



# The International Institute for Conservation of Historic and Artistic Works

## REPORTS AND FINANCIAL STATEMENTS

### Year ending 30th June 2014

#### COUNCIL REPORT

The Council have pleasure in submitting their report and audited financial statements of the Institute for the year ended 30th June 2014.

#### Reference and Administrative Information

The International Institute for Conservation of Historic and Artistic Works (IIC) is a registered charity and a company limited by guarantee with no share capital. Charity number: 209677 Company number: 481522.

#### Council members

The council members during the year were as follows:

<i>President:</i>	Sarah Staniforth
<i>(President Emeritus):</i>	Jerry Podany*
<i>Vice-Presidents:</i>	Julian Bickersteth, David Saunders, Mikkel Scharff
<i>Secretary-General:</i>	Jo Kirby Atkinson
<i>Treasurer:</i>	Velson Horie
<i>Director of Publications:</i>	Joyce Townsend
<i>Director of Communications:</i>	Julian Bickersteth‡
<i>Ordinary Members:</i>	Richard Kerschner, Amber Kerr, Valentine Walsh, Cornelia Weyer, Shing-wai Chan, Diane Gwilt**, Velayudhan Nair, Austin Nevin, Lorenzo Appolonia‡‡, Stavroula Golfomitsou‡‡, Barbara Reeve‡‡, Tiina Sonninen‡‡.

\*Invited to participate at the Council Meetings of 14th & 15th September 2013 and 15th & 16th May 2014

‡ Has agreed to fill this role on a temporary basis from September 2012

\*\* Retired at the Annual General Meeting of 28th January 2014

‡‡ Elected at the Annual General Meeting of 28th January 2014

#### Advisors

<i>Auditors</i>	<i>Bankers</i>
Jacob Cavenagh & Skeet 5 Robin Hood Lane Sutton Surrey SM1 2SW	National Westminster Bank Plc 38 Strand London WC2N 5JQ

<i>Registered Office</i>	<i>Solicitors</i>	<i>Investment Managers</i>
3 Birdcage Walk London SW1H 9JJ	Slaughter and May One Bunhill Row London EC1Y 8YY	Brewin Dolphin Limited 12 Smithfield Street London EC1A 9BD

#### Structure, Governance and Management

The International Institute for Conservation of Historic and Artistic Works is a company limited by guarantee, incorporated on 27th April 1950. It is registered with the Charity Commission. The company was established under its Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

#### Appointment and Induction of Trustees

Council members are elected by the membership and at each Annual General Meeting members retire from office as defined by the Institute's Articles of Association. On retirement these Council members are eligible for re-election as appropriate. The Articles of Association provide for a minimum of eight members (these being the titled honorary posts of President, at least three Vice-Presidents, the Secretary General, the Treasurer the Director of Publications and the Director of Communications of the Institute) and a maximum of 21 (up to 12 ordinary members, of whom at least two-thirds must be Fellows, and the 9 titled honorary posts, these including a maximum of four Vice-Presidents). For the purposes of company law, the Council members are deemed to be the directors of the company.

New Council members are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Council and the decision-making processes and the recent performance of the Institute. They meet key employees and the other Trustees.

#### Risk Assessment Policy

Council assesses potential risks and opportunities to IIC primarily under the following headings: Publications; Conferences; Financial; Membership; Communications; Governance; Position in the wider heritage world. IIC has a formal risk register and monitoring process, where risks and appropriate measures are identified. The risk register is revisited at each Council meeting.

The Council has continued to assess the major risks faced by the IIC and kept all other risks under review during the year.

#### Organisational Policy

The Council meets three times a year as agreed by Council. There is a Finance Committee comprising the Treasurer, Secretary-General and three other Council members plus an external invited representative; this meets three times a year with the remit of reviewing the IIC's financial matters. Two of the three temporary committees customarily established during the preparations for the IIC's biennial Congress were set during the year: the Technical Committee under the leadership of Austin Nevin and the Congress Organising Committee in Hong Kong chaired by Shing-wai Chan; the Editorial Committee will be established in the coming year; all of these three committees will be dissolved after the year end once their work has been achieved. The Awards Committee,

was established during the year with the remit of overseeing all IIC awards and grants and their review and selection processes; the committee will also establish guidelines for new awards and examine any conflicts of interest. This committee operates under the chairmanship of Richard Kerschner and additionally comprises Barbara Berrie, Aviva Burnstock and Cornelia Weyer. During the year under review the establishment of a Membership and Fundraising Committee was approved by Council; members of this Committee are yet to be identified and to meet.

A Web Team, established under the chairmanship of Julian Bickersteth as Director of Communications to oversee and co-ordinate IIC's digital and electronic communications and systems, was established. The Web Team comprises: IIC Web Master Athanasios Velios; Eike Friedrich, Electronic Mail co-ordinator; Heather Ravenberg, assistant to the IIC Web Master; Amber Kerr, Social Networks Editor; Sharra Grow, Assistant Social Networks Editor; Barbara Borghese, Editor of *News in Conservation*; Kate Stonor, IIC Web Editor; Clare Finn, IIC Enquiries Forum Co-ordinator; Panagiotis Galatis, assistant to the Web Master, Sagita Sunara, Social Networks Assistant; Jo Kirby Atkinson, Secretary-General and Graham Voce, Executive Secretary. The Web Team meets every other month. No further sub-committees were formed this year and will only be established as and when required.

