



The International Institute for Conservation of Historic and Artistic Works

REPORTS AND FINANCIAL STATEMENTS

Year ending 30th June 2013

COUNCIL REPORT

The Council have pleasure in submitting their report and audited financial statements of the Institute for the year ended 30th June 2013.

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>	Jerry Podany*, Sarah Staniforth†
<i>President Emeritus:</i>	Jerry Podany‡
<i>Vice-Presidents:</i>	Gabriela Krist*, Sharon Cather*, 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>Ordinary Members:</i>	Tuulikki Kilpinen*, Mikkel Scharff*, Anne Rinuy*, Naoko Sonoda*, Richard Kerschner, Amber Kerr, Valentine Walsh††, Cornelia Weyer††, Shing-wai Chan†, Diane Gwilt†, Velayudhan Nair†, Austin Nevin†

*Retired at the Annual General Meeting of 18th January 2013

† Elected at the Annual General Meeting of 18th January 2013

†† Re-elected at the Annual General Meeting of 18th January 2013

‡ Invited to participate at the Council Meeting of 30th & 31st May 2012

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

Advisors

Auditors

Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey SM1 2SW

Bankers

National Westminster Bank Plc
38 Strand
London
WC2N 5JQ

Registered Office

3 Birdcage Walk
London
SW1H 9JJ

Solicitors

Slaughter and May
One Bunhill Row
London EC1Y 8YY

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 seven 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, all 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. An Awards Committee, a permanent 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. No further sub-committees were formed this year and they 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

The highlight of the year was the 24th Congress, held in Vienna in September 2012 and organised in partnership with Gabriela Krist, of the University of Applied Arts Vienna and her capable team. Gabriela Krist has had a long association with IIC, most recently serving as one of IIC's Vice-Presidents until January 2013 when her term of office came to an end. While it is sad to have to say goodbye to such a valued colleague, it is pleasing to be able to report that her last act for IIC has been the organisation of such a glorious event. IIC also said farewell to another distinguished and long-serving colleague, Sharon Cather, also retiring as Vice-President, who chaired the Technical Committee for both the Istanbul and Vienna congresses. It is difficult to sum up all the varied contributions made by Gabriela and Sharon over the years, including keeping the status of IIC's regional groups to the forefront of our minds and the championing of those conservation institutions and individuals from less fortunate parts of the world through the Opportunities Fund. Our gratitude to them is immense.

Tuulikki Kilpinen, Anne Rinuy, Mikkel Scharff and Naoko Sonoda also stood down as members of Council at the AGM in January 2013, having come to the end of their terms of office. We are extremely grateful to them and would like to thank them for their long and generous involvement with the work of IIC. However, it is a pleasure to welcome back Mikkel Scharff and David Saunders, also a former Council member, as Vice-Presidents to join Julian Bickersteth, who was re-elected in that role. IIC welcomes Diane Gwilt, Velayudhan Nair and Austin Nevin as new members of Council; Shing-wai Chan was also elected, confirming his co-option earlier in the year, and Valentine Walsh and Cornelia Weyer were re-elected. Jo Kirby Atkinson was re-elected as Secretary-General and Velson Horie as Treasurer. Through their service for IIC, all the members of Council make a huge contribution to the welfare and interests of their conservation colleagues worldwide and we hope their association with IIC will be long and happy.

Perhaps the most significant change was that we said goodbye to our President of the last six years, Jerry Podany, under whose leadership IIC has seen considerable changes and new activities, most notably his series of Dialogues for a New Century. It is fair to say that the organisation he has handed on to his successor, Sarah Staniforth, is more active and forward-looking, ready to meet new challenges and IIC is extremely happy to welcome Sarah as President. In a recent change to the Articles, the position of President Emeritus was inaugurated in order to help the new incoming President in the early period of the role. At the May Council meeting, Jerry Podany was invited by the Council to take up this position for a period of one year initially and accepted the invitation.

It is a pleasure to welcome Barbara Borghese, Tiarna Doherty, Clare Finn, Stavroula Goufomitou, Gunnar Heydenreich, Mzia Janjalía, Nana Kuprashvili, Ingrid Neuman, Austin Nevin, Francesca Piqué, Tiina Sonninen and Jodie Utter, elected as new Fellows of IIC during the year.

