



The International Institute for Conservation of Historic and Artistic Works

REPORTS AND FINANCIAL STATEMENTS

Year ending 30th June 2015

COUNCIL REPORT

The Council have pleasure in submitting their report and audited financial statements of the Institute for the year ended 30 June 2015.

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, Velayudhan Nair, Austin Nevin, Lorenzo Appolonia, Stavroula Golfomitsou, Barbara Reeve, Tiina Sonninen, Tom Learner‡, Stephen Koob‡

* Invited to participate at the Council Meetings of 21st September 2014, 20th & 21st January 2015 and 21st & 22nd May 2015

† Re-elected at the Annual General Meeting of 20th January 2015

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

‡ Retired at the Annual General Meeting of 20th January 2015

‡ Elected at the Annual General Meeting of 20th January 2015

Advisors

<i>Auditors</i>	<i>Auditors from 8th April 2015</i>	<i>Bankers</i>
Jacob Cavenagh & Skeet	Kingston Smith LLP	National Westminster Bank Plc
5 Robin Hood Lane	Devonshire House	38 Strand
Sutton	60 Goswell Road	London
Surrey SM1 2SW	EC1M 7AD	WC2N 5JQ

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

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, President, Secretary-General and two or 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. Council asked Richard Kerschner to remain a member of the Finance Committee after his retirement from Council in January 2015. The Officers (the President, Secretary-General, Treasurer, Director of Publications and Director of Communications) meet three times a year prior to each Council meeting to review management matters and direction.

The three temporary committees customarily established during the preparations for IIC's 2014 biennial Congress met during the year: the Technical Committee under the leadership of Austin Nevin, the Congress Local Organising Committee in Hong Kong chaired by Shing-wai Chan and the Editorial Committee chaired by Joyce Townsend. These three committees were dissolved after their work has been achieved. During the preparations for the IIC's 2016 biennial Congress three temporary committees were set up during the year: the Technical Committee under the leadership of Austin Nevin, the Local Organising Committee in Los Angeles chaired jointly by Jerry Podany and Tom Learner and the Editorial Committee chaired by Joyce Townsend; all of these three committees will be dissolved after their work has been achieved.

The Awards & Grants Committee, a permanent committee, has the remit of overseeing all IIC awards and grants and their review and selection processes; the committee is working on the clarification of guidelines for new awards and resolving any conflicts of interest. This Committee operated under the chairmanship of Richard Kerschner until the Annual General Meeting of 20th January 2015, when Stephen Koob took over. This Committee additionally comprises Barbara Berrie, Aviva Burnstock and Cornelia Weyer.

During the year under review a Membership and Fundraising Committee, chaired by David Saunders, has been established and its members are Velson Horie, Barbara Reeve and Sarah Staniforth. This Committee held its first meeting after the end of the year under review.

A Communications Team, chaired by Julian Bickersteth as Director of Communications, oversees and co-ordinates IIC's digital and electronic communications and systems. The Communications 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 Communications 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.

The objects of IIC are to advance knowledge, professional practice and standards for the conservation of historic and artistic works. This is achieved through its publications, initiatives and conferences. IIC promotes professional excellence and public awareness through its awards, scholarships and outreach efforts.

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 25th IIC Congress, held at the City Hall, Hong Kong from 22–26 September 2014, was unquestionably the high point of the year. Organised with the Leisure and Cultural Services Department (LCSD) of the Hong Kong Government under the leadership of Shing-wai Chan, aided by Evita Yeung, Maggie Pang, Alice Tsang and their enthusiastic staff, the theme was *An Unbroken History: Conserving East Asian Works of Art and Heritage*, a theme deliberately chosen to be broad in scope. The Congress was attended by well over 500 people from all parts of the world, including many participants from China and other parts of south-east Asia. Delegates were treated to a very full technical programme of about 50 papers, as well as evening events at the Hong Kong Museum of Coastal Defence, the *Bruce Lee: Kung Fu-Art-Life* exhibition at the Hong Kong Heritage Museum, the Jumbo Floating Restaurant in Aberdeen Harbour and the Asia Society Hong Kong Center. Although the official language of the Congress was English, efficient simultaneous translation of the proceedings, including the lively question sessions, into and from Putonghua (modern Standard Chinese) enabled full participation of all delegates. IIC is extremely grateful to Dr Louis Ng of LCSD, to Shing-wai Chan and to all his staff for their hospitality and their superb organisation of an unforgettable event. We would also like to thank the Technical Committee, Sarah Foskett, Paul Jett, Wing-fai Lai, Bertrand Lavédrine, Nanke Schellmann, Jo Kirby Atkinson and Shing-wai Chan, under the chairmanship of Austin Nevin, for the selection and organisation of a stimulating and well balanced technical programme.