The Executive Secretary is appointed to manage the day-to-day operations of the Institute. To facilitate effective operations, the Secretary General has delegated authority, within the terms of delegation approved by the Council members, for operational matters including finance, employment and the promotion and fulfilment of its objects.

#### Objectives and Activities

IIC is an independent international organisation supported by individual and institutional members. It serves as a forum among professionals with responsibility for the preservation of cultural heritage.

#### Policy of the Institute

It advances knowledge, practice and standards for the conservation of historic and artistic works through its publications, conferences and web-site with its linked social networking systems. It promotes professional excellence and public awareness through its awards and scholarships.

#### Achievements and Performance

##### Review of Operations for the Year

Until recently, the years falling between those marked by the biennial congresses were relatively quiet. With the advent of the Student and Emerging Conservator Conferences, the second of which took place in September 2013, this is no longer the case as planning of this conference takes place throughout the year, alongside the longer term planning of biennial congresses and IIC's other activities and routine operations.

The second IIC Student and Emerging Conservator Conference, entitled *Conservation: Obstacles or Opportunities?* was held in Copenhagen in partnership with KADK, the Royal Danish Academy of Fine Arts Copenhagen, Schools of Architecture, Design and Conservation and was the highlight of the year. As with the first of these meetings, held in London in 2011, this extremely enjoyable and successful event was organised by the students themselves and the topics for discussion were chosen as being of particular relevance for them at this stage of their training and future careers. These included the advantages and disadvantages of training and working abroad, with the linguistic and cultural adaptation this may entail; how to present oneself professionally, including preparing a portfolio of work; and how to build up a network of contacts within the field.

The sessions consisted of panel discussions streamed live on the internet, permitting some of the panellists to contribute remotely and a worldwide audience to observe the discussion and put questions to the panel, in addition to those put by the capacity audience in the lecture hall. Feedback received after the event indicated that interest in the event was indeed considerable and international. Panellists included conservation professionals, both well established in their fields and recently qualified, from Scandinavia, Germany, Australia, the USA and the United Kingdom. Visits to conservation studios in museums and galleries and in the private sector were also arranged. IIC is most grateful to KADK, who provided financial support for the conference as part of the 40th anniversary celebrations of the School of Conservation. We would also like to congratulate the student organisers for having produced such a wonderful event: Heidi Hejberg Børsting, Mette Christensen, Marie Christiansen, Mette Fald Paarup, Charlotte Graminius, Torá Hederus, Lea Esther Jensen, Tine Louise Slotsgaard and Louise Maria Tiedemann, under the chairmanship of Mikkel Scharff and with the invaluable help of Adam Klupš, the originator of these conferences. We are also pleased to say that a third conference, to be held in 2015 in Warsaw, is already being discussed.

One of the most entertaining events of the year took place at the AGM, held on 28th January 2014 at the Institute of Materials, Carlton House Terrace, London. Following the transaction of business, Dr Tom Learner, Head of Science at the Getty Conservation Institute, gave a talk entitled 'The polyester sculptures of De Wain Valentine: process, intent and conservation issues'. The questions that arise while conserving work produced using modern materials with unknown or poorly understood ageing characteristics are challenging enough; these become even more difficult if the artist responsible has strong opinions on how the conserved work should appear. Not surprisingly, a lively discussion took place after the talk. The opportunity was also taken to announce the venue for the 2016 Congress, very much earlier than is usually the case: this will be held in Los Angeles and, appropriately, the subject will be in the field of conservation of contemporary works.

The business transacted at the AGM included the election of four new members of Council: Lorenzo Appolonia, Stavroula Golfomitsou, Barbara Reeve and Tiina Sonninen; IIC is delighted to welcome them. The commitment of Council members to the interests of IIC and its members world wide, on top of their day to day business, is considerable.

IIC members may not be fully aware of the active role Council members play in advising and guiding IIC and its officers in the activities of the organisation and we would like to take this opportunity to thank Council members, current and past, for their generous help and involvement. Sometimes the commitment is, in fact, more than a Council Member can manage: Diane Gwilt was obliged to step down after a year, a sadly short time on Council. IIC thanks her very much indeed for her service and we hope we may be able to welcome her back again at some time in the future.

It is also a pleasure to congratulate Deborah Cane and Amber Kerr, elected as Fellows of IIC during the year. The award of IIC Fellowship is an internationally recognised recognition of professional achievement in the field of conservation and Fellows are elected by their peers internationally; there can be no more significant professional award.

In recent years, IIC has tried to hold one of its three annual Council meetings outside the United Kingdom. This year, the September Council meeting was held in Copenhagen so that Council members were able to attend the Student and Emerging Conservator Conference held just before. This also enabled a meeting with the Danish Section of the IIC Nordic Group/ Nordiska Konservatorförbundet (NKF), following up on a meeting with the Finnish section in Helsinki in May 2011.