As already mentioned, the highly enjoyable 24th Congress, *The Decorative: Conservation and the Applied Arts*, was held at the new campus of the University of Vienna in September 2012. The Organising Committee, under the chairmanship of Gabriela Krist of the University of Applied Arts Vienna and ably assisted by Maria Gruber, then of the same institution, and Christa Hofmann, of the Austrian National Library, put together a varied and entertaining social programme, including receptions at the Kunsthistorisches Museum and MAK (Österreichisches Museum für angewandte Kunst), the Congress Dinner, held in the Vienna Town Hall and visits to a wide range of conservation projects and studios. *The Dialogue for the New Century*, entitled *Not your Grandmother's Chair*, on challenges in the conservation of contemporary decorative and applied arts, was held at the Abbey of Klosterneuburg, a fascinating juxtaposition of the late medieval and extremely modern art works. To encourage participation by conservators from central European countries, Gabriela Krist invited Márta Kissné Bendefy from Hungary, Katarina Kosová from Slovakia and Petr Justa from the Czech Republic to serve on the Organising Committee and IIC would like to thank the whole Committee, and also the IIC Austrian Group, for the superb and efficient organisation and for giving us such a wonderful time. IIC would also like to thank the Austrian Federal Ministry for Education, the Arts and Culture, the Provincial Government of Lower Austria, Department of Art and Culture, and the Mayor of the City of Vienna for their support of the event.

It was a particular pleasure for all those attending that the Forbes Prize lecture was given by Manfred Koller on 'The Urban Decorative in Vienna - How far is Conservation possible?' This was a virtual passage in time through the streets of Vienna up to the present

day and for those who were not present, it has been published in *Studies in Conservation* ('The decorative in urban Vienna: its preservation', vol. 58, no 3, 2013, pp. 159–75); additional illustrations are available to members accessing the paper on line.

The Congress Technical Committee, which had an international membership of nine people under the chairmanship of Sharon Cather, put together a stimulating technical programme of 40 excellent papers and 39 posters, some discussing most unusual and challenging conservation problems. We are extremely grateful to Sharon and her colleagues for devoting so much time and energy to this challenging but interesting task. It is worth noting that every effort was made to ensure as wide a participation as possible, both from the point of view of subject matter and from that of the home country of the authors; the Technical Committee must uphold the standard of papers accepted, but also it can only choose from those proposals submitted. It was hoped to be able to include a more substantial number of contributions from Central European countries in the programme and preprints, but unfortunately fewer than expected were submitted. Attendance at all international events has become expensive in both time and money; IIC has endeavoured to keep the costs of attendance down as far as possible, but the considerable costs of travel and hotels are outside its control and unfortunately this did affect congress attendance. IIC is particularly grateful, therefore, to the Getty Foundation who provided substantial funding to enable some twenty three or so participants to travel from parts of Central Europe as well as more distant places including Belize, Lebanon and Mauritius.

It is pleasing to report that the student posters, selected by a separate international Committee under the chairmanship of Amber Kerr, were of particularly high quality; indeed, the winners of the Student Poster Prize, Mariana Almaraz Reyes, Emmanuel Lara Barrera and Ana Lanzagorta Cumming, have achieved further acclaim in their home country, Mexico, for their poster entitled 'The Conservation Process: Revitalizing a Collection of Hand Fans'. We are very grateful to Amber and her colleagues for their work selecting the posters and for their advice to the students in producing the final works.

The papers and poster summaries were edited by the Editorial Committee, under the chairmanship of Joyce Townsend, IIC Director of Publications, who also edited the student posters. We would like to thank them, and above all Joyce Townsend, for their patient and thorough work on the preparation of the Congress preprints which have appeared as a handsome volume published as a supplementary issue of *Studies in Conservation*, as agreed with Maney, IIC's publisher. The book is also available from Archetype Publications Ltd. We would also like to thank the Clothworkers Guild who provided a substantial grant to cover the publication of this book.