The volume of preprints was produced in English and Putonghua as parallel texts, the first time IIC has published a volume of preprints in this form. IIC would like to express its thanks to Joyce Townsend, the Editor-in-Chief, and her team, Barry Knight, Shayne Rivers and Austin Nevin, and to our colleagues in Hong Kong who, as well as the local organisation, were responsible for overseeing the translation to and from Putonghua and communicating with the Chinese authors. IIC is also most grateful to Tru Vue Inc. for their sponsorship of the volume.

It is difficult to hold a successful event without considerable support and IIC would like to thank all our sponsors at the Congress, particularly Sharon Cather and David Park, of the Courtauld Institute, and the Robert H.N. Ho Family Foundation Centre for Buddhist Art and Conservation at the Courtauld Institute for their generous sponsorship of the closing reception at the Asia Society. The Monday and Tuesday receptions were supported by AXA Art Insurance and Crystal Computer Graphic Limited respectively. Financial support enabling people to attend the Congress is particularly important. IIC is most grateful to the Bei Shan Tang Foundation, Hong Kong, for their support of 90 delegates from China; also to the Getty Foundation and UK Trade

and Investment, whose funding enabled participants from countries including China, India, Latvia, Malaysia, Mexico, the Philippines and Taiwan to attend the congress. IIC would like to acknowledge the British Consulate-General in Hong Kong and UK Trade and Investment for hosting a reception for those delegates who were funded by UKTI, IIC Council members, members of the Local Organising Committee, Congress exhibitors and representatives from other Cultural Institutions attending the Congress.

We would also like to thank the IIC members who give generously every year to the Brommelle Memorial Fund, set up in order to assist student members of IIC to attend the biennial congresses. So many students have expressed their gratitude for this financial help at the beginning of their careers, without which they would not have been able to participate in these important international events.

The Hong Kong Congress had two important outcomes. The first was concerned with appropriate conditions of temperature and relative humidity within museums, the subject of much discussion in recent years. The results of a survey carried out by a joint IIC / ICOM-CC working group, co-ordinated by Julian Bickersteth, IIC Vice President, set up to investigate the current positions taken by museums and galleries on environmental conditions and advice on a suitable route forwards, appeared in *Studies in Conservation* (vol. 59, 2014, pp. 218–24) shortly before the 2014 Congress, together with articles giving the historical background to the debate and discussing future progress. Copies of this issue of the journal, reprinted for the Hong Kong congress with abstracts of these articles in Putonghua, were included in the conference packs received by delegates at the Congress. This provided them with useful background material for the discussion session devoted to environmental conditions within a museum or storage environment. A similar session, held at the 2014 ICOM-CC Congress in Melbourne the previous week, resulted in a draft document summarising the position of IIC and ICOM-CC on environmental guidelines, which was then finalised and signed at the Hong Kong congress. The IIC and ICOM-CC Joint Declaration on Environmental Guidelines is an important step forward in providing guidance for collecting institutions on how to provide sustainably responsible environmental conditions for collections.

The second outcome derived from the award of the 2014 Forbes Prize to Dr Shan Xijiang, Director of the Palace Museum, Beijing. His lecture, 'The common people as the true owners of cultural heritage: reflections on cases of collective heritage protection by farmers', gave a fascinating insight into the role people can play in the preservation of local architectural features and monuments. Of equal importance, however, was his generous invitation to IIC to collaborate in the foundation of a conservation training institute, to be hosted and funded by the Palace Museum, with training to be provided by IIC, primarily IIC Fellows. The agreement between IIC and the Palace Museum, initially for three years, was signed by Sarah Staniforth, IIC President, and Dr Jirong Song, Deputy Director of the Palace Museum and Head of its Conservation Department. The first course to be held at the IIC International Training Centre for Conservation (IIC-ITCC), on preventive conservation, is to take place in September 2015.

