,622 | | 275,635 |
| Analysis of changes in net debt | | | | | |
| | | | Balance at 1 April 2021 | Cash flows | Balance at 31 March 2022 |
| | | | £ | £ | £ |
| Cash at bank and In hand | | | 275,635 | 151,987 | 427,622 |
| | | | 275,635 | 151,987 | 427,622 |

INSTITUTE OF CONSERVATION

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2022

1. ACCOUNTING POLICIES

a) Statement of Compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1st January 2019) - (Charities SORP (FRS 102)), and the Companies Act 2006. The Institute of Conservation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

General Information

The Charity is a private company limited by guarantee without share capital, incorporated in England & Wales (company number 05201058), a Charity registered in England and Wales (Charity number: 1108380) and a Charity registered in Scotland (Charity number: SC039336). The registered office is listed on page 2.

Going Concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions (including but not restricted to the COVID-19 pandemic) that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Trustees have considered the charity's forecasts and projections and have taken account of pressures on donation and investment income. After making enquiries the Trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Fund Accounting

General unrestricted funds comprise surpluses and deficits and are available for use at the discretion of the Board of Trustees in furtherance of the Charity's general charitable objectives.

Other unrestricted funds are amounts that have been put aside out of the general unrestricted funds at the discretion of the Trustees to fund specific projects for the future development of the Institute (note 11).

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Expendable Endowment – following the receipt of the final balance of the Clare Hampson bequest the balance on the fund has been transferred into an Expendable Endowment fund where the expenditure is restricted for use in the support of book & paper conservation studies.

INSTITUTE OF CONSERVATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

for the year ended 31st March 2022

1. ACCOUNTING POLICIES (CONTINUED)

c) Income

Income represents amounts receivable (and known at the year-end) by the charity during the year from all sources including subscriptions, grants, contracts, donations and investments. All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Grant income and membership contributions are included as they are received except where they relate to future periods in which case they are deferred.

d) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. Bursary payments are treated as fully expended when paid.

The costs of policy and advocacy, membership, Conservation Register, conferences, professional development, publications, group activities and support costs comprise expenditure, including staff costs, which is directly attributable to these activities. Where costs, such as support and governance, cannot be directly attributed, they have been allocated on the percentage of time spent on each charitable activity.

Support costs comprise all services supplied centrally, identifiable as wholly or mainly in support of direct charitable purposes and include an appropriate proportion of general overheads which cannot be allocated to specific activities.

Governance costs include these costs associated with meeting the constitutional and statutory requirement of the charity and include the audit fees.

e) Operating Leases

Rentals payable under operating leases are charged on a straight line basis over the terms of the leases.

f) Depreciation and Amortisation

Depreciation is provided on all tangible fixed assets in order to write off their cost over their expected useful lives. The rates adopted are as follows:-

| | |
|--------------------------------|--------------------------------|
| Leasehold improvements | minimum lease term |
| Computer Equipment & databases | 33.33% per annum straight line |
| Office Equipment | 25% per annum straight line |

Only fixed assets with a value in excess of £1,000 are capitalised. Assets purchased with a value below this are expensed in the year in which they occur.

Amortisation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The amortisation rates in use are as follows:

| | |
|---------------------------------|---------|
| Conservation Register | 5 years |
| Membership database and website | 5 years |

INSTITUTE OF CONSERVATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

for the year ended 31st March 2022

1. ACCOUNTING POLICIES (CONTINUED)

g) **Defined Contribution pension scheme**

The amounts charged to the statement of financial activities are pension contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

h) **Financial Instruments**

Financial assets such as cash and debtors are measured at their present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors, loans and finance leases are measured at the present value of the obligation.

With the exceptions of prepayments all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 7 and 8 for the debtor and creditor notes.

i) **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

j) **Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

l) **Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

INSTITUTE OF CONSERVATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

for the year ended 31st March 2022

1. ACCOUNTING POLICIES (CONTINUED)

l) Judgements and key sources of estimation uncertainty (continued)

The most significant estimates and assumptions which affect the carrying amount of assets and liabilities in the accounts relate to:

Useful Economic Lives - The annual depreciation charge for property, plant and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

m) Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2. DONATIONS, LEGACIES AND GRANTS