The 2012 Keck Award was awarded jointly to the Acropolis Museum, Athens, Greece, for the conservation and restoration of the Caryatids in collaboration with the Institute of Electronic Structure and Laser at the Foundation for Research and Technology in Crete (IESL–FORTH), and to Anglo–Saxon CSI: Sittingbourne, Kent, UK, a community conservation laboratory. The awards were accepted for the Acropolis Museum by Professor Dimitros Pandermalis, President of the Acropolis Museum, and Dr Paraskevi Pouli (FORTH) and by Dana Goodburn–Brown for CSI Sittingbourne.

The awards and grants received and administered by IIC are quite varied and their administration is fairly complex: as well as the Keck award, for example, they also include a travel grant awarded for conservation of modern sculpture by the Gabo Trust, the most recent beneficiary being Rachel Rivenc; this is administered by IIC. It was therefore decided at a recent council meeting that a small committee should be formed under the guidance of Richard Kerschner to look into these and perhaps rationalise their administration. This is already making progress and we look forward to its report later in the following financial year.

IIC is anxious to engage with and receive comments from its membership. An innovation at the Vienna Congress was the first meeting for IIC Fellows, organised by Cornelia Weyer. As well as providing a social occasion for Fellows to meet, this also offered them a chance to strengthen communication between each other and with Council. Views on the place of IIC in the conservation community now and how this might be changed were exchanged and discussed and the meeting was followed up with a questionnaire, also later sent to Fellows by e-mail. The responses to the questionnaire, together with the discussion at the meeting, have been compiled into a document by Cornelia Weyer, which has been sent out to all Fellows. The salient points resulting from this were that IIC should be responsive to ongoing ideas and discussions, such that it can set ideas and directions; that it should increase in internationality and diversity; that it should co-operate with other international conservation bodies and should hold an outstanding position among them; it should work to maintain relationships with present and former regional groups; it should increase its membership. Suggestions were made as to how the format and content of its congresses might be developed and comments were made about the publications *Studies in Conservation* and *News in Conservation* and web publication. The role of Fellows and the need for increased IIC membership were also discussed. IIC was already aware of most of these points and is working hard towards addressing them; the need to address IIC's gradually falling membership is one of the most urgent and a Membership Committee under the chairmanship of Velson Horie, tasked with investigating the reasons behind this and suggesting possible solutions within the next financial year, is being set up. It is, however, clear that the Fellows Meeting and subsequent questionnaire together formed a valuable exercise and we are most grateful to Cornelia Weyer for initiating the concept and for putting so much energy into compiling the results into a useful document. Comments on this document and on further ideas are always welcome. The Fellows Meeting was also an enjoyable social event and will be repeated at the next IIC Congress.

One point raised was IIC's relationship with other international conservation groups. We are very happy to say that, 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 hope that this will assist greater co-operation between our two organisations in the future and IIC is actively working towards this. We hope also to renew our friendly relations with ICCROM in the near future.

The 25th biennial Congress will be held in Hong Kong in September 2014 organised with the Leisure and Cultural Services Department of the Hong Kong Government. This will be the first time IIC has held a conference in a sub-tropical region, with the very particular conservation problems such an environment may bring. The theme, An Unbroken History: Conserving East Asian Works of Art and Heritage, offers considerable scope for examining the history and making of these works of art and also for studying how conservation can help to recover and communicate the messages or stories they were intended to convey, but which have perhaps become lost over the centuries. The congress is to be held at the Hong Kong City Hall and preparations, organised by Shing–wai Chan and his extremely capable team, are already well advanced. Jo Kirby Atkinson, IIC Secretary–General, and Graham Voce, Executive Secretary, have already made a reconnaissance visit to Hong Kong in November 2012 and another will be made late in 2013. The Technical Committee, under the chairmanship of Austin Nevin, has made a preliminary selection of the papers to be presented from well over 200 abstracts submitted

and it is very gratifying to be able to report that a high proportion of these were submitted by authors from China and other parts of East Asia. The official language of the Congress will be English, with simultaneous translation of the presentations into and from Putonghua (modern Standard Chinese). A schedule for the production of the dual-language preprints, with translation managed and checked by Shing–Wai and his team, has been created by Joyce Townsend.

