

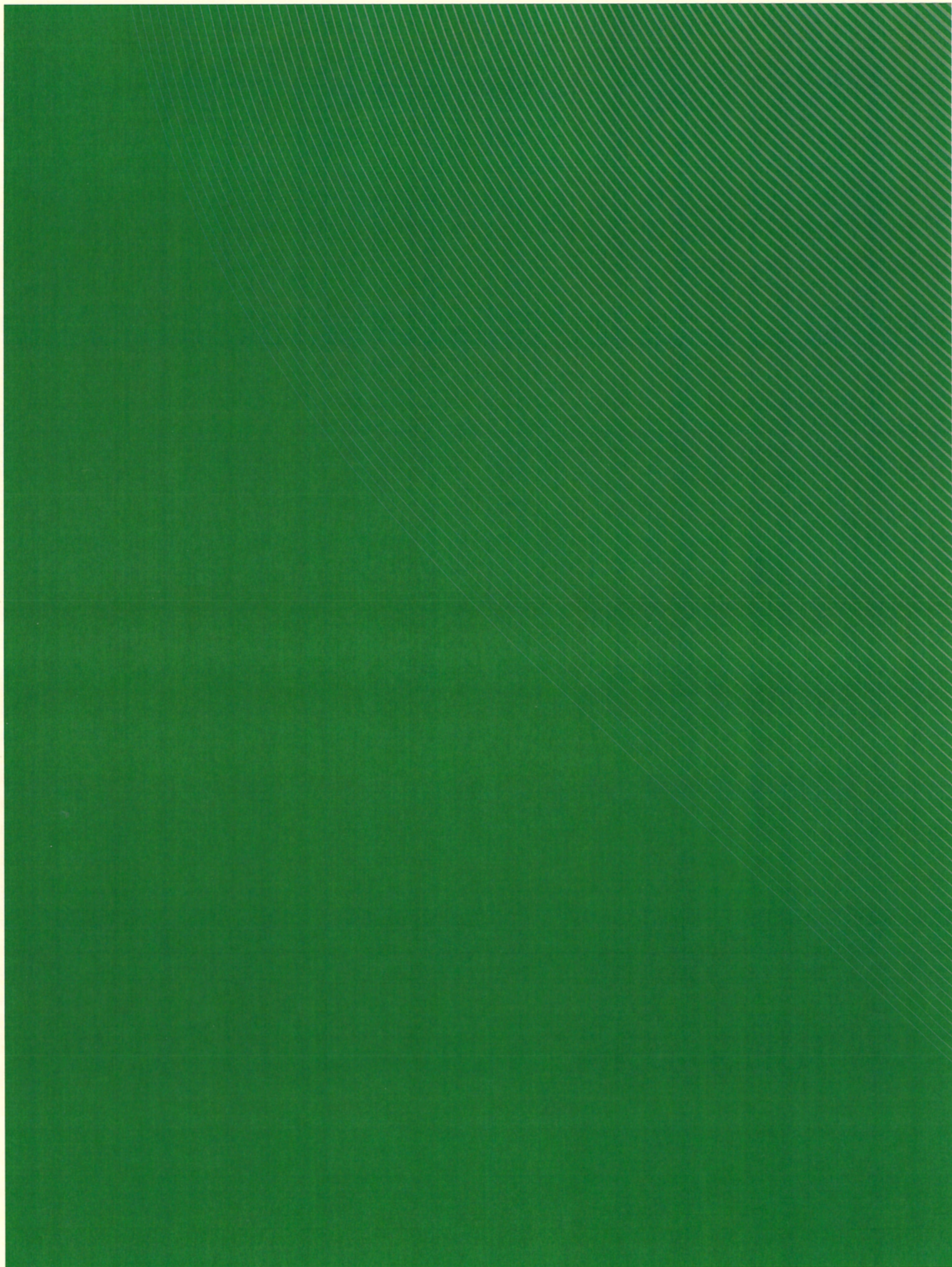


THE
LEATHERSELLERS'
FOUNDATION



ANNUAL REPORT & ACCOUNTS

31 July 2024



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Legal and Administrative Information

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

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

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

Auditor Buzzacott LLP
130 Wood Street, London EC2V 6DL

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

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

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

Members of the Court of Assistants

To 24 July 2024

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

Master
 Second Warden
 Third Warden ^
 Fourth Warden ^

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

From 6 March 2024

J S Holmes *
 J D G Curtis

From 24 July 2024

R N Tusting MA Cantab
 M D J Dove BA FCA AKC * † ‡
 R T Preston **†
 S Cheng KC †