Voluntary income received in the year was as follows:

| 2022 | Unrestricted £ | Restricted £ | 2022 £ |
|--|-------------------|-----------------|-----------|
| <i>Donations, Legacies & Grants</i> | | | |
| Culture Recovery Fund (DCMS) | | 83,900 | 83,900 |
| Social Enterprise Academy Scotland | | 4,000 | 4,000 |
| Sundry Donations | 3,759 | 3,600 | 7,359 |
| Other | | 77 | 77 |
| | 3,759 | 91,577 | 95,336 |
| | | | |
| 2021 | Unrestricted £ | Restricted £ | 2021 £ |
| <i>Donations & Legacies</i> | | | |
| Sundry Donations | - | - | - |
| | - | - | - |

INSTITUTE OF CONSERVATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

for the year ended 31st March 2022

3. NET MOVEMENT IN FUNDS

The Net Movement in Funds is stated after charging:-

| | 2022 | 2021 |
|---|-------------|-------------|
| | £ | £ |
| Auditors' Remuneration - current year (excluding VAT) | 9,500 | 7,425 |
| Depreciation and Amortisation | 29,861 | 9,304 |
| Operating Leases – rent | 35,000 | 29,042 |
| | <hr/> | <hr/> |

4. STAFF COSTS

| | 2022 | 2021 |
|-----------------------|-------------|-------------|
| | £ | £ |
| Staff Costs: | | |
| Wages and Salaries | 257,714 | 288,140 |
| Social Security Costs | 22,672 | 23,665 |
| Pensions | 12,977 | 13,893 |
| | <hr/> | <hr/> |
| | 293,363 | 325,698 |
| | <hr/> | <hr/> |

One employee received emoluments between £60,000-£65,000 (2021: One)

Administrative salaries have been directly allocated to projects on which time was spent.

The company has a group stakeholder defined contribution pension plan with autoenrollment for staff. During the year payments totalling £nil (2021: £nil) were accrued and are included within current liabilities at the year end.

Numbers of Employees at 31st March 2022: 8 (2021: 10).

The average number of employees during the year was: 8.25 (2021: 9.8).

The analysis of employees (full time equivalents) in the year was as follows:

| | 2022 | 2021 |
|--|---------------|---------------|
| | Number | Number |
| Advocacy – through influencing our partners and the public | 1.3 | 2.1 |
| Excellence – through building knowledge, high standards and valuing the profession | 2.5 | 2.1 |
| Engagement – through encouraging public awareness and participation | 0.0 | 0.0 |
| Membership Services | 1.8 | 1.5 |
| Support and Governance | 1.1 | 1.4 |
| | <hr/> | <hr/> |
| | 6.7 | 7.1 |
| | <hr/> | <hr/> |

INSTITUTE OF CONSERVATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

for the year ended 31st March 2022

4. STAFF COSTS (continued)

Key management personnel are the Management Team (Chief Executive, Business Director, Head of Membership and Head of Skills). The total employee benefits of the key management personnel for the year totalled £197,215 (2021: £173,680).

None of the Board of Trustees received remuneration for their services as Trustees during the year (prior year £nil).

5 members (2021: 4) of the Board of Trustees received reimbursed expenses during the year. These were for travelling and amounted to £355 (2021: £589).

Icon pays the premium on an insurance policy covering Trustees' liabilities.