The 2014 Keck Award was awarded to the Royal British Columbia Museum, Canada for their Public Conservation Project 'The Chinese Freemason's Lantern'. The award was accepted by the Project Conservator, Lisa Bengston, who then described the conservation treatment and the positive and happy responses of the local community, including many Chinese people, to the work.

Student posters exhibited at the Hong Kong Congress were selected by a separate international committee under the chairmanship of Amber Kerr and IIC is most grateful to them for selecting posters of a very high standard, submitted in both English and Putonghua. The Student Poster prize was awarded to Kao Wei, a student at the Institute of Conservation of Cultural Relics at Tainan National University of the Arts in Taiwan, for her poster, 'The conservation of a lacquered bamboo jewellery box'. This beautifully illustrated poster, submitted in Putonghua, described the work done with great clarity through the illustrations as well as the text: the epitome of a good poster. The work was subsequently published in *News in Conservation*, issue 44, October 2014.

The last act at the Hong Kong Congress was to advertise the next biennial Congress, to be held in Los Angeles in 2016 in co-operation with INCCA (International Network for the Conservation of Contemporary Art). Planning of the Congress, entitled *Saving the Now: Crossing Boundaries to Conserve Contemporary Works* is already well under way as contemporary art is expected to be a very popular subject and it was important to find and book a sufficiently large venue: the Los Angeles Biltmore Hotel is a historic site as well as having suitable facilities. A reconnaissance visit to see the venue and discuss progress so far will be made later in 2015 by Sarah Staniforth, President, Jo Kirby Atkinson, Secretary-General and Graham Voce, Executive Secretary. Meanwhile, the preliminary selection of the papers and posters by the Technical Committee under the chairmanship of Austin Nevin is almost complete.

The Student and Emerging Conservator Meetings, first held in London in 2011, have proved to be a successful and popular addition to the IIC timetable and planning for the third meeting, to be held in Warsaw in October 2015 and entitled *Making the Transition*, is well advanced. The venue will be the Warsaw Academy of Fine Arts, which, together with the Polish-Japanese Institute of Information Technology in Warsaw, is also providing generous support for the event. As with the first two of these meetings, the proceedings will be web-streamed to allow speakers and participants unable to be present in person to take part.

Friendly co-operation between international and national conservation bodies is always desirable. We are very happy to say that, during the Annual General Meeting held in January 2015, the memorandum of understanding between IIC and ICOM-CC signed in 2012 was renewed and signed again by Sarah Staniforth and Kristiane Strætkvern, Chair of the Directory Board of ICOM-CC. A similar memorandum of understanding between IIC and ICCROM has also very recently been signed, by Sarah Staniforth for IIC and by Stefano de Caro, Director-General of ICCROM.

At the 2015 AGM IIC said goodbye, with great regrets, to Rick Kerschner, who has come to the end of his six years as a Council Member. IIC is most grateful to Rick for his loyal attendance at meetings, by Skype or telephone in the early hours of the morning, and his wise counsel on so many matters. On a brighter note, IIC is delighted to welcome new Council Members Stephen Koob and Tom Learner, as well as Amber Kerr, who was re-elected for a further three years. Jerry Podany was confirmed as President Emeritus for a further year and Joyce Townsend was re-elected as Director of Publications. No applications were received for the still vacant position of Director of Communications and Julian Bickersteth continues to fulfil this role as well as his position of IIC Vice President.

Over the years, IIC's *Dialogues for the New Century* have brought an important and varied series of topics to the attention of the conservation community. The 2015 AGM was the setting for the most recent in the series, on 'The Future of Heritage Science'. The panellists were Nancy Bell (Head of Collection Care, the National Archive) on behalf of the National Heritage Science Forum, of which she is Co-Chair; Alison Heritage (Conservation Research Specialist, ICCROM) Convener of the ICCROM Forum on Conservation Science; Austin Nevin (Researcher, National Research Council, Institute for Photonics and Nanotechnologies, Milan and IIC Council member) former co-ordinator of the ICOM-CC Scientific Research Working Group; and Stavroula Goufomitou (Lecturer in Conservation Studies, UCL Qatar) on behalf of IIC, of which she is a Council member. The discussion was chaired by Sarah Staniforth.