Master
 Second Warden
 Third Warden ^
 Fourth Warden ^

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

From 4 December 2024

A B Brueggemann
 C J V Williams

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

* Members of the Charity Committee

† Members of the Education Committee

‡ Members of the Leather Trade Committee

‡ Chair Student Grants

Trustees' Report

The trustees present their annual report and accounts of The Leathersellers' Foundation ("the Foundation") for the year ended 31 July 2024. The accounts have been prepared in accordance with the accounting policies set out on pages 22 to 24 of the attached accounts and comply with the Foundation's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

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

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

The overarching aim of The Foundation is:

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

The objectives of The Foundation are:

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

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

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

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

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

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

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

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

Achievements during the year

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

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

Building on key strengths and heritage of learning

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

Best practice: Flexible Funders 8 Commitments

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

Transparency and Openness

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

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

EDI – Equity, Diversity and Inclusion

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

Collaboration with other Funders

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

Sustainability

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

Trustees' Report

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

Overview of 2023-24 Grant Funding

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

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

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

Grants analysed by Grants Programme are as follows:

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

Charity Main Grants – Adverse Childhood Experiences

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

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

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

Charity Responsive Fund – Sustainability

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

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

Small Grants Programme

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

Education – Colfe's School

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

Leathersellers' Federation of Schools

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

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

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

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

Match funding

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

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

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

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

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

Early Years Education Joint Programme

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

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

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

City Education Partners

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

Leather Education Partnerships

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

Trustees' Report

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

Leather Conservation and Heritage

The planned relocation of the Leather Conservation Centre continues to build momentum, with plans having altered over time, now focused on a move to Leicester. Alongside the opportunities presented by the workspace identified (currently being developed) a range of business opportunities were identified for the Centre and supportive partnership discussions held with education and local authority representatives.

A generous grant towards the relocation costs has been committed from the Leathersellers' Company (with ongoing core costs support from a grant from the Foundation) to aid this strategic step-change, which will come into play in the following financial year.

Leathersellers' Personal Giving Awards

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

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

Added value and collaboration

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

Leathersellers' Mentoring Programme

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

Equity, Diversity and Inclusion

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

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

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

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

Trustees' Report

Financial Review

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

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

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

Financing of grants

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

Fundraising statement

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

Reserves Policy

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

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

Investment Policy and performance

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

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

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

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

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

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

Future plans

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

Budget allocations, Grant Making Policy and Responsibilities

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

Impact Measurement Development

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

Environmental, social and governance

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

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

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

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

Structure, governance and management

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

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

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

Trustees' Report

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

Key management personnel

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

Risk management

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

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

Connected charities

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

Statement of trustees' responsibilities

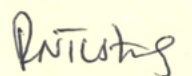
The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

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

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



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



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

Independent Auditor's Report

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

Opinion

We have audited the accounts of the Leathersellers' Foundation (the 'Foundation') for the year ended 31 July 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the Foundation's affairs as at 31 July 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual report and accounts other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Matters on which we are required to report by exception

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

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

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

Independent Auditor's Report

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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

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

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

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

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

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

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

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

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

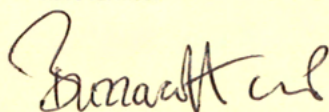
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance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

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

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

Use of our report

This report is made solely to the Foundation's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Foundation's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Foundation and the Foundation's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 5 December 2024

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

Statement of financial activities

Year to 31 July 2024

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

Continuing operations

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

Total recognised gains and losses

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

Statement of financial activities

Prior Year to 31 July 2023

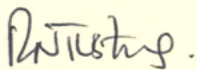
	Notes	General fund £'000	Restricted funds £'000	Expendable endowment funds £'000	Permanent endowment funds £'000	Total funds 2023 £'000
Income:						
Donations		100	106	-	-	206
Investment income	1	1,433	20	-	-	1,453
Total income		1,533	126	-	-	1,659
Expenditure:						
Cost of raising funds						
Investment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

Balance Sheet

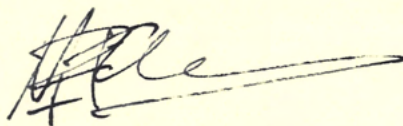
Year to 31 July 2024

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

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



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



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

Statement of Cash Flows

Year to 31 July 2024

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

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

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

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

Principal Accounting Policies

Year to 31 July 2024

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

Basis of preparation

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

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

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

Critical accounting estimates and areas of judgement

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

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

Assessment of going concern

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

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

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

Income recognition

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

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

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

Rental income is recognised on the accruals basis.

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

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

Expenditure recognition

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

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

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

All expenditure is stated inclusive of irrecoverable VAT.