Organisation of the 25th biennial Congress, to be held at the City Hall, Hong Kong from 22–26 September 2014, is well under way. The congress is being organised with the Leisure and Cultural Services Department (LCS D) of the Hong Kong Government and is in the extremely capable hands of Shing-wai Chan, aided by Evita Yeung, Maggie Pang, Alice Tsang and a superb team of staff. A second reconnaissance visit to Hong Kong was made by Sarah Staniforth (IIC President), Jo Kirby Atkinson (Secretary-General) and Graham Voce (Executive Secretary) in November 2013 to observe progress and to visit the conference and reception venues. During this visit, the Secretary-General signed a memorandum of understanding with Dr Louis Ng of LCS D and, from all we have seen, it is clear that this is going to be a very exciting event. The official language of the Congress will be English, with simultaneous translation of the proceedings into and from Putonghua (modern Standard Chinese).

The congress theme, *An Unbroken History: Conserving East Asian Works of Art and Heritage*, was chosen to be broad in scope and over 200 proposals for papers were submitted, followed by over 100 poster submissions, a high proportion of these coming from authors in China and other parts of East Asia. It has been decided that the programme for the congress should give scope for as many authors as possible to present their work and so presentations will be slightly shorter, but greater in number: about 50 in total, rather than the usual 40. The Technical Committee, Sarah Foskett, Paul Jett, Wing-fai Lai, Bertrand Lavedrine, Nanke Schellmann and Jo Kirby Atkinson, with the help of Shing-wai Chan and under the chairmanship of Austin Nevin, has made the final selection of papers and these are now being edited and prepared for publication by the Editorial Committee, Barry Knight, Shayne Rivers and Austin Nevin, with Joyce Townsend as Editor-in-Chief, with the translation process to and from Chinese overseen by the Organising Committee in Hong Kong, who also dealt with all author communications in Chinese. IIC is extremely grateful to them for this very time-consuming but valuable work. The papers will appear in the form of synopses of about 1400 words in both English and Chinese and the preprints volume will be published post-congress as an online-only supplement to *Studies in Conservation*.

The 2014 Congress will be the first IIC has held in a sub-tropical region of the world, with the very particular conservation problems such an environment may bring. It is therefore appropriate that one session is to be devoted to the environmental conditions appropriate for the care of heritage artifacts within a museum or storage environment. The choice of appropriate conditions of temperature and relative humidity within museums has been a matter of considerable debate in recent years. Recently IIC and ICOM-CC together formed a working group comprising Jerry Podany (President Emeritus, IIC), Lisa Pilosi (Chair, ICOM-CC), Julian Bickersteth (Vice President, IIC, co-ordinating the group) and Vinod Daniel (Vice Chair, ICOM-CC) to assess the current positions taken by museums and galleries on environmental conditions and to advise on a suitable route forwards. The results of a survey carried out by the working party have appeared in *Studies in Conservation* (vol. 59, 2014, pp. 218–24), together with articles giving the historical background to the debate and discussing future progress. It is intended that congress delegates will receive a special copy of this issue of the journal containing abstracts of these articles in Putonghua to provide them with background material. A session on environmental conditions appropriate for conservation is also to be held at the 2014 ICOM-CC Congress in Melbourne, which takes place the week before the IIC Congress, and it is hoped that some useful progress will be made as a result of these two sessions.

During the Vienna Congress, a memorandum of understanding between IIC and ICOM-CC was signed by Jerry Podany, then President of IIC, and Lisa Pilosi, Chair of the Directory Board of ICOM-CC. We are delighted to say that a new, 12-month memorandum between the two bodies was signed in December 2013, with the aim of co-operating in jointly organised ventures and possibly combining the two main conferences in 2020, the next time the two coincide. IIC's friendly relations with ICCROM are also being renewed and it is intended that papers from the ICCROM Forum on Conservation Science held in Rome in October 2013 will be published as an online-only supplement to *Studies in Conservation* (the forum was attended by David Saunders, IIC Vice-President, although not primarily as an IIC representative).

During the year, IIC has been represented at several events organised by other bodies, having been invited to send a delegate. These have included the Icon (Institute of Conservation) AGM in December 2013 and the ChurchCare 2013 Symposium, Conservation Strategies for Church Buildings, held at Westminster Abbey in October 2013, both of which were attended by Graham Voce. Jo Kirby Atkinson represented IIC at Sustaining the Impact of UK Science and Heritage Research, the conference of the five-year AHRC/EPSRC Science and Heritage Programme, held at the Queen Elizabeth II Conference Centre, Westminster, in October 2013 and at Asiatic Traditional Painting, Its History and Conservation: The 4th Heritage Conference, organised by China Culture Connect with the National Maritime Museum, also in October 2013. IIC has observer status at the European Committee for Standardisation (CEN) Technical Committee TC 346, Conservation of Cultural Heritage, and was represented at the steering committee meeting held in April 2014 by Jo Kirby Atkinson, the official representative, Velson Horie (IIC Treasurer) being unable to attend. IIC has also recently become a partner of ENCoRE, the European Network for Conservation-Restoration Education.