The award of IIC Fellowship is an internationally recognised acknowledgement of professional achievement in the field of conservation and, as Fellows are elected by their peers, there can be no more significant professional award. It is, therefore, a very great pleasure to welcome a large number of new IIC Fellows elected during the year: Kilian Anheuser, Susan Catcher, Yunsun Choi, Ylva Dahnsjö, Vinod Daniel, Andrew Durham, Kathleen Garland, Paul Harrison, Adrian Heritage, Alison Heritage, Vicki Humphrey, Dilys Johns, Nobuyuki Kamba, Bertrand Lavédrine, Tom Learner, Angela Liu, Colin MacGregor, Marcelle Scott, Kay Soderlund, Kristiane Strætkvern, Morten Rylh Svendsen, Alice Tsang, Indra Tuna and Evita Yeung.

The award of IIC Honorary Fellowship was established to recognise an outstanding contribution to heritage conservation, the first such fellowship being awarded to Edward Forbes in 1958. The list of people to whom this prestigious award has been made in the sixty-five years since the Institute was founded is not long and it was a very great pleasure to add two more names to the list this year. Awards of Honorary Fellowship in recognition of their many achievements were made to Robert Brill at the Hong Kong Congress, where it was accepted on his behalf by Stephen Koob, and to John S. Mills, former IIC Vice President and Editor of *Studies in Conservation* accepted in person at the Annual General Meeting of 2015.

In recent years, IIC has tried to hold one of its three annual Council meetings outside the United Kingdom. The May 2015 Council meeting was hosted by Austin Nevin at the Politecnico di Milano in Milan, which enabled a meeting and useful discussions with Daniela Rullo of the IIC Italian Group.

Studies in Conservation was increased in size from four to six issues per year in the calendar year 2014, thus the period from July to December 2014 saw the production of issues 4–6 of volume 59 of the journal. Three of the six issues of this volume were themed and had an increased number of pages. This increase in both issues and pages was justified by the number of papers submitted: approximately 100 per year, of which about half are accepted for the journal. Issue 4 was additionally reprinted with abstracts of the three position papers on environmental standards (mentioned above) in Putonghua. It also had a cover to match that of *Studies in Conservation, Supplement 1, An Unbroken History: Conserving East Asian Works of Art and Heritage*, which forms the preprints to the IIC Hong Kong congress. This special edition of issue 4 was distributed to all delegates, who also received a printed edition of the preprints, which was made available online to all IIC members in the same month. The preprints themselves include 50 paper summaries and 40 poster summaries, all published in both English and Putonghua. This, the first dual-language IIC publication in several decades, was made possible by the dedicated work of LCSD in Hong Kong, whose staff oversaw the translation of all Chinese-written texts into English for editing and all communication with the Chinese-speaking authors (half of the total number) during the editorial and production processes. The Congress editors and Chandra Reedy, Editor-in-Chief of *Studies in Conservation*, and her whole editorial team, should be thanked for their dedication and hard work over the year.

Electronic communications are achieved by IIC in a number of ways: by electronic publication of *News in Conservation* six times a year; by an active social media presence, particularly using Facebook and LinkedIn; and by continual addition to and refreshment of IIC's website. As the leading independent organisation for the conservation profession, IIC continues to manage these activities carefully to ensure timely and regular delivery of content. All these platforms are provided free not just to members, but to the wider conservation community and the general public. Increasing numbers of people continue to access this information. IIC's Facebook followers have grown over the past year to over 30,000 (from 22,000) and our LinkedIn Group followers now number 630 (from 300). Both these social media platforms provide IIC with a strong base from which to initiate and develop dialogue on conservation matters. *News in Conservation* continues to be a publication without parallel in the conservation world. For the first time, a special themed edition was published in February 2015 on conservation of heritage in areas of conflict. This proved to be a big hit, with the edition being accessed almost six times more frequently than normal. In the light of the subsequent tragedies involving Syrian conservators and heritage sites, it proved to be sadly ahead of its time.

Key to the success of IIC's electronic communications are Athanasios Velios, Website manager, Barbara Borghese, *News in Conservation* editor, Amber Kerr, Facebook co-ordinator and Sharra Grow, LinkedIn co-ordinator: we thank them and all those who give their time so generously to this aspect of IIC's work.

The Opportunities Fund, supported by IIC's World Membership donors, added the Botswana National Archives and Records Service (BNARS) and the Living Traditions Museum of Nepal, to its list of supported institutions. The Fund began cultivating external sponsorship sources for support and we look forward to these efforts coming to fruition during 2015–2016.