Following the Student and Emerging Conservator Meeting held in London in 2011 and the Student meeting held during the Vienna Congress, planning for the second Student and Emerging Conservator Meeting, to be held in Copenhagen in September 2013, is under way. The meeting, entitled *Conservation: Obstacles or Opportunities?* will be held at the central Copenhagen site of KADK, the Royal Danish Academy of Fine Arts Copenhagen, Schools of Architecture, Design and Conservation and IIC is delighted to say that KADK are providing support for the conference as part of the 40th anniversary celebrations of the School of Conservation. The conference is being organised by students Heidi Børsting, Marie Christiansen, Mette Fald, Charlotte Graminius, Tora Hederus and Lea Jensen, under the chairmanship of Mikkel Scharff.

With the residue of grant money from the Getty Foundation, the graphic design of the website has been redesigned by Andy Dark and put in place by IIC's volunteer webmaster, Athanasios Velios (without the need for taking the website off-line, it should be noted). The small-screen version of the design, for smart phones, is also now in place. The clarity of this design should make the website easier to use, although we are aware that members, and sometimes the IIC office, do still occasionally experience difficulties when using it. Improvement and modification of the site are necessarily continuous exercises, however; if IIC members still experience difficulties when using the site they should inform the IIC office so that they can be reported to the webmaster and corrected. The modular design of the website structure, using Drupal open source software, allows expansion by the addition of new modules, for example the recently added voting module which has allowed electronic voting on recent Fellowship ballots.

Electronic communication has become the principal means by which IIC carries out its work. The website and social media have become essential tools, not only for IIC to carry out its work, but also for news and information on the work and activities of IIC to be conveyed to the world. It was clear to Council that it was necessary to have a Director of Communications, to look after all aspects of electronic communication and to ensure a coherent strategy to use the potential of electronic communication effectively. IIC is very grateful to Julian Bickersteth for fulfilling this role on a temporary basis. A call for applications for this volunteer post is being put out to find a more permanent solution. IIC now has a team of people, all volunteers, working on different aspects of the website and electronic communication as well as Athanasios Velios and Eike Friedrich: Amber Kerr (social networking, Facebook and Twitter); Sharra Grow (the same, also IIC's LinkedIn group); Kate Stonor (website text editor); Heather Ravensburg (assistant to the webmaster) and Clare Finn (the proposed IIC enquiries forum). Barbara Borghese is news editor and editor of *News in Conservation*, the electronic newspaper, at present downloadable from the website in pdf format and available to all, not only to members. IIC is intending to improve this format, however, and active discussions are taking place to this end. Google analytics permits an informative analysis of the performance of the web-site, allied social networking sites and downloads of *News in Conservation*.

The improvements to *Studies in Conservation* under Maney Publishing, as a result of both an online submission of manuscripts and a more efficient production method, have resulted in a much more rapid acceptance and processing of papers; an additional factor is the increased number of editors – 18, a number comparable with other academic journals. Although the resulting backlog of papers waiting to appear in printed form can be accessed by IIC members and cited using DOI numbers, the delay in appearance in print is unacceptable. As an interim solution, the number of pages in each issue has been increased for the second, third and fourth issues of volume 58, 2013; IIC is pleased to say that, from 2014, the number of issues in each annual volume will increase to six. The inevitable costs of this have been borne in mind when membership rates, particularly those for institutional members are being estimated for future years. It should be emphasised that, as all IIC's publications are being retro-digitised and made available through Maney's IngentaConnect platform, from January 2014 all members, including a nominated three people from institutional members, will have free online access to all papers in *Studies in Conservation*, *Reviews in Conservation* and all volumes of the Congress preprints, a vast and ever-growing resource of the most important conservation literature. Maney have set up an agreement with JSTOR that will allow JSTOR to make available IIC papers, though the most recent five years of publications cannot be accessed in any given year, based on the same principle as the contract IIC had previously. Themed issues of *Studies in Conservation* are now being produced, useful for the conservation community and also easier for supplementary funding to be found. We are most grateful to Chandra Reedy, Editor-in-Chief and all the editors for the excellent work they are doing to produce the journal.