Over the year, the number of papers submitted to *Studies in Conservation* (SIC) has continued to increase. Chandra Reedy continues to work hard as Editor-in-Chief and selector of contents for each issue, while continuing at present to edit individual papers and her dedication and skills have significantly improved the journal. Over the year, the editorial board has expanded to ensure coverage of the expanding range of topics published in the journal: we welcome Elizabeth Guin, Giacomo Chiari, Julio del Hoyo

Melendez and Stavroula Golfomitsou. Many more continue to dedicate time to the journal and we thank all the hardworking volunteers in the SIC team. Approximately 50% of submitted papers are accepted for publication, initially online as 'advance papers' and later in a themed or a more traditional issue of SIC. The themes emerge through a survey of the advance papers, while papers falling outside these themes are printed in order of acceptance date. This sustained, increased submission rate has led to the decision to publish six issues per year from the 2014 calendar year, each of the usual 64-page length and up to three with a theme. It is planned to seek sponsorship for extra pages in the themed issues as necessary. IIC's publishing partner, W.S. Maney & Sons Ltd, has underwritten some of the increased numbers of pages for the later issues in 2013, and has provided a great deal of academic publishing support over the year. Paint and archaeology have emerged as themes in 2013–14 and the first of these may well appear intermittently as a future theme. Plans are afoot for the publication of non-IIC conferences and events as online-only supplements to SIC, leading to modest income generation from the journal, but none have been produced within this reporting period. The retrodigitisation of all past issues of SIC and all past IIC congress preprints and poster abstracts was completed this year and all papers were posted online, although some of the improvements in presentation made possible by Maney's move to a new online host early in 2014 are still being implemented. The use of Maney systems such as electronic submission of papers is becoming more familiar to all involved with the journal and is making more effective use of editors' time.

Barbara Borghese has continued in her role as IIC's part-time news editor throughout the year – a change of title which reflects her contribution to both citable publications within *News in Conservation* and topical reporting. She has designed and produced six issues of *News in Conservation* in PDF format, as well as commissioning and writing content for this and IIC's news features online, while working closely with the IIC social media team co-ordinated by Julian Bickersteth, in his role of acting Director of Communications.

Key to IIC's interface with its members and the broader conservation profession is the IIC web-site. Management of the website continues to be very ably handled by IIC's Web Master Athanasios Velios, whose prompt responsiveness and constant and progressive improvement of the web site ensures that IIC continues to present a contemporary and informative face to the world. The web-site is also an essential part of the administrative work of the IIC office and, with the permission of the Getty Foundation, the residual amount from an earlier grant from the Foundation for the development of the web-site was used to fund the implementation of a more user-friendly finance administration interface.

The web-site is closely integrated into the broader social media outreach of IIC. IIC's Facebook page goes from strength to strength, recently reaching 22,000 followers. This is in no small measure due to the work of Amber Kerr, who ensures that postings are frequent, and informative. IIC's LinkedIn Group started the year as a group for members only, efficiently hosted by Sharra Grow. Due to lack of traffic the decision was made to open it to non-members, vindicated by the numbers quickly reaching over 300, with a wide range of topics being discussed along with position advertisements being posted free for IIC members. These are also posted free for members on the IIC website itself.

To ensure maximum coverage, conservation stories are cross-posted on IIC's Facebook page, website, LinkedIn and also on Scoop.it. The results of the effectiveness of this approach continued to be monitored by Kate Stonor using Google Analytics to observe the page hits and analyse what these tell us.

Efficient running of the website is essential for IIC to be able to function, yet all the members of the web team are volunteers. In the last year two more have joined the team: Panagiotis Galatis as assistant to the Webmaster, Athanasios Velios, and Sagita Sunara to assist with social media.

The Opportunities Fund, supported by contributions from IIC members through the World Membership scheme, continues to support 12 institutions and several individual members. Support is provided by free membership currently on a two year renewable basis, by providing one free registration for the IIC Biennial Congress, and also by assisting in individual ways. For instance, this year a conservation library belonging to an IIC Fellow has been donated to the IIC and shipped to the Opportunities Fund member in Peru.

The following institutions are currently supported: Hudogestvena Akademia, Bulgaria; Georgian National Museum, Georgia; CENCREM, Cuba; Department of Restoration of Architectural Complexes, Lviv Polytechnic, Ukraine; Universidad Externado de Colombia, Colombia; Yachay Wasi Instituto Superior de Conservación y Restauración, Lima, Peru; Academy of Fine Arts, Sarajevo; Vietnam National Museum, Hanoi; Escuela de Conservación y Restauración de Occidente, Mexico; Museum of Anatolian Civilizations, Turkey; Lucian Blaga University of Sibiu, Romania; University Pardubice, Czech Republic.

Potential members are regularly considered, with particular focus at present on South-East Asia and the growing demand for conservation expertise in this region. IIC sees the outreach achieved by the Opportunities Fund as a core part of its operations and continues to look for ways in which the Fund can assist conservation organisations and individuals in areas where there is limited or no support for conservation.