In January 2015, Council agreed to extend full or partial support for Opportunities Fund memberships due to expire in June 2015 conditional upon their provision of annual activity reports to IIC. Of the institutions offered an extension, only the Yachay Wasi Conservation and Restoration Institute (Peru) provided an Annual Report for 2014. An edited and illustrated version of their report will be published in *News in Conservation* later this year. Universidad Externado de Colombia, the Academy of Fine Arts Sarajevo (Bosnia), the Vietnam National Museum, Hanoi, and the Escuela de Conservación y Restauración de Occidente (Mexico) did not respond to IIC's offer of conditional support, so are no longer IIC members. Edited versions of reports received from on-going Opportunities Fund members, including the Living Traditions Museum, Nepal, the Faculty of Restoration at the University of Pardubice and the Sultan Haji Hassan al Bolkhiah Islamic Exhibition Gallery (BPIS) will be published in subsequent issues of *News in Conservation*.

IIC would like to welcome Patricia Gameiro, who joined the office staff as a part-time assistant in June 2014 and we would like to thank her and IIC's Executive Secretary, Graham Voce, and the Membership secretary, Valerie Compton Taylor, for their tireless work on behalf of IIC.

Plans for the Future

The first IIC-ITCC course, entitled 'Scientific Approaches to Preventive Conservation', will be given in Beijing in conjunction with the Palace Museum to about 20 participants of middle-management level at the end of September 2015. Half the participants will be from China and many of the remainder will be from regions of the world where access to up-to-date information, facilities or even discussion with colleagues is not straightforward.

We look forward very much to the third Student and Emerging Conservator conference, to be held at the Warsaw Academy of Fine Arts in October 2015 and to meeting young conservation professionals from Poland and other parts of Central and Eastern Europe.

The first in a series of Professional Development Seminars, a new initiative by IIC to provide information on matters of professional interest, will be held in March 2016 and the information will subsequently be made available as a PDF. This meeting, on copyright, was held over from this year in order to ensure a good mix of speakers.

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

This past year has seen yet again an expansion of IIC's activities, while continuing (and improving) our core activities.

In recent years, IIC has turned around its finances from making an annual trading loss to making a surplus of £90,285 for the year under review. In addition, our fund managers have increased the capital value of our funds. In total the assets of IIC have increased to £506,338 of which £425,612 are unrestricted funds. This financial security is enabling IIC to innovate, to consolidate our activities and to cross-subsidise activities. However, the world-wide financial climate has again become uncertain requiring a cautious approach to using this capital.

The 2014 Hong Kong Congress proved a resounding success, ably organised by Shing-wai Chan and his splendid staff. They secured funding from the Leisure and Cultural Services Department (LCSD) of the Government of HKSAR and other major and minor partners. The financial outcome from the Congress was positive, with no need for a subsidy from IIC funds. Networking is a major benefit of our Congresses. An unexpected outcome of networking was the formation of a partnership with the Palace Museum, Beijing, to create the International Training Centre for Conservation (ITCC). The first output of the ITCC will be a course delivered by IIC in Beijing in September 2015. The administration of the course is handled partly at the Palace Museum, and partly, for IIC, by an administrative assistant fluent in both Putonghua and Cantonese, who is working on contract and based at LCSD in Hong Kong.. This support was initially funded by IIC and is being kindly underwritten by the Bei Shang Tang Foundation and, secondly, the Getty Foundation as part of an agreement that funds not spent on the support of participants attending the Hong Kong Congress should go towards outreach to the Chinese and East Asian conservation community. The administrative assistant is also assisting with communications with the new Chinese IIC members enrolled at the Congress, as renewal rates from this group for the following membership year have been low.

The publications contract with Maney is proving productive. The use of a professional publisher has enabled steady improvement in the quality and size of *Studies in Conservation*. In 2014, IIC paid off the generous loan from Maney. As a result, *Studies* should produce a net profit for IIC in future years. However as the quality of *Studies* increases, it is receiving increasing numbers of submissions. This has necessitated additional subsidy to reduce the backlog in publication.