The Hong Kong Congress preprints will, like the Vienna preprints, be produced as a supplementary volume of *Studies in Conservation*, but this will be different to all previous volumes in that it will contain more, but shorter papers, reflecting the proposed Congress programme. These will be in the form of synopses in both English and Chinese; this also reflects the common understanding today of the term 'preprints'. A substantial number of these will then be published as fully peer-reviewed papers as English-only postprints. The Editorial committee for the preprints volume is expected to consist of Barry Knight, Shayne Rivers and Austin Nevin, with Joyce Townsend as Editor-in-Chief.

The Opportunities Fund, supported by contributions from IIC members through the World Membership scheme, is at present supporting ten institutions and three individual members. Three of the institutions took up IIC's offer of financial support to send a representative to the Vienna Congress and the representatives made full use of their time to network with other conservators. Probably the most efficient use of the Fund in the future will be to target areas where there was felt to be a need; targeting in South America, for example, had resulted in help being given to one very active institution in Lima. The target should now perhaps shift to South–East Asia, in parallel with the forthcoming Hong Kong congress.

It is pleasing to report IIC's increasing activity, but at the same time this has resulted in very much more work for the office. Council agreed that an additional part-time employee was needed and we are pleased to announce the recent recruitment of Teresa Dewane in this role. The office has been helped for several months with a backlog of routine work on a volunteer basis by Debby Byzantine, who has recently returned to the USA. IIC is very grateful for her invaluable help. We would like to thank IIC's Executive Secretary, Graham Voce, and the Membership secretary, Valerie Compton Taylor, for their continuing work on at IIC, and also David Compton Taylor for help during the Vienna Congress period.

Plans for the Future

We look forward to a successful Student and Emerging Conservator conference in Copenhagen in September, reflecting the work the student organisers have already put

into the event to obtain speakers and to set up visits to local conservation studios. It is planned that web participation will be available for those who cannot attend in person.

Our co-organisers for the Hong Kong Congress will be holding a small conference later this year and will use this to assess the suitability of all facilities. IIC will make another reconnaissance visit shortly afterwards to make final arrangements.

It is intended that the Dialogues for a New Century will continue; Amber Kerr has had discussions with Jerry Podany and other colleagues on the logistics and on suitable topics. IIC also has ideas for other short meetings, perhaps in collaboration with other conservation bodies.

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

The 24th IIC Congress, held in Vienna in September 2012 in collaboration with the University of Applied Arts Vienna, was a success, both for the participants and the organisers. As planned, the conference finances broke even. IIC is most grateful for the generous financial and logistical support of the University, the Austrian Federal Ministry for Education, the Arts and Culture, the Provincial Government of Lower Austria, Department of Art and Culture, and the Mayor of the City of Vienna, all of whom made the Congress possible and so enjoyable. There will be long term benefits to participants. Work on the forthcoming congress in Hong Kong started even before the Vienna congress took place. As always, IIC relies on its members in local institutions to organise, and secure funding for, the congress. All the elements for another successful congress are in place, planning again for a break-even budget.

The Student and Emerging Conservator Conference, held in 2011 in London, proved so successful (and financially viable) that the event will be repeated in September 2013. This Conference is rapidly becoming a traditional fixture of the IIC calendar, securing the involvement of all sections of the profession in IIC. Planning for future conferences is well underway.

IIC's new website has been constructed with the generous support of the Getty Foundation and is now core to both our outward-facing and internal management functions. We aim to achieve continuous improvement in services to members and all others who are interested in preservation of our heritage. As this is a rapidly evolving part of IIC's offer to the community, we welcome feedback and offers of assistance to keep it up to date and relevant.

The partnership with our new publisher, Maney, is providing considerable financial benefits in royalties. This success reflects the rapid development of *Studies in Conservation* into a larger, more modern, effective publication, reaching a much wider audience.

In the past, IIC relied on income from its members and profits from congresses to fund its activities. However, the business model is changing as membership income declines, congresses no longer make a profit, and income from publications increases. Internal management systems have adjusted appropriately and more diverse sources of funding are being developed. It is especially gratifying that many people renewing their membership have added charitable gifts to carry out the various projects detailed on the website

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 £230,000) 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 judgements 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*

21 November 2013

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 2013 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

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 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.

Respective responsibilities of council members and auditor

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 trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-

financial information in the report of the Council Members to identify material inconsistencies with the audited financial statements. 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 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the report of the Council Members.