The IIC office has benefitted very much from the presence of an additional part-time employee, Teresa Dewane. She dealt with the residual backlog of administrative tasks and also suggested some useful procedures, based on the experience gained during her previous employment. It is therefore very sad that she has been unable to remain with IIC and we are therefore recruiting a replacement. We would like to thank Teresa most wholeheartedly; in the short time she was with us she helped the office achieve a great deal. We would also like to thank IIC's Executive Secretary, Graham Voce, and the Membership Secretary, Valerie Compton Taylor, for their continuing work on behalf of IIC.

## Plans for the Future

We look forward very much to the 25th IIC Congress to be held in Hong Kong. The work already put in by Shing-wai Chan and his team will ensure that this will be an event to be treasured and remembered, but we also look forward to making new and lasting links with the conservation community in China.

In the longer term, IIC will work with the Department of Conservation and Restoration of Works of Art, Warsaw Academy of Fine Arts on the third Student and Emerging Conservator Conference, to be held in 2015. Adam Klupś and Graham Voce have already visited the proposed venue.

Amber Kerr has had discussions with colleagues on two topics for the Dialogues for a New Century series, developed by Jerry Podany. Other commitments have meant that these are still in development up till now, but this will be re-examined in the new year.

IIC plans to hold a short, half-day meeting on issues of copyright early in 2015.



## Public benefit

IIC's Mission: IIC is an independent international organisation which serves as a forum for the preservation of cultural heritage. It advances knowledge, professional practice and standards for the conservation of historic and artistic works through its publications, initiatives and conferences. It promotes professional excellence and public awareness through its awards, scholarships and outreach efforts.

This mission has been delivered through its conferences, publications and social media. Its Opportunities, Brommelle Memorial and other funds have supported many who would not otherwise have been able to take advantage of these activities.

## Treasurer's report

Preparations for the 25th IIC Congress in September 2014 in Hong Kong are well underway. This has been made possible by the forward planning and financial support of the Leisure and Cultural Services Department (LCSD) of the Government of Hong Kong. The contributions of the team led by Council member Shing-wai Chan are making the task much easier for officers and staff of IIC. Several innovations are being tried to encourage greater and long term involvement of the regional conservation communities. Work has already started on the 2016 Congress in Los Angeles. Each Congress has its own style and organisation, enabling their evolution as part of the changing requirements of the heritage community.

The Student and Emerging Conservator Conference held in 2013 in Copenhagen, building on the first London event, again proved successful and financially viable due to considerable help from the Conservation School. The S&ECC series, led by the students themselves with the support of Mikkel Scharff, is becoming a valuable fixture of the IIC calendar alternating with Congress, enabling those at the start of their careers to contribute to and become involved in IIC and the wider conservation community.

The improvements in *Studies in Conservation* provided by our publishers have been many: integrated colour; large format; online access to the combined *Studies, Reviews* and Congress preprints current and back issues; integration into mainstream academic citation tools. These have enormously increased its value to the academic community. In turn, this value is reflected in a considerable increase of high-quality submissions. In response, IIC increased the number of issues of *Studies* to six per year, in addition to extra, special, issues. This comes at a cost; Council has thus authorised increased funding for *Studies*. The loan kindly provided by Maney to change publishers is being paid off by the royalties earned slightly more quickly than anticipated and should be cleared in the coming financial year.

IIC's projects are reliant on generous charitable giving of you, our members. IIC and, more importantly, the recipients are grateful for the money provided to the Opportunities Fund (support for conservation in areas where conservation is developing), Brommelle Fund (support for students attending, and networking at, Congress), and Keck Award Fund (for promotion of conservation to the public). The web site makes it really easy for you to give generously to these funds which support the future of conservation.

We believe that IIC's activities give good value and are cost-effective and we try very hard to maintain a high standard of quality in what has been a difficult economic climate. We achieve this because of uncounted hours of effort and commitment by volunteers contributing to every aspect of our work: congress; social media; publications; governance; collaboration; and even financial control. IIC is more than the sum of its members: it is the culmination of all these working together to improve the conservation of our heritage.

## Investment policy

IIC manages its assets by splitting them between cash held in interest-bearing accounts and equities-based funds. With the considerable fall in interest rates on deposit and the consistently good returns from equities, the charity has adjusted its investment policy. The cash holding is being reduced to a level that provides flexibility and sufficiently rapid

response. The remainder of the assets is being invested in equities. Income from the investments is reinvested to rebuild IIC's reserves. Purchasing holdings in companies whose actions may have an adverse effect on cultural heritage is avoided.

## Reserves policy

The charity has a policy of maintaining 'free' reserves at a minimum of one year's core expenditure (approximately £200,000) to enable the charity to continue productive operations in the event of a shortfall in funding or exceptional financial demand.

## Risk management

IIC has a formal risk register and monitoring process, where risks and appropriate measures are identified. The risk register is revisited at each Council meeting.

## Council members' responsibilities

The Council members (who are also directors of the International Institute for Conservation of Historic and Artistic Works for the purposes of company law) are responsible for preparing the Council Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Council members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Council members are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Commission Statement of Recommended Practice
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its operations.

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

The Council members who held office at the date of the approval of this Annual Report as set out above each confirm that:

- so far as they were aware, there is no relevant audit information (information required by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- as directors of the company, they have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

## Auditors

A resolution proposing the re-appointment of Jacob Cavenagh & Skeet as auditors will be put to the members at the annual general meeting.