IIC is a charity (based in the UK) and part of its charitable work is spreading the word about professional standards of conservation to places needing help. There are three funds that provide specific help, the Brommelle Fund (to enable students to attend, and network, at Congress), the Opportunities Fund (to provide subsidised membership to institutions), and the Keck Award (to recognise and celebrate promotion of conservation to the wider public). Members of IIC have been generous in contributing cash to these valuable initiatives. We urge members to increase their contributions in order that more help can be targeted where it can make such a large difference. The UK government recognises IIC's charitable work by offering to refund to IIC the income tax paid on UK members' contributions to IIC, known as Gift Aid. An account for contributions for the last four years to June 2015 will therefore be submitted to HMRC (Her Majesty's Revenue and Customs) to obtain this refund. UK members can declare on their membership pages their agreement to Gift Aid their contributions to increase this valuable additional income.

The combined effect of reduced expenditure and increased income in recent years has led to a reversal of past trends of declining reserves. However, the increased activities of IIC which need servicing are putting strains on our existing structure and office resources. Council is investigating responses to changes inside and outside IIC.

In common with many organisations, IIC is seeing a gradual decline in membership numbers, with a temporary increase this year created by recruitment of Congress attendees. Although membership fees are an important part of IIC's finances, the input and activity of members is more important, short and long term. IIC has introduced new types of membership in order to retain and attract people in the field, from students to retired professionals. Membership of IIC is a valuable way to maintain contact with the international activity that is conservation. We urge current members to spread the word, showing colleagues the benefits of being part of this world wide community.

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.

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

Jacob Cavenagh and Skeet resigned as auditors to IIC on 16th March 2015 after many years of service to IIC and we would like to thank them for their services to IIC over the years. Council appointed Kingston Smith LLP as auditors from 8th April 2015 and a resolution proposing the appointment of Kingston Smith as auditors will be put to the members at the next Annual General Meeting.

IIC separately engaged the services of Kingston Smith LLP to audit the accounts of the 2014 Hong Kong Congress at the request of LCSD.

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*

30th November 2015

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 30 June 2015 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 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 any party other than the charitable company and charitable 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 Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under Section 44(1)(c) of the Charities Act 2011 and the Companies Act 2006 and report to you in accordance with regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

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 trustees; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Trustees' Annual Report 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 2015 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 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

**STATEMENT OF FINANCIAL ACTIVITIES (including INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30TH JUNE 2015**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
INCOME AND EXPENDITURE					
Incoming Resources					
<i>Voluntary income:</i>					
Donations and grants		1,074	27,507	28,581	44,945
<i>Investment income (all UK):</i>					
Listed investments		940	–	940	6,662
Interest receivable		327	–	327	1,319
Incoming resources from charitable activities					
Membership income	4	218,405	–	218,405	177,125
Sale of publications, royalties and advertising revenue	5	42,797	–	42,797	28,470
Congress income		32,816	–	32,816	–
Other incoming resources					
		–	–	–	16,715
TOTAL INCOMING RESOURCES		<u>296,359</u>	<u>27,507</u>	<u>323,866</u>	<u>275,236</u>
RESOURCES EXPENDED					
Charitable expenditure					
Governance costs		205,308	23,223	228,531	182,152
		5,050	–	5,050	3,850
TOTAL RESOURCES EXPENDED	2	<u>210,358</u>	<u>23,223</u>	<u>233,581</u>	<u>186,002</u>
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR					
		86,001	4,284	90,285	89,234
Realised net gains/(losses) on investment assets		–	–	–	(139)
NET INCOME FOR THE YEAR		<u>86,001</u>	<u>4,284</u>	<u>90,285</u>	<u>89,095</u>
Unrealised net gains/(losses) on investment assets		12,890	486	13,376	4,452
NET MOVEMENT IN FUNDS		<u>98,891</u>	<u>4,770</u>	<u>103,661</u>	<u>93,547</u>
Funds brought forward		<u>326,721</u>	<u>75,956</u>	<u>402,677</u>	<u>309,130</u>
FUND BALANCES CARRIED FORWARD AT 30TH JUNE 2015		<u><u>425,612</u></u>	<u><u>80,726</u></u>	<u><u>506,338</u></u>	<u><u>402,677</u></u>

All gains and losses for the period are included in the Statement of Financial Activities and arise from continuing operations.