**STATEMENT OF FINANCIAL ACTIVITIES (including INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30TH JUNE 2013**

	Note	Unrestricted £	Restricted £	2013 £	2012 £
INCOMING RESOURCES					
Incoming resources from generating funds					
<i>Voluntary income:</i>					
Donations and grants		344	3,049	3,393	94,880
<i>Investment income (all UK):</i>					
Listed investments		4,474	–	4,474	4,932
Interest receivable		935	186	1,121	1,197
Incoming resources from charitable activities					
Membership income	4	171,157	–	171,157	171,583
Sale of publications, royalties and advertising revenue	5	17,659	–	17,659	30,232
Congress income		111,764	–	111,764	–
Other incoming resources		–	–	–	8,193
TOTAL INCOMING RESOURCES		<u>306,333</u>	<u>3,235</u>	<u>309,568</u>	<u>311,017</u>
RESOURCES EXPENDED					
Charitable expenditure	2	240,272	66,749	307,021	213,223
Governance costs	2	3,700	–	3,700	3,570
TOTAL RESOURCES EXPENDED		<u>243,972</u>	<u>66,749</u>	<u>310,721</u>	<u>216,793</u>
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR					
		62,361	(63,514)	(1,153)	94,224
Realised net gains/(losses) on investment assets	7	1,482	–	1,482	450
NET (EXPENDITURE)/INCOME FOR THE YEAR		<u>63,843</u>	<u>(63,514)</u>	<u>329</u>	<u>94,674</u>
Unrealised net gains/(losses) on investment assets	7	15,404	(523)	14,881	(4,039)
NET MOVEMENT IN FUNDS		<u>79,247</u>	<u>(64,037)</u>	<u>15,210</u>	<u>90,635</u>
Funds brought forward		<u>187,733</u>	<u>106,187</u>	<u>293,920</u>	<u>203,285</u>
FUND BALANCES CARRIED FORWARD AT 30TH JUNE 2013	13	<u>266,980</u>	<u>42,150</u>	<u>309,130</u>	<u>293,920</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 2013

	Note	£	2013 £	2012 £
FIXED ASSETS				
Tangible assets	6		320	842
Investments	7		<u>258,574</u>	<u>242,511</u>
			<u>258,894</u>	<u>243,353</u>
CURRENT ASSETS				
Debtors	8	47,251		63,253
Cash at bank and in hand		<u>154,446</u>		<u>175,763</u>
Creditors: Amounts falling due within one year	9		<u>201,697</u>	<u>239,016</u>
			<u>(150,307)</u>	<u>(166,781)</u>
NET CURRENT (LIABILITIES)/ASSETS			<u>51,390</u>	<u>72,235</u>
Total assets less current liabilities			<u>310,284</u>	<u>315,588</u>
Creditors: Amounts falling due after one year	9		<u>(1,154)</u>	<u>(21,668)</u>
NET ASSETS			<u>309,130</u>	<u>293,920</u>
FUNDS				
Restricted	11		42,150	106,187
Unrestricted (including a revaluation reserve of £Nil (2011: £6,066))	12		<u>266,980</u>	<u>187,733</u>
			<u>309,130</u>	<u>293,920</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 November 2013 and signed on their behalf by:

Charles Velson Horie Treasurer

NOTES TO THE FINANCIAL STATEMENTS AT 30TH JUNE 2013

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

Subscriptions represent membership fees receivable during the year. Subscriptions in advance represent 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 SOFA 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