The above report is prepared in accordance with the special provisions of Part 15 of the Companies Act 2006

BY ORDER OF THE COUNCIL

Josephine Kirby Atkinson – *Secretary-General*

21st September 2014

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE INTERNATIONAL INSTITUTE FOR CONSERVATION OF HISTORIC AND ARTISTIC WORKS

We have audited the financial statements of the International Institute for Conservation of Historic and Artistic Works for the year ended 30th June 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

## Respective responsibilities of council members and auditor

As explained more fully in the Council Members' responsibilities, the Council Members, who are also the directors 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including "APB Ethical Standard – Provisions Available for Small Entities (Revised)", in the circumstances set out in note 14 to the financial statements.

## Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Council Members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies

with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30th June 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Council Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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

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

**STATEMENT OF FINANCIAL ACTIVITIES (including INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 30TH JUNE 2014**

	Note	Unrestricted £	Restricted £	2014 £	2013 £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generating funds</b>					
<i>Voluntary income:</i>					
Donations and grants		365	44,580	44,945	3,393
<i>Investment income (all UK):</i>					
Listed investments		6,662	–	6,662	4,474
Interest receivable		539	780	1,319	1,121
<b>Incoming resources from charitable activities</b>					
Membership income	4	177,125	–	177,125	171,157
Sale of publications, royalties and advertising revenue	5	28,470	–	28,470	17,659
Congress income		–	–	–	111,764
<b>Other incoming resources</b>		16,715	–	16,715	–
<b>TOTAL INCOMING RESOURCES</b>		<u>229,876</u>	<u>45,360</u>	<u>275,236</u>	<u>309,568</u>
<b>RESOURCES EXPENDED</b>					
<b>Charitable expenditure</b>	2	168,926	13,226	182,152	307,021
<b>Governance costs</b>	2	3,850	–	3,850	3,700
<b>TOTAL RESOURCES EXPENDED</b>		<u>172,776</u>	<u>13,226</u>	<u>186,002</u>	<u>310,721</u>
<b>NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR</b>					
		57,100	32,134	89,234	(1,153)
Realised net gains/(losses) on investment assets	7	(139)	–	(139)	1,482
<b>NET INCOME FOR THE YEAR</b>		<u>56,961</u>	<u>32,134</u>	<u>89,095</u>	<u>329</u>
Unrealised net gains/(losses) on investment assets	7	2,780	1,672	4,452	14,881
<b>NET MOVEMENT IN FUNDS</b>		<u>59,741</u>	<u>33,806</u>	<u>93,547</u>	<u>15,210</u>
Funds brought forward		<u>266,980</u>	<u>42,150</u>	<u>309,130</u>	<u>293,920</u>
<b>FUND BALANCES CARRIED FORWARD AT 30TH JUNE 2014</b>	13	<u><u>326,721</u></u>	<u><u>75,956</u></u>	<u><u>402,677</u></u>	<u><u>309,130</u></u>

All income is derived from continuing activities. There are no recognised gains or losses other than as reported above.

**BALANCE SHEET AS AT 30TH JUNE 2014**

	Note	£	2014 £	2013 £
<b>FIXED ASSETS</b>				
Tangible assets	6		691	320
Investments	7		<u>314,947</u>	<u>258,574</u>
			<u>315,638</u>	<u>258,894</u>
<b>CURRENT ASSETS</b>				
Debtors	8	71,473		47,251
Cash at bank and in hand		216,811		154,446
			<u>288,284</u>	<u>201,697</u>
<b>Creditors: Amounts falling due within one year</b>	9		<u>(201,245)</u>	<u>(150,307)</u>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			<u>87,039</u>	<u>51,390</u>
<b>Total assets less current liabilities</b>			<u>402,677</u>	<u>310,284</u>
<b>Creditors: Amounts falling due after one year</b>	9		<u>–</u>	<u>(1,154)</u>
<b>NET ASSETS</b>			<u><u>402,677</u></u>	<u><u>309,130</u></u>
<b>FUNDS</b>				
Restricted	11		75,956	42,150
Unrestricted (including a revaluation reserve of £16,892 (2013: £10,466))	12		<u>326,721</u>	<u>266,980</u>
			<u>402,677</u>	<u>309,130</u>

The financial statements were prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and approved by the Council on 21st September 2014 and signed on their behalf by:

*Velson Horie Treasurer*

## NOTES TO THE FINANCIAL STATEMENTS AT 30TH JUNE 2014

## 1 ACCOUNTING POLICIES

**Accounting convention**

The accounts are prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and in accordance with applicable accounting standards, the Companies Act 2006, the Charities Act 2011 and the Statement of Recommended Practice, 'Accounting and Reporting by Charities' published by the Charity Commission in March 2005.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from producing a cash flow statement, on the grounds that it is a small company.

**Fund accounting**

- (i) Restricted funds are funds subject to specific trusts, which may be declared by the donor or with their authority but still within the objects of the charity. The restricted funds relevant to the Institute are restricted income funds which are expendable at the discretion of the Council in furtherance of some particular aspects of the objects of the charity.
- (ii) Unrestricted funds are expendable at the discretion of the Council in furtherance of the objects of the charity.
- (iii) Designated funds are a type of unrestricted fund, the Council merely ear-marking certain funds for a particular purpose. It is not a legally binding restriction, the Council members being free to re-designate should this be appropriate.