BALANCE SHEET AS AT 30TH JUNE 2015

	Note	2015 £	2015 £	2014 £	2014 £
FIXED ASSETS					
Tangible assets	6			943	691
Investments	7			428,323	314,947
				<u>429,266</u>	<u>315,638</u>
CURRENT ASSETS					
Debtors	8		104,251		71,473
Cash at bank and in hand			137,025		216,811
			<u>241,276</u>		<u>288,284</u>
Creditors: Amounts falling due within one year	9		<u>(164,204)</u>		<u>(201,245)</u>
NET CURRENT ASSETS/ (LIABILITIES)				<u>77,072</u>	<u>87,039</u>
Total Net Assets				<u><u>506,338</u></u>	<u><u>402,677</u></u>
FUNDS					
Restricted funds	11			80,726	75,956
Unrestricted funds	12			<u>425,612</u>	<u>326,721</u>
				<u><u>506,338</u></u>	<u><u>402,677</u></u>

These financial statements have been prepared in accordance with the special provisions within Part 15 of the Companies Act 2006 relating to small companies and with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005.

The financial statements were approved by the Board of Trustees and authorised for issue on 27th November 2015 and signed on their behalf by:

Velson Horie Treasurer

NOTES TO THE FINANCIAL STATEMENTS AT 30TH JUNE 2015

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable accounting standards and the Companies Act 2006.

The company has taken advantage from 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

Restricted funds are subject to restrictions imposed by the donor. These are accounted for separately from unrestricted funds and full details are given in note 12. Unrestricted funds are those which are not subject to restrictions, and any surpluses may be applied in furtherance of any of the organisation's objectives.

Designated funds are a type of unrestricted fund the Council have merely ear-marked 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 represents 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 received 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 related to more than one functional category a reasonable method of allocation is determined.

Tangible Fixed Assets and Depreciation

Fixed assets intended for ongoing use in the charity are capitalised at cost. Depreciation is provided on all tangible fixed assets at the rate calculated to write off the asset evenly over its useful life as follows:

Computer and Office Equipment	Straight Line over 3 years
Website	Straight Line over 3 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 Statement of Financial Activities over the period in which it 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

	2015		Governance costs £	Total £	2014 Total £
	Charitable Expenditure				
	Unrestricted £	Restricted £			
<i>Studies in Conservation</i>	28,019	–	–	28,019	27,238
<i>News in Conservation</i>	11,250	–	–	11,250	10,000
Project costs	10,869	–	–	10,869	–
Website	–	–	–	–	2,575
Accountancy	2,431	–	–	2,431	950
Audit	–	–	5,050	5,050	3,850
Investment management fees	–	–	–	–	730
General expenses	2,715	–	–	2,715	3,616
Maintenance	89	–	–	89	70
Depreciation	644	–	–	644	665
Bank charges	10,744	–	–	10,744	6,086
Irrecoverable VAT	4,571	–	–	4,571	4,715
Postage and couriers	4,142	–	–	4,142	5,755
Telephone	831	–	–	831	973
Printing and stationery	8,191	–	–	8,191	3,973
Rent, rates and office costs	11,427	–	–	11,427	13,942
Bad debts	–	–	–	–	4,964
Staff costs	81,898	–	–	81,898	76,298
Travel and meeting costs	5,809	–	–	5,809	6,376
Awards	5,455	5,957	–	11,412	3,550
	168,926	13,226	3,850	186,002	310,721
	189,085	5,957	5,050	200,092	176,326
	–	17,266	–	17,266	9,676
	16,223	–	–	16,223	–
	<u>205,308</u>	<u>23,223</u>	<u>5,050</u>	<u>233,581</u>	<u>186,002</u>

3 STAFF COSTS

	2015 £	2014 £
Wages and salaries	74,882	69,709
Social security costs	7,016	6,589
	<u>81,898</u>	<u>76,298</u>
	Number	Number
The average number of staff during the year	2	2

No employee was paid at the rate of more than £60,000 in the year or the previous year.

Expenses were reimbursed to three (2014: three) council members in the year amounting to £1,302 (2014: £3,253). No remuneration was paid to council members during the year (2014: nil).