INSTITUTE OF CONSERVATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

for the year ended 31st March 2022

5. ANALYSIS OF EXPENDITURE

| Current Year 2022 | Advocacy | Excellence | Engagement | Membership Services | 2022 Total |
|------------------------------|----------------------|-----------------------|-----------------------|--------------------------------|-----------------------|
| | £ | £ | £ | £ | £ |
| Direct Costs | | | | | |
| Grants to beneficiaries | 17,500 | 85,905 | - | - | 103,405 |
| Staff costs (note 4) | 14,921 | 108,041 | 55,990 | 63,300 | 242,252 |
| Other staff / staff costs | 500 | 47,068 | - | 379 | 47,947 |
| Room hire | - | 826 | - | 517 | 1,343 |
| Subscriptions & publications | - | 37,047 | 671 | 1,542 | 39,260 |
| Website & IT direct | 5,425 | 382 | 19 | 29,946 | 35,772 |
| Assessors costs | - | 8,510 | - | - | 8,510 |
| Event costs | - | 30,372 | - | 28 | 30,400 |
| Publication costs | - | - | - | 299 | 299 |
| Prizes and awards | - | 1,938 | - | - | 1,938 |
| Other | 26,756 | 3,122 | 89 | 6,428 | 36,395 |
| | <u>65,102</u> | <u>323,211</u> | <u>56,769</u> | <u>102,439</u> | <u>547,521</u> |
| Support Costs | | | | | |
| Staff costs (note 4) | 1,898 | 13,453 | 7,254 | 8,133 | 30,738 |
| Staff related costs | 227 | 1,640 | 854 | 964 | 3,685 |
| Premises costs | 2,385 | 17,230 | 8,969 | 964 | 38,715 |
| Office running costs | 1,321 | 9,543 | 4,968 | 5,611 | 21,443 |
| Professional services | 3,582 | 25,878 | 13,471 | 15,215 | 58,146 |
| | <u>11,740</u> | <u>84,548</u> | <u>44,262</u> | <u>49,934</u> | <u>190,484</u> |
| Governance Costs | | | | | |
| Staff costs (note 4) | 1,225 | 9,067 | 4,720 | 5,331 | 20,373 |
| Audit | 587 | 4,237 | 2,205 | 2,491 | 9,520 |
| Other | 485 | 3,500 | 1,821 | 2,058 | 7,864 |
| | <u>11,740</u> | <u>84,548</u> | <u>44,262</u> | <u>49,934</u> | <u>190,484</u> |
| Total Expenditure | <u><u>76,842</u></u> | <u><u>407,759</u></u> | <u><u>101,031</u></u> | <u><u>152,373</u></u> | <u><u>738,005</u></u> |

Costs which have been directly attributable to a particular activity have been fully allocated to that specific charitable activity.

Support costs have been allocated based on the percentage of staff time spent and calculating its direct staff cost. Support costs are then allocated in proportion to this direct cost.

The percentages used are: Membership services 26%; Excellence 45%; Advocacy 6% and Engagement 23%.

INSTITUTE OF CONSERVATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

for the year ended 31st March 2022

| Prior Year 2021 | Advocacy | Excellence | Engagement | Membership Services | 2021 Total |
|---------------------------------|----------------------|-----------------------|-----------------------|------------------------|-----------------------|
| | £ | £ | £ | £ | £ |
| Direct Costs | | | | | |
| Grants to beneficiaries | - | 102,982 | 2,440 | - | 105,422 |
| Staff costs (note 4) | 18,407 | 97,107 | 91,758 | 45,409 | 252,681 |
| Other staff / staff costs | 500 | 44,708 | - | 19,155 | 64,363 |
| Room hire | - | 782 | - | 450 | 1,232 |
| Subscriptions & publications | - | 31,646 | 134 | 962 | 32,742 |
| Website & IT direct | 4,112 | - | 7,385 | 7,987 | 19,484 |
| Assessors costs | - | 4,440 | - | - | 4,440 |
| Professional fees | - | - | - | 2,198 | 2,198 |
| Event costs | - | 7,793 | 69 | 375 | 8,237 |
| Publication costs | - | - | - | 2,040 | 2,040 |
| Prizes and awards | - | 400 | - | - | 400 |
| Other | 5,168 | 2,656 | - | 3,651 | 11,475 |
| | <u>28,187</u> | <u>292,514</u> | <u>101,786</u> | <u>82,227</u> | <u>504,714</u> |
| Support Costs | | | | | |
| Staff costs (note 4) | 3,827 | 19,043 | 19,832 | 9,502 | 52,204 |
| Staff related costs | 62 | 320 | 207 | 154 | 743 |
| Premises costs | 3,120 | 16,077 | 15,662 | 7,706 | 42,565 |
| Office running costs | 1,646 | 8,479 | 8,260 | 4,065 | 22,450 |
| Professional services | 5,193 | 26,754 | 26,064 | 12,825 | 70,836 |
| Governance Costs | | | | | |
| Staff costs (note 4) | 1,526 | 7,861 | 7,658 | 3,769 | 20,814 |
| Audit | 606 | 3,125 | 3,043 | 1,496 | 8,270 |
| Other | 572 | 2,947 | 2,871 | 1,413 | 7,803 |
| | <u>16,552</u> | <u>84,606</u> | <u>83,597</u> | <u>40,930</u> | <u>225,685</u> |
| Total Expenditure | <u><u>44,739</u></u> | <u><u>377,120</u></u> | <u><u>185,383</u></u> | <u><u>123,157</u></u> | <u><u>730,399</u></u> |

Costs which have been directly attributable to a particular activity have been fully allocated to that specific charitable activity.