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

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

Allocation of support and governance costs

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

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

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

Fixed asset investments

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

Principal Accounting Policies

Year to 31 July 2024

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

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

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

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

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

Endowment funds

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

Restricted funds

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

General fund

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

Pension costs

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

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

Taxation

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

Notes to the accounts

Year to 31 July 2024

1. Investment income

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

2. Expenditure on charitable activities: charitable grant making

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

Notes to the accounts

Year to 31 July 2024

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

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

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

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

2024
£'000

2023
£'000

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

ACE Charity Main Grants

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

Notes to the accounts

Year to 31 July 2024

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

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

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

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

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

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

Notes to the accounts

Year to 31 July 2024

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

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

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

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

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

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

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

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

Notes to the accounts

Year to 31 July 2024

6. Investment portfolio (continued)

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

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

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

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

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

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

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

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

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

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

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

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

Notes to the accounts

Year to 31 July 2024

11. Restricted funds (continued)

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

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

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

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

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

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

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

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

Notes to the accounts

Year to 31 July 2024

14 Pension scheme

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

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

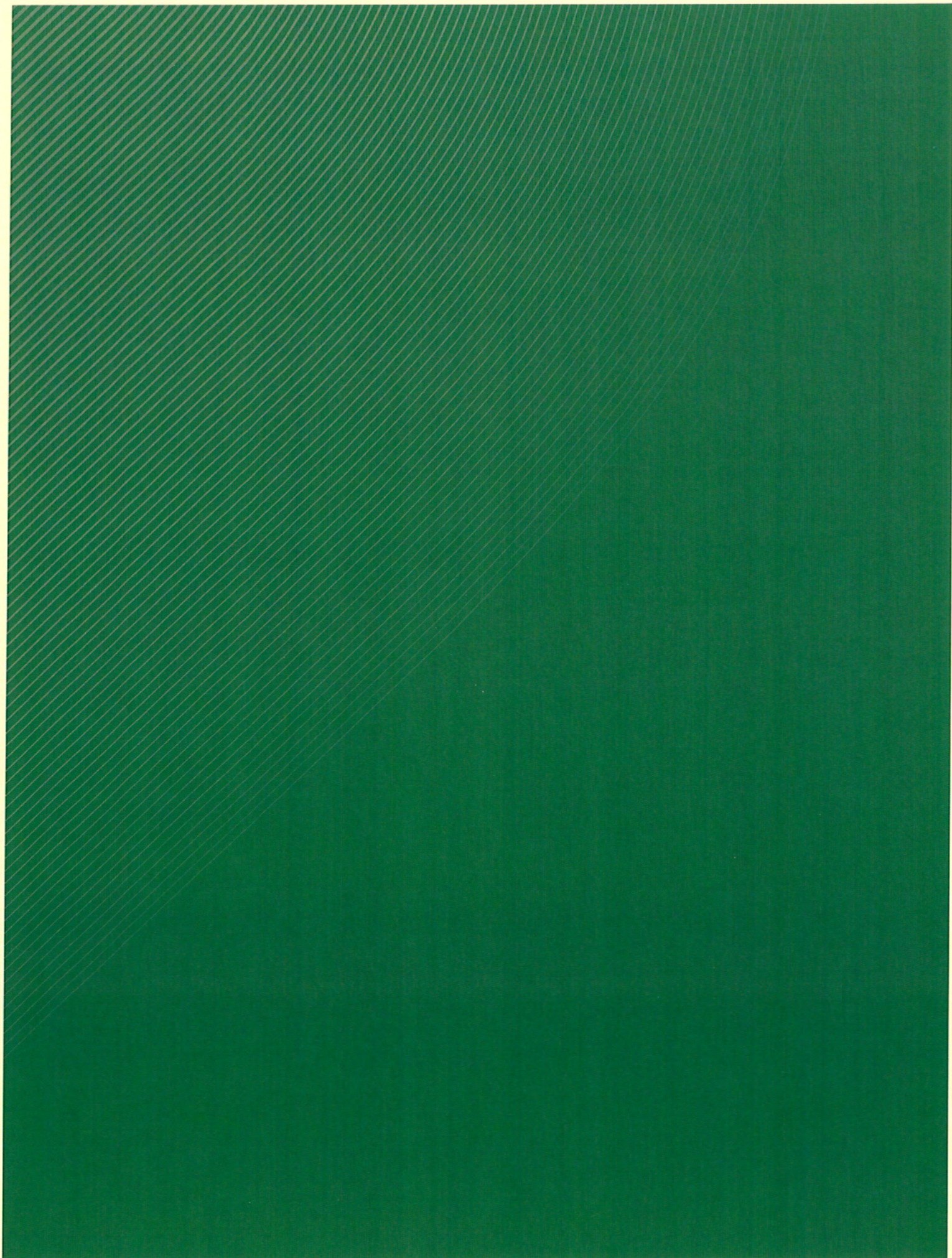
15 Related party transactions

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

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

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

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





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