4 MEMBERSHIP INCOME

	2015 Number	2014 Number	2015 £	2014 £
Students	160	142	3,150	3,124
Individual Members	1,116	967	73,802	58,053
Fellows	248	261	25,520	22,919
Institutional Members	314	331	115,933	93,029
	<u>1,838</u>	<u>1,701</u>	<u>218,405</u>	<u>177,125</u>

5 SALE OF PUBLICATIONS AND ADVERTISING

	2015 £	2014 £
Publications		
Congress Preprints	1,550	213
Royalties	41,147	27,709
Advertising		
<i>Website and News in Conservation</i>	100	548
Net incoming resources	<u>42,797</u>	<u>28,470</u>

6 TANGIBLE FIXED ASSETS

	Office Equipment £
Cost	
At 1st July 2014	9,574
Additions	896
At 30th June 2015	<u>10,470</u>
Depreciation	
At 1st July 2014	8,883
Charge for the period	644
At 30th June 2015	<u>9,527</u>
Net book value	
At 30th June 2015	<u>943</u>
At 30th June 2014	<u>691</u>

7 INVESTMENTS

	2015 £	2014 £
Quoted investments		
Market value at 1st July 2014	186,752	135,795
Additions	156,381	56,651
Disposals	-	(10,007)
Net realised gains/(losses)	-	(139)
Net unrealised gains/(losses)	8,028	4,452
Market value as at 30th June 2015	<u>351,161</u>	<u>186,752</u>
Historical cost at 30th June 2015	<u>327,116</u>	<u>169,860</u>
Common deposit and investment funds		
Opening at 1st July 2014	128,195	122,779
Net movement in year	(51,033)	5,416
At 30th June 2015	<u>77,162</u>	<u>128,195</u>
Total at 30th June 2015	<u>428,323</u>	<u>314,947</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

	2015	2014
	£	£
Trade debtors	60,637	58,698
Prepayments and accrued income	43,614	12,775
	<u>104,251</u>	<u>71,473</u>

9 CREDITORS: Amounts falling due within one year

	2015	2014
	£	£
Other creditors	127	3,109
Tax and social security	1,756	2,164
Membership income in advance	145,455	156,839
Deferred income	10,816	27,168
Accruals	6,050	11,965
	<u>164,204</u>	<u>201,245</u>

10 OPERATING LEASES

At 30th June 2015 there were annual commitments in respect of non-cancellable operating leases as follows:

	2015	2014
	£	£
Land and buildings		
Expiring in over 5 years	12,240	12,240
	<u>12,240</u>	<u>12,240</u>

11 RESTRICTED FUNDS

	Bei Shan Tang Fund	Getty Fund	IIC Keck Award Fund	Opportunities Fund	Funds at 30 Jun 2015
	£	£	£	£	£
Incoming resources	24,627	–	1,130	1,750	27,507
Expenditure	–	(17,266)	(1,820)	(4,137)	(23,223)
Net (outgoing)/incoming resources	24,627	(17,266)	(690)	(2,387)	4,284
Balance brought forward	–	42,018	31,640	2,298	75,956
Net gains on investment assets					–
Unrealised	–	–	486	–	486
Balance carried forward	<u>24,627</u>	<u>24,752</u>	<u>31,436</u>	<u>(89)</u>	<u>80,726</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 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. These funds were given to contribute towards the membership fees of members from developing countries.

Getty Fund

The Getty Foundation grant given in 2013-4 was used to support selected participants at the Hong Kong Congress held in September 2014. The residue is being put towards the construction and administration of a Chinese language page on the IIC web site.

Bei Shan Tang Fund

The Bei Shan Tang Foundation grant was given towards the administration of the IIC-ITCC conservation training institute and support of a Hong Kong-based administrative assistant.

12 UNRESTRICTED FUNDS

	General Fund £	Designated funds		Funds at 30 Jun 2015 £
		Congress Fund £	Brommelle Memorial Fund £	
Incoming resources	295,284	–	1,074	296,358
Expenditure	(204,902)	–	(5,455)	(210,357)
Net (outgoing)/incoming resources	90,382	–	(4,381)	86,001
Balance brought forward	189,674	80,000	57,047	326,721
Net gains on investment assets				
Realised	–	–	–	–
Unrealised	12,890	–	–	12,890
Balance carried forward	<u>292,946</u>	<u>80,000</u>	<u>52,666</u>	<u>425,612</u>

General Fund

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

Congress Fund

The purpose of this designated fund is to identify separately the income and expenditure relating to the International Congress. 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 £
Restricted funds					
Bei Shan Tang Fund	–	–	24,627	–	24,627
IIC Keck Award Fund	–	31,305	131	–	31,436
Opportunities Fund	–	–	(89)	–	(89)
Getty Fund	–	–	24,752	–	24,752
Unrestricted funds	943	397,018	27,651	–	425,612
	<u>943</u>	<u>428,323</u>	<u>77,072</u>	<u>–</u>	<u>506,338</u>