Support costs have been allocated based on the percentage of staff time spent and calculating its direct staff cost. Support costs are then allocated in proportion to this direct cost.

The percentages used are: Membership services 18%; Excellence 38%; Advocacy 7% and Engagement 37%.

INSTITUTE OF CONSERVATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

for the year ended 31st March 2022

6. TANGIBLE FIXED ASSETS

| | Leasehold Improvements | Computers | Total |
|--|---------------------------|-----------|---------|
| | £ | £ | £ |
| At 1 April 2021 | 1,759 | 24,626 | 26,385 |
| Additions | - | 6,665 | 6,665 |
| Disposals | (1,759) | (2,162) | (3,921) |
| At 31 March 2022 | - | 29,129 | 29,129 |
| Depreciation | | | |
| At 1 April 2021 | 1,056 | 24,241 | 25,297 |
| Charge for Year | - | 2,414 | 2,414 |
| Disposals | (1,056) | (1,969) | (3,025) |
| At 31 March 2022 | - | 24,686 | 24,686 |
| Net Book Value at 31 March 2022 | - | 4,443 | 4,443 |
| Net Book Value at 31 March 2021 | 703 | 385 | 1,088 |

All assets are used for charitable purposes.

7. INTANGIBLE FIXED ASSETS

| | Database £ |
|--|---------------|
| At 1 April 2021 | 120,722 |
| Additions | 19,185 |
| At 31 March 2022 | 139,907 |
| Amortisation | |
| At 1 April 2021 | 5,967 |
| Charge for Year | 27,447 |
| At 31 March 2022 | 33,414 |
| Net Book Value at 31 March 2022 | 106,493 |
| Net Book Value at 31 March 2021 | 114,755 |

Icon invested in a new membership database and website which was launched in April 2021. Since these and the Conservation Register purchased the previous year would have an overall life of up to 10 years with an upgrade after about 5 years, they are now amortized over 5 year.

8. DEBTORS

INSTITUTE OF CONSERVATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

for the year ended 31st March 2022

| | 2022 | 2021 |
|---|-------------|-------------|
| | £ | £ |
| Amounts Falling Due Within One Year | | |
| Trade & Other Debtors | 40,125 | 51,514 |
| Prepayments | 31,497 | 37,244 |
| Accrued Income | 6,707 | 16,987 |
| | 78,329 | 105,745 |
| | 78,329 | 105,745 |
| Included within debtors were financial instruments (comprising Trade & Other Debtors and Accrued Income) measured at amortised cost of: | 46,832 | 68,501 |
| | 46,832 | 68,501 |

9. CREDITORS

| | 2022 | 2021 |
|--|-------------|-------------|
| | £ | £ |
| Amounts Falling Due Within One Year | | |
| Trade & Other Creditors | 30,513 | 37,119 |
| Accruals | 21,273 | 24,226 |
| Taxation & Social Security | 11,326 | 7,513 |
| Deferred Income (see below) | 175,584 | 94,391 |
| | 238,696 | 163,249 |
| | 238,696 | 163,249 |
| Included within creditors were financial instruments (comprising Trade & Other Creditors, Accruals, Taxation & Social Security and VAT) measured at amortised cost of: | 63,112 | 68,858 |
| | 63,112 | 68,858 |

INSTITUTE OF CONSERVATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

for the year ended 31st March 2022

Deferred Income

Deferred income relates to membership contributions received for future periods and other fees received in advance.

| | £ |
|-----------------------------|----------|
| Balance as at 1 April 2021 | 94,391 |
| Amounts released to income | (94,391) |
| Amounts deferred in period | 175,584 |
| | 175,584 |
| Balance as at 31 March 2022 | 175,584 |