	2013			2012	
	Charitable Expenditure Unrestricted £	Restricted	Governance costs £	Total £	Total £
Studies in Conservation	30,696	–	–	30,696	11,507
News in Conservation	10,000	–	–	10,000	25,749
Website	1,623	12,008	–	13,631	26,629
Accountancy	–	–	–	–	1,950
Audit	–	–	3,700	3,700	3,570
Investment management fees	339	–	–	339	298
General expenses	(33)	–	–	(33)	68
Maintenance	(1,790)	–	–	(1,790)	113
Depreciation	522	–	–	522	1,199
Bank charges	7,510	–	–	7,510	5,264
Irrecoverable VAT	4,453	–	–	4,453	5,555
Postage and telephone	1,138	–	–	1,138	2,211
Printing and stationery	4,949	–	–	4,949	6,201
Rent, rates, light, heat and insurance	12,981	–	–	12,981	19,710
Relocation of office costs	–	–	–	–	8,714
Write off stock	–	–	–	–	19,655
Bad debts	12,756	–	–	12,756	–
Staff costs	52,206	14,000	–	66,206	67,780
Travel and meeting costs	2,458	–	–	2,458	2,362
Awards	7,554	6,880	–	14,434	1,784
	<u>147,362</u>	<u>32,888</u>	<u>3,700</u>	<u>183,950</u>	<u>210,319</u>
Cost of publication sales (Note 5)	5,210	–	–	5,210	4,197
	<u>152,572</u>	<u>32,888</u>	<u>3,700</u>	<u>189,160</u>	<u>214,516</u>
Grants	–	33,861	–	33,861	2,277
Congress expenditure (Vienna)	87,700	–	–	87,700	–
	<u>240,272</u>	<u>66,749</u>	<u>3,700</u>	<u>310,721</u>	<u>216,793</u>

3 STAFF COSTS

	2013 £	2012 £
Wages and salaries	59,729	61,294
Social security costs	6,477	6,486
	<u>66,206</u>	<u>67,780</u>

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

Expenses were reimbursed to two (2012: one) council members in the year amounting to £167 (2012: £1,100). No remuneration was paid to council members during the year (2012: £nil).

The average number of staff during the year was:	2013	2012
Office administration	<u>2</u>	<u>2</u>

4 SUBSCRIPTIONS

	2013 Number	2012 Number	2013 £	2012 £
Students	146	173	2,856	3,460
Individual Members	1,042	1,064	60,601	58,579
Fellows	269	289	23,599	23,214
Institutional Members	370	422	84,101	86,330
	<u>1,827</u>	<u>1,948</u>	<u>171,157</u>	<u>171,583</u>

5 SALE OF PUBLICATIONS AND ADVERTISING

	Sales £	2013 Cost £	Sales £	2012 Cost £
Publications				
<i>Conservation of Far Eastern Art</i>	–	–	12	–
<i>Conservation of the Iberian and Latin American Cultural Heritage</i>	–	–	12	–
<i>Preventive Conservation</i>	–	–	33	–
<i>Archaeological Conservation and Its Consequences</i>	–	–	70	–
<i>Painting Techniques</i>	–	–	12	–
<i>Tradition and Innovation</i>	–	–	33	–
<i>Works of Art on Paper, Books, Documents and Photographs</i>	–	–	69	–
<i>Modern Art, New Museums</i>	–	–	32	–
<i>The Object in Context – Books</i>	–	–	50	–
<i>The Object in Context – CDs</i>	–	–	–	–
<i>Conservation and Access</i>	–	–	90	–
<i>Conservation and the Eastern Mediterranean</i>	–	–	300	–
<i>Conservation and the decorative arts</i>	32	–	–	–
<i>Postage and packing</i>	–	5,210	–	4,197
	<u>32</u>	<u>5,210</u>	<u>713</u>	<u>4,197</u>
Royalties	13,159	–	21,668	–
Advertising				
<i>Studies in Conservation</i>	3,058	–	4,490	–
<i>News in Conservation</i>	–	–	2,528	–
<i>Website</i>	1,410	–	833	–
	<u>17,659</u>	<u>5,210</u>	<u>30,232</u>	<u>4,197</u>
Cost of sales	<u>5,210</u>		<u>4,197</u>	
Net incoming resources	<u>12,449</u>		<u>26,035</u>	

The 2013 royalties are categorised as incoming resources from charitable activities, therefore, the 2012 figures have been restated to show royalties in incoming resources from charitable activities rather than in other incoming resources.