**Incoming resources**

Membership income represents membership fees receivable during the year. Membership income in advance represents membership fees received for a later period.

Sale of publications and advertising revenue represents the invoiced amounts of goods sold and services provided net of value added tax.

Income relating to fees received for future Congresses is deferred.

Donations in the case of supporting institutions represent sums paid in excess of the annual subscription. In other cases, donations represent amounts received in the year.

Investment income, including interest is accounted for on a receivable basis.

**Expenditure**

All expenditure is included on an accruals basis. Costs are allocated according to function and hence to the categories of costs of activities in furtherance of the charity's objects and governance costs. Where expenditure relates to more than one functional category a reasonable method of allocation is determined.

**Fixed assets**

All assets intended for ongoing use in the charity are capitalised at cost.

**Depreciation**

Depreciation is provided on all tangible fixed assets at the rate calculated to write off the cost of each asset evenly over its expected useful life as follows:

Office equipment – over three years

Website – over three years

**Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All exchange rate differences are taken to the income and expenditure account.

**Finance and operating leases**

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

**Investments**

Quoted investments are shown in the Balance Sheet at market value. Realised and unrealised gains on investment assets are reported in the Statement of Financial Activities allocated to the appropriate fund.

## 2 RESOURCES EXPENDED

	2014			2013	
	Charitable Expenditure		Governance costs	Total	Total
	Unrestricted £	Restricted £	£	£	£
<i>Studies in Conservation</i>	27,238	–	–	27,238	30,696
<i>News in Conservation</i>	10,000	–	–	10,000	10,000
Website	2,575	–	–	2,575	13,631
Accountancy	950	–	–	950	–
Audit	–	–	3,850	3,850	3,700
Investment management fees	730	–	–	730	339
General expenses	3,616	–	–	3,616	(33)
Maintenance	70	–	–	70	(1,790)
Depreciation	665	–	–	665	522
Bank charges	6,086	–	–	6,086	7,510
Irrecoverable VAT	4,715	–	–	4,715	4,453
Postage and couriers	5,755	–	–	5,755	5,210
Telephone	973	–	–	973	1,138
Printing and stationery	3,973	–	–	3,973	4,949
Rent, rates, light, heat and insurance	13,942	–	–	13,942	12,981
Bad debts	4,964	–	–	4,964	12,756
Staff costs	76,298	–	–	76,298	66,206
Travel and meeting costs	6,376	–	–	6,376	2,458
Awards	–	3,550	–	3,550	14,434
	168,926	3,550	3,850	176,326	189,160
Grants	–	9,676	–	9,676	33,861
Congress expenditure	–	–	–	–	87,700
	<u>168,926</u>	<u>13,226</u>	<u>3,850</u>	<u>186,002</u>	<u>310,721</u>

**3 STAFF COSTS**

	2014 £	2013 £
Wages and salaries	69,709	59,729
Social security costs	<u>6,589</u>	<u>6,477</u>
	<u>76,298</u>	<u>66,206</u>

No employees received emoluments greater than £60,000 in the year or previous year.

Expenses were reimbursed to three (2013: two) council members in the year amounting to £3,253 (2013: £167). No remuneration was paid to council members during the year (2013: £nil).

The average number of staff during the year was:	2014	2013
Office administration	<u>2</u>	<u>2</u>

**4 MEMBERSHIP INCOME**

	2014 Number	2013 Number	2014 £	2013 £
Students	142	146	3,124	2,856
Individual Members	967	1,042	58,053	60,601
Fellows	261	269	22,919	23,599
Institutional Members	<u>331</u>	<u>370</u>	<u>93,029</u>	<u>84,101</u>
	<u>1,701</u>	<u>1,827</u>	<u>177,125</u>	<u>171,157</u>

**5 SALE OF PUBLICATIONS AND ADVERTISING**

	2014 £	2013 £
<b>Publications</b>		
<i>Conservation of the Applied Arts</i> (2012 Congress Preprints)	213	32
<b>Royalties</b>	27,709	13,159
<b>Advertising</b>		
<i>Studies in Conservation</i>	–	3,058
Website	548	1,410
Net incoming resources	<u>28,470</u>	<u>17,659</u>

**6 TANGIBLE FIXED ASSETS**

	Office Equipment £
Cost	
At 1st July 2013	8,538
Additions	1,036
Disposals	–
At 30th June 2014	<u>9,574</u>
Depreciation	
At 1st July 2013	<u>8,218</u>
Provided during the year	665
Released on disposal	–
At 30th June 2014	<u>8,883</u>
Net book value	
At 30th June 2014	<u>691</u>
At 30th June 2013	<u>320</u>

**7 INVESTMENTS**

	2014 £	2013 £
<b>Quoted investments</b>		
Market value at 1st July 2013	135,795	103,562
Additions	56,651	36,710
Disposals	(10,007)	(20,840)
Net realised gains/(losses)	(139)	1,482
Net unrealised gains/(losses)	4,452	14,881
<b>Market value as at 30th June 2014</b>	<u>186,752</u>	<u>135,795</u>
Historical cost at 30th June 2014	<u>169,860</u>	<u>125,349</u>
<b>Common deposit and investment funds</b>		
At 1st July 2013	122,779	138,949
Net movement in year	5,416	(16,170)
<b>At 30th June 2014</b>	<u>128,195</u>	<u>122,779</u>
<b>Total at 30th June 2014</b>	<u>314,947</u>	<u>258,574</u>

All investment assets are UK based. Investments in listed securities are direct holdings and comprise of no holdings which individually exceeded 5% of the total market value of investments in the current year.