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted | Restricted | Expendable Endowment | Total |
|----------------------------|---------------------|-------------------|---------------------------------|--------------|
| | £ | £ | £ | £ |
| Current Year (2022) | | | | |
| Tangible Fixed Assets | 4,443 | - | - | 4,443 |
| Intangible Fixed Assets | 106,493 | - | - | 106,493 |
| Debtors | 78,329 | - | - | 78,329 |
| Cash at Bank and in Hand | 327,972 | 64,598 | 35,052 | 427,622 |
| Current Liabilities | (238,696) | - | - | (238,696) |
| | 278,541 | 64,598 | 35,052 | 378,191 |
| | 278,541 | 64,598 | 35,052 | 378,191 |
| Prior Year (2021) | | | | |
| Tangible Fixed Assets | 1,088 | - | - | 1,088 |
| Intangible Fixed Assets | 114,755 | - | - | 114,755 |
| Debtors | 105,745 | - | - | 105,745 |
| Cash at Bank and in Hand | 137,509 | 80,543 | 57,583 | 275,635 |
| Current Liabilities | (163,249) | - | - | (163,249) |
| | 195,848 | 80,543 | 57,583 | 333,974 |
| | 195,848 | 80,543 | 57,583 | 333,974 |

INSTITUTE OF CONSERVATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31st March 2022

11. FUNDS

| Current Period | | At 1 April 2021 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2022 £ |
|---|----|--------------------------------------|---------------------|--------------------------|------------------------|---------------------------------------|
| Restricted Funds: | | | | | | |
| Nigel Williams | 1 | 30,765 | 3,600 | (1,788) | - | 32,577 |
| Frederick Bearman | 4 | 5,637 | - | - | - | 5,637 |
| Conservation Register Restricted Capital | 5 | 24,141 | - | (4,190) | - | 19,951 |
| Care of Collections Stimulus Fund | 6 | 20,000 | - | (17,567) | - | 2,433 |
| CRF R3 2021/22 | 10 | - | 83,977 | (83,977) | - | - |
| Social Enterprise Academy Scotland | 11 | - | 4,000 | - | - | 4,000 |
| | | — | — | — | — | — |
| Total Restricted Funds | | 80,543 | 91,577 | (107,522) | - | 64,598 |
| Unrestricted Funds: | | | | | | |
| General unrestricted funds | | 103,089 | 690,268 | (583,889) | - | 209,468 |
| Designated Funds: | | | | | | |
| Database Capital | 7 | 92,759 | - | (23,686) | - | 69,073 |
| Expendable Endowment | 2 | 57,583 | 377 | (22,908) | - | 35,052 |
| | | <u>333,974</u> | <u>782,222</u> | <u>(738,005)</u> | <u>-</u> | <u>378,191</u> |

INSTITUTE OF CONSERVATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

for the year ended 31st March 2022

11. FUNDS (CONTINUED)

| Prior Period | | At 1 April 2020 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2021 £ |
|--|---|----------------------------|-------------|------------------|----------------|-----------------------------|
| Restricted Funds: | | | | | | |
| Nigel Williams | 1 | 27,315 | 3,450 | - | - | 30,765 |
| Historic England | 3 | 4,968 | - | (4,968) | - | - |
| Frederick Bearman | 4 | 5,137 | 500 | - | - | 5,637 |
| Conservation Register | 5 | 27,902 | - | (3,761) | - | 24,141 |
| Restricted Capital | | | | | | |
| Care of Collections | 6 | - | 20,000 | - | - | 20,000 |
| Stimulus Fund | | | | | | |
| Database Capital | 7 | - | 94,735 | - | (94,735) | - |
| CRF R1 - Office Rent & Service | 8 | - | 18,940 | (18,940) | - | - |
| CRF R1 - Membership and Business Development | 9 | - | 23,100 | (23,100) | - | - |
| | | — | — | — | — | — |
| Total Restricted Funds | | 65,322 | 160,725 | (50,769) | (94,735) | 80,543 |
| Unrestricted Funds: | | | | | | |
| General unrestricted funds | | 139,770 | 601,730 | (638,411) | - | 103,089 |
| Designated Funds: | | | | | | |
| Database Capital | 7 | - | - | (1,976) | 94,735 | 92,759 |
| Expendable Endowment | 2 | 95,995 | 831 | (39,243) | - | 57,583 |
| | | 301,087 | 763,286 | (730,399) | - | 333,974 |

- (1) Nigel Williams Fund: provides a prize awarded to an individual conservator by the Icon Ceramics and Glass Group.
- (2) Expendable Endowment: The Clare Hampson Fund: bequest set up with the intention of supporting studies in paper conservation.
- (3) Historic England has provided funds for Icon to run a Labour Market Intelligence project.
- (4) The Frederick Bearman Fund has been set up to commemorate the late Frederick Bearman.
- (5) The Conservation Register is an online searchable database to allow the public to find conservators they can trust. As it has an estimated life of 5-10 years, it is being amortised over 5 years.
- (6) The Care of Collections Stimulus Fund has provided funds to museums etc to enable them to engage accelerated Icon members to advise on their collections.
- (7) The Database Capital reflects the cost of purchasing and commissioning a new membership database and new main website. As it has an estimated life of 5-10 years, it is being amortised over 5 years. It was partly funded by the Government's Culture Recovery Fund (CRF) and partly by donations.