6 TANGIBLE FIXED ASSETS

	Office Equipment £
Cost	
At 1st July 2012	8,538
Additions	–
Disposals	–
At 30th June 2013	<u>8,538</u>
Depreciation	
At 1st July 2012	7,696
Provided during the year	522
Released on disposal	–
At 30th June 2013	<u>8,218</u>
Net book value	
At 30th June 2013	<u>320</u>
At 30th June 2012	<u>842</u>

7 INVESTMENTS

	2013 £	2012 £
Quoted investments		
Market value at 1st July 2012	103,562	133,224
Additions	36,710	4,517
Disposals	(20,840)	(30,590)
Net realised gains/(losses)	1,482	450
Net unrealised gains/(losses)	14,881	(4,039)
Market value as at 30th June 2013	<u>135,795</u>	<u>103,562</u>
Historical cost at 30th June 2013	<u>125,349</u>	<u>106,277</u>
Common deposit and investment funds		
At 1st July 2012	138,949	229,597
Net movement in year	(16,170)	(90,648)
At 30th June 2013	<u>122,779</u>	<u>138,949</u>
Total at 30th June 2013	<u>258,574</u>	<u>242,511</u>

All investment assets are UK based. Investments in listed securities are direct holdings and comprise the following which individually exceeded 5% of the total market value of investments in the current year:

	£	£
900 GlaxoSmithKline 25p ordinary shares	<u>14,832</u>	<u>20,258</u>

8 DEBTORS

	2013 £	2012 £
Trade debtors	42,751	57,801
Prepayments and accrued income	4,500	5,452
	<u>47,251</u>	<u>63,253</u>

9 CREDITORS: Amounts falling due within one year

	2013 £	2012 £
Other creditors	3,990	10,271
Membership income in advance	103,803	103,987
Deferred income	29,023	48,785
Accruals	13,491	3,738
	<u>150,307</u>	<u>166,781</u>

CREDITORS: Amounts falling due within one year

	2013 £	2012 £
Deferred income	<u>1,154</u>	<u>21,668</u>
Deferred income		
	2013 £	2012 £
At 1st July 2012	43,336	65,004
Amount released to incoming resources	(13,159)	(21,668)
Amount deferred in the year	-	-
At 30th June 2013	<u>30,177</u>	<u>43,336</u>

Deferred income in the year comprises income royalties received in advance.

10 OPERATING LEASES

At 30th June 2013, the company had commitments for payments in the following year under non-cancellable operating leases as set out below:

	2013 £	2012 £
Land and buildings	<u>12,240</u>	<u>12,240</u>

11 RESTRICTED FUNDS

	Getty Fund	IIC Keck Award Fund	Opportunities Fund	Total
	£	£	£	£
Incoming resources	–	500	2,735	3,235
Expenditure	(59,869)	(1,000)	(5,880)	(66,749)
Net (outgoing)/incoming resources	(59,869)	(500)	(3,145)	(63,514)
Balance brought forward	69,545	29,921	6,721	106,187
Net gains on investment assets				
Unrealised	–	(523)	–	(523)
Balance carried forward	<u>9,676</u>	<u>28,898</u>	<u>3,576</u>	<u>42,150</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 categories of members from developing countries.

Getty Fund

The Getty Foundation grant was given for the Vienna Congress held in October 2012, the new website and to develop a student theses database.

12 UNRESTRICTED FUNDS

	Designated funds			Total
	General Fund	Congress Fund	Brommelle Memorial Fund	£
	£	£	£	£
Incoming resources	193,671	111,764	898	306,333
Resources expended	(148,718)	(87,700)	(7,554)	(243,972)
Net incoming/(outgoing) resources	44,953	24,064	(6,656)	62,361
Balance brought forward	44,689	80,000	63,044	187,733
Transfer – funds generated by Congress	24,064	(24,064)	–	–
Net gains on investment assets				
Realised	1,482	–	–	1,482
Unrealised	15,404	–	–	15,404
Balance carried forward	<u>130,592</u>	<u>80,000</u>	<u>56,388</u>	<u>266,980</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 Congress.

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets	Investments	Net Current Assets	Long term liabilities	Total
	£	£	£	£	£
Restricted funds					
IIC Keck Award Fund	–	27,862	1,036	–	28,898
Opportunities Fund	–	–	3,576	–	3,576
Getty Fund	–	–	9,676	–	9,676
Unrestricted funds	<u>320</u>	<u>230,712</u>	<u>37,102</u>	<u>(1,154)</u>	<u>266,980</u>
	<u>320</u>	<u>258,574</u>	<u>51,390</u>	<u>(1,154)</u>	<u>309,130</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.