**8 DEBTORS**

	2014	2013
	£	£
Trade debtors	58,698	42,751
Prepayments and accrued income	12,775	4,500
	<u>71,473</u>	<u>47,251</u>

**9 CREDITORS: Amounts falling due within one year**

	2014	2013
	£	£
Other creditors	5,273	3,990
Membership income in advance	156,839	103,803
Deferred income	27,168	29,023
Accruals	11,965	13,491
	<u>201,245</u>	<u>150,307</u>

**CREDITORS: Amounts falling due after one year**

	2014	2013
	£	£
Deferred income	<u>-</u>	<u>1,154</u>
<b>Deferred royalties income</b>	2014	2013
	£	£
At 1st July 2013	30,177	43,336
Amount released to incoming resources	(27,709)	(13,159)
Amount deferred in the year	-	-
At 30th June 2014	<u>2,468</u>	<u>30,177</u>

**10 OPERATING LEASES**

At 30th June 2014, the company had commitments for payments in the following year under non-cancellable operating leases as set out below:

	2014	2013
	£	£
<b>Land and buildings</b>		
Expiring in over 5 years	<u>12,240</u>	<u>12,240</u>

**11 RESTRICTED FUNDS**

	Getty Fund	IIC Keck Award Fund	Opportunities Fund	Total
	£	£	£	£
Incoming resources	42,018	1,309	2,033	45,360
Expenditure	(9,676)	(239)	(3,311)	(13,226)
Net (outgoing)/incoming resources	32,342	1,070	(1,278)	32,134
Balance brought forward	9,676	28,898	3,576	42,150
<b>Net gains on investment assets</b>				
Unrealised	-	1,672	-	1,672
Balance carried forward	<u>42,018</u>	<u>31,640</u>	<u>2,298</u>	<u>75,956</u>

**IIC Keck Award Fund**

This fund was created in 1993 by Sheldon & Caroline Keck and is used to provide a cash award which is presented every two years at the IIC Congress to the individual or group who has, in the opinion of the council, contributed most towards promoting public understanding and appreciation of the accomplishments of the conservation profession.

**Opportunities Fund**

This fund was created in 2003 as the Member Sponsorship Fund and renamed in 2005 as the Professional Development Fund and then in 2010 was reformed into the Opportunities Fund. The funds were given to contribute towards the membership fees of all classes of members from developing countries.

**Getty Fund**

The Getty Foundation grant was given for the Hong Kong Congress, to be held in September 2014, for the new website and to help develop a student theses database.

**12 UNRESTRICTED FUNDS**

	Designated funds			Total £
	General Fund £	Congress Fund £	Brommelle Memorial Fund £	
Incoming resources	229,217	–	659	229,876
Resources expended	(172,776)	–	–	(172,776)
Net incoming/(outgoing) resources	<u>56,441</u>	<u>–</u>	<u>659</u>	<u>57,100</u>
Balance brought forward	130,592	80,000	56,388	266,980
<b>Net gains on investment assets</b>				
Realised	(139)	–	–	(139)
Unrealised	2,780	–	–	2,780
<b>Balance carried forward</b>	<u>189,674</u>	<u>80,000</u>	<u>57,047</u>	<u>326,721</u>

**General Fund**

This fund is maintained for the general running of the charity.

**Congress Fund**

The purpose of this designated fund is to separately identify the income and expenditure relating to International Congresses. Surpluses or deficits arising on each congress are transferred to the General Fund, with a reserve maintained in this fund to cover the expected costs of future events.

**Brommelle Memorial Fund**

This fund was established in 1990 in memory of Norman Brommelle, Secretary-General of IIC between 1958 and 1988. The fund is used to provide financial assistance to students of conservation who wish to attend the Institute's biennial International Congresses.

**13 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Long term liabilities £	Total £
<b>Restricted funds</b>					
IIC Keck Award Fund	–	1,389	30,251	–	31,640
Opportunities Fund	–	–	2,298	–	2,298
Getty Fund	–	–	42,018	–	42,018
<b>Unrestricted funds</b>	<u>691</u>	<u>313,558</u>	<u>12,472</u>	<u>–</u>	<u>326,721</u>
	<u>691</u>	<u>314,947</u>	<u>87,039</u>	<u>–</u>	<u>402,677</u>

**14 OTHER PROFESSIONAL SERVICES PROVIDED BY THE AUDITOR**

In common with many other organisations of our size and nature we use our auditors to assist with the preparation of the financial statements.