INSTITUTE OF CONSERVATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

for the year ended 31st March 2022

-
- (8) The CRF R1 grant also covered the cost of office rent & service during lockdown when Icon was unable to use its office due to COVID19.
- (9) The CRF R1 grant also funded the engagement of consultants to advise on Membership and Business Development.
- (10) The CRF R3 grant covered the cost of staff salaries and office rent for four months from October 2021 to January 2022
- (11) The Social Enterprise Academy Scotland grant was award to support the international marketing of Icon’s Pathway Membership and accreditation framework.

12. OPERATING LEASE COMMITMENTS

The total amounts payable in respect of operating leases are shown below:

| | 2022 | 2021 |
|-------------------------------------|---------------|---------------|
| | £ | £ |
| Property leases payments due | | |
| Within one year | 32,083 | 35,000 |
| Within two years – five years | | 32,083 |
| | <u>32,083</u> | <u>67,083</u> |

13. RELATED PARTY TRANSACTIONS

Melanie Houston supervises the Intern scheme involved at ‘arms length’. She is also a member of the Pest Odyssey Steering Committee, an informal group of heritage and museum professionals.

Lorraine Finch is an assessor for Icon accreditation, ICRI and AIM. She was paid a small fee for presenting ‘Being Freelance’ at the Icon Business Skills Foundation Course on 27th January 2022.

Claire Fry is an assessor for AIM.

James Grierson is a trustee of the York Foundation for Conservation & Craftsmanship which provides bursaries every year to assist conservators in their journey to Icon accreditation.

Louise Davison was awarded an Icon internship in 2021.

There were no other related party transactions in the year (prior year none).

INSTITUTE OF CONSERVATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

for the year ended 31st March 2022

14. Prior Year Statement of Financial Activities

| | Unrestricted Funds 2021 £ | Restricted Funds 2021 £ | Expendable Endowment 2021 £ | Total Funds 2021 £ |
|---|--|--|--|---------------------------------------|
| Income from | | | | |
| <i>Donations, Legacies & Grants</i> | | | | |
| Donations & Grants | - | - | - | - |
| <i>Charitable Activities</i> | | | | |
| Advocacy | 25,731 | - | - | 25,731 |
| Excellence | 190,593 | 3,950 | - | 194,543 |
| Engagement | 5,975 | 20,000 | - | 25,975 |
| Membership Services | <u>342,870</u> | <u>136,775</u> | - | <u>479,645</u> |
| <i>Other Trading Activities</i> | | | | |
| Advertising Income | 21,777 | - | - | 21,777 |
| Sponsorship | 13,468 | - | - | 13,468 |
| <i>Investments</i> | | | | |
| Bank Interest | <u>1,316</u> | - | <u>831</u> | <u>2,147</u> |
| Total Income | <u>601,730</u> | <u>160,725</u> | <u>831</u> | <u>763,286</u> |
| Expenditure on | | | | |
| <i>Charitable Activities</i> | | | | |
| Advocacy | 40,911 | 3,761 | - | 44,672 |
| Excellence | 333,476 | 4,968 | 39,243 | 377,687 |
| Engagement | 185,048 | - | - | 185,048 |
| Membership Services | <u>80,952</u> | <u>42,040</u> | - | <u>122,992</u> |
| Total Expenditure | <u>640,387</u> | <u>50,769</u> | <u>39,243</u> | <u>730,399</u> |
| Net Income (expenditure) | (38,657) | 109,956 | (38,412) | 32,887 |
| Transfer of Funds | <u>94,735</u> | <u>(94,735)</u> | - | - |
| Net Movement in Funds | 56,078 | 15,221 | (38,412) | 32,887 |
| Brought Forward Funds at 1 April 2020 | <u>139,770</u> | <u>65,322</u> | <u>95,995</u> | <u>301,087</u> |
| Carried Forward Funds at 31 March 2021 | <u>195,848</u> | <u>80,543</u> | <u>57,583</u> | <u>333,974